

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 19, 2009

Foot Locker, Inc.

(Exact Name of Registrant as Specified in its Charter)

New York
(State or other Jurisdiction
of Incorporation)

1-10299
(Commission File Number)

13-3513936
(I.R.S. Employer
Identification No.)

112 West 34th Street, New York, New York
(Address of Principal Executive Offices)

10120
(Zip Code)

Registrant's telephone number, including area code: **212-720-3700**

Former Name/Address

(Former name or former address, if changed from last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operation and Financial Condition

On November 19, 2009, Foot Locker, Inc. (the “Company”) issued a press release announcing its operating results for the third quarter of 2009. The press release includes a non-GAAP financial measure of third quarter and year-to-date net income before an impairment charge, which the Company believes provides a useful measure to investors because it allows for a more direct comparison of the Company’s performance for the third quarter and year-to-date 2009 to the Company’s performance in the prior-year periods. The non-GAAP financial measure is provided in addition to, and not as an alternative for, the Company’s reported results prepared in accordance with GAAP. A reconciliation schedule to GAAP is provided in the release.

A copy of the press release is furnished as Exhibit 99.1, which, in its entirety, is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits

99.1 Press Release of Foot Locker, Inc. dated November 19, 2009 reporting operating results for the third quarter of 2009.

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 hereunto duly authorized.

FOOT LOCKER, INC.
(Registrant)

Date: November 19, 2009

By: /s/ Robert W. McHugh
*Executive Vice President and
Chief Financial Officer*

FOOT LOCKER, INC.

NEWS RELEASE

Contact: Peter D. Brown
Senior Vice President,
Chief Information Officer
and Investor Relations
Foot Locker, Inc.
(212) 720-4254

FOOT LOCKER, INC. REPORTS THIRD QUARTER RESULTS

NEW YORK, NY, November 19, 2009 – Foot Locker, Inc. (NYSE: FL), the New York-based specialty athletic retailer, today reported financial results for its third quarter ended October 31, 2009.

Third Quarter Results

The Company reported a net loss of \$6 million, or \$0.04 per share, for the third quarter this year, after including \$22 million, after tax, or \$0.14 per share, of non-cash impairment charges to write down long-lived assets of the Company's U.S. operations. Excluding the impairment charges, third quarter net income was \$16 million, or \$0.10 per share, in 2009.

In the year-ago period, net income was \$24 million, or \$0.16 per share, including an impairment charge of \$3 million, after tax, or \$0.02 per share, to write down the value of a short-term investment. Before the impairment charge, net income was \$27 million, or \$0.18 per share, in the 2008 third quarter period.

Third quarter sales decreased 7.3 percent, to \$1,214 million this year compared with sales of \$1,309 million for the corresponding prior-year period. Excluding the effect of foreign currency fluctuations, total sales for the thirteen-week period decreased 7.6 percent. Third quarter comparable-store sales decreased 8.2 percent.

“Our success in reducing expenses and tightly managing inventory helped to offset lower than anticipated sales in our U.S. operations,” stated Ken C. Hicks, Foot Locker, Inc.'s President and Chief Executive Officer. “The financial results at our international operations were far more encouraging, particularly as we experienced a favorable sales trend improvement in Europe as we progressed through the quarter and continuing sales gains in the Asia/Pacific region. We are also pleased with our strong internally-generated cash flow and quarter-end financial position.”

Year-to-Date Results

For the first nine months of the year, the Company reported net income of \$25 million, or \$0.16 per share, including impairment charges of \$22 million, after-tax, or \$0.14 per share. Excluding the impairment charges, year-to-date net income was \$47 million, or \$0.30 per share. This compares with net income of \$45 million, or \$0.29 per share, in last year's period, which included impairment charges and store closing expenses of \$21 million, after tax, or \$0.14 per share. Before the impairment charges, net income was \$66 million, or \$0.43 per share, in the 2008 nine-month period.

Year-to-date sales decreased 10.0 percent to \$3,529 million compared with sales of \$3,920 million last year. Excluding the effect of foreign currency fluctuations, total sales for the thirty-nine week period decreased 7.2 percent. Comparable-store sales decreased 7.6 percent.

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Foot Locker, Inc. 112 West 34th Street, New York, NY 10120

Financial Position

During the past 12 months, the Company generated \$134 million of positive cash flow, after capital expenditures and shareholder dividends. The Company utilized \$106 million of this cash to acquire CCS in November 2008 and \$28 million is reflected on its third quarter balance sheet as an increase in its total cash position, net of debt versus the same period last year. At the end of the third quarter, the Company's cash and short-term investments totaled \$438 million. Merchandise inventory at the end of the third quarter was \$1,228 million, or 2.7 percent less than the comparable period of last year.

Store Base Update

The Company opened 33 new stores, remodeled or relocated 130 stores, and closed 73 stores during the first nine months of this year. At October 31, 2009, the Company operated 3,601 stores in 21 countries in North America, Europe and Australia. In addition, 20 franchised stores are currently operating in the Middle East and South Korea.

The Company is hosting a live conference call at 9:00 a.m. (ET) on Friday, November 20, 2009 to discuss these results. This conference call may be accessed live from the Investor Relations section of the Foot Locker, Inc. website at <http://www.footlocker-inc.com>. The conference call will be available for webcast replay until 5:00 p.m. on Friday, November 27, 2009.

Disclosure Regarding Forward-Looking Statements

This press release 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 Company expects or anticipates will or may occur in the future, including, but not limited to, such things as future capital expenditures, expansion, strategic plans, dividend payments, stock repurchases, growth of the Company's business and operations, including future cash flows, revenues and earnings, and other such matters are forward-looking statements. These forward-looking statements are based on many assumptions and factors detailed in the Company's filings with the Securities and Exchange Commission, including the 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 Company's merchandise mix and retail locations, the Company's reliance on a few key vendors for a majority of its merchandise purchases (including a significant portion from one key vendor), pandemics and similar major health concerns, unseasonable weather, further deterioration of global financial markets, economic conditions worldwide, further deterioration of business and economic conditions, any changes in business, political and economic conditions due to the threat of future terrorist activities in the United States or in other parts of the world and related U.S. military action overseas, the ability of the Company to execute its business plans effectively with regard to each of its business units, and risks associated with foreign global sourcing, including political instability, changes in import regulations, and disruptions to transportation services and distribution. Any changes in such assumptions or factors could produce significantly different results. The Company undertakes no obligation to update forward-looking statements, whether as a result of new information, future events, or otherwise.

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FOOT LOCKER, INC.
Condensed Consolidated Statements of Operations
(unaudited)
Periods ended October 31, 2009 and November 1, 2008
(In millions, except per share amounts)

	Third Quarter 2009	Third Quarter 2008
Sales	\$ 1,214	\$ 1,309
Cost of sales	885	954
Selling, general and administrative expenses	274	287
Depreciation and amortization	29	32
Impairment charges	36	3
Interest expense, net	3	1
Other (income)	---	(5)
	1,227	1,272
Income (loss) before income taxes	(13)	37
Income tax expense (benefit)	(7)	13
Net income (loss)	\$ (6)	\$ 24
<u>Diluted EPS:</u>		
Net income (loss)	\$ (0.04)	\$ 0.16
Weighted-average diluted shares outstanding	156.4	155.6
	Year-To-Date 2009	Year-To-Date 2008
Sales	\$ 3,529	\$ 3,920
Cost of sales	2,564	2,838
Selling, general and administrative expenses	804	885
Depreciation and amortization	85	97
Impairment charge & store closing program costs	36	23
Interest expense, net	8	4
Other (income)	(2)	(7)
	3,495	3,840
Income from continuing operations before income taxes	34	80
Income tax expense	10	35
Income from continuing operations	24	45
Discontinued operations, net of tax	1	---
Net income	\$ 25	\$ 45
<u>Diluted EPS:</u>		
Income from continuing operations	\$ 0.16	\$ 0.29
Discontinued operations, net of tax	---	---
Net income	\$ 0.16	\$ 0.29
Weighted-average diluted shares outstanding	156.1	155.3

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**Reconciliation of Net Income from a GAAP-reported basis to a non-GAAP basis
(unaudited)**

Periods ended October 31, 2009 and November 1, 2008

(In millions, except per share amounts)

	<u>Third Quarter 2009</u>	<u>Third Quarter 2008</u>
<u>Net income (loss):</u>		
GAAP basis	\$ (6)	\$ 24
<u>Additions</u>, after tax:		
Impairment charge (1), (2)	22	3
Non-GAAP adjusted basis	<u>\$ 16</u>	<u>\$ 27</u>
<u>Net income (loss) per share:</u>		
GAAP basis	\$ (0.04)	\$ 0.16
<u>Additions</u>, after tax:		
Impairment charge	0.14	0.02
Non-GAAP adjusted basis	<u>\$ 0.10</u>	<u>\$ 0.18</u>
	<u>Year-To-Date 2009</u>	<u>Year-To-Date 2008</u>
<u>Net income:</u>		
GAAP basis	\$ 25	\$ 45
<u>Additions</u>, after tax:		
Impairment charge (1), (2), (3)	22	18
Store closing program costs (4)	---	3
Non-GAAP adjusted basis	<u>\$ 47</u>	<u>\$ 66</u>
<u>Net income per share:</u>		
GAAP basis	\$ 0.16	\$ 0.29
<u>Additions</u>, after tax:		
Impairment charge	0.14	0.12
Store closing program costs	---	0.02
Non-GAAP adjusted basis	<u>\$ 0.30</u>	<u>\$ 0.43</u>

(1) 2009 amount includes the write down of long lived assets.

(2) 2008 amount reflects the write down of the value of a short-term money market security.

(3) 2008 amount reflects the write down of the value of a note receivable from the purchaser of the Company's former Northern Group Operation in Canada.

(4) 2008 amount reflects the costs of closing underproductive stores.

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FOOT LOCKER, INC.
Condensed Consolidated Balance Sheets
(unaudited)
(In millions)

	<u>October 31,</u> <u>2009</u>	<u>November 1,</u> <u>2008</u>
Assets		
CURRENT ASSETS		
Cash, cash equivalents and short-term investments	\$ 438	\$ 400
Merchandise inventories	1,228	1,262
Other current assets	216	238
	<u>1,882</u>	<u>1,900</u>
Property and equipment, net	400	505
Deferred tax assets	376	232
Other assets	305	392
	<u>\$ 2,963</u>	<u>\$ 3,029</u>
Liabilities and Shareholders' Equity		
CURRENT LIABILITIES		
Accounts payable	\$ 276	\$ 271
Accrued and other liabilities	202	240
	<u>478</u>	<u>511</u>
Long-term debt and obligations under capital leases	138	128
Other liabilities	365	228
SHAREHOLDERS' EQUITY	<u>1,982</u>	<u>2,162</u>
	<u>\$ 2,963</u>	<u>\$ 3,029</u>

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FOOT LOCKER, INC.
Stores and Estimated Square Footage
(unaudited)
(Square footage in thousands)

	<u>October 31,</u> <u>2009</u>	<u>November 1,</u> <u>2008</u>	<u>November 3,</u> <u>2007</u>
Foot Locker U.S.			
Number of stores	1,198	1,240	1,335
Gross square footage	4,860	5,055	5,458
Selling square footage	2,878	3,014	3,268
Footaction			
Number of stores	323	341	368
Gross square footage	1,498	1,589	1,714
Selling square footage	940	985	1,055
Lady Foot Locker			
Number of stores	466	507	543
Gross square footage	1,028	1,123	1,210
Selling square footage	588	640	687
Kids Foot Locker			
Number of stores	304	314	333
Gross square footage	725	759	807
Selling square footage	426	448	479
Champs Sports			
Number of stores	564	575	584
Gross square footage	3,016	3,107	3,173
Selling square footage	2,002	2,088	2,154
CCS			
Number of stores	2	---	---
Gross square footage	6	---	---
Selling square footage	4	---	---
Foot Locker International			
Number of stores	744	737	733
Gross square footage	2,161	2,150	2,119
Selling square footage	1,098	1,099	1,091
Total Stores Operated			
Number of stores	3,601	3,714	3,896
Gross square footage	13,294	13,783	14,481
Selling square footage	7,936	8,274	8,734
Total Franchised Stores			
Number of stores	20	16	10
Gross square footage	74	63	33
Selling square footage	50	42	22