

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-Q

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

For the quarterly period ended April 30, 1994

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 0-6074

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.)

1501 Fifth 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 May 31, 1994: 82,107,884 shares of common stock.

NORDSTROM, INC. AND SUBSIDIARIES

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

	Three Months Ended April 30,	
	1994	1993
Net sales	\$762,062	\$695,559
Costs and expenses:		
Cost of sales and related buying and occupancy costs	510,135	482,588
Selling, general and administrative	214,864	208,199
Interest, net	7,942	9,870
Service charge income and other, net	(23,652)	(23,493)
Total costs and expenses	709,289	677,164
Earnings before income taxes	52,773	18,395
Income taxes	20,800	7,100
Net earnings	\$ 31,973	\$ 11,295
Net earnings per average share of common stock	\$.39	\$.14
Cash dividends paid per share of common stock outstanding	\$.085	\$.085

These statements should be read in conjunction with the Notes to Consolidated Financial Statements contained herein and in the Nordstrom 1993 Annual Report to Shareholders.

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

	April 30, 1994	January 31, 1994	April 30, 1993
	-----	-----	-----
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 101,654	\$ 91,222	\$ 54,580
Accounts receivable, net	530,673	586,441	535,266
Merchandise inventories	621,962	585,602	624,170
Prepaid income taxes and other	52,007	51,649	50,431
	-----	-----	-----
Total current assets	1,306,296	1,314,914	1,264,447
Property, buildings and equipment, net	862,073	845,596	815,721
Other assets	20,810	16,971	11,330
	-----	-----	-----
	\$2,189,179	\$2,177,481	\$2,091,498
	=====	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities:			
Notes payable	\$ 52,146	\$ 40,337	\$ 102,842
Accounts payable	279,550	264,055	265,680
Accrued salaries, wages and taxes	120,470	156,947	118,760
Accrued expenses	34,512	35,994	31,249
Accrued income taxes	22,042	27,988	10,048
Current portion of long-term debt	112,164	102,164	16,316
	-----	-----	-----
Total current liabilities	620,884	627,485	544,895
Long-term debt	326,182	336,410	440,422
Deferred income taxes and other	49,326	47,082	49,624
Shareholders' equity:			
Common stock, without par value: 250,000,000 shares authorized; 82,099,115, 82,059,128 and 81,984,171 shares issued and outstanding	158,660	157,374	155,639
Retained earnings	1,034,127	1,009,130	900,918
	-----	-----	-----
Total shareholders' equity	1,192,787	1,166,504	1,056,557
	-----	-----	-----
	\$2,189,179	\$2,177,481	\$2,091,498
	=====	=====	=====

These statements should be read in conjunction with the Notes to Consolidated Financial Statements contained herein and in the Nordstrom 1993 Annual Report to Shareholders.

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

	Three Months Ended April 30,	
	1994	1993
OPERATING ACTIVITIES:		
Net earnings	\$ 31,973	\$11,295
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	24,862	24,462
Change in:		
Accounts receivable, net	55,768	67,932
Merchandise inventories	(36,360)	(87,431)
Prepaid income taxes and other	(358)	340
Accounts payable	15,495	45,504
Accrued salaries, wages and taxes	(36,477)	(39,268)
Accrued expenses	(1,482)	108
Income tax liabilities and other	(3,702)	(11,858)
	-----	-----
Net cash provided by operating activities	49,719	11,084
	-----	-----
INVESTING ACTIVITIES:		
Additions to property, buildings and equipment, net	(41,209)	(15,911)
Other	(3,969)	(2,276)
	-----	-----
Net cash used in investing activities	(45,178)	(18,187)
	-----	-----
FINANCING ACTIVITIES:		
Increase in notes payable	11,809	64,523
Proceeds from issuance of common stock	1,286	200
Principal payments on long-term debt	(228)	(25,207)
Cash dividends paid	(6,976)	(6,969)
	-----	-----
Net cash provided by financing activities	5,891	32,547
	-----	-----
Net increase in cash and cash equivalents	10,432	25,444
Cash and cash equivalents at beginning of period	91,222	29,136
	-----	-----
Cash and cash equivalents at end of period	\$101,654	\$54,580
	=====	=====

These statements should be read in conjunction with the Notes to Consolidated Financial Statements contained herein and in the Nordstrom 1993 Annual Report to Shareholders.

NORDSTROM, INC. AND SUBSIDIARIES
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
 FOR THE THREE MONTHS ENDED APRIL 30, 1994 AND 1993
 (dollars in thousands)
 (unaudited)

Note 1:

The consolidated balance sheets of Nordstrom, Inc. and subsidiaries as of April 30, 1994 and 1993, 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 is applicable to interim periods and is not necessarily indicative of the results to be expected for the year ending January 31, 1995.

It is not considered necessary to include detailed footnote information as of April 30, 1994 and 1993. The financial information should be read in conjunction with the Notes to Consolidated Financial Statements contained in the Nordstrom 1993 Annual Report to Shareholders.

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 April 30, 1994 and 1993, 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.

Note 2: The components of net interest are as follows:

Three Months Ended April 30,	1994	1993
	-----	-----
Interest expense	\$9,647	\$10,349
Interest income	(719)	(306)
Capitalized interest	(986)	(173)
	-----	-----
Interest, net	\$7,942	\$ 9,870
	=====	=====

Note 3: The summarized combined results of operations of Nordstrom Credit, Inc. and Nordstrom National Credit Bank are as follows:

Three Months Ended April 30,	1994	1993
	-----	-----
Service charge and merchant fee income	\$24,742	\$24,012
Earnings before income taxes	10,285	8,639
Net earnings	6,585	5,564

NORDSTROM, INC. AND SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with the Management Discussion and Analysis section of the Nordstrom 1993 Annual Report to Shareholders.

Results of Operations:

- - -----

During the first quarter of 1994, sales increased 9.6% when compared with the same quarter of 1993. Sales for comparable stores increased 6.9% during the quarter, with the remainder of the increase coming from new units. The increase in comparable store sales was the highest increase since 1989 and reflects improving trends in all areas of the Company's operations. The Company, however, remains cautious with respect to sales predictions for the remainder of the year.

Cost of sales and related buying and occupancy costs decreased as a percentage of sales for the quarter due primarily to improved merchandise margins. Buying and occupancy costs also decreased compared to the same quarter last year.

Selling, general and administrative expenses decreased as a percentage of sales when compared with the same quarter last year. The Company continued its efforts to reduce the rate of growth in operating expenses, and as a result, noted improvement in most expense categories. Specific areas which decreased significantly included employee benefits, selling costs, sales promotion and bad debts.

Net interest expense decreased as a percentage of sales for the quarter due to lower levels of debt outstanding during the quarter.

Income taxes as a percentage of earnings before income taxes increased when compared to the same quarter of 1993 due to the effects of the Omnibus Budget Reconciliation Tax Act, which was signed into law on August 10, 1993.

Financial Condition:

- - -----

The Company's working capital at April 30, 1994 decreased compared to the prior year primarily due to an increase in current maturities of long-term debt.

The Company's financial condition remains strong and the Company has continued to fund its working capital needs internally. However, with its increased spending on expansion and the maturity of over \$100 million in long-term debt, it is likely that the Company will require some external capital later this year.

NORDSTROM, INC. AND SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS (continued)

Financial Condition (continued):

In May 1994, Nordstrom National Credit Bank commenced its VISA card program, which is also expected to increase the external financing needs of the Company.

During the quarter, the Company opened a full-line store in Annapolis Mall, Annapolis, Maryland, and a clearance store in Schaumburg, Illinois. Construction is progressing as planned on new stores scheduled to open later this year and in 1995.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

The Company is not involved in any material pending legal proceedings, other than routine litigation in the ordinary course of business.

Item 6. Exhibits and 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)

John A. Goesling, Executive Vice President
and Treasurer
(Principal Financial and Accounting Officer)

Date: June 3, 1994
