UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended July 31, 1999

[ ] 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 001-15059

Nordstrom, Inc.

(Exact name of Registrant as specified in its charter)

Washington	91-0515058
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

1617 Sixth Avenue, Seattle, Washington 98101

(Address of principal executive offices) (Zip code)

Registrant's telephone number, including area code: (206) 628-2111

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 X NO _____

Common stock outstanding as of August 27, 1999: 138,558,408 shares of common stock.

NORDSTROM, INC. AND SUBSIDIARIES

INDEX

NORDSTROM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EARNINGS
(dollars in thousands except per share amounts)
(unaudited)

	Three Months Ended July 31,		Six Months Ended July 31,	
	1999	1998	1999	1998
Net sales	$1,443,395	$1,447,284	$2,482,500	$2,487,499
Costs and expenses:				
Cost of sales and related buying and occupancy	943,348	971,243	1,631,544	1,669,543
Selling, general and administrative	393,400	379,510	707,784	688,773
Interest, net	12,483	11,054	24,492	21,286
Service charge income and other, net	(22,025)	(27,585)	(49,197)	(58,002)
	1,327,206	1,334,222	2,314,623	2,321,600
Earnings before income taxes	116,189	113,062	167,877	165,899
Income taxes	45,350	43,900	65,500	64,400
Net earnings	$ 70,839	$ 69,162	$ 102,377	$ 101,499
Basic earnings per share	$ .51	$ .47	$ .73	$ .68
Diluted earnings per share	$ .51	$ .47	$ .72	$ .68
Cash dividends paid per share of common stock outstanding	$ .08	$ .07	$ .16	$ .14

These statements should be read in conjunction with the Notes to Consolidated Financial Statements contained herein.

NORDSTROM, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(dollars in thousands)

	July 31, 1999 (unaudited)	January 31, 1999	July 31, 1998 (unaudited)
ASSETS			
Current Assets:			
Cash and cash equivalents	$ 69,492	$ 241,431	$ 46,632
Short term investment	21,506	-	-
Accounts receivable, net	598,506	587,135	650,956
Merchandise inventories	828,264	750,269	858,980
Prepaid income taxes and other	90,703	87,476	90,770
Total current assets	1,608,471	1,666,311	1,647,338
Land, buildings and equipment, net	1,400,036	1,362,400	1,269,483
Long term investment	32,259	-	-
Other assets	79,390	86,696	39,504
TOTAL ASSETS	$3,120,156	$3,115,407	$2,956,325
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities:			
Notes payable	-	$ 78,783	$ 123,377
Accounts payable	$ 378,043	339,635	395,690
Accrued salaries, wages and related benefits	190,987	202,914	187,189
Income taxes and other accruals	120,361	96,281	111,789
Current portion of long-term debt	116,146	63,341	1,169
Total current liabilities	805,537	780,954	819,214
Long-term debt	747,148	804,893	618,965
Deferred lease credits	202,513	147,188	75,668
Other liabilities	74,572	65,719	61,638
Shareholders' Equity:			
Common stock, no par: 250,000,000 shares authorized; 138,557,608, 142,114,167 and 147,303,964 shares issued and outstanding	241,535	230,761	209,765
Unearned stock compensation	(4,774)	(4,703)	-
Retained earnings	1,034,771	1,090,595	1,171,075
Accumulated other comprehensive income	18,854	-	-
Total shareholders' equity	1,290,386	1,316,653	1,380,840
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$3,120,156	$3,115,407	$2,956,325

These statements should be read in conjunction with the Notes to Consolidated Financial Statements contained herein.

NORDSTROM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(dollars in thousands)
(unaudited)

	Common Stock Shares	Common Stock Amount	Unearned Compensation	Retained Earnings	Comprehensive Income	Total
Balance at February 1, 1999	142,114,167	$230,761	$(4,703)	$1,090,595	-	$1,316,653
Net earnings	-	-	-	102,377	-	102,377
Cash dividends ($.16 per share)	-	-	-	(22,616)	-	(22,616)
Issuance of common stock	309,641	10,774	(71)	-	-	10,703
Purchase and retirement of common stock	(3,866,200)	-	-	(135,585)	-	(135,585)
Unrealized gain on investment	-	-	-	-	$18,854	18,854
Balance at July 31, 1999	138,557,608	$241,535	$(4,774)	$1,034,771	$18,854	$1,290,386
Balance at February 1, 1998	152,518,104	$201,050	-	$1,274,008	-	$1,475,058
Net earnings	-	-	-	101,499	-	101,499
Cash dividends ($.14 per share)	-	-	-	(21,046)	-	(21,046)
Issuance of common stock	358,460	8,715	-	-	-	8,715
Purchase and retirement of common stock	(5,572,600)	-	-	(183,386)	-	(183,386)
Balance at July 31, 1998	147,303,964	$209,765	-	$1,171,075	-	$1,380,840

These statements should be read in conjunction with the Notes to Consolidated Financial Statements contained herein.

NORDSTROM, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollars in thousands)
(unaudited)

	Six Months Ended July 31, 1999	Six Months Ended July 31, 1998
OPERATING ACTIVITIES:		
Net earnings	$102,377	$101,499
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation	92,607	83,674
Amortization of deferred lease credits and other, net	(1,616)	(1,075)
Stock-based compensation expense	2,169	-
Change in:		
Accounts receivable, net	(11,371)	13,492
Merchandise inventories	(77,995)	(32,935)
Prepaid income taxes and other	(4,072)	(5,608)
Accounts payable	38,408	74,379
Accrued salaries, wages and related benefits	(11,927)	974
Income tax liabilities and other accruals	17,856	30,973
Other liabilities	3,023	5,937
Net cash provided by operating activities	149,459	271,310
INVESTING ACTIVITIES:		
Additions to land, buildings and equipment	(130,243)	(100,644)
Additions to deferred lease credits	58,538	-
Additions to capitalized software	(11,495)	(7,635)
Other, net	(4,764)	(1,575)
Net cash used in investing activities	(87,964)	(109,854)
FINANCING ACTIVITIES:		
Decrease in notes payable	(78,783)	(140,390)
Proceeds from issuance of long-term debt, net	-	297,146
Principal payments on long-term debt	(4,984)	(100,657)
Proceeds from issuance of common stock	8,535	8,714
Cash dividends paid	(22,617)	(21,045)
Purchase and retirement of common stock	(135,585)	(183,386)
Net cash used in financing activities	(233,434)	(139,618)
Net (decrease) increase in cash and cash equivalents	(171,939)	21,838
Cash and cash equivalents at beginning of period	241,431	24,794
Cash and cash equivalents at end of period	$ 69,492	$ 46,632

These statements should be read in conjunction with the Notes to Consolidated Financial Statements contained herein.

NORDSTROM, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(dollars in thousands)
(unaudited)

Note 1 - Summary of Significant Accounting Policies

Basis of Presentation

The consolidated balance sheets of Nordstrom, Inc. and subsidiaries (the "Company") as of July 31, 1999 and 1998, and the related consolidated statements of earnings and cash flows for the periods then ended, have been prepared from the accounts without audit.

The consolidated financial information applicable to interim periods is not necessarily indicative of the results for the fiscal year.

The financial information should be read in conjunction with the Notes to Consolidated Financial Statements contained in the Nordstrom, Inc. Annual Report on Form 10-K for the fiscal year ended January 31, 1999.

In the opinion of management, the consolidated financial information includes all adjustments (consisting only of normal, recurring adjustments) necessary to present fairly the financial position of Nordstrom, Inc. and subsidiaries as of July 31, 1999 and 1998, and the results of their operations and cash flows for the periods then ended, in accordance with generally accepted accounting principles applied on a consistent basis.

Recent Accounting Pronouncements

Statement of Financial Accounting Standards ("SFAS") No. 133, "Accounting For Derivative Instruments and Hedging Activities," as amended, requires an entity to recognize all derivatives as either assets or liabilities in the statement of financial position and measure those instruments at fair value. The Company expects that adoption of this standard, in its fiscal year beginning February 1, 2001, will not have a material impact on the Company's consolidated financial statements.

Reclassifications

Certain reclassifications of prior year balances have been made to conform with the presentation for the current year.

NORDSTROM, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(dollars in thousands)
(unaudited)

Note 2 - Earnings Per Share

	Three Months Ended July 31,		Six Months Ended July 31,	
	1999	1998	1999	1998
Basic shares	139,341,609	148,507,621	140,572,417	149,349,949
Dilutive effect of stock options and restricted stock	749,318	774,821	941,536	647,005
Diluted shares	140,090,927	149,282,442	141,513,953	149,996,954
Antidilutive options	1,081,444	0	1,066,047	403,376

Note 3 - Investment

In June 1999, an investee completed an initial public offering of common stock. At July 31, 1999, the Company's investment is categorized as available-for-sale. A portion of the investment is reported as short-term because the Company expects to sell it within one year. Accumulated other comprehensive income includes the increase in the fair market value of the investment based on its quoted market value at July 31, 1999, net of applicable taxes of $12.0 million.

The following is a summary of the investment at July 31, 1999:

	Cost	Quoted Market in Excess of Cost	Quoted Market Value
Short-term investment	$ 9,143	$12,363	$21,506
Long-term investment	13,714	18,545	32,259
Total investment	$22,857	$30,908	$53,765

(dollars in thousands)

Note 4 - Segment Reporting

The following tables set forth information for the Company's reportable segments and a reconciliation to the consolidated totals:

Three months ended July 31, 1999	Retail Stores	Credit Operations	Corporate and Other	Eliminations	Total
Net sales and revenues to external customers	$1,393,392	-	$ 50,003	-	$1,443,395
Service charge income	-	$ 27,106	-	-	27,106
Intersegment revenues	-	7,535	-	$(7,535)	-
Net earnings	103,691	4,473	(37,325)	-	70,839

Three months ended July 31, 1998	Retail Stores	Credit Operations	Corporate and Other	Eliminations	Total
Net sales and revenues to external customers	$1,397,455	-	$ 49,829	-	$1,447,284
Service charge income	-	$ 29,550	-	-	29,550
Intersegment revenues	-	8,012	-	$(8,012)	-
Net earnings	93,525	5,112	(29,475)	-	69,162

Six months ended July 31, 1999	Retail Stores	Credit Operations	Corporate and Other	Eliminations	Total
Net sales and revenues to external customers	$2,387,667	-	$ 94,833	-	$2,482,500
Service charge income	-	$ 55,484	-	-	55,484
Intersegment revenues	-	12,512	-	$(12,512)	-
Net earnings	156,255	12,167	(66,045)	-	102,377

Six months ended July 31, 1998	Retail Stores	Credit Operations	Corporate and Other	Eliminations	Total
Net sales and revenues to external customers	$2,389,160	-	$ 98,339	-	$2,487,499
Service charge income	-	$ 61,002	-	-	61,002
Intersegment revenues	-	13,442	-	$(13,442)	-
Net earnings	146,032	11,784	(56,317)	-	101,499

Note 5 - Contingent Liabilities

Because the cosmetics and Nine West lawsuits described below are still in their preliminary stages, the Company is not in a position at this time to quantify the amount or range of any possible losses related to those claims. The Company intends to vigorously defend itself in those cases, as well as the vacation pay dispute described below. While no assurance can be given as to the ultimate outcomes of these lawsuits, based on preliminary investigations, management currently believes that resolving these matters will not have a material adverse effect on the Company's financial position.

Note 5 - Contingent Liabilities (cont.)

Cosmetics

The Company is a defendant along with other department stores in nine separate but virtually identical lawsuits filed in various Superior Courts of the State of California in May, June and July 1998 that have now been consolidated in Marin County state court. The plaintiffs seek to represent a class of all California residents who purchased cosmetics and fragrances for personal use from any of the defendants during the period May 1994 through May 1998. Plaintiffs' consolidated complaint alleges that the Company and other department stores agreed to charge identical prices for cosmetics and fragrances, not to discount such prices, and to urge manufacturers to refuse to sell to retailers who sell cosmetics and fragrances at discount prices, resulting in artificially-inflated retail prices paid by the class in violation of California state law. The plaintiffs seek treble damages in an unspecified amount, attorneys' fees and prejudgment interest. Defendants, including the Company, have answered the consolidated complaint denying the allegations. Discovery has just commenced and defendants have begun the process of producing documents and responding to plaintiffs' discovery requests. Plaintiffs have not yet moved for class certification.

Nine West

The Company was named as a defendant in a number of substantially identical lawsuits filed in federal district courts in New York and elsewhere beginning in January and February 1999. In addition to Nine West, a leading manufacturer and retailer of women's non-athletic footwear and accessories, other defendants include various department store and specialty retailers. The lawsuits have now been consolidated in federal district court in New York and purport to be brought on behalf of a class of persons who purchased Nine West footwear from the defendants during the period January 1988 to mid-February 1999. Plaintiffs' consolidated complaint alleges that the retailer defendants agreed with Nine West and with each other on the minimum prices to be charged for Nine West shoes. The plaintiffs seek treble damages in an unspecified amount, attorneys' fees and prejudgment interest. Defendants have moved to dismiss the consolidated complaint, and briefing on the motion is complete. The Court has stayed discovery pending its decision on the motion to dismiss, and plaintiffs have not yet moved for class certification. In addition, the Federal Trade Commission has opened investigations based on the allegations in the pending Nine West lawsuit, as has the Attorney General of the state of New York. The Company and the other defendants have begun submitting documents and information to those agencies.

Note 5 - Contingent Liabilities (cont.)

Vacation Policy

On June 10, 1999, the Company was named as a defendant in Christopher King and Luis Mendoza v. Nordstrom, a case filed in the Superior Court of the State of California for the County of San Diego, Case No. 731580. The suit was filed on behalf of two former employees of the Company, as well as on behalf of the general public and on behalf of a purported class described as "all similarly-situated former or current employees of Nordstrom who are or were employed by Nordstrom in California, Arizona, Alaska, Colorado, Connecticut, Hawaii, Illinois, Kansas, Minnesota, New York, Oregon, Pennsylvania, Utah and/or Washington and who forfeited vested vacation time and/or were denied compensation in lieu thereof." The Plaintiff's complaint alleges that the Company has in place a "use it or lose it" vacation policy under which vacation must be used or it is forfeited at the end of the year and that such policy violates the laws of the 14 states listed above. The complaint includes causes of action for violation of the separate laws of the 14 listed states, conversion, unjust enrichment and violation of California Business and Professions Code Section 17200 et seq. Plaintiffs seek compensatory damages, statutory penalties, interest, injunctive and other equitable relief, costs of suit including attorneys fees, restitution, disgorgement, an accounting, and punitive damages. The Company has filed a demurrer to the entire complaint, which is scheduled to be heard on September 24, 1999.

Saipan

The Company has reached a settlement in its lawsuits relating to its sourcing of clothing products from independent garment manufacturers in Saipan (Commonwealth of Northern Mariana Islands). The settlement is subject to court approval. No hearing has been set to date.

The settlement, if approved by the court, will not have a material impact on the Company's financial position or results of operations.

Other

The Company is also subject to other ordinary routine litigation incidental to its business and with respect to which no material liability is expected.

Note 6 - Subsequent Events

On August 24, 1999, the Company entered into a Joint Venture Agreement to establish a subsidiary to operate the Company's Internet and catalog businesses. The Company will contribute $10 million in cash and the assets and liabilities associated with its present Internet and catalog businesses to the new entity. Benchmark Capital and Madrona Investment Group will collectively contribute $16 million to the new entity. Initially, the Company will own approximately 84% of the new subsidiary, with Benchmark Capital and Madrona Investment Group holding the remaining minority interest.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Statements made in this filing that are not historical facts are forward looking information that involve risks and uncertainties. Forward-looking statements typically are identified by the use of such terms as "may," "will," "expect," "believe," "anticipate," "estimate," "plan" and similar words, although some forward-looking statements are expressed differently. You should be aware that our actual results could differ materially from those contained in the forward-looking statements due to a number of factors, which include, but are not limited to, the following: the company's ability to predict fashion trends, consumer apparel buying patterns, the company's ability to control costs and expenses, the company's ability to overcome technological problems , trends in personal bankruptcies and bad debt write-offs, employee relations, adverse weather conditions and other hazards of nature such as earthquakes and floods, the company's ability to continue its store, brand and line expansion plans, and the impact of competitive market forces.

The following discussion should be read in conjunction with the Management's Discussion and Analysis section of the Nordstrom, Inc. Annual Report on Form 10-K for the fiscal year ended January 31, 1999.

Results of Operations:

For the second quarter ended July 31, 1999, diluted earnings per share were $0.51, an increase of 8.5% over the $0.47 achieved in the prior year. For the six-month period ended July 31, 1999, diluted earnings per share were $0.72, an increase of 5.9% over the $0.68 achieved in the prior year. The increase in diluted earnings per share for the quarter and six-month period was due primarily to continuing improvement in gross margin and to a decrease in the number of shares outstanding.

During the second quarter of 1999, sales decreased 0.3% compared to the corresponding quarter in 1998. For the six-month period, sales declined 0.2% compared to the corresponding period in 1998. Comparable store sales declined 2.4% for the quarter and 2.6% for the six-month period, in part reflecting less promotional offerings and less than optimal promotion of the Anniversary Sale, in July 1999. For the quarter and the six-month period, comparable sales were also impacted by lower merchandise levels, which, in some cases, affected product assortment, depth and mix.

Cost of sales and related buying and occupancy expenses as a percentage of net sales for the second quarter were 65.4%, compared to 67.1% for the second quarter of 1998, and 65.7% for the six-month period, compared to 67.1% for the corresponding period in 1998. The decrease in cost of sales for the quarter and six-month period was due primarily to higher merchandise margins resulting from favorable pricing strategies and lower markdowns. The decrease in cost of sales was partially offset by an increase in occupancy costs due to new stores and remodeling projects.

For the second quarter of 1999, selling, general and administrative expenses as a percentage of sales increased to 27.3%, compared to 26.2% for the second quarter of 1998. For the six-month period, selling, general and administrative expenses were 28.5%, compared to 27.7% for the corresponding period in 1998. The increases for the quarter and six-month period were due to several factors. Management expenses increased due primarily to additional personnel and consulting resources related to the Company's strategic and planning initiatives. Information services costs increased due to higher information systems operational costs. Also, for the six-month period, information services costs were higher due to non-recurring costs related to the Company's data center relocation from Seattle, Washington to Denver, Colorado during the first quarter. The expense increases were partially offset by decreases in credit and collection expenses, due to lower bad debt costs, and lower selling costs due to improved management of labor in relation to sales volume for the quarter and six-month period.

Interest, net increased $1.4 million for the second quarter compared to the corresponding quarter in 1998, and increased $3.2 million for the six-month period compared to the corresponding period in 1998. The increase in interest, net for both the quarter and six-month period reflect higher borrowing levels as a result of the Company's share repurchase activity.

Service charge income and other, net decreased $5.6 million for the second quarter compared to the corresponding quarter in 1998, and decreased $8.8 million for the six-month period compared to the corresponding period in 1998. These decreases were due primarily to lower accounts receivable balances on which the Company earns service charges.

Liquidity and Capital Resources:

During the six-months ended July 31, 1999, the Company repurchased 3.9 million shares of its common stock for an aggregate of approximately $135 million. At July 31, 1999, the Company had remaining share repurchase authorization of approximately $185 million.

On August 20, 1999, the Company opened a full-line store in Providence, Rhode Island and replaced a full-line store in Spokane, Washington. Construction is progressing as planned on new stores scheduled to open later this year and in 2000.

During the six-month period ended July 31, 1999, the Company reduced cash and cash equivalents by $172 million, to a balance of $60 million at July 31, 1999, due primarily to share repurchase activity, maturities of notes payable and repayments of short-term debt.

Year 2000

The Company is taking steps to avoid potential negative consequences of Year 2000 software non-compliance and presently believes that any such non-compliance will not have a material effect on its business, results of operations or financial condition. However, if unforeseen difficulties arise or if the modification, conversion and replacement activities that the Company has undertaken are not completed in a timely manner, the Company's operations may be negatively affected, either from its own computer systems or from interactions with vendors and other third parties with which it does business.

The Company is currently evaluating, replacing or upgrading its computer systems in an effort to make them Year 2000 compliant. While these remediation efforts are essentially complete for its critical computer systems, testing is ongoing. Testing is being conducted based on criticality. Non-information technology systems, such as microchips embedded in elevators, are also being evaluated, replaced or upgraded, as needed. Although the Company's initial assessment of its Year 2000 compliance has been completed, reassessments are conducted on an ongoing basis to provide reasonable assurance that all critical risks have been identified and will be mitigated.

The Company's cumulative Year 2000 expenses through July 31, 1999, were approximately $15.4 million. Approximately $1.0 million of expenses were incurred during the second quarter ended July 31, 1999, compared to approximately $3.0 million of expenses incurred in the second quarter of 1998. For the six-month period ended July 31, 1999, approximately $2.2 million of expenses were incurred, compared to $4.3 million in the corresponding period of 1998. Approximately $1.6 million of expenses are expected to be incurred throughout the remainder of 1999. In order to meet Year 2000 compliance goals, the Company has redeployed existing resources. While this reallocation of resources has resulted in the deferral of certain information technology projects, the impact of those deferrals is not material to the Company. The Company believes that all necessary Year 2000 compliance work will be completed in a timely fashion. However, there can be no guarantee that all systems will be compliant by the Year 2000, that the estimated cost of remediation will not increase, or that the systems of others (e.g., vendors and other third parties) on which the Company relies will be compliant.

Since 1996, the Company has been communicating with vendors to determine their state of readiness with regard to the Year 2000 issue. Based on its assessment to date, the Company has no indication that any third party is likely to experience Year 2000 non-compliance of a nature which would have a material impact on the Company. However, the risk remains that vendors or other third parties may not have accurately determined their state of readiness, in which case such parties' lack of Year 2000 compliance may have a material adverse effect on the Company's results of operations. The Company will continue to monitor the Year 2000 compliance of third parties with which it does business.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONT.)

The Company believes that the most likely worst-case scenarios that it might confront with respect to Year 2000 issues have to do with the possible failure of third party systems over which the Company has no control, such as, but not limited to, power and telecommunications services. The Company has in place a business continuity plan that addresses recovery from various kinds of disasters, including recovery from significant interruption in conveyance of data within the Company's network information systems. The Company is using this plan to assist in an ongoing effort to develop, test and validate more specific Year 2000 contingency plans.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Company is subject to the risk of fluctuating interest rates in the normal course of business, primarily as a result of its short-term borrowing and investment activities at variable interest rates.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

The information required under this item is included in the following section of Part I, Item 1 of this report:

Note 5 in Notes to Consolidated Financial Statements

Item 4. Submission of Matters to a Vote of Security Holders

The Company held its Annual Shareholders Meeting on May 18, 1999 at which time the shareholders voted on the following proposals:

(1) Election of eleven directors for a one-year term.

Name of Candidate	For	Withheld
D. Wayne Gittinger	127,859,829	1,919,062
Enrique Hernandez, Jr.	129,184,658	594,233
Ann D. McLaughlin	129,189,955	588,936
John A. McMillan	129,198,054	580,837
Bruce A. Nordstrom	129,202,635	576,256
John N. Nordstrom	129,203,130	575,761
Alfred E. Osborne, Jr.	129,201,971	576,920
William D. Ruckelshaus	129,184,689	594,202
Elizabeth Crownhart Vaughan	129,182,738	596,153
Bruce G. Willison	129,205,635	573,256
John J. Whitacre	129,205,464	573,427

Item 4. Submission of Matters to a Vote of Security Holders (Cont.)

There were no abstentions and no broker non-votes.

(2) Ratification of the appointment of Deloitte & Touche LLP as independent auditors for the fiscal year 1999.

The vote was 129,405,231 for, 57,038 against and 316,622 abstentions. There were no broker non-votes.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

(10.1) Second Amendment to the Credit Agreement dated July 24, 1997 between Registrant and a group of commercial banks, dated June 22, 1999 is filed herein as an Exhibit.

(27.1) Financial Data Schedule is filed herein as an Exhibit.

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the quarter for which this report is filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NORDSTROM, INC.
(Registrant)

/s/ Michael A. Stein

Michael A. Stein
Executive Vice President and Chief Financial Officer
(Principal Financial and Accounting Officer)

Date: September 13, 1999

NORDSTROM, INC. AND SUBSIDIARIES

Exhibit Index

Exhibit	Method of Filing
10.1 Second Amendment to the Credit Agreement dated July 24, 1997 between Registrant and a group of commercial banks, dated June 22, 1999	Filed herewith electronically
27.1 Financial Data Schedule	Filed herewith electronically

SECOND AMENDMENT TO CREDIT AGREEMENT

THIS SECOND AMENDMENT TO CREDIT AGREEMENT (the "Amendment"), dated as of June 22, 1999, is entered into by and among NORDSTROM, INC., a Washington corporation (the "Borrower"), the financial institutions and other entities party to the Credit Agreement referred to below (the "Lenders"), and NATIONSBANK, N.A. (successor to NationsBank of Texas, N.A.), as agent (the "Agent") for the Lenders thereunder.

RECITALS

A. The Borrower, the Lenders, the Managing Agents and the Agent have entered
B. into a Credit Agreement dated as of July 24, 1997, as amended by a First
C. Amendment thereto dated as of September 16, 1998 (as so amended, the
D. "Credit Agreement").

B. The Borrower has requested that the Lenders amend the Minimum Net Worth
C. covenant set forth in the Credit Agreement.

C. The Lenders are willing to amend the Credit Agreement, subject to the terms
D. and conditions of this Amendment.

NOW, THEREFORE, for valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Defined Terms. Unless otherwise defined herein, capitalized terms used herein shall have the meanings, if any, assigned to them in the Credit Agreement.

2. Amendments to Credit Agreement.

(a) Section 6.3.2 of the Credit Agreement shall be amended and restated in its entirety to read as follows:

6.3.2 Minimum Net Worth. Not permit the consolidated Net Worth of the Borrower and its Subsidiaries, as of the last day of any Fiscal Quarter, to be less than the sum of (A) $1,000,000,000, (B) 50% of the consolidated net income of the Borrower and its Subsidiaries for all Fiscal Quarters ended after April 30, 1999 with respect to which such consolidated net income is a positive number (but without reduction for any net losses for any Fiscal Quarter ended after April 30, 1999), and (C) 50% of the amount of any net proceeds received by the Borrower or any of its Subsidiaries after the Closing Date in connection with the issuance of capital stock (other than capital stock issued to the Borrower or any of its other Subsidiaries and other than capital stock issued pursuant to any employee stock option plan).

(b) Exhibit F-6 to the Credit Agreement [Form of Compliance Certificate] shall be amended and restated in its entirety to read as set forth in Exhibit F-6 attached hereto.

3. Representations and Warranties. The Borrower hereby represents and warrants to the Agent and the Lenders as follows:

(a) Authority. The Borrower has the requisite corporate power and authority to execute and deliver this Amendment and to perform its obligations hereunder and under the Loan Documents (as modified hereby) to which it is a party. The execution, delivery and performance by the Borrower of this Amendment, and the performance by the Borrower of each Loan Document (as modified hereby) to which it is a party have been duly approved by all necessary corporate action of the Borrower and no other corporate proceedings on the part of the Borrower are necessary to consummate such transactions.

(b) Enforceability. This Amendment has been duly executed and delivered by the Borrower. This Amendment and each Loan Document (as modified hereby) to which the Borrower is a party is the legal, valid and binding obligation of the Borrower, enforceable against it in accordance with its terms, and is in full force and effect.

(c) Representations and Warranties. The representations and warranties of the Borrower contained in each Loan Document to which the Borrower is a party (other than any such representations and warranties that, by their terms, are specifically made as of a date other than the date hereof) are true and correct on and as of the date hereof as though made on and as of the date hereof.

(d) No Default. No event has occurred and is continuing that constitutes a Default or Event of Default

(e) No Reliance. The Borrower is entering into this Amendment on the basis of its own investigation and for its own reasons, without reliance upon the Agent and the Lenders or any other Person.

4. Effective Date. This Amendment will become effective as of the date first above written (the "Effective Date"), provided that each of the following conditions precedent is satisfied:

(a) The Agent has received from the Borrower and the Required Lenders a duly executed original (or, if elected by the Agent, an executed facsimile copy) of this Amendment.

(b) Each of the representations and warranties in Section 3 above shall be true and correct.

5. Reservation of Rights. The Borrower acknowledges and agrees that the execution and delivery by the Agent and the Lenders of this Amendment shall not be deemed to create a course of dealing or otherwise obligate the Agent or the Lenders to enter into amendments under the same, similar or any other circumstances in the future.

6. Miscellaneous.

(a) Except as herein expressly amended, all terms, covenants and provisions of the Credit Agreement are and shall remain in full force and effect and all references therein and in the other Loan Documents to such Credit Agreement shall henceforth refer to the Credit Agreement as amended by this Amendment. This Amendment shall be deemed incorporated into, and a part of, the Credit Agreement. This Amendment is a Loan Document.

(b) This Amendment shall be binding upon and inure to the benefit of the parties hereto and to the Credit Agreement and their respective successors and assigns. No third party beneficiaries are intended in connection with this Amendment.

(c) This Amendment shall be governed by and construed in accordance with the law of the State of Washington.

(d) This Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Each of the parties hereto understands and agrees that this document (and any other document required herein) may be delivered by any party thereto either in the form of an executed original or an executed original sent by facsimile transmission to be followed promptly by mailing of a hard copy original, and that receipt by the Agent of a facsimile transmitted document purportedly bearing the signature of a Lender or the Borrower shall bind such Lender or the Borrower, respectively, with the same force and effect as the delivery of a hard copy original. Any failure by the Agent to receive the hard copy executed original of such document shall not diminish the binding effect of receipt of the facsimile transmitted executed original of such document of the party whose hard copy page was not received by the Agent, and the Agent is hereby authorized to make sufficient photocopies thereof to assemble complete counterparty documents.

(e) This Amendment, together with the Credit Agreement, contains the entire and exclusive agreement of the parties hereto with reference to the matters discussed herein and therein. This Amendment supersedes all prior drafts and communications with respect thereto. This Amendment may not be amended except in accordance with the provisions of Section 9.3.1 of the Credit Agreement.

(f) If any term or provision of this Amendment shall be deemed prohibited by or invalid under any applicable law, such provision shall be invalidated without affecting the remaining provisions of this Amendment or the Credit Agreement, respectively.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Amendment as of the date first above written.

NORDSTROM, INC.

By:/s/ Michael Stein

Name: Michael Stein
Title: Chief Financial Officer

By:
Name:
Title:

NATIONSBANK, N.A. (successor to NationsBank of Texas, N.A.), as Agent

By:/s/ James P. Johnson

Name: James P. Johnson
Title: Managing Director

NATIONSBANK, N.A. (successor to NationsBank of Texas, N.A.), as a Lender

By:/s/ James P. Johnson

Name: James P. Johnson
Title: Managing Director

BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION

By:/s/ James P. Johnson

Name: James P. Johnson
Title: Managing Director

REVOLVING COMMITMENT VEHICLE CORPORATION
By: Morgan Guaranty Trust Company of New York, as Attorney-in-fact for Revolving Commitment Vehicle Corporation

By:/s/ David P. Weintrob

Name: David P. Weintrob
Title: Vice President

BANK ONE, COLORADO, N.A.

By:/s/ David L. Ericson

Name: David L. Ericson
Title: Vice President

KEYBANK NATIONAL ASSOCIATION

By:/s/ Richard J. Ameny, Jr.

Name: Richard J. Ameny, Jr.
Title: Assistant Vice President

NORWEST BANK MINNESOTA,
NATIONAL ASSOCIATION

By:/s/ Chad M. Kortgard

Name: Chad M. Kortgard
Title: Commercial Banking Officer

PNC BANK, NATIONAL ASSOCIATION

By:/s/ Douglas S. King

Name: Douglas S. King
Title: Vice President

U.S. BANK

By:/s/ Arnold Conrad

Name: Arnold Conrad
Title: Vice President

Exhibit F-6

FORM OF COMPLIANCE CERTIFICATE

TO: NationsBank, N.A.
c/o Bank of America NT&SA
555 California Street
41st Floor
San Francisco, CA 94104
Attention: James P. Johnson

Reference is hereby made to the Credit Agreement, dated as of July 24, 1997 (as the same may be amended, supplemented, replaced, renewed or otherwise modified from time to time, the "Credit Agreement"), by and among NORDSTROM, INC., a Washington corporation (the "Borrower"), THE BANKS AND OTHER FINANCIAL INSTITUTIONS FROM TIME TO TIME PARTIES THERETO AS LENDERS (the "Lenders"), certain MANAGING AGENTS and NATIONSBANK, N.A. (successor to NationsBank of Texas, N.A. (the "Agent Bank," as agent and representative for the Lenders (in such capacity the Agent Bank or any successor in such capacity is referred to herein as the "Agent"). Terms with initial capital letters used but not defined herein have the meanings assigned to them in the Credit Agreement.

This Compliance Certificate is being delivered pursuant to Section 5.1.5 of the Credit Agreement and relates to certain financial statements of the Borrower (the "Financial Statements") as of and for periods ended ____________ (the "Financial Statement Date"). The undersigned is the [Chief Financial Officer/President] of the Borrower, and hereby further certifies as of the date hereof, in [his/her] capacity as an officer of the Borrower, as follows:

1. I have reviewed the terms of the Loan Documents and have made, or have caused to be made under my supervision, a review in reasonable detail of the transactions and condition of the Borrower and its Subsidiaries during the accounting period covered by the Financial Statements to make the statements contained in this Compliance Certificate. I have also made such inquiries as have been necessary of other officers of the Borrower in order to complete this Compliance Certificate.

2. Such review has not disclosed the existence of any Default or Event of Default during such accounting period or as of the Financial Statement Date

and I do not have knowledge of the existence, as at the date of this certificate, of any Default or Event of Default[, except as follows:1]

I hereby further certify as of the Financial Statement Date, in my capacity as an officer of the Borrower, as follows2:

I. Section 6.3.1 Minimum Coverage Ratio for Fiscal Quarter

A. EBITDAR for Fiscal Quarter

B. Interest Expense for Fiscal Quarter

C. Rent Expense for Fiscal Quarter

D. Fixed Charge Coverage Ratio for Fiscal Quarter

E. Minimum Coverage Ratio 2.00

II. Section 6.3.2 Minimum Net Worth as of Financial Statement Date

A. Net Worth of the Borrower as of Financial Statement Date

B. Minimum Net Worth of the Borrower as of Financial Statement Date

1. Initial Amount $1,000,000,000
2. 50% of positive net income since April 30, 1999
3. 50% of net cash proceeds of equity offerings (other than employee stock options) since July 31, 1997

1 Specify the nature and period of existence of each Default or Event of Default (if any) and what action the Borrower has taken, is taking, or proposes to take with respect thereto.

2 All accounting terms used herein shall be interpreted, and all accounting determinations hereunder shall be made, in accordance with Section 1.2.3 of the Credit Agreement.

The undersigned has executed this Officers' Certificate as of the ___th day of ________, ____.

Name:
Title: [Chief Financial Officer/President]

5
1,000

6-MOS
JAN-31-1999
JUL-31-1999
69,492
21,506
620,004
21,498
828,264
1,608,471
1,400,036
0
3,120,156
805,537
747,148
0
0
241,535
1,048,751
3,120,156
2,482,500
2,482,500
1,631,544
2,290,131
0
0
24,492
167,877
65,000
102,377
0
0
0
102,377
.73
.72