

Nordstrom, Inc.
Restatement of P&L for Purchase Rewards Accounting Change
FY 2003

| in millions | Q1 2003 | | | Q2 2003 | | | Q3 2003 | | | Q4 2003 | | | FY 2003 | | |
|---|---------------------|------------|----------|---------------------|------------|----------|---------------------|------------|----------|---------------------|------------|----------|---------------------|------------|----------|
| | Previously reported | Adjustment | Restated | Previously reported | Adjustment | Restated | Previously reported | Adjustment | Restated | Previously reported | Adjustment | Restated | Previously reported | Adjustment | Restated |
| Net sales | 1,343.5 | (8.0) | 1,335.5 | 1,795.0 | (10.2) | 1,784.8 | 1,420.6 | (11.5) | 1,409.1 | 1,932.5 | (13.3) | 1,919.2 | 6,491.7 | (43.0) | 6,448.7 |
| Cost of sales and related buying and occupanc | 888.4 | (2.3) | 886.1 | 1,192.2 | 2.2 | 1,194.4 | 911.3 | 0.1 | 911.4 | 1,221.9 | 1.6 | 1,223.5 | 4,214.0 | 1.6 | 4,215.6 |
| Gross profit | 455.1 | (5.7) | 449.4 | 602.8 | (12.4) | 590.4 | 509.3 | (11.6) | 497.7 | 710.6 | (14.9) | 695.7 | 2,277.7 | (44.6) | 2,233.1 |
| Selling, general and administrative | 426.0 | (5.7) | 420.3 | 504.7 | (12.4) | 492.3 | 450.6 | (11.6) | 439.0 | 562.4 | (14.9) | 547.5 | 1,943.7 | (44.6) | 1,899.1 |
| Operating income | 29.1 | 0.0 | 29.1 | 98.1 | 0.0 | 98.1 | 58.7 | 0.0 | 58.7 | 148.2 | 0.0 | 148.2 | 334.0 | 0.0 | 334.0 |
| Other income & expense | (15.4) | | (15.4) | (10.0) | | (10.0) | (15.9) | | (15.9) | (22.8) | | (22.8) | (64.1) | | (64.1) |
| Earnings before income taxes | 44.5 | 0.0 | 44.5 | 108.1 | 0.0 | 108.1 | 74.6 | 0.0 | 74.6 | 171.0 | 0.0 | 171.0 | 398.1 | 0.0 | 398.1 |
| Income taxes | 17.3 | | 17.3 | 42.2 | | 42.2 | 29.1 | | 29.1 | 66.7 | | 66.7 | 155.3 | | 155.3 |
| Net earnings | 27.2 | 0.0 | 27.2 | 65.9 | 0.0 | 65.9 | 45.5 | 0.0 | 45.5 | 104.3 | 0.0 | 104.3 | 242.8 | 0.0 | 242.8 |
| | Impact | | | Impact | | | Impact | | | Impact | | | Impact | | |
| Gross Profit % | 33.9% | -0.30% | 33.6% | 33.6% | -0.50% | 33.1% | 35.9% | -0.60% | 35.3% | 36.8% | -0.60% | 36.2% | 35.1% | -0.50% | 34.6% |
| SG&A % | 31.7% | -0.30% | 31.4% | 28.1% | -0.50% | 27.6% | 31.8% | -0.70% | 31.1% | 29.1% | -0.60% | 28.5% | 30.0% | -0.60% | 29.4% |