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**FOR IMMEDIATE RELEASE**

**FOOTSTAR TO OPERATE LICENSED DEPARTMENTS  
IN GORDMANS DEPARTMENTS STORES**

WEST NYACK, NEW YORK, January 9, 2002—Footstar, Inc. (NYSE:FTS) today announced that it has entered into an agreement with Gordmans, Inc. to operate licensed footwear departments in all of its current and future stores effective July, 2002. Gordmans, a privately held department store chain headquartered in Omaha, Nebraska, currently operates 38 department stores predominately in the Midwest, and expects to open two additional stores before July. The footwear departments are currently operated by Shoe Pavilion, who will discontinue the operation of Gordmans' footwear departments when their contract expires effective June 29, 2002. Shoe Pavilion reported that net sales from the licensed shoe departments were \$14.5 million for their fiscal year ended December 29, 2001.

Mickey Robinson, Chairman and Chief Executive Officer, commented, "This partnership with Gordmans marks another step forward in our continuing strategy to expand our licensed footwear business, leveraging our unique position as the nation's largest licensed footwear operator. Following on the heels of our recently announced partnership with Federated Department Stores, this agreement adds further diversity to our portfolio of licensed footwear departments. We look forward to taking over the successful men's and women's footwear businesses at Gordmans and we will be introducing children's footwear in all stores to better serve Gordmans' customers."

The Company's Meldisco division will operate the footwear departments, offering high quality branded footwear in an open stock self-serve environment. On January 3, 2002 Footstar announced that it will run the children's footwear departments in 46 Federated department stores effective July 1, 2002.

"We are extremely pleased about our new partnership with Footstar and the value that it will add to our footwear business unit," said Jeff Gordman, president and CEO of Gordmans. "We believe that Footstar's merchandising philosophy fits well with Gordmans' concept of delivering

the same name brands, fashions and styles carried by department and specialty stores at big savings every day. We look forward to having Footstar as a long-term business partner as we continue to expand our concept beyond our current nine-state trading area in the Midwest.”

Footstar, Inc. is a leading footwear retailer. The Company offers a broad assortment of branded athletic footwear and apparel through its two athletic concepts, Footaction and Just For Feet and their websites, [www.footaction.com](http://www.footaction.com) and [www.justforfeet.com](http://www.justforfeet.com), and discount and family footwear through licensed footwear departments operated by Meldisco. As of December 29, 2001, the Company operated 522 Footaction stores in 42 states, Puerto Rico, and the U.S. Virgin Islands, 88 Just For Feet superstores located predominantly in the Southern half of the country and 6,765 Meldisco licensed footwear departments across the country.

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