NORDSTROM BUSINESS OVERVIEW

- Leading U.S. fashion specialty retailer with a growing presence in Canada
- Record ~$14.5B in annual revenue in 2016 with 6.2% CAGR since 2000
- Diverse network of 123 full-line stores and 232 Nordstrom Rack stores in attractive markets*
- Innovative omni-channel platform with nearly 25% online penetration
- 116-year legacy of delivering exceptional customer service
- Broad and diverse mix of top brand names and private label merchandise
- 9.9 million active Nordstrom Rewards loyalty program members*

SERVING CUSTOMERS WHEREVER THEY SHOP

- 123 Full-line Stores*
- 232 Rack Stores
- 2 Clearance Stores
- Nordstrom.com
- Nordstromrack.com
- Trunk Club, 7 Clubhouses
- 2 Jeffrey Boutiques
- HauteLook

2016 SALES BY CHANNEL

<table>
<thead>
<tr>
<th>STORES</th>
<th>ONLINE</th>
</tr>
</thead>
<tbody>
<tr>
<td>NORDSTROM</td>
<td>NORDSTROM .com</td>
</tr>
<tr>
<td>FULL-PRICE</td>
<td>TRUNK CLUB</td>
</tr>
<tr>
<td>51%</td>
<td>~$14.5B</td>
</tr>
<tr>
<td>26%</td>
<td>18%</td>
</tr>
<tr>
<td>NORDSTROM</td>
<td>NORDSTROM .com</td>
</tr>
<tr>
<td>RACK</td>
<td>TRUNK CLUB</td>
</tr>
<tr>
<td>26%</td>
<td>18%</td>
</tr>
<tr>
<td>RACK</td>
<td>RACK.COM</td>
</tr>
<tr>
<td>26%</td>
<td>5%</td>
</tr>
<tr>
<td>TRUNK CLUB</td>
<td>TRUNK.COM</td>
</tr>
<tr>
<td>18%</td>
<td>5%</td>
</tr>
</tbody>
</table>

2016 SALES BY CATEGORY

- Women's Apparel 32%
- Shoes 23%
- Beauty 11%
- Accessories 11%
- Men's Apparel 17%
- Other 3%
- Kids' Apparel 3%

Nordstrom includes U.S. and Canada full-line stores
2016 sales by channel percentages are based on total retail segment sales

* as of end of Q3 2017 (Nordstrom full-line stores include Nordstrom Local)
A LOOK AT THE NUMBERS
Dollars in millions except per share amounts

FISCAL YEAR 2016  2015
Net sales  $14,498  $14,095
Net earnings  354  600
Adjusted net earnings  551  1,111
Earnings per diluted share  2.02  3.15
Adjusted earnings per diluted share  3.14  n/a
Cash dividends paid per share  1.48  1.48
Special cash dividend paid per share  n/a  4.85

NET CAPEX

HISTORICAL PERFORMANCE

NET SALES ($)  COMPARABLE SALES (%)  EBIT ($)

Net sales  11,762  12,166  13,810  14,095  14,498
Comparable sales  7.3  2.5  4.0  2.7  (0.4)
EBIT  1,345  1,350  1,323  1,101  805

NET SALES PERCENTAGE INCREASE

12  13  14  15  16
12.1  3.4  7.8  7.5  2.9

INVENTORY TURN

CASH FLOW FROM OPERATIONS ($)

RETURN ON ASSETS AND RETURN ON INVESTED CAPITAL (ROIC) (%)

12  13  14  15  16
1.11  1.320  1.220  1.451  1.648
8.9  8.7  8.1  6.6  4.5
13.9  13.6  12.6  10.7  8.4
13.9  13.6  12.6  10.7  8.4

% Adjusted net earnings and adjusted earnings per diluted share exclude the Frank & Eileen goodwill impairment charge of $197 or $1.12 per share (see reconciliation of these non-GAAP financial measures on page 25).
This impairment charge, as reflected by the dotted box, impacted EBIT by $197 and ROIC by 3.3%.
See reconciliation of ROIC (non-GAAP financial measure) on page 26.

investor.nordstrom.com