

# NORDSTROM

## Nordstrom Announces Operating Model Improvements to Better Support Customers' Changing Expectations

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SEATTLE, Wash., April 18, 2016 /PRNewswire/ -- Nordstrom, Inc. (NYSE: JWN) today shared with its employees that in order to continually evolve with the expectations of its customers, ensure it is best positioned to respond to the current business environment, and meet long-term growth plans, the company is making a number of changes to its operating model. The company is expecting that approximately 350 to 400 positions will be reduced through a phased approach. These positions will primarily be in its Corporate Center and regional support teams, and the process should be completed by the end of the second quarter. In an effort to minimize impacts on current employees, the company will first look at options such as closing unfilled open positions. Employees whose roles are eliminated will receive separation pay and benefits. These changes are estimated to generate savings of approximately \$60 million in fiscal 2016.

Changes to the operating model are part of the company's broader strategic plans to strengthen its foundation for future growth and improve productivity and service. The company has previously shared that it is continuing to make fundamental changes to serve customers better by leveraging its enterprise capabilities. Initiatives include a new operating model in its Technology group focused on strengthening its ability to deliver on e-commerce and digital initiatives, and proactively addressing opportunities to improve supply chain and marketing effectiveness.

"We will never change our commitment to serving customers, but recognize how they want to be served has been changing at an increasingly rapid pace," said Blake Nordstrom, co-president, Nordstrom, Inc. "Meeting our customers' expectations means we must continually evolve with them. We see opportunities to create a more efficient and agile organization that ensures we're best positioned to achieve our goals."

The financial impact of these strategic initiatives has been incorporated in the company's financial outlook that was provided on February 18, 2016.

### **About Nordstrom, Inc.**

Nordstrom, Inc. is a leading fashion specialty retailer based in the U.S. Founded in 1901 as a shoe store in Seattle, today Nordstrom operates 326 stores in 39 states, including 121 full-line stores in the United States, Canada and Puerto Rico; 197 Nordstrom Rack stores; two [Jeffrey](#) boutiques; and one clearance store. Additionally, customers are served online through [Nordstrom.com](#), [Nordstromrack.com](#) and [HauteLook](#). The company also owns Trunk Club, a personalized clothing service serving customers online at [TrunkClub.com](#) and its five clubhouses. Nordstrom, Inc.'s common stock is publicly traded on the NYSE under the symbol JWN.

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