

NORDSTROM

Nordstrom Reports Second Quarter 2021 Earnings, Raises Fiscal Year Outlook (Brief)

August 24, 2021

- Broad-based improvement in sales trends at Nordstrom and Nordstrom Rack; strong Anniversary Sale performance
- Earnings reflected solid execution and improvements in sales, gross profit and expense
- Continued balance sheet strengthening, including repayment of \$500 million unsecured notes

SEATTLE, Aug. 24, 2021 /PRNewswire/ -- Nordstrom, Inc. (NYSE: JWN) today reported second quarter results, which reflected continued broad-based improvement in sales trends at Nordstrom and Nordstrom Rack across categories and geographies. The Company reported net earnings of \$80 million or \$0.49 per diluted share, with earnings before interest and taxes ("EBIT") of \$151 million.

For the second quarter ended July 31, 2021, net sales increased 101 percent from the same period in fiscal 2020 and decreased 6 percent from the same period in fiscal 2019, representing a sequential improvement of approximately 700 basis points relative to the first quarter of fiscal 2021. The timing shift of the annual Anniversary Sale, with roughly one week falling into the third quarter of 2021, had a negative impact of approximately 200 basis points on net sales compared with fiscal 2019. Adjusting for this timing shift, sales trends improved by approximately 900 basis points relative to the first quarter.

"Our second quarter results demonstrate the strength of our two brands, the power of our 'closer to you' strategy and the success of our iconic Anniversary Sale," said Erik Nordstrom, chief executive officer of Nordstrom, Inc. "We capitalized on improving customer demand with focused execution, healthy inventory sell-through and continued expense management to deliver strong quarterly results. We remain focused on executing our strategy to win in our most important markets, broaden the reach of Nordstrom Rack and increase our digital velocity, and are well-positioned for continued progress toward our long-term strategic and financial goals as we look ahead to the second half of the year."

Total Anniversary event sales increased 1 percent compared with 2019, including the final week of the event which fell in the third quarter. Traffic and sales trends were strong across both digital and stores as customers responded positively to expanded selection, better in-stock rates on top-selling items and enhanced capabilities including convenient pick-up options at Nordstrom and Nordstrom Rack stores.

"A compelling merchandise assortment, combined with new and differentiated services and experiences, contributed to strengthening customer engagement and improving financial results during our Anniversary Sale. We would like to extend our heartfelt thanks to our outstanding employees and brand partners for their contributions to a successful event," said Pete Nordstrom, president and chief brand officer of Nordstrom, Inc.

The direct link to the Company's second 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.

CONFERENCE CALL INFORMATION

The Company's senior management will host a conference call to provide a business update and to discuss second quarter 2021 financial results and fiscal 2021 outlook 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 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 13721946, until the close of business on August 31, 2021.

ABOUT NORDSTROM

At Nordstrom, Inc. (NYSE: JWN), we exist to help our customers feel good and look their best. Since starting as a shoe store in 1901, how to best serve customers has been at the center of every decision we make. This heritage of service is the foundation we're building on as we provide convenience and true connection for our customers. Our digital-first platform enables us to serve customers when, where and how they want to shop – whether that's in-store at more than 350 Nordstrom, Nordstrom Local and Nordstrom Rack locations or digitally through our [Nordstrom](#) and [Rack](#) apps and websites. Through it all, we remain committed to [leaving the world better than we found it](#).

Certain statements in this press release contain or may suggest "forward-looking" information (as defined in the Private Securities Litigation Reform Act of 1995) that involves risks and uncertainties that could cause results to be materially different from expectations. The words "will," "may," "designed to," "outlook," "believes," "should," "targets," "anticipates," "assumptions," "plans," "expects" or "expectations," "intends," "estimates," "forecasts," "guidance" and similar expressions identify certain of these forward-looking statements. The Company also may provide forward-looking statements in oral statements or other written materials released to the public. All statements contained or incorporated in this press release or in any other public statements that address such future events or expectations are forward-looking statements. Important factors that could cause actual results to differ materially from these forward-looking statements are detailed in the Company's Annual Report on Form 10-K for the fiscal year ended January 30, 2021, and its Form 10-Q for the fiscal quarter ended May 1, 2021. These forward-looking statements are not guarantees of future performance and speak only as of the date made, and, except as required by law, the Company undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events, new information or future circumstances.

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