

# NORDSTROM

## Nordstrom Reports First Quarter 2020 Earnings

May 28, 2020

**Strengthened financial flexibility by reducing inventory by over 25% and on track to achieve 20% reduction in overhead costs**

SEATTLE, May 28, 2020 /PRNewswire/ -- Nordstrom, Inc. (NYSE: JWN) today reported first quarter results, which reflected the Company's actions to strengthen its financial flexibility through inventory and overhead cost reductions and position the business for the long-term through an acceleration of its strategic initiatives.

Nordstrom continued its momentum from the second half of 2019 with positive sales growth in February and ongoing growth of its \$5 billion e-commerce business. The Company temporarily closed stores on March 17 due to COVID-19, which had a material impact on financial results as stores made up two-thirds of its business in 2019. For the first quarter ended May 2, 2020, net sales decreased 40 percent from last year. Loss per diluted share of \$3.33 included charges of \$1.10 associated with the impact of COVID-19.

"We successfully strengthened our financial flexibility by increasing liquidity, lowering inventory by more than 25 percent from last year and significantly reducing our cash burn by more than 40 percent from March into April," said Erik Nordstrom, chief executive officer of Nordstrom, Inc. "We're entering the second quarter in a position of strength, adding to our confidence that we have sufficient liquidity to successfully execute our strategy in 2020 and over the longer term."

"It is clear we can seamlessly engage with customers through our Nordstrom and Nordstrom Rack brands, across stores and online. We have a unique mix of assets, and the flexibility of our business model continues to serve us well," said Pete Nordstrom, president and chief brand officer of Nordstrom, Inc. "In 2019, our Off-Price and e-commerce businesses accounted for nearly 60 percent of sales. As we anticipate an acceleration of these longer-term customer trends, we're taking proactive steps to move faster in executing our strategic plans."

The direct link to the Company's first quarter earnings press release is [here](#). Complete quarterly financial results can be found in the investor relations section of Nordstrom's website at [investor.nordstrom.com/financial-information/quarterly-results](http://investor.nordstrom.com/financial-information/quarterly-results).

### CONFERENCE CALL INFORMATION

The Company's senior management will host a conference call to provide a business update and to discuss first quarter 2020 financial results at 4:45 p.m. Eastern Daylight Time today. To listen to the live call online and view the speakers' prepared remarks and the conference call slides, visit the Investor Relations section of the Company's corporate website at <http://investor.nordstrom.com>. An archived webcast with the speakers' prepared remarks and the conference call slides will be available in the Quarterly Results section for one year. Interested parties may also dial 201-689-8354. A telephone replay will be available beginning approximately three hours after the conclusion of the call by dialing 877-660-6853 or 201-612-7415 and entering Conference ID 13703701, until the close of business on June 4, 2020.

### ABOUT NORDSTROM

Nordstrom, Inc. is a leading fashion retailer based in the U.S. Founded in 1901 as a shoe store in Seattle, today Nordstrom operates 354 stores in 40 states, including 100 full-line stores in the United States and Canada; 247 Nordstrom Rack stores; two clearance stores; and five Nordstrom Local service hubs. Additionally, customers are served online through [Nordstrom.com](#), [Nordstrom.ca](#), [Nordstromrack.com](#), [Hautelook.com](#) and [TrunkClub.com](#). Nordstrom, Inc.'s common stock is publicly traded on the NYSE under the symbol JWN.

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