



Q3 2020 EARNINGS CALL

NORDSTROM

FORWARD-LOOKING STATEMENTS

This presentation contains statements that are forward looking. These statements are based upon current expectations and assumptions that are subject to risks and uncertainties. We may not achieve the results projected in these forward looking statements, and our actual results could materially differ because of factors discussed in this event, in the comments made during this presentation, and in the risk factors section of our Form 10-K, Form 10-Q, and other reports and filings with the Securities and Exchange Commission. The Company undertakes no obligation to update or revise any forward looking statement to reflect subsequent events, new information or future circumstances.

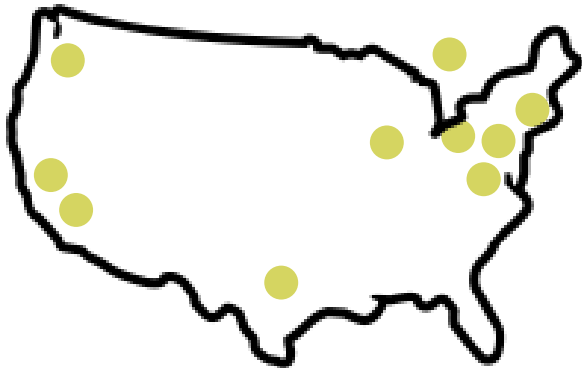
ERIK NORDSTROM

CHIEF EXECUTIVE OFFICER



STRATEGIC GROWTH DRIVERS

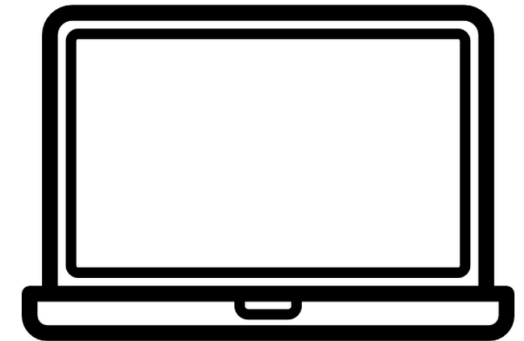
OWNING OUR MOST IMPORTANT MARKETS



FUELING GROWTH IN NORDSTROM RACK



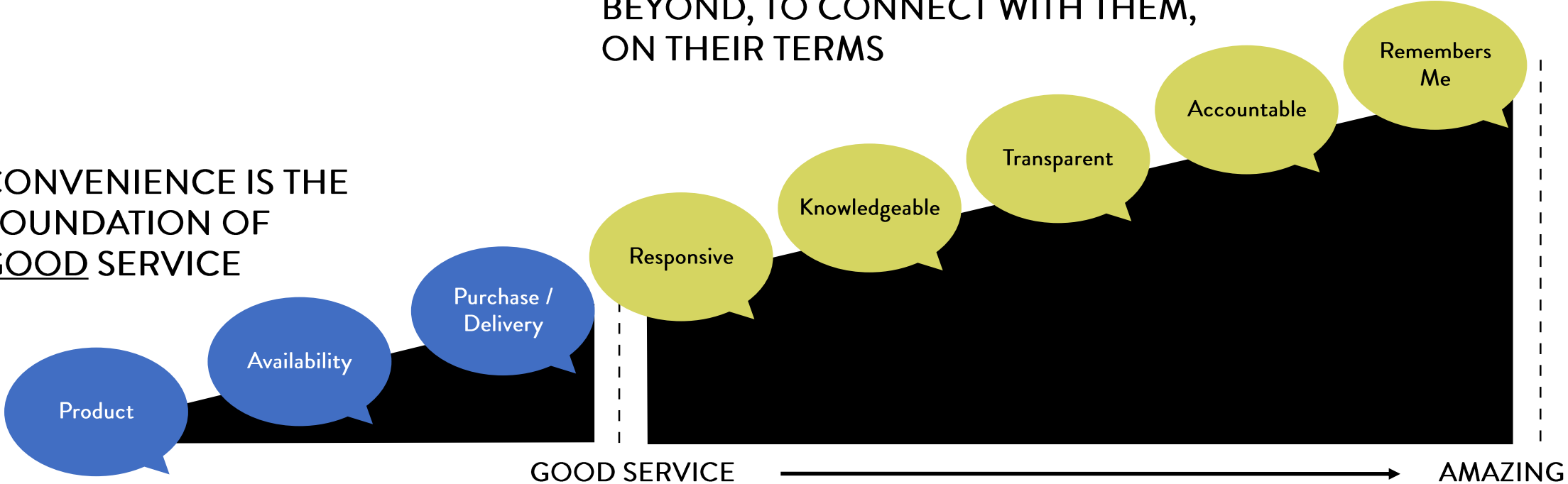
INCREASING VELOCITY OF DIGITAL BUSINESS



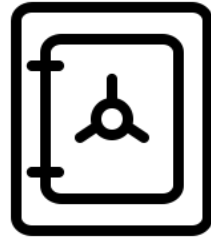
CLOSER TO YOU: BUILDING CONVENIENCE & CONNECTION

CONVENIENCE IS THE FOUNDATION OF GOOD SERVICE

GREAT SERVICE IS GOING ABOVE AND BEYOND, TO CONNECT WITH THEM, ON THEIR TERMS



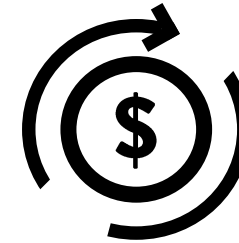
STRONG EARNINGS & CASH FLOW GENERATION



**POSITIVE
EARNINGS**

\$100M+

EBIT in the third quarter



**CASH
FLOW**

\$150M+

operating cash flow

ANNE BRAMMAN

CHIEF FINANCIAL OFFICER



STRONG EARNINGS & CASH FLOW GENERATION

| | Q1 | Q2 | Q3 |
|----------------------------|--------|------------------------------------|--|
| TOTAL SALES % | (40%) | (53%)* ~(10%) Anniversary Shift | (16%)* ~+10% Anniversary Shift |
| EBIT | (813M) | (370M) | 106M |
| OPERATING CASH FLOW | (778M) | 187M | 155M |
| TOTAL LIQUIDITY | 1.4B | 1.3B | 1.5B |

*Includes the impact of Anniversary Sale Shift from Q2 to Q3

TRACKING AHEAD OF SAVINGS TARGET

| <i>\$ in Millions</i> | EXPENSE | WORKING CAPITAL & CAPEX | TOTAL CASH |
|--------------------------------|------------------|-------------------------|------------------------|
| PLANNED SAVINGS | 200 - 250 | | 200 - 250 |
| COVID-19 RESPONSE ¹ | ~170 | ~330 | 500 |
| ANNUAL TARGET | 370 - 420 | ~330 | 700 - 750 |
| Q3 YTD SAVINGS | ~330 | ~220 | 550¹ |

¹Net of COVID-19 related cash charges

SEQUENTIAL IMPROVEMENT

| | Q1 | Q2 | Q3 |
|---|-------------|------------------------------------|-----------------------------------|
| TOTAL SALES <i>YoY Growth</i> | (40%) | (53%)* ~(10%) Anniversary Shift | (16%)* ~+10% Anniversary Shift |
| DIGITAL PENETRATION <i>% of sales</i> | 54% | 61% | 54% |
| GROSS PROFIT <i>% of sales better / (worse) vs LY</i> | ~(2,280bps) | ~(1,360bps) | (150bps) |
| SG&A <i>% of sales better / (worse) vs LY</i> | ~(2,100bp) | ~(1,500bp) | (30bp) |
| EBIT \$ | (813M) | (370M) | 106M |

*Including the impact from Anniversary Sale Shift from Q2 to Q3



Q&A



NORDSTROM