

FOOT LOCKER INC
Form 10-Q
September 08, 2010

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

FORM 10-Q

(Mark
One)

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

For the quarterly period ended: July 31, 2010

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

For the transition period from _____ to _____

Commission File Number: 1-10299

FOOT LOCKER, 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 West 34th Street, New York, New York, 10120
(Address of Principal Executive Offices, Zip Code)

(212-720-3700)
(Registrant's Telephone Number, Including Area Code)

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 ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Number of shares of Common Stock outstanding at August 28, 2010: 155,674,989

FOOT LOCKER, INC.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

FOOT LOCKER, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(in millions, except shares)

	July 31, 2010 (Unaudited)	August 1, 2009 (Unaudited)	January 30, 2010 *
ASSETS			
Current assets			
Cash and cash equivalents	\$ 512	\$ 402	\$ 582
Short-term investments	7	13	7
Merchandise inventories	1,219	1,284	1,037
Other current assets	161	211	146
	1,899	1,910	1,772
Property and equipment, net	376	433	387
Deferred taxes	351	366	362
Goodwill	144	145	145
Other intangibles and other assets	143	161	150
	\$ 2,913	\$ 3,015	\$ 2,816
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable	\$ 345	\$ 322	\$ 215
Accrued expenses and other current liabilities	236	191	218
	581	513	433
Long-term debt	137	138	138
Other liabilities	279	387	297
	997	1,038	868
Shareholders' equity			
Common stock and paid-in capital: 161,843,666, 160,614,691 and 161,267,025 shares, respectively	718	702	709
Retained earnings	1,548	1,565	1,535
Accumulated other comprehensive loss	(228)	(187)	(193)
Less: Treasury stock at cost: 6,184,542, 4,709,020, and 4,726,237 shares, respectively	(122)	(103)	(103)
Total shareholders' equity	1,916	1,977	1,948
	\$ 2,913	\$ 3,015	\$ 2,816

See Accompanying Notes to Condensed Consolidated Financial Statements.

* The balance sheet at January 30, 2010 has been derived from the previously reported audited financial statements at that date, but does not include all of the information and footnotes required

by U.S. generally accepted accounting principles for complete financial statements. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's Annual Report on Form 10-K for the year ended January 30, 2010.

FOOT LOCKER, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(in millions, except per share amounts)

	Thirteen weeks ended		Twenty-six weeks ended	
	July 31,	August 1,	July 31,	August 1,
	2010	2009	2010	2009
Sales	\$ 1,096	\$ 1,099	\$ 2,377	\$