

Option Grants

The following table reports information concerning option grants during the fiscal year ended January 31, 2004 to the Named Executive Officers:

Name	Number of Options Granted(a)	Percent of Total Options Granted to Employees in Fiscal Year	Exercise or Base Price Per Share	Expiration Date	Potential Realizable Value at Assumed Annual Rates of Stock Price Appreciation for Option Terms	
					5%	10%
Blake W. Nordstrom	43,750(b)	1.61%	\$17.70	3/5/2013	\$487,000	\$1,234,154
Peter E. Nordstrom	46,722	1.72%	\$17.70	2/18/2013	\$520,083	\$1,317,992
Erik B. Nordstrom	46,722	1.72%	\$17.70	2/18/2013	\$520,083	\$1,317,992
Michael G. Koppel	43,607	1.61%	\$17.70	2/18/2013	\$485,408	\$1,230,120
James R. O'Neal	33,721	1.24%	\$17.70	2/18/2013	\$375,363	\$951,244

- (a) Options were granted at the fair market value of the Company's Common Stock on February 18, 2003, the date of the grant. These options vest and become exercisable in four equal annual installments beginning one year from the date of grant. To the extent not already exercisable, options generally become exercisable upon a sale of the Company or substantially all of its assets.
- (b) Option was granted at the higher of the fair market value of the Company's Common Stock on February 18, 2003 (the day of the Company's annual grant) or March 5, 2003 (the date of the President's grant).

Option Exercises and Year End Value Table

The following table sets forth information concerning option exercises and the value of options held at January 31, 2004, by the Named Executive Officers:

Name	Number of Shares Acquired on Exercise	Dollar Value Realized(a)	Number of Unexercised Options Held at January 31, 2004		Dollar Value of Unexercised, In-the-Money Options held at January 31, 2004(b)	
			Exercisable	Unexercisable	Exercisable	Unexercisable
Blake W. Nordstrom	2,732	\$8,578	175,852	166,644	\$2,144,070	\$2,802,304
Peter E. Nordstrom	36,710	\$472,578	114,188	131,681	\$964,854	\$2,204,996
Erik B. Nordstrom	3,704	\$16,810	129,618	109,800	\$1,281,302	\$1,834,448
Michael G. Koppel	0	\$0	41,911	100,071	\$753,168	\$1,858,022
James R. O'Neal	17,850	\$263,237	65,510	78,831	\$709,198	\$1,403,067

- (a) Dollar value is based on the market value of the Company's Common Stock on the date of exercise minus the exercise price.
- (b) Dollar value is based on the market value of the Company's Common Stock on January 31, 2004, minus the exercise price.