SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10 - Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended October 28, 2000

Commission file no. 1-10299

VENATOR GROUP, INC.
(Exact name of registrant as specified in its charter)

New York	13-3513936
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
112 W. 34th Street, New York, New York	10120
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number: (212) 720-3700

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES X NO ____

Number of shares of Common Stock outstanding at December 1, 2000: 138,028,871

VENATOR GROUP, INC.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

VENATOR GROUP, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions, except shares)

	October 28, 2000 (Unaudited)	October 30, 1999* (Unaudited)	January 29, 2000 (Audited)
ASSETS			
Current assets			
Cash and cash equivalents	$ 18	$ 63	$ 162
Merchandise inventories	922	863	739
Assets held for disposal	54	179	61
Net assets of discontinued operations	9	85	13
Other current assets	126	168	114
	1,129	1,358	1,089
Property and equipment, net	740	882	809
Deferred taxes	312	354	317
Goodwill, net	145	153	151
Other assets	147	96	149
	$ 2,473	$ 2,843	$ 2,515
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Short-term debt	$ 140	$ 300	$ 71
Accounts payable	299	354	233
Accrued liabilities	246	207	254
Current portion of repositioning and restructuring reserves	37	30	88
Current portion of reserve for discontinued operations	16	87	25
Current portion of long-term debt and obligations under capital leases	54	208	106
	792	1,186	777
Long-term debt and obligations under capital leases	259	313	312
Other liabilities	263	323	287
Shareholders' equity			
Common stock and paid-in capital: 138,116,998; 137,422,104 and 137,542,104 shares, respectively	344	335	337
Retained earnings	994	872	945
Accumulated other comprehensive loss	(178)	(186)	(142)
Less: Treasury stock at cost: 199,625; 30,000 and 100,000 shares, respectively	(1)	-	(1)
Total shareholders' equity	1,159	1,021	1,139
	$ 2,473	$ 2,843	$ 2,515

See Accompanying Notes to Condensed Consolidated Financial Statements.

* 1999 interim information has been restated to reflect the change in method for calculating the market-related value of pension plan assets.

VENATOR GROUP, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(in millions, except per share amounts)

	Thirteen weeks ended		Thirty-nine weeks ended	
	Oct. 28, 2000	Oct. 30, 1999*	Oct. 28, 2000	Oct. 30, 1999*
Sales	$ 1,160	$ 1,178	$ 3,309	$ 3,320
Costs and Expenses				
Cost of sales	804	848	2,334	2,430
Selling, general and administrative expenses	264	254	763	758
Depreciation and amortization	40	47	121	138
Restructuring charge	4	3	4	55
Interest expense, net	8	17	23	45
Other income	-	(5)	(16)	(36)
	1,120	1,164	3,229	3,390
Income (loss) from continuing operations before income taxes	40	14	80	(70)
Income tax expense (benefit)	15	6	31	(27)
Income (loss) from continuing operations	25	8	49	(43)
Income on disposal of discontinued operations, net of income tax expense of $7	-	-	-	10
Cumulative effect of accounting change, net of income tax expense of $6	-	-	-	8
Net income (loss)	$ 25	$ 8	$ 49	$ (25)
Basic earnings per share:				
Income (loss) from continuing operations	$ 0.18	$ 0.06	$ 0.36	$ (0.31)
Income from discontinued operations	-	-	-	0.07
Cumulative effect of accounting change	-	-	-	0.06
Net income (loss)	$ 0.18	$ 0.06	$ 0.36	$ (0.18)
Weighted-average common shares outstanding	137.9	137.4	137.7	137.1
Diluted earnings per share:				
Income (loss) from continuing operations	$ 0.18	$ 0.06	$ 0.35	$ (0.31)
Income from discontinued operations	-	-	-	0.07
Cumulative effect of accounting change	-	-	-	0.06
Net income (loss)	$ 0.18	$ 0.06	$ 0.35	$ (0.18)
Weighted-average common shares assuming dilution	139.5	138.4	139.0	137.1

See Accompanying Notes to Condensed Consolidated Financial Statements.

* 1999 interim information has been restated to reflect the change in method for calculating the market-related value of pension plan assets.

VENATOR GROUP, INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited)
(in millions)

	Thirteen weeks ended		Thirty-nine weeks ended	
	Oct. 28, 2000	Oct. 30, 1999*	Oct. 28, 2000	Oct. 30, 1999*
Net income (loss)...	$ 25	$ 8	$ 49	$ (25)
Other comprehensive income (loss), net of tax.				
Foreign currency translation adjustments arising during the period, net of deferred tax expense (benefit) of($15), $2, ($23) and $1, respectively.........	(23)	3	(36)	1
Comprehensive income (loss).................................	$ 2	$ 11	$ 13	$ (24)

See Accompanying Notes to Condensed Consolidated Financial Statements.

* 1999 interim information has been restated to reflect the change in method for calculating the market-related value of pension plan assets.

VENATOR GROUP, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(in millions)

	Thirty-nine weeks ended	
	Oct. 28, 2000	Oct. 30, 1999*
From Operating Activities:		
Net income (loss)	$ 49	$ (25)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities of continuing operations:		
Cumulative effect of accounting change, net of tax	-	(8)
Restructuring charge	4	55
Income on disposal of discontinued operations, net of tax	-	(10)
Depreciation and amortization	121	138
Gains on sales of investments	(6)	-
Gains on sales of real estate	(10)	(36)
Deferred taxes	(11)	(28)
Change in assets and liabilities:		
Merchandise inventories	(198)	(130)
Accounts payable and other accruals	45	45
Repositioning and restructuring reserves	(56)	(10)
Other, net	8	(50)
Net cash used in operating activities of continuing operations	(54)	(59)
From Investing Activities:		
Proceeds from sales of investments	7	-
Proceeds from sales of real estate	7	29
Capital expenditures	(69)	(122)
Net cash used in investing activities of continuing operations	(55)	(93)
From Financing Activities:		
Increase in short-term debt	69	50
Reduction in long-term debt and capital lease obligations	(104)	-
Issuance of common stock	5	6
Net cash (used in) provided by financing activities of continuing operations.	(30)	56
Net Cash used in Discontinued Operations	(9)	(30)
Effect of exchange rate fluctuations on Cash and Cash Equivalents	4	(4)
Net change in Cash and Cash Equivalents	(144)	(130)
Cash and Cash Equivalents at beginning of year	162	193
Cash and Cash Equivalents at end of interim period	$ 18	$ 63
Cash paid during the period:		
Interest	$ 22	$ 41
Income taxes	$ 28	$ 19

See Accompanying Notes to Condensed Consolidated Financial Statements.

* 1999 interim information has been restated to reflect the change in method for calculating the market-related value of pension plan assets.

VENATOR GROUP, INC.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements should be read in conjunction with the Notes to Consolidated Financial Statements contained in the Registrant's Form 10-K for the year ended January 29, 2000, as filed with the Securities and Exchange Commission (the "SEC") on April 21, 2000. Certain items included in these statements are based on management's estimates. In the opinion of management, all material adjustments, which are of a normal recurring nature, necessary for a fair presentation of the results for the interim periods have been included. The results for the thirty-nine weeks ended October 28, 2000 are not necessarily indicative of the results expected for the year.

Cumulative Effect of Change in Accounting Principle

In the fourth quarter of 1999, the Registrant adopted a preferred method for calculating the market-related value of its U.S. pension plan assets used in determining annual pension expense. The change was accounted for as if it had occurred at the beginning of the first quarter of 1999 and accordingly, interim information presented for 1999 has been restated to reflect this change. The impact of this change resulted in a non-cash benefit in 1999 of approximately $14 million before-tax, or $0.06 per diluted share, representing the cumulative effect of the accounting change related to years prior to 1999. The change resulted in lower pension expense in 1999 of $4.5 million before-tax, or $0.02 per diluted share as follows: $0.8 million in each of the first and second quarters, $1.8 million in the third quarter and $1.1 million in the fourth quarter.

1999 Restructuring

During the second quarter of 1999, the Registrant recorded a restructuring charge of $64 million before-tax or $39 million after-tax, in connection with its plan to sell or liquidate eight non-core businesses: The San Francisco Music Box Company, Randy River Canada, Foot Locker Outlets, Colorado, Team Edition, Going To The Game!, Weekend Edition and Burger King franchises. Major components of the charge included $24 million for leasehold and real estate disposition costs, $19 million for fixed asset and other asset impairments, $12 million for inventory markdowns and $9 million for other exit costs. The inventory markdowns of $12 million were included in cost of sales while the remaining $52 million restructuring charge was included in operating expenses. The Registrant recorded an additional charge to the reserve of $3 million in the third quarter of 1999 relating to fixed asset and real estate disposition costs and a reduction of $4 million in the fourth quarter of 1999 relating to better than anticipated real estate disposition costs related to the Foot Locker Outlets.

In 2000, the Registrant recorded an additional charge of $5 million in the first quarter relating to the disposal of the remaining businesses and a reduction of $3 million in the second quarter relating to the disposition of the Foot Locker Outlets real estate, which continued to produce better than anticipated results. In the third quarter of 2000, the disposition of Randy River Canada, Foot Locker Outlets, Colorado, Going to the Game! and Weekend Edition were essentially complete and the Registrant recorded a further charge of $4 million associated with dispositions in progress. In addition, during the third quarter, management decided to continue to operate Team Edition as a manufacturing business, primarily as a result of the resurgence of the screen print business. As of October 28, 2000, the assets of Team Edition were reclassified from assets held for disposal and were recorded at fair value as of the date the decision to continue the business was made, which approximated their carrying value at such date, which was lower than the original carrying value at the commitment date to dispose of the business, adjusted for depreciation and amortization expense.

For the thirty-nine weeks ended October 28, 2000, disposition activity of approximately $17 million was charged to the reserve and included $12 million in leasehold and real estate disposition costs, $1 million for the loss on disposal of Randy River Canada and $4 million in severance and other costs. The reserve balance at October 28, 2000 of $13 million reflects estimated lease costs of $3 million and other disposition costs of $10 million, which will be substantially utilized within twelve months.

In the fourth quarter of 1999, the Registrant announced a further restructuring plan and recorded a charge of $92 million before-tax or $56 million after-tax. The Registrant planned to close 358 under-performing stores in the United States and Canada (including the entire Northern Getaway and Northern Elements formats in the United States) and its Foot Locker stores in Asia, to reduce sales support and corporate staff by over 30 percent and to close its distribution center in Maumelle, Arkansas.

As of January 29, 2000, 72 stores included in the accelerated store-closing program had been closed. During the first and second quarters of 2000, 215 and 11 stores were closed, respectively. In the second quarter of 2000, the Registrant recorded a further charge of approximately $4 million primarily associated with unfavorable real estate costs, the addition of 6 stores to the program and further fixed asset write-offs. This charge was partially offset by a reversal of $1 million due to management's decision to continue to operate 14 athletic stores that were originally included in the accelerated store-closing program, as a result of favorable lease renewal terms offered during negotiations with landlords.

During the third quarter of 2000, the Registrant closed an additional 13 stores. The remaining 39 stores included in the program are expected to close over the next few months. Disposition activity charged to the reserve for the thirty-nine weeks ended October 28, 2000 amounted to approximately $26 million and consisted primarily of real estate costs. The reserve balance of $15 million at October 28, 2000, included in current liabilities, primarily represents leasehold and real estate disposition costs. Of the original 3,100 planned terminations, approximately 150 positions have yet to be eliminated in the United States and Canada as of October 28, 2000.

All remaining Foot Locker stores in Asia were closed during the first quarter of 2000. Real estate, severance and other exit costs of approximately $3 million for the thirty-nine weeks ended October 28, 2000 essentially utilized the remaining reserve for those stores.

Of the original planned reduction of 400 sales support and corporate staff, approximately 20 positions have yet to be eliminated. Related severance payments reduced the reserve from $14 million at January 29, 2000 to $4 million at October 28, 2000. The Registrant entered into an agreement to sublease its Maumelle distribution center earlier than anticipated and to sell the associated fixed assets, which had been fully impaired in the fourth quarter of 1999, for proceeds of approximately $3 million. The Registrant recorded a reduction to the Maumelle reserve of $5 million in connection with the agreement in the first quarter of 2000 and the proceeds were received in the second quarter. Disposition activity for the thirty-nine weeks ended October 28, 2000 of $2 million comprised severance payments of $1 million to eliminate 181 positions and real estate costs of $1 million. The remaining reserve balance as of October 28, 2000 of $1 million reflects lease and other exit costs.

Sales and operating losses of the above non-core businesses and the under-performing stores, excluding Team Edition, included in the consolidated results of operations for the thirteen and thirty-nine weeks ended October 28, 2000 and October 30, 1999, respectively, are presented below.

	Thirteen weeks ended		Thirty-nine weeks ended	
(in millions)	Oct. 28, 2000	Oct. 30, 1999	Oct. 28, 2000	Oct. 30, 1999
Sales	$ 28	$ 94	$ 90	$ 251
Operating loss	$ (2)	$ (15)	$ (18)	$ (57)

Inventory, fixed assets and other long-lived assets of all businesses to be exited have been valued at the lower of cost or net realizable value. These assets, totaling $54 million, $179 million and $61 million have been reclassified as assets held for disposal in the Condensed Consolidated Balance Sheets as of October 28, 2000, October 30, 1999 and January 29, 2000, respectively. As previously mentioned, the assets of Team Edition have not been reflected as assets held for disposal as of October 28, 2000 as management has decided to retain its operations.

Segment Information

Sales and operating results for the Registrant's reportable segments for the thirteen and thirty-nine weeks ended October 28, 2000 and October 30, 1999, respectively, are presented below. Operating results reflect income (loss) from continuing operations before income taxes, excluding corporate expense, corporate gains and net interest expense.

Sales:

(in millions)	Thirteen weeks ended		Thirty-nine weeks ended	
	Oct. 28, 2000	Oct. 30, 1999	Oct. 28, 2000	Oct. 30, 1999
Global Athletic Group:				
Retail Stores	$ 988	$ 948	$ 2,850	$ 2,686
Direct to Customers	67	53	171	139
	1,055	1,001	3,021	2,825
Northern Group	82	97	228	252
All Other *	23	80	60	243
	$ 1,160	$ 1,178	$ 3,309	$ 3,320

Operating Results:

(in millions)	Thirteen weeks ended		Thirty-nine weeks ended	
	Oct. 28, 2000	Oct. 30, 1999**	Oct. 28, 2000	Oct. 30, 1999**
Global Athletic Group:				
Retail Stores (1)	$ 74	$ 35	$ 187	$ (7)
Direct to Customers	3	-	(5)	3
	77	35	182	(4)
Northern Group (2)	(4)	1	(20)	(21)
All Other*(3)	(6)	(4)	(19)	(2)
Operating profit (loss)	67	32	143	(27)
Corporate expense (income) (4)	19	1	40	(2)
Interest expense, net	8	17	23	45
Income (loss) from continuing operations before income taxes	$ 40	$ 14	$ 80	$ (70)

(1) Thirty-nine weeks ended October 28, 2000 includes a $3 million reduction in the 1999 second quarter restructuring charge, offset by a $2 million restructuring charge. Thirty-nine weeks ended October 30, 1999 includes restructuring charges of $64 million.

(2) Thirty-nine weeks ended October 28, 2000 includes a $1 million restructuring charge.

(3) Thirteen and thirty-nine weeks ended October 28, 2000 include restructuring charges of $4 million and $9 million, respectively. Both periods presented for 1999 include a $3 million restructuring charge.

(4) Thirty-nine weeks ended October 28, 2000 includes a $5 million reduction in the 1999 fourth quarter restructuring charge.

* All formats presented as "All Other" were either disposed or held for disposal at October 28, 2000. Sales and operating results in 2000 do not include Afterthoughts, Weekend Edition and Randy River Canada, which were sold in the fourth quarter of 1999.

** 1999 interim information has been restated to reflect the change in method for calculating the market-related value of pension plan assets.

Discontinued Operations

In the third quarter of 1998, the Registrant announced that it was exiting its International General Merchandise segment. Net disposition activity of approximately $6 million charged to the reserve for the thirty-nine weeks ended October 28, 2000 primarily reflected lease payments. Of the remaining reserve balance of $4 million at October 28, 2000, $1 million is required to satisfy lease obligations within twelve months and the remaining $3 million thereafter.

The Registrant also announced in the third quarter of 1998 that it was exiting its Specialty Footwear segment. Net disposition activity of approximately $9 million charged to the reserve for the thirty-nine weeks ended October 28, 2000 primarily reflected lease payments. The reserve balance of $19 million at October 28, 2000 primarily represents leasehold obligations, $3 million of which is expected to be utilized within twelve months and the remaining $16 million thereafter.

In 1997, the Registrant announced that it was exiting its Domestic General Merchandise segment. Net disposition activity of approximately $7 million charged to the reserve for the thirty-nine weeks ended October 28, 2000 included payments for leasehold and real estate disposition costs. The reserve balance of $16 million at October 28, 2000 primarily represents real estate disposition costs, $12 million of which is expected to be utilized within twelve months and the remaining $4 million thereafter.

The following is a summary of the net assets of discontinued operations:

(in millions)	Oct. 28, 2000	Oct. 30, 1999	January 29, 2000
International General Merchandise			
Assets	$ -	$ 45	$ 5
Liabilities	-	9	2
Net assets of discontinued operations	$ -	$ 36	$ 3
Specialty Footwear			
Assets	$ 3	$ 52	$ 5
Liabilities	1	11	2
Net assets of discontinued operations	$ 2	$ 41	$ 3
Domestic General Merchandise			
Assets	$ 11	$ 16	$ 12
Liabilities	4	8	5
Net assets of discontinued operations	$ 7	$ 8	$ 7
Total net assets of discontinued operations	$ 9	$ 85	$ 13

The assets primarily include deferred tax assets and fixed assets. Liabilities primarily reflect accounts payable and other accrued liabilities.

Accumulated Other Comprehensive Loss

Accumulated other comprehensive loss consists of foreign currency translation adjustments of $176 million, $143 million, and $140 million, and minimum pension liability adjustments of $2 million, $43 million, and $2 million, at October 28, 2000, October 30, 1999, and January 29, 2000, respectively.

Earnings Per Share

Basic earnings per share is computed as net income (loss) divided by the weighted-average number of common shares outstanding for the period. Diluted earnings per share reflects the potential dilution that could occur from common shares issuable through stock-based compensation such as stock options. A reconciliation of weighted-average common shares outstanding to weighted-average common shares assuming dilution follows:

	Thirteen weeks ended		Thirty-nine weeks ended	
(in millions)	Oct. 28, 2000	Oct. 30, 1999	Oct. 28, 2000	Oct. 30, 1999
Weighted-average common shares outstanding....................	137.9	137.4	137.7	137.1
Incremental common shares issuable............................	1.6	1.0	1.3	-
Weighted-average common shares assuming dilution..............	139.5	138.4	139.0	137.1

Incremental common shares were not included in the computation for the year-to-date period ended October 30, 1999 since their inclusion in periods when the Registrant reported a loss from continuing operations would be antidilutive. Options to purchase shares of common stock with an exercise price greater than the average market price were not included in the computation of diluted earnings per share for all periods presented.

Stock Plans

The 1998 Stock Option and Award Plan was amended during the second quarter of 2000 to provide awards of up to 12,000,000 shares of the Registrant's common stock. The number of shares reserved for issuance as restricted stock and other stock-based awards can not exceed 3,000,000 shares.

During the second quarter of 2000, the Registrant adopted the Directors Stock Option Plan ("Directors Option Plan"). Under the Directors Option Plan, non-employee directors can receive options to purchase shares of the Registrant's common stock at 100 percent of the market price at the date of the grant. Options are exercisable in three equal annual installments commencing on the first anniversary of the date of grant. The options terminate 10 years from the date of grant. An aggregate of 100,000 shares are authorized for issuance under the Directors Option Plan.

Long-Term Debt

The Registrant purchased $100 million of the $200 million 7.0 percent debentures, which were due June 1, 2000, at various dates throughout January 2000. The Registrant purchased an additional $13 million of the 7.0 percent debentures prior to June 1, 2000, when the remaining $87 million balance outstanding was repaid.

Other Income

Other income of $16 million for the thirty-nine weeks ended October 28, 2000 included corporate real estate gains of $4 million and $6 million in the first and second quarters, respectively, and a $6 million gain associated with the demutualization of the Metropolitan Life Insurance Company in the first quarter. Other income of $36 million for the thirty-nine weeks ended October 30, 1999 reflected corporate real estate gains of $28 million related to the sale of eleven properties and the recognition of $8 million of the deferred gain recorded on the 1998 sale of the corporate headquarters.

Recent Accounting Pronouncements

In March 2000, the Financial Accounting Standards Board ("FASB") issued Financial Interpretation No. 44, "Accounting for Certain Transactions Involving Stock Compensation, an Interpretation of APB Opinion 25, Accounting for Stock Issued to Employees," ("FIN No. 44"). FIN No. 44 provides further guidance related to accounting for stock-based compensation, in particular to changes in stock-based awards after the grant date. In the second quarter of 2000, the Registrant adopted FIN No. 44, which did not have any impact on its consolidated financial statements.

In December 1999, the Securities and Exchange Commission issued Staff Accounting Bulletin No. 101, "Revenue Recognition in Financial Statements" ("SAB No. 101"), which interprets generally accepted accounting principles related to revenue recognition in financial statements. The Registrant will change its method of accounting for sales under its layaway program and will record the cumulative effect of that change as of the beginning of the fiscal year, in the fourth quarter of 2000. The Registrant does not expect SAB No. 101 to have a significant impact on its consolidated financial statements. The Emerging Issues Task Force recently released Issue No. 00-10, "Accounting for Shipping and Handling Fees and Costs" ("Issue No. 00-10"), which is effective in the fourth quarter of 2000. Shipping and handling charges to customers will be reclassified as sales and the associated costs as cost of sales for all periods presented. The Registrant does not expect Issue No. 00-10 to have a significant impact on its consolidated financial statements.

In June 1998, the FASB issued Statement of Financial Accounting Standards ("SFAS") No. 133, "Accounting for Derivative Instruments and Hedging Activities" ("SFAS No. 133"). SFAS No. 133, as amended by SFAS No. 137 and SFAS No. 138, is effective for the Registrant for fiscal year 2001. SFAS No. 133 requires that all derivative financial instruments be recorded in the Consolidated Balance Sheets at their fair values. Changes in fair value of derivatives will be recorded each period in earnings or other comprehensive income (loss), depending on the type of hedging designation, if any. The Registrant primarily enters into contracts in order to hedge the foreign currency risk associated with future cash flows. As such, the effective portion of the gain or loss on the hedging derivative instrument will be reported as a component of other comprehensive income (loss) and will be reclassified to earnings in the period in which the hedged item affects earnings. Since the impact of SFAS No. 133 is dependent on future market rates and outstanding derivative positions at the beginning of fiscal 2001, the Registrant cannot yet determine the impact on its consolidated financial statements.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

References included herein to businesses disposed and held for disposal relate to Afterthoughts, The San Francisco Music Box Company, Foot Locker Outlets, Colorado, Going To The Game!, Randy River Canada, Weekend Edition, Burger King franchises, Foot Locker Asia, Northern Elements U.S. and Northern Getaway U.S.

RESULTS OF OPERATIONS

Sales of $1,160 million for the third quarter of 2000 decreased 1.5 percent from sales of $1,178 million for the third quarter of 1999, reflecting a 6.4 percent increase attributable to sales of ongoing formats, offset by a 7.9 percent decline related to businesses disposed and held for disposal. Sales of $3,309 million for the thirty-nine weeks ended October 28, 2000 were essentially flat as compared with $3,320 million for the thirty-nine weeks ended October 30, 1999, reflecting an increase of 7.8 percent attributable to ongoing formats, which was offset by a decline of 8.1 percent related to businesses disposed and held for disposal. Excluding the effect of foreign currency fluctuations and sales from businesses disposed and held for disposal, sales increased 9.0 percent and 10.1 percent for the third quarter and year-to-date periods of 2000, respectively, as compared with the corresponding prior-year periods, reflecting increases of 10.1 percent and 11.2 percent in comparable-store sales.

Gross margin, as a percentage of sales, improved by approximately 270 basis points for both the thirteen and thirty-nine weeks ended October 28, 2000, to 30.7 percent and 29.5 percent, respectively, as compared with the corresponding prior-year periods. These increases in 2000 reflect reduced occupancy, buying costs and markdowns as a percentage of sales along with improved purchasing. Excluding the inventory markdowns of $12 million in the second quarter of 1999 associated with the Registrant's restructuring plan to exit eight non-core businesses, gross margin increased by approximately 230 basis points for the thirty-nine weeks ended October 28, 2000.

Selling, general and administrative expenses ("SG&A") of $264 million increased by approximately 120 basis points to 22.8 percent of sales in the third quarter of 2000 as compared with 21.6 percent in the corresponding prior-year period. SG&A of $763 million for the thirty-nine weeks ended October 28, 2000, increased slightly to 23.1 percent of sales as compared with 22.8 percent for the 1999 year-to-date period. These increases reflect increased compensation and marketing costs in 2000 as compared with a year earlier, offset in part, by a reduced and more efficient store base. For the thirty-nine weeks ended October 28, 2000, SG&A also included Internet costs of approximately $16 million primarily related to website strategic development and marketing.

Depreciation and amortization expense of $40 million and $121 million for the thirteen and thirty-nine weeks ended October 28, 2000 decreased by 14.9 percent and 12.3 percent, respectively, as compared with the corresponding prior-year periods. These decreases reflect the reduction in depreciable assets as a result of the disposal of businesses and stores in 1999 and more focused capital expenditure programs in 2000 and 1999, as compared with prior years.

Interest expense, net decreased by $9 million and by $22 million for the thirteen and thirty-nine weeks ended October 28, 2000, respectively, as compared with the corresponding prior-year periods. These decreases reflect reduced short-term interest expense related to lower average short-term borrowing levels, offset in part by higher short-term interest rates, and reduced long-term interest expense resulting from the repayment of the $200 million 7.0 percent debentures. Interest income, primarily related to income tax settlements and refunds of $8 million, for the thirty-nine weeks ended October 28, 2000 increased by $2 million compared with the corresponding period in 1999.

Other income of $16 million for the thirty-nine weeks ended October 28, 2000 included corporate real estate gains of $10 million related to property sales and a $6 million gain associated with the demutualization of the Metropolitan Life Insurance Company. This compared with $36 million for the thirty-nine weeks ended October 30, 1999 primarily related to property sales.

The Registrant reported net income for the thirteen and thirty-nine weeks ended October 28, 2000 of $25 million and $49 million, respectively, or $0.18 and $0.35 per diluted share. The Registrant reported net income of $8 million or $0.06 per diluted share and a net loss of $25 million or $0.18 per diluted share for the quarter and year-to-date periods ended October 30, 1999, respectively. The thirty-nine weeks ended October 30, 1999 included income from discontinued operations of $10 million after-tax, or $0.07 per diluted share and income from the cumulative effect of an accounting change of $8 million after-tax, or $0.06 per diluted share.

STORE COUNT

The following table summarizes store count by segment, after reclassification for businesses disposed and held for disposal. During the thirty-nine weeks ended October 28, 2000, the Registrant remodeled or relocated 75 stores. 239 of the 415 stores closed during the thirty-nine weeks ended October 28, 2000 related to the 1999 accelerated store-closing program and 34 closures reflected the amalgamation of the Northern Traditions and Northern Reflections formats in the second quarter of 2000. An additional 39 under-performing stores related to the accelerated store-closing program will be closed within twelve months, of which 36 are included in the Global Athletic Group at October 28, 2000.

	Jan. 29, 2000	Opened	Closed	Oct. 28, 2000	Oct. 30, 1999
Global Athletic Group	3,693	18	96	3,615	3,703
Northern Group	836	11	148	699	844
Disposed and held for disposal	345	2	171	176	1,356
Total	4,874	31	415	4,490	5,903

SALES

The following table summarizes sales by segment, after reclassification for businesses disposed and held for disposal. The disposed and held for disposal category represents all businesses sold or closed or held for disposal other than the discontinued segments, and are therefore included in continuing operations.

(in millions)	Thirteen weeks ended		Thirty-nine weeks ended	
	Oct. 28, 2000	Oct. 30, 1999	Oct. 28, 2000	Oct. 30, 1999
Global Athletic Group:				
Retail Stores	$ 988	$ 917	$ 2,849	$ 2,606
Direct to Customers	67	53	171	139
	1,055	970	3,020	2,745
Northern Group	82	92	225	241
Disposed and held for disposal	23	116	64	334
Total sales	$ 1,160	$ 1,178	$ 3,309	$ 3,320

Global Athletic Group sales increased by 8.8 percent and by 10.0 percent for the 2000 third quarter and year-to-date periods as compared with the corresponding prior-year periods, reflecting comparable-store sales increases of 11.2 percent and 12.1 percent, respectively. Sales from retail store formats increased by 7.7 percent and by 9.3 percent, respectively, reflecting stronger sales performance in all formats. Footwear continued to drive the sales growth across all formats, particularly in the high-end athletic footwear lines such as the Nike Tuned Air running shoe and the Adidas SL basketball and running shoes. Private label apparel at the Foot Locker and Lady Foot Locker formats, in particular the introduction of micro-fiber fleece products at Lady Foot Locker, has contributed to incremental sales.

Direct to Customers sales increased by 26.4 percent and by 23.0 percent for the thirteen and thirty-nine weeks ended October 28, 2000 as compared with the corresponding prior-year periods. Catalog sales increased by 8.0 percent to $54 million in the third quarter of 2000 and by 6.8 percent to $142 million for the year-to-date period. Internet sales of $13 million and $29 million, excluding freight, for the thirteen and thirty-nine weeks ended October 28, 2000, increased by $10 million and $23 million, respectively, as compared with the corresponding periods in 1999.

Excluding the impact of foreign currency fluctuations, Northern Group sales declined by 10.6 percent for the third quarter of 2000 and by 6.7 percent for the year-to-date period. These declines primarily reflect the impact of operating 111 fewer stores in the United States and Canada in 2000. Comparable-store sales decreased by 2.7 percent for the third quarter and were essentially flat for the year-to-date period. As part of the ongoing reorganization at the Northern Group, the former Northern Traditions stores were combined with the Northern Reflections format resulting in an overall reduction of 34 stores.

OPERATING RESULTS

Operating results reflect income (loss) from continuing operations before income taxes, excluding corporate expense, corporate gains and net interest expense. The following table summarizes operating profit (loss) by segment, after reclassification for businesses disposed and held for disposal.

(in millions)	Thirteen weeks ended		Thirty-nine weeks ended	
	Oct. 28, 2000	Oct. 30, 1999	Oct. 28, 2000	Oct. 30, 1999
Global Athletic Group:				
Retail Stores.......................................	$ 74	$ 39	$ 188	$ 80
Direct to Customers................................	3	-	(5)	3
	77	39	183	83
Northern Group...	(4)	4	(16)	(11)
Disposed and held for disposal..........................	(2)	(8)	(15)	(32)
Restructuring charges..................................	(4)	(3)	(9)	(67)
Total operating profit (loss)..........................	$ 67	$ 32	$ 143	$ (27)

The Global Athletic Group's operating profit of $77 million for the third quarter of 2000 almost doubled as compared with $39 million for the corresponding prior-year period and increased by $100 million for the 2000 year-to-date period. These significantly improved profitability levels were largely driven by the Retail Stores business. Operating profit increases of $35 million and $108 million from retail stores for the thirteen and thirty-nine weeks ended October 28, 2000, respectively, reflected improved sales and gross margin rate performances in all athletic formats, in a somewhat less promotional environment. In addition, the Direct to Customers business contributed to the improved performance in the third quarter of 2000, reporting an operating profit of $3 million. Direct to Customers operating results for the thirteen and thirty-nine weeks ended October 28, 2000 included increased Internet strategic development and marketing costs of approximately $4 million and $15 million, respectively.

The Northern Group's operating results declined by $8 million and by $5 million, respectively, for the third quarter and year-to-date periods in 2000. A new merchandise strategy was initiated in Northern Reflections during the third quarter of 2000, targeting a younger customer base, as part of the ongoing reorganization of the Northern Group. The initial sales results from this strategy were disappointing, as comparable-store sales for this period declined by 2.7 percent. Third quarter results also reflect higher markdown activity to promote the new product, as well as clear old inventory. If this new merchandise strategy is not successful, the Registrant may need to take additional steps, as yet not determined, with regard to the Northern Group.

Restructuring charges of $3 million and $67 million for the thirteen and thirty-nine weeks ended October 30, 1999 relate to the disposal of the non-core businesses named in the 1999 restructuring program. The remaining businesses in the program incurred operating losses of $2 million and $15 million in the 2000 third quarter and year-to-date periods, respectively. Related to the disposition of these remaining businesses in 2000, the Registrant recorded a $4 million charge in the third quarter and a net charge of $6 million for the year-to-date period. In addition, the second quarter of 2000 also included an additional restructuring charge of $3 million related to the 1999 accelerated store-closing program.

SEASONALITY

The Registrant's businesses are seasonal in nature. Historically, the greatest proportion of sales and net income is generated in the fourth quarter and the lowest proportions of sales and net income are generated in the first and second quarters, reflecting seasonal buying patterns. As a result of these seasonal sales patterns, inventory generally increases in the third quarter in anticipation of strong fourth quarter sales.

LIQUIDITY AND CAPITAL RESOURCES

Generally, the Registrant's primary sources of cash have been from operations, borrowings under the revolving credit agreement, and proceeds from the sale of non-strategic assets. The Registrant generally finances real estate with operating leases. The principal use of cash has been to finance inventory requirements, which are generally at their peak during the third and fourth quarters, debt repayment, capital expenditures related to store openings, store remodelings and management information systems, and to fund other general working capital requirements.

Operating activities of continuing operations reduced cash by $54 million for the thirty-nine weeks ended October 28, 2000, as compared with $59 million in the corresponding prior-year period. These amounts reflect the income (loss) from continuing operations reported by the Registrant in those periods, adjusted for non-cash items and working capital changes. The cash flow from operations in 2000 was essentially unchanged from 1999 as the inflow from the Registrant's improved operating performance was offset by the outflow for merchandise inventories associated with the increased sales volume. Merchandise inventories, excluding businesses disposed and held for disposal, of $922 million at October 28, 2000 increased by $65 million from $857 million at October 30, 1999 in anticipation of strong fourth quarter sales. Included in cash flow from operations for the thirty-nine weeks ended October 28, 2000 were cash payments of $56 million primarily related to the 1999 restructuring program.

Net cash used in investing activities of continuing operations was $55 million and $93 million for the thirty-nine weeks ended October 28, 2000 and October 30, 1999, respectively. Capital expenditures of $69 million for the thirty-nine weeks ended October 28, 2000 primarily related to store remodelings as compared with $122 million for the corresponding prior-year period. Planned capital expenditures of $110 million for 2000 include expenditures for new store openings, remodeling of existing stores, management information systems, logistics and other support facilities. Cash proceeds from real estate disposition activities contributed $7 million in 2000 as compared with $29 million in 1999, reflecting the sale of eleven properties. In the second quarter of 2000, the Registrant received $7 million in cash as a result of the demutualizaton of the Metropolitan Life Insurance Company.

Financing activities for the Registrant's continuing operations utilized cash of $30 million for the thirty-nine weeks ended October 28, 2000 compared to cash provided by financing activities of $56 million for the corresponding prior-year period. Outstanding borrowings under the Registrant's revolving credit agreement were $140 million and $300 million at October 28, 2000 and October 30, 1999, respectively, and have been classified as short-term debt. The total facility at October 28, 2000 was $300 million. During the first quarter of 2000, the Registrant purchased $12 million of its $200 million 7.0 percent debentures and an additional $1 million on May 10, 2000. On June 1, 2000, the remaining balance of $87 million was repaid with restricted cash funds set aside on February 15, 2000, as required by the revolving credit agreement. Management believes current domestic and international credit facilities and cash provided by operations will be adequate to finance its working capital requirements and support the development of its short-term and long-term strategies.

Net cash used in discontinued operations primarily reflects real estate disposition expenses charged to the Specialty Footwear, International and Domestic General Merchandise reserves for both periods presented.

IMPACT OF EUROPEAN MONETARY UNION

The European Union comprises fifteen member states, eleven of which adopted a common currency, the "euro," effective January 1, 1999. From that date until January 1, 2002, the transition period, the national currencies will remain legal tender in the participating countries as denominations of the euro. Monetary, capital, foreign exchange and interbank markets have converted to the euro and non-cash transactions are possible in euros. On January 1, 2002, euro bank notes and coins will be issued and the former national currencies will be withdrawn from circulation no later than July 1, 2002.

The Registrant has reviewed the impact of the euro conversion on its information systems, accounting systems, vendor payments and human resources, and the necessary modifications, if any, are substantially in place. Plans to upgrade or modify the point of sale hardware and software are in progress and will be executed throughout the remainder of 2000 and 2001.

The adoption of a single European currency will lead to greater product pricing transparency and a more competitive environment. The Registrant will display the euro equivalent price of merchandise as a customer service during the transition period, as will many retailers, until the official euro conversion in 2002. The euro conversion is not expected to have a significant effect on the Registrant's results of operations or financial condition.

DISCLOSURE REGARDING FORWARD-LOOKING STATEMENTS

Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward-looking statements within the meaning of the federal securities laws. All statements, other than statements of historical facts, which address activities, events or developments that the Registrant expects or anticipates will or may occur in the future, including, but not limited to, such things as future capital expenditures, expansion, strategic plans, growth of the Registrant's business and operations and euro related actions and other such matters are forward-looking statements. These forward-looking statements are based on many assumptions and factors including, but not limited to, effects of currency fluctuations, customer demand, fashion trends, competitive market forces, uncertainties related to the effect of competitive products and pricing, customer acceptance of the Registrant's merchandise mix and retail locations, economic conditions worldwide, the ability of the Registrant to execute its business plans effectively with regard to each of its operating units, and the ability of the Registrant to implement, in a timely manner, the programs and actions related to the euro issue. Any changes in such assumptions or factors could produce significantly different results. The Registrant undertakes no obligation to publicly update forward-looking statements, whether as a result of new information, future events or otherwise.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

The only legal proceedings pending against the Registrant or its consolidated subsidiaries consist of ordinary, routine litigation, including administrative proceedings, incident to the businesses of the Registrant, as well as litigation incident to the sale and disposition of businesses that have occurred in the past several years. Management does not believe that the outcome of such proceedings will have a material effect on the Registrant's consolidated financial position, liquidity, or results of operations.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

An index of the exhibits that are required by this item, and which are furnished in accordance with Item 601 of Regulation S-K, appears on pages 18 through 19. The exhibits which are in this report immediately follow the index.

(b) Reports on Form 8-K

The Registrant filed a report on Form 8-K dated August 17, 2000 (date of earliest event reported) reporting operating results for the second quarter ended July 29, 2000.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

VENATOR GROUP, INC.

(Registrant)

Date: December 12, 2000

/s/ Bruce Hartman

BRUCE HARTMAN
Senior Vice President
and Chief Financial Officer

VENATOR GROUP, INC.
INDEX OF EXHIBITS REQUIRED BY ITEM 6(a) OF FORM 10-Q
AND FURNISHED IN ACCORDANCE WITH ITEM 601 OF REGULATION S-K

Exhibit No. in Item 601 of Regulation S-K	Description
3(i)(a)	Certificate of Incorporation of the Registrant, as filed by the Department of State of the State of New York on April 7, 1989 (incorporated herein by reference to Exhibit 3(i)(a) to the Quarterly Report on Form 10-Q for the quarterly period ended July 26, 1997, filed by the Registrant with the SEC on September 4, 1997 (the "July 26, 1997 Form 10-Q")).
3(i)(b)	Certificates of Amendment of the Certificate of Incorporation of the Registrant, as filed by the Department of State of the State of New York on (a) July 20, 1989 (b) July 24, 1990 (c) July 9, 1997 (incorporated herein by reference to Exhibit 3(i)(b) to the July 26, 1997 Form 10-Q) and (d) June 11, 1998 (incorporated herein by reference to Exhibit 4.2(a) of the Registration Statement on Form S-8 (Registration No. 333-62425) previously filed with the SEC).
3(ii)	By-laws of the Registrant, as amended (incorporated herein by reference to Exhibit 4.2 of the Registration Statement on Form S-8 (Registration No. 333-62425) previously filed with the SEC).
4.1	The rights of holders of the Registrant's equity securities are defined in the Registrant's Certificate of Incorporation, as amended (incorporated herein by reference to Exhibits 3(i)(a) and 3(i)(b) to the July 26, 1997 Form 10-Q and Exhibit 4.2(a) to the Registration Statement on Form S-8 (Registration No. 333-62425) previously filed with the SEC).
4.2	Rights Agreement dated as of March 11, 1998 ("Rights Agreement"), between Venator Group, Inc. and First Chicago Trust Company of New York, as Rights Agent (incorporated herein by reference to Exhibit 4 to the Form 8-K dated March 11, 1998).
4.2(a)	Amendment No. 1 to the Rights Agreement, dated as of May 28, 1999 (incorporated herein by reference to Exhibit 4.2(a) to the Quarterly Report on Form 10-Q for the quarterly period ended May 1, 1999, filed by the Registrant with the SEC on June 4, 1999).
4.3	Indenture dated as of October 10, 1991 (incorporated herein by reference to Exhibit 4.1 to the Registration Statement on Form S-3 (Registration No. 33-43334) previously filed with the SEC).

Exhibit No. in Item 601 of Regulation S-K	Description
4.4	Forms of Medium-Term Notes (Fixed Rate and Floating Rate) (incorporated herein by reference to Exhibits 4.4 and 4.5 to the Registration Statement on Form S-3 (Registration No. 33-43334) previously filed with the SEC).
4.5	Form of 8 % Debentures due 2022 (incorporated herein by reference to Exhibit 4 to the Registrant's Form 8-K dated January 16, 1992).
4.6	Distribution Agreement dated July 13, 1995 and Forms of Fixed Rate and Floating Rate Notes (incorporated herein by reference to Exhibits 1, 4.1 and 4.2, respectively, to the Registrant's Form 8-K dated July 13, 1995).
12	Computation of Ratio of Earnings to Fixed Charges.
15	Letter re: Unaudited Interim Financial Statements.
27.1	Financial Data Schedule - October 28, 2000 (which is submitted electronically to the SEC for information only and not filed).
27.2	Restated Financial Data Schedule - October 30, 1999 (which is submitted electronically to the SEC for information only and not filed).
99	Independent Accountants' Review Report.

Exhibits filed with this Form 10-Q:

Exhibit No.	Description
12	Computation of Ratio of Earnings to Fixed Charges.
15	Letter re: Unaudited Interim Financial Statements.
27.1	Financial Data Schedule - October 28, 2000.
27.2	Restated Financial Data Schedule - October 30, 1999.
99	Independent Accountants' Review Report.

EXHIBIT 12

VENATOR GROUP, INC.

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(Unaudited)
($ in millions)

		Thirty-nine weeks ended		Fiscal Years Ended				
		Oct. 28, 2000	Oct. 30, 1999*	Jan. 29, 2000	Jan. 30, 1999	Jan. 31, 1998	Jan. 25, 1997	Jan. 27, 1996
NET EARNINGS								
Income (loss) from continuing operations, after-tax..................	$	49	(43)	17	3	213	209	29
Income tax expense (benefit)............		31	(27)	11	(42)	120	139	34
Interest expense, excluding capitalized interest..............................		31	51	65	57	41	53	91
Portion of rents deemed representative of the interest factor (1/3)...........		142	135	190	180	163	162	157
	$	253	116	283	198	537	563	311
FIXED CHARGES								
Gross interest expense..................	$	32	52	67	64	41	53	91
Portion of rents deemed representative of the interest factor (1/3)...........		142	135	190	180	163	162	157
	$	174	187	257	244	204	215	248
RATIO OF EARNINGS TO FIXED CHARGES................................		1.5	0.6	1.1	0.8	2.6	2.6	1.3

Earnings were not adequate to cover fixed charges by $71million for the thirty-nine weeks ended October 30, 1999 and by $46 million for the fiscal year ended January 30, 1999.

* 1999 interim information has been restated to reflect the change in method for calculating the market-related value of pension plan assets.

EXHIBIT 15

Accountants' Acknowledgment

Venator Group, Inc.
New York, New York

Board of Directors:

Re: Registration Statements Numbers 33-10783, 33-91888, 33-91886, 33-97832, 333-07215, 333-21131, 333-62425, 333-33120, 333-41056 and 333-41058 on Form S-8 and Numbers 33-43334 and 33-86300 on Form S-3

With respect to the subject registration statements, we acknowledge our awareness of the use therein of our report dated November 16, 2000 related to our review of interim financial information.

Pursuant to Rule 436(c) under the Securities Act of 1933, such report is not considered a part of a registration statement prepared or certified by an accountant or a report prepared or certified by an accountant within the meaning of Sections 7 and 11 of the Act.

/s/ KPMG LLP
New York, New York
December 8, 2000

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE NINE MONTHS ENDED OCTOBER 28, 2000 AND THE CONSOLIDATED BALANCE SHEET AS OF OCTOBER 28, 2000 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS

1,000,000

9-MOS
FEB-03-2001
JAN-30-2000
OCT-28-2000
18
0
0
0
922
1,129
740
0
2,473
792
259
0
0
0
1,159
2,473
3,309
3,309
2,334
2,334
121
0
23
80
31
49
0
0
0
49
0.36
0.35

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED STATEMENTS OF OPERATIONS FOR THE NINE MONTHS ENDED OCTOBER 30, 1999 AND THE CONSOLIDATED BALANCE SHEET AS OF OCTOBER 30, 1999 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS

1,000,000

9-MOS
JAN-29-2000
JAN-31-1999
OCT-30-1999
63
0
0
0
863
1,358
882
0
2,843
1,186
313
0
0
0
1,021
2,843
3,320
3,320
2,430
2,430
138
0
45
(70)
(27)
(43)
10
0
8
(25)
(0.18)
(0.18)

EXHIBIT 99

Independent Accountants' Review Report

The Board of Directors and Shareholders
Venator Group, Inc.:

We have reviewed the accompanying condensed consolidated balance sheets of Venator Group, Inc. and subsidiaries as of October 28, 2000 and October 30, 1999, and the related condensed consolidated statements of operations and comprehensive income (loss) for the thirteen and thirty-nine week periods ended October 28, 2000 and October 30, 1999 and cash flows for the thirty-nine week periods ended October 28, 2000 and October 30, 1999. These condensed consolidated financial statements are the responsibility of Venator Group, Inc. management.

We conducted our reviews in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the condensed consolidated financial statements referred to above for them to be in conformity with accounting principles generally accepted in the United States of America.

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the consolidated balance sheet of Venator Group, Inc. and subsidiaries as of January 29, 2000, and the related consolidated statements of operations, comprehensive income (loss), shareholders' equity, and cash flows for the year then ended (not presented herein); and in our report dated March 8, 2000, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of January 29, 2000, is fairly stated, in all material respects, in relation to the consolidated balance sheet from which it has been derived.

/s/ KPMG LLP
New York, New York
November 16, 2000