



# **FORM 4**

**KMART HOLDING CORP – KMRT**

**Filed: October 27, 2003 (period: October 23, 2003)**

Statement of changes in beneficial ownership of securities

| OMB APPROVAL                                   |                  |
|--|------------------|
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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

|  |         |          |  |  |   |  |
|--|---------|----------|--|--|---|--|
| <b>1. Name and Address of Reporting Person*</b><br>ESL INVESTMENTS INC |         |          | <b>2. Issuer Name and Ticker or Trading Symbol</b><br>KMART HOLDING CORP [KMRT-OB] |  | <b>5. Relationship of Reporting Person(s) to Issuer</b><br>(Check all applicable)   |  |
| (Last)   | (First) | (Middle) | <b>3. Date of Earliest Transaction (Month/Day/Year)</b><br>10/23/2003              |  | Director <input checked="" type="checkbox"/> 10% Owner  |  |
| 200 GREENWICH AVENUE   |         |          |  |  | Officer (give title below) <input type="checkbox"/> Other (specify below) <input type="checkbox"/>  |  |
| (Street)<br>GREENWICH CT 06830   |         |          | <b>4. If Amendment, Date of Original Filed (Month/Day/Year)</b>                    |  | <b>6. Individual or Joint/Group Filing (Check Applicable Line)</b>  |  |
| (City)   | (State) | (Zip)    |  |  | Form filed by One Reporting Person <input type="checkbox"/><br><input checked="" type="checkbox"/> Form filed by More than One Reporting Person |  |

**Table I – Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3)          | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) |   | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |            | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |                    |
|--|--------------------------------------|--|--------------------------------|---|---|------------|---|--|---|--------------------|
|  |                                      |  | Code                           | V | Amount  | (A) or (D) |   |  |   | Price              |
| Common Stock, par value \$0.01 per share | 10/23/2003                           |  | J <sup>(6)</sup>               |   | 427,800 <sup>(1) (5) (6)</sup>                                    | A          | \$ 492,844,756 <sup>(6) (6)</sup>   | 29,021,655 <sup>(1) (5) (6)</sup>                        | D   |                    |
| Common Stock, par value \$0.01 per share | 10/23/2003                           |  | J <sup>(6)</sup>               |   | 427,800 <sup>(2) (5) (6)</sup>                                    | A          | \$ 492,844,756 <sup>(6) (6)</sup>   | 35,533,105 <sup>(2) (5) (6)</sup>                        | I   | See <sup>(5)</sup> |
| Common Stock, par value \$0.01 per share | 10/23/2003                           |  | J <sup>(6)</sup>               |   | 427,800 <sup>(3) (5) (6)</sup>                                    | A          | \$ 492,844,756 <sup>(6) (6)</sup>   | 39,022,331 <sup>(3) (5) (6)</sup>                        | I   | See <sup>(5)</sup> |
| Common Stock, par value \$0.01 per share | 10/23/2003                           |  | J <sup>(6)</sup>               |   | 427,800 <sup>(4) (5) (6)</sup>                                    | A          | \$ 492,844,756 <sup>(6) (6)</sup>   | 39,947,752 <sup>(4) (5) (6)</sup>                        | I   | See <sup>(5)</sup> |

**Table II – Derivative Securities Acquired, Disposed of, or Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) |   | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) |     | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |                            | 8. Price of Derivative Security (Instr. 5) | 9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|---|-----|--|-----------------|---|----------------------------|--|--|--|--|
|  |  |                                      |  | Code                           | V | (A)   | (D) | Date Exercisable   | Expiration Date | Title   | Amount or Number of Shares |  |  |  |  |
|  |  |                                      |  |                                |   |   |     |  |                 |   |                            |  |  |  |  |

| Reporting Owner Name / Address                                     | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| ESL INVESTMENTS INC<br>200 GREENWICH AVENUE<br>GREENWICH, CT 06830 |               | X         |         |       |
| LAMPERT EDWARD S<br>1 FAFAYETTE PLACE<br>GREENWICH, CT 06830       | X             | X         |         |       |
| CRK PARTNERS LLC<br>200 GREENWICH AVE<br>GREENWICH, CT 06830       |               | X         |         |       |
| CRK PARTNERS II LP<br>200 GREENWICH AVE<br>GREENWICH, CT 06830     |               | X         |         |       |

Explanation of Responses:

- These securities are owned by CRK Partners II, LP, a Delaware limited partnership ("CRK II").
- These securities may be deemed to be indirectly beneficially owned by CRK Partners, LLC, a Delaware limited liability company ("CRK LLC"). See note 5.
- These securities may be deemed to be indirectly beneficially owned by ESL Investments, Inc., a Delaware corporation ("ESL"). See note 5.
- These securities may be deemed to be indirectly beneficially owned by Edward S. Lampert. See note 5.
- This Form 4 is filed on behalf of a group consisting of CRK II, ESL, CRK LLC and Edward S. Lampert. Pursuant to Rule 16a-1(a)(2), ESL, CRK LLC and Mr. Lampert may be deemed indirect beneficial owners of certain of the securities reported on this Form 4. CRK LLC is the general partner of CRK II. ESL is the managing member of CRK LLC. Mr. Lampert is a controlling stockholder of ESL and a director and Chairman of the Board of Kmart Holding Corporation. The securities reported as being owned by CRK II reflect the total amount of securities beneficially owned by CRK, II, which is greater than CRK LLC's, Mr. Lampert's or ESL's indirect pecuniary interest in such securities.
- The securities were received from Kmart Holding Corp. on account of trade vendor/lease rejection claims held by CRK II in an amount equal to \$115,168,264. Pursuant to Kmart Corporation's Plan of Reorganization, CRK II has received other shares of Kmart Common Stock in the past (which acquisitions have been reported on Forms 3 and 4 previously filed by the Reporting Persons) and may receive further shares of Kmart Common Stock in the future on account of these same trade vendor/lease rejection claims as Kmart Holding Corp. continues to reconcile all trade vendor/lease rejection claims held by all persons.

[William C. Crowley, President of  
ESL Investments, Inc. \(200  
Greenwich Avenue, Greenwich, CT  
06830\)](#)     [10/24/2003](#)

|  |                                   |
|--|-----------------------------------|
| ** Signature of Reporting Person   | Date                              |
| <a href="#"><u>William C. Crowley, for CRK Partners II, LP (200 Greenwich Avenue, Greenwich, CT 06830)</u></a> | <a href="#"><u>10/24/2003</u></a> |
| ** Signature of Reporting Person   | Date                              |
| <a href="#"><u>William C. Crowley, for CRK Partners, LLC (200 Greenwich Avenue, Greenwich, CT 06830)</u></a>   | <a href="#"><u>10/24/2003</u></a> |
| ** Signature of Reporting Person   | Date                              |
| <a href="#"><u>Edward S. Lampert (200 Greenwich Avenue, Greenwich, CT 06830)</u></a>                           | <a href="#"><u>10/24/2003</u></a> |
| ** Signature of Reporting Person   | Date                              |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.**