

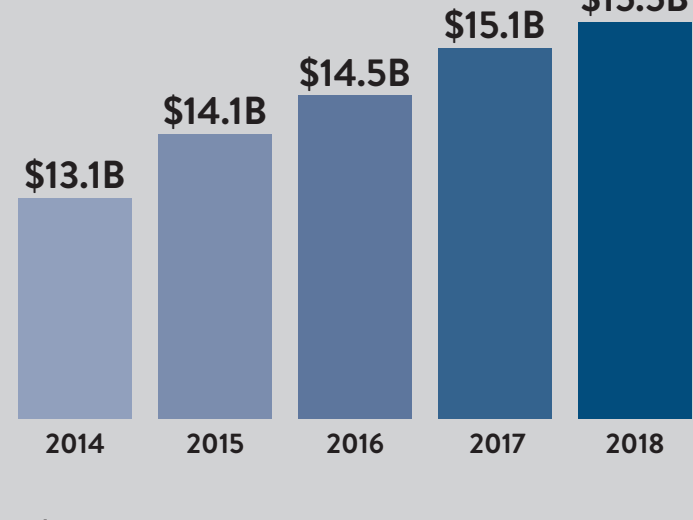
NORDSTROM

# 2018 AT A GLANCE

- We're leveraging our unique business model to serve customers through our digital and physical assets.
- We have a strong financial position and cash flow generation.
- We're focused on increasing profitability.

## 2018 WAS A YEAR OF CONTINUED GROWTH

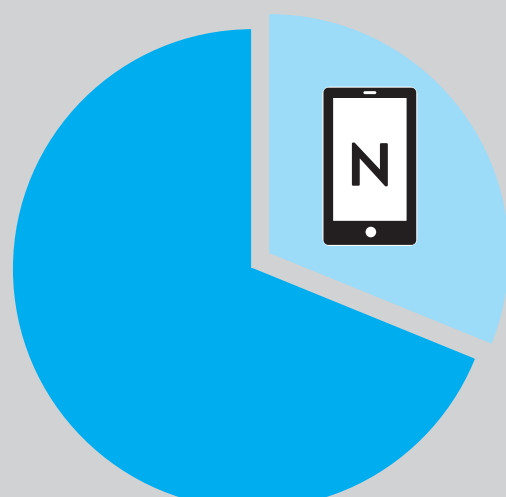
### POSITIVE SALES INCREASE



Sales of **\$15.5 BILLION** in 2018

### ROBUST DIGITAL PRESENCE

DIGITAL SALES REPRESENT **30%** OF SALES



AND GREW BY **16%** OVER LAST YEAR

Accelerated investments in digital capabilities continue to pay off

### GENERATIONAL INVESTMENTS CONTRIBUTED ~\$2B IN SALES

NORDSTROMRACK.COM/  
HAUTELOOK EXCEEDED  
**\$1 BILLION**  
IN SALES

TRUNK CLUB  
DELIVERED  
**35% GROWTH**  
YOY

OPENED  
MEN'S STORE IN  
**NYC**  
& NORDSTROM RACK IN  
**CANADA**

# 10

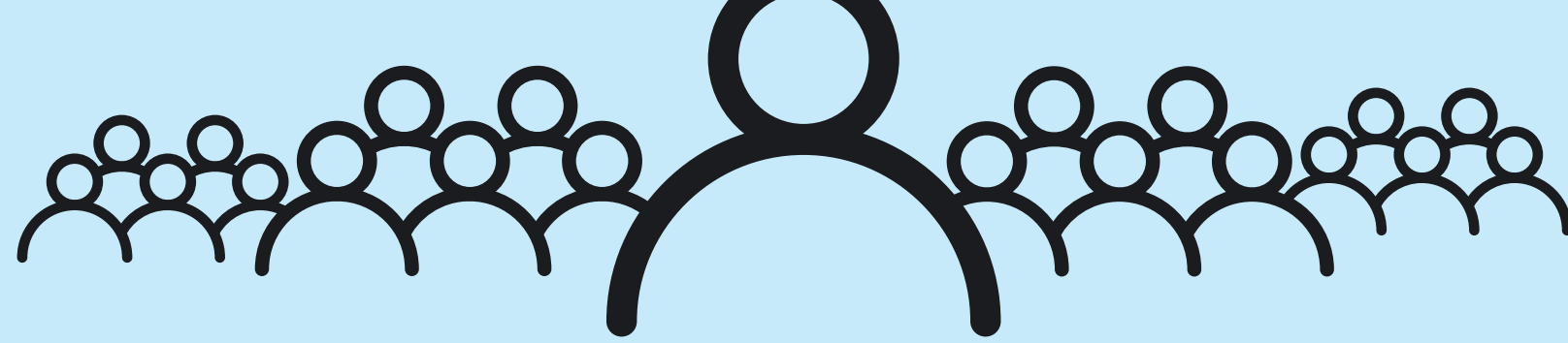
CONSECUTIVE YEARS  
OF GENERATING MORE THAN

# \$1 BILLION

OF ANNUAL OPERATING CASH FLOW

Returned ~\$1B to shareholders in 2018

## WE SERVED MORE CUSTOMERS THAN EVER BEFORE



**35 million customers**

6% increase YOY

**7 million**

new customers introduced through Off-Price



**~10 million**

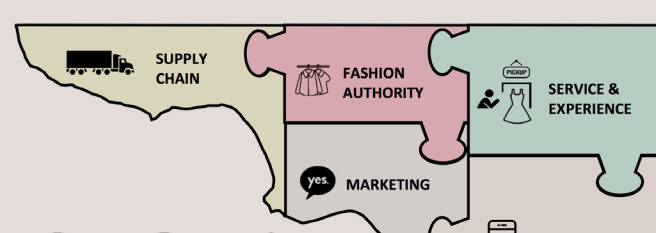
customers shopping multiple channels

6% increase YOY

## ENGAGEMENT WITH CUSTOMERS DELIVERS RESULTS

### LOCAL MARKET STRATEGY: INCREASING ENGAGEMENT AND MARKET SHARE

**2.5X**  
Nordstrom Local  
visitor spend



**4X**  
Buy Online &  
Pick Up In Store  
demand

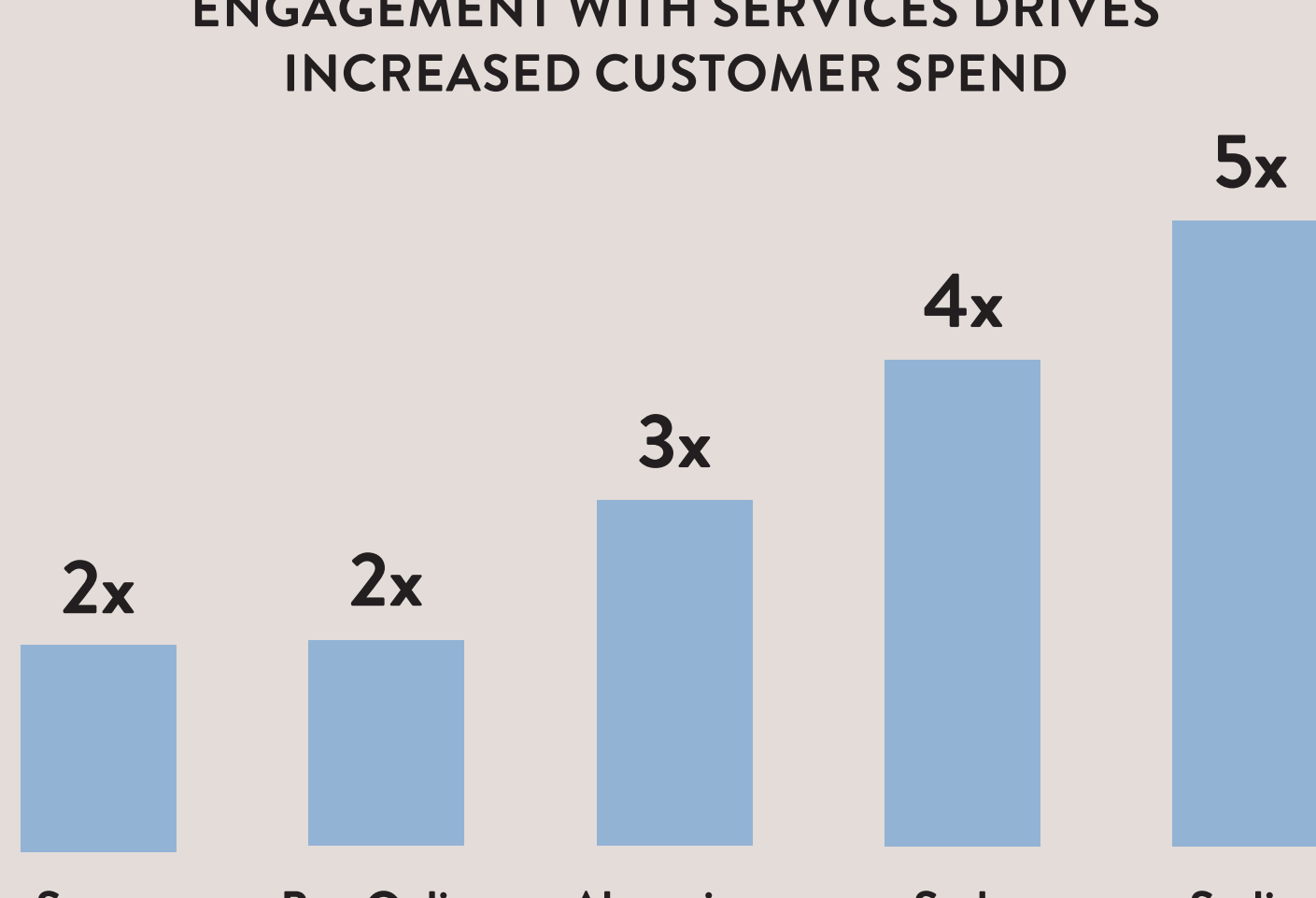
Local market strategy leverages inventory, increases product selection, delivery speed and convenience for customers

### ENGAGEMENT ACROSS OUR BUSINESSES ENCOURAGES MORE VISITS AND MORE SPEND

OUR BUSINESSES: FULL-PRICE AND OFF-PRICE, STORES AND ONLINE



### ENGAGEMENT WITH SERVICES DRIVES INCREASED CUSTOMER SPEND



### THE NORDY CLUB: KEY DRIVER OF SALES AND ENGAGEMENT



**11 million+**  
loyalty customers –  
roughly 1/3 of our customers

Members generate  
**56%**  
of sales