

FOOTSTAR INC
Form 10-Q
November 06, 2009

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 October 3, 2009

or

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: 1-11681

FOOTSTAR, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

22-3439443
(I.R.S. Employer Identification No.)

933 MacArthur Blvd.,
Mahwah, New Jersey
(Address of principal executive offices)

07430
(Zip Code)

(201) 934-2000
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

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. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

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

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. (The registrant did not distribute new securities under the plan confirmed by the court; there was no change to the holders of securities as a result of the registrant's reorganization.) Yes No

Number of shares outstanding of common stock, par value \$.01 per share, as of November 5, 2009: 21,575,404

FOOTSTAR, INC.
QUARTERLY REPORT ON FORM 10-Q
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PART 1. FINANCIAL INFORMATION

ITEM 1. Financial Statements.

FOOTSTAR, INC. and SUBSIDIARY COMPANIES

Consolidated Condensed Statements of Operations - For the period of January 4, 2009 through May 5, 2009 (unaudited) and Three Months Ended September 27, 2008 (unaudited) and Nine Months Ended September 27, 2008 (unaudited) (Going Concern Basis) (in millions, except per share amounts)

	For the period January 4, 2009 to May 5, 2009	Three Months Ended September 27, 2008	Nine Months Ended September 27, 2008
Revenue			
Net Sales	\$-	\$133.1	\$404.3
Liquidation of inventory	2.5	-	-
Total revenue	2.5	133.1	404.3
Cost of revenue	-	96.3	284.9
Gross Profit	2.5	36.8	119.4
Store operating, selling, general and administrative expenses	6.5	35.5	109.2
Depreciation and amortization	-	0.9	3.7
Gain on cancellation of retiree benefit plan	-	-	(22.3)
Other expense	(0.3)	-	-
Interest Expense	-	0.2	0.9
Interest Income	-	(0.1)	(0.7)
Income (loss) before income taxes and discontinued operations	(3.7)	0.3	28.6
Income tax provision	-	0.2	0.9
Income (loss) from continuing operations	(3.7)	0.1	27.7
Income from discontinued operations, net of taxes	-	-	1.3
Net income (loss)	\$(3.7)	\$0.1	\$29.0
Net income (loss) per share:			
Basic :			
Income (loss) from continuing operations	\$(0.17)	\$-	\$1.33
Income (loss) from discontinued operations	-	-	0.06
Net income (loss):	\$(0.17)	\$-	\$1.39
Diluted:			
Income (loss) from continuing operations	(0.17)	\$-	\$1.32
Income (loss) from discontinued operations	-	-	0.06
Net income (loss)	\$(0.17)	\$-	\$1.38
Average common shares outstanding			
Basic :	21.3	21.1	20.9
Diluted:	21.3	21.2	21.0

See accompanying notes to unaudited condensed financial statements.

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FOOTSTAR, INC. and SUBSIDIARY COMPANIES

Consolidated Condensed Statements of Net Assets October 3, 2009 (Liquidation Basis- Unaudited) and
Consolidated Condensed Balance Sheet (Going Concern Basis) January 3, 2009
(\$ in millions)

	October 3, 2009 (Unaudited)	January 3, 2009 *
Current assets:		
Cash and cash equivalents	\$ 18.3	\$ 56.6
Receivables and other	-	56.8
Prepaid expenses	5.7	8.3