

NORDSTROM INC  
Form 10-K  
March 21, 2008

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 10-K**

**(Mark One)**

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934  
For the fiscal year ended February 2, 2008**

**OR**

**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 001-15059  
**NORDSTROM, INC.**  
(Exact name of Registrant as specified in its charter)**

**Washington**  
(State or other jurisdiction of  
incorporation or organization)

**91-0515058**  
(IRS employer  
Identification No.)

**1617 Sixth Avenue, Seattle, Washington**  
(Address of principal executive offices)

**98101**  
(Zip code)

Registrant's telephone number, including area code: **206-628-2111**  
Securities registered pursuant to Section 12(b) of the Act:

Title of each class  
**Common stock, without par value**

Name of each exchange on which registered  
**New York Stock Exchange**

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.  
YES  NO

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the  
Act. YES  NO

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  NO

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained  
herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements  
incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer,  
or a smaller reporting company. See the definition of large accelerated filer, accelerated filer and smaller reporting  
company in Rule 12b-2 of the Exchange Act (Check one):

Large accelerated  
filer  Accelerated filer  Non-accelerated filer  Smaller reporting  
company

(Do not check if a smaller reporting  
company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). YES  NO   
As of August 3, 2007 the aggregate market value of the Registrant's voting and non-voting stock held by non-affiliates  
of the Registrant was approximately \$8.9 billion using the closing sales price on that day of \$46.07. On March 14,  
2008, 219 shares of common stock were outstanding (in millions).

**DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the Proxy Statement for the 2008 Annual Meeting of Shareholders scheduled to be held on May 20, 2008  
are incorporated into Part III

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**Table of Contents****PART I****Item 1. Business.****DESCRIPTION OF BUSINESS**

Nordstrom incorporated in the state of Washington in 1946 as the successor to a retail shoe business that started in 1901. We are one of the nation's leading fashion specialty retailers, with 157 U.S. stores located in 28 states. The west coast and east coast are the areas in which we have the largest presence. Nordstrom is comprised of four segments: Retail Stores, Direct, Credit, and Other.

**Retail Stores** derives its revenues from sales of designer, luxury and high-quality apparel, shoes, cosmetics and accessories. It includes our 103 Nordstrom full-line stores, 50 discount Nordstrom Rack stores, two Jeffrey boutiques, and two clearance stores that operate under the name Last Chance. The Nordstrom Rack stores purchase merchandise directly from manufacturers and also serve as outlets for clearance merchandise from our full-line stores.

In 2007, we opened three full-line stores (Natick, Massachusetts; Novi, Michigan; and Denver, Colorado), opened one Rack store (Tukwila, Washington), and increased our ownership in two Jeffrey boutiques (Atlanta, Georgia and New York, New York). We also sold our four U.S. Façonnable boutiques (Los Angeles, California; Costa Mesa, California; New York, New York; and Miami, Florida), and our 37 international Façonnable boutiques. To date in 2008, we have opened two full-line stores (Aventura, Florida and Honolulu, Hawaii) and closed one free-standing shoe store (Honolulu, Hawaii). We are scheduled to open six more full-line stores (Burlington, Massachusetts; Clinton Township, Michigan; Thousand Oaks, California; Indianapolis, Indiana; Pittsburgh, Pennsylvania; and Naples, Florida), relocate one full-line store (Tacoma, Washington) and open three Rack stores (Naperville, Illinois; Laguna Hills, California; and Danvers, Massachusetts). In 2009, we are scheduled to open five full-line stores, relocate one full-line store and open two Rack stores.

**Direct** generates revenues from sales of designer, luxury and high-quality apparel, shoes, cosmetics and accessories by serving our customers on the internet at [www.nordstrom.com](http://www.nordstrom.com) and through our catalogs. Direct segment's sales are primarily shipped via third-party carriers from our fulfillment center in Cedar Rapids, Iowa.

Through our wholly owned federal savings bank, Nordstrom fsb, we offer a private label card, two co-branded Nordstrom VISA credit cards and a debit card for Nordstrom purchases. The credit and debit cards feature a shopping-based loyalty program designed to increase customer visits and spending in our Retail Stores and Direct segments. Our **Credit** segment generates income through finance charges and fees on these cards.

Our **Other** segment includes our product development team, called Nordstrom Product Group, which designs and coordinates the production of private label merchandise sold in our Retail Stores and Direct. In addition, this segment includes our corporate center operations. Until the sale of Façonnable in the third quarter of 2007, the Other segment also included our four U.S. Façonnable boutiques and the 37 Façonnable boutiques located in France, Portugal and Belgium. Façonnable is a wholesaler and retailer of high quality men's, women's and boys' apparel and accessories with distribution to over 45 countries. Façonnable has licensee and franchisee agreements with others who operate wholesale distribution and/or boutique locations in Spain, Turkey, Greece, the Middle East, Taiwan, Canada and Latin America. We sold the Façonnable business in the third quarter of 2007. See Note 2 of the Notes to Consolidated Financial Statements in Item 8 for further discussion.

For more information about our business and our reportable segments, see Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations on page 15 and Note 16 of the Notes to Consolidated Financial Statements in Item 8.

**FISCAL YEAR END**

Our fiscal year ends on the Saturday closest to January 31st. References to 2007 relate to the 52-week fiscal year ended February 2, 2008. References to 2006 and 2005 relate to the 53-week fiscal year ended February 3, 2007 and 52-week fiscal year ended January 28, 2006. References to 2008 relate to the 52 weeks ending January 31, 2009.

**TRADEMARKS**

We have approximately 144 registered trademarks or trademark applications. Our most notable trademarks include Nordstrom, Nordstrom Rack, John W. Nordstrom, Caslon, and Classiques Entier. Each of our trademarks is renewable indefinitely provided that it is still used in commerce at the time of the renewal.

**RETURN POLICY**

We offer our customers a fair and liberal return policy at our full-line stores and Nordstrom Direct (online and catalog). Our Nordstrom Rack stores accept returns up to 30 days from the date of purchase. In general, our return policy is somewhat more generous than industry standards. We utilize historical return patterns to estimate our expected returns.

**SEASONALITY**

Due to our anniversary sale in July and the holidays in December, sales are higher for our Retail Stores and Direct in the second and fourth quarters of the fiscal year than in the first and third quarters.

**INVENTORY**

We plan our merchandise purchases and receipts to coincide with the selling patterns that we expect. For instance, we purchase and receive a larger amount of merchandise in the fall as we prepare for the holiday shopping season (from late November through early January). Also, our merchandise purchases and receipts increase prior to our Anniversary Sale, which extends over the last two weeks of July. We pay for our merchandise purchases under the terms established with our vendors, which is usually within 30 days of the date that the merchandise was shipped to us.

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In order to offer merchandise that our customers want, we purchase merchandise from a wide variety of high-quality suppliers. We also have arrangements with agents and contract manufacturers to produce our private label merchandise. Our suppliers include domestic and foreign businesses. We expect our suppliers to meet our Nordstrom Partnership: Standards and Business Practice Guidelines, which address our standards for matters such as law, labor, health and safety, and environment.

### **COMPETITIVE CONDITIONS**

Our business is highly competitive. Each of our stores competes with other national, regional and local retail establishments that may carry similar lines of merchandise, including department stores, specialty stores, boutiques, mail order and Internet businesses. Our specific competitors vary from market to market. We believe the principal methods of competing in our industry include customer service, fashion, quality of product, depth of selection, store environment and location.

### **EMPLOYEES**

During 2007, we regularly employed on a full or part-time basis approximately 55,000 employees. Due to the seasonal nature of our business, employment increased to approximately 58,500 employees in July 2007 and 56,500 in December 2007.

### **CAUTIONARY STATEMENT**

Certain statements in this Annual Report on Form 10-K contain forward-looking statements (as defined in the Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties, including anticipated results, planned store openings, capital expenditures, and trends in our operations. Actual future results and trends may differ materially from historical results or current expectations depending upon various factors including those discussed below and elsewhere in this Annual Report on Form 10-K, particularly in Item 1A under the heading Risk Factors. These factors include our ability to respond to the business environment and fashion trends, effective inventory management, the impact of economic and competitive market forces, successful execution of our store growth strategy including the timely completion of construction associated with newly planned stores, relocations and remodels, our compliance with information security and privacy laws and regulations, employment laws and regulations and other laws and regulations applicable to the company, successful execution of our multi-channel strategy, our ability to safeguard our brand and reputation, efficient and proper allocation of our capital resources, successful execution of our technology strategy, the impact of terrorist activity or war on our customers and the retail industry, trends in personal bankruptcies and bad debt write-offs, changes in interest rates, our ability to maintain our relationships with our employees, our ability to control costs, weather conditions and hazards of nature that affect consumer traffic and consumers purchasing patterns, and the timing and amounts of share repurchases by the company.

These and other factors could affect our financial results and cause actual results to differ materially from those contained in any forward-looking statements we may make. As a result, while we believe there is a reasonable basis for the forward-looking statements, you should not place undue reliance on those statements. We undertake no obligation to update or revise any forward-looking statements to reflect subsequent events, new information or future circumstances.

### **SEC FILINGS**

We file annual, quarterly and current reports, proxy statements and other documents with the Securities and Exchange Commission (SEC). All material we file with the SEC is publicly available at the SEC's Public Reference Room at 450 Fifth Street, NW, Washington, DC 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet Web site at [www.sec.gov](http://www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC.

### **WEB SITE ACCESS**

Our Internet Web site address is [www.nordstrom.com](http://www.nordstrom.com). We make available free of charge on or through our Internet Web site our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, statements of changes in beneficial ownership of securities on Form 4 and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after we electronically file the report with or furnish it to the SEC. Interested parties may also access a webcast of quarterly earnings conference

calls and other financial events over our Internet Web site.

**CORPORATE GOVERNANCE**

We have a long-standing commitment to upholding a high level of ethical standards. In addition, as required by the listing standards of the New York Stock Exchange ( NYSE ) and the rules of the SEC, we have adopted Codes of Business Conduct and Ethics for our employees, officers and directors ( Codes of Ethics ) and Corporate Governance Guidelines. We have posted on our Web site our Codes of Ethics, our Corporate Governance Guidelines, and our Committee Charters for the Audit, Compensation, Corporate Governance and Nominating, Executive, and Finance committees. These items are also available in print to any person without charge upon request to:

Nordstrom, Inc. Investor Relations

P.O. Box 2737

Seattle, Washington 98111

(206) 303-3200

invrelations@nordstrom.com

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**Item 1A. Risk Factors.**

(Dollars in millions)

Our business faces many risks. We believe the risks described below outline the items of most concern to us. However, these risks are not the only ones we face. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial, may also impair our business operations.

**ABILITY TO RESPOND TO THE BUSINESS ENVIRONMENT AND FASHION TRENDS**

Our sales and operating results depend in part on our ability to predict or respond to changes in fashion trends and consumer preferences in a timely manner and to match our merchandise mix to prevailing consumer tastes. Any sustained failure to identify and respond to emerging trends in lifestyle and consumer preferences could force us to sell our merchandise at higher average markdown levels and lower average margins, which could have a material adverse affect on our business. In addition, consumer spending at our stores may be affected by many factors outside of our control, including consumer confidence, weather and other hazards of nature that affect consumer traffic, and general economic conditions.

**INVENTORY MANAGEMENT**

We strive to ensure the merchandise we offer remains fresh and compelling to our customers. If we are not successful at predicting our sales trends and adjusting our purchases accordingly, we may have excess inventory, which would result in additional markdowns and reduce our operating performance. This could have an adverse effect on margins and operating income.

**IMPACT OF COMPETITIVE MARKET FORCES**

The retail industry environment continues to change for many of our vendors and customers. In the future, our competition may partner more effectively with vendors to serve the market's needs. If we do not effectively respond to changes in our environment, we may see a loss of market share to competitors, declining same-store sales, and declining profitability due to higher markdowns.

**STORE GROWTH PLAN**

As of February 2008, our five-year strategic growth plan includes opening 31 new or relocated full-line stores and remodeling 29 existing full-line stores. We compete with other retailers and businesses for suitable locations for our stores. Local land use and other regulations may impact our ability to find suitable locations. New store openings also involve certain risks, including constructing, furnishing and supplying a store in a timely and cost effective manner and accurately assessing the demographic or retail environment for a particular location. Our future sales at new, relocated or remodeled stores may not meet our projections, which could adversely impact our return on investment. Performance in our new stores could also be negatively impacted by our inability to hire employees who are able to deliver the level of service our customers have come to expect when shopping at our stores. In the past, our expected operating dates have sometimes been delayed because of developer plan delays. Our inability to execute our store growth strategy in a manner that generates appropriate returns on investment could have an adverse impact on our future growth and profitability.

**BANKING OPERATIONS**

Our credit card operations, conducted through our federal thrift subsidiary, facilitate sales in our stores, allow our stores to avoid third-party transaction fees and generate additional revenues by extending credit. Our finance charge revenue is subject to changes in interest rates which fluctuate based on market conditions. The market conditions influencing interest rates are based on economic factors that are beyond our control and include, but are not limited to, recession, inflation, deflation, consumer credit availability, consumer debt levels, tax rates and policy, unemployment trends and other matters that influence consumer confidence and spending. Our ability to extend credit to our customers and to collect payments from them depends on many factors including compliance with applicable laws and regulations, any of which may change from time to time. Changes in credit card use, payment patterns and default rates may result from a variety of economic, legal, social and other factors that we cannot control or predict with certainty. Changes that adversely impact our ability to extend credit and collect payments could negatively affect our results.

**INFORMATION SECURITY AND PRIVACY**

The protection of our customer, employee, and company data is critical to us. The regulatory environment surrounding

information security and privacy is increasingly demanding, with the frequent imposition of new and constantly changing requirements across our business units. In addition, our customers have a high expectation that we will adequately protect their personal information. A significant breach of customer, employee or company data could damage our reputation and result in lost sales, fines and lawsuits.

**LEADERSHIP DEVELOPMENT AND SUCCESSION PLANNING**

The training and development of our future leaders is critical to our long-term growth. If we do not effectively implement our strategic and business planning processes to train and develop future leaders, our long-term growth may suffer. In addition, if unexpected leadership turnover occurs without established succession plans, our business may suffer.

**MULTI-CHANNEL STRATEGY EXECUTION**

In 2005, we started to make changes in our Direct business that better align our online shopping environment and catalog with the customer experience in our full-line stores. These changes included: aligning our Direct merchandise offering with our full-line stores to create a seamless experience for our customers between our stores, catalogs and Web site, linking the full-line stores and Direct merchandise organizations; reducing the number and frequency of our Direct catalog mailings; and transitioning our Direct inventory system onto our full-line store platform. Our inability to successfully execute this strategy could impact our future operating performance.

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**BRAND AND REPUTATION**

We have a well-recognized brand that is synonymous with the highest level of customer service and quality merchandise. Any significant damage to our brand or reputation may negatively impact same-store sales, lower employee morale and productivity, and diminish customer trust, resulting in a reduction in shareholder value.

**CAPITAL EFFICIENCY AND PROPER ALLOCATION**

Our goal is to invest capital to maximize our overall long-term returns. This includes spending on inventory, capital projects and expenses, managing debt levels, managing accounts receivable through our credit business, and returning value to our shareholders through dividends and share repurchases. To a large degree, capital efficiency reflects how well we manage the other key risks to our Company. The actions taken to address other specific risks may affect how well we manage the more general risk of capital efficiency. If we do not properly allocate our capital to maximize returns, we may fail to produce financial results that our shareholders have come to expect and we may experience a reduction in shareholder value.

**HUMAN RESOURCE REGULATIONS**

Our policies and procedures are designed to comply with human resource laws such as wage and hour, meal and rest period, and commissions. Federal and state wage and hour laws are complex, and the related enforcement is increasingly aggressive, particularly in the state of California. Failure to comply with these laws could result in damage to our reputation, class action lawsuits and dissatisfied employees.

**EMPLOYMENT AND DISCRIMINATION LAWS**

State and federal employment and discrimination laws and the related case law continue to evolve, making ongoing compliance in this area a challenge. Failure to comply with these laws may result in damage to our reputation, legal and settlement costs, disruption of our business, and loss of customers and employees, which would result in a loss of sales, increased employment costs, low employee morale and attendant harm to our business and results of operations.

**TECHNOLOGY**

We make investments in information technology to sustain our competitive position. We expect our combined capitalized and expense spend to be approximately \$180 each year on information technology operations and system development, which is key to our growth. We must monitor and choose the right investments and implement them at the right pace. Targeting the wrong opportunities, failing to make the best investment, or making an investment commitment significantly above or below the requirements of the business opportunity may result in the loss of our competitive position. In addition, an inadequate investment in maintaining our current systems may result in a loss of system functionality and increased future costs to bring our systems up to date.

We may implement too much technology, or change too fast, which could result in failure to adopt the new technology if the business is not ready or capable of accepting it. Excessive technological change affects the effectiveness of adoption, and could adversely affect the realization of benefits from the technology. However, not implementing enough technology could compromise our competitive position.

**DISTRIBUTION AND FULFILLMENT CENTERS**

We depend on the orderly operation of the receiving and distribution process, which depends, in turn, on adherence to shipping schedules and effective management of our six distribution centers and our Direct fulfillment center.

Although we believe that our receiving and distribution process is efficient, unforeseen disruptions in operations due to fires, hurricanes or other catastrophic events, labor disagreements or shipping problems, may result in delays in the delivery of merchandise to our stores and our customers. Although we maintain business interruption and property insurance, management cannot be assured that our insurance coverage will be sufficient, or that insurance proceeds will be timely paid to us, if any of the distribution centers are shut down for any reason.

**FOREIGN CURRENCY**

We purchase a portion of our inventory from foreign suppliers whose cost to us is affected by the fluctuation of their local currency against the dollar or who price their merchandise in currencies other than the dollar. We source goods from numerous countries and thus are affected by changes in numerous currencies and generally, by fluctuations in the U.S. dollar relative to such currencies. Accordingly, changes in the value of the dollar relative to foreign currencies may increase our cost of goods sold and if we are unable to pass such cost increases on to our customers, our gross margins, and ultimately our earnings, would decrease. Foreign currency fluctuations could have a material adverse

effect on our business, financial condition and results of operations in the future.

**SEASONALITY**

Our business is seasonal in nature. Due to our anniversary sale in July and the holidays in December, sales are higher for our Retail Stores in the second and fourth quarters of the fiscal year than in the first and third quarters.

Accordingly, our results may vary considerably from quarter to quarter. In addition, we have significant additional cash requirements in the period leading up to the months of November and December in anticipation of higher sales volume in those months, including expenses for additional inventory, advertising and employees.

**REGULATORY COMPLIANCE**

Our policies and procedures are designed to comply with all applicable laws and regulations, including those imposed by the SEC, NYSE, the banking industry and foreign countries. Additional legal and regulatory requirements, such as those arising under the Sarbanes-Oxley Act and the fact that foreign laws occasionally conflict with domestic laws, have increased the complexity of the regulatory environment and the cost of compliance. Failure to comply with the various regulations may result in damage to our reputation, civil and criminal liability, fines and penalties, increased cost of regulatory compliance and restatements of our financial statements.

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We are incorporated in the state of Washington and subject to Washington state law. Some provisions of Washington state law could interfere with or restrict takeover bids or other change-in-control events affecting us. For example, one statutory provision prohibits us, except under specified circumstances, from engaging in any significant business transaction with any shareholder who owns 10% or more of our common stock (which shareholder, under the statute, would be considered an "acquiring person") for a period of five years following the time that such shareholder became an acquiring person.

**Item 1B. Unresolved Staff Comments.**

None.

**Item 2. Properties.**

The following table summarizes the number of retail stores owned or leased by us, and the percentage of total store square footage represented by each listed category at February 2, 2008:

	<b>Number of Stores</b>	<b>% of total store square footage</b>
Owned stores	33	25.7%
Owned on leased land	47	43.9%
Leased stores	74	28.9%
Partly owned and partly leased	2	1.5%
Total	156	100.0%

We also own six merchandise distribution centers located in Portland, Oregon; Dubuque, Iowa; Ontario, California; Newark, California; Upper Marlboro, Maryland; and Gainesville, Florida, which are utilized by the Retail Stores segment. The Direct segment utilizes one fulfillment center in Cedar Rapids, Iowa, which is owned on leased land. Our administrative offices in Seattle, Washington are a combination of leased and owned space. We also lease an office building in the Denver, Colorado metropolitan area that serves as an office of Nordstrom fsb and Nordstrom Credit, Inc.

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The following table lists our retail store facilities as of February 2, 2008:

<b>Location</b>	<b>Store Name</b>	<b>Square Footage</b>	<b>Year Opened</b>	<b>Location</b>	<b>Store Name</b>	<b>Square Footage</b>	<b>Year Opened</b>
<b>Full-Line Stores</b>							
ALASKA				ILLINOIS			
Anchorage	Anchorage 5 <sup>th</sup> Avenue Mall	97,000	1975	Chicago	Michigan Avenue	274,000	2000
				Oak Brook	Oakbrook Center	249,000	1991
				Schaumburg	Woodfield Shopping Center	215,000	1995
ARIZONA	Chandler Fashion Center	149,000	2001	Skokie	Old Orchard Center	209,000	1994
Chandler	Scottsdale Fashion Square	235,000	1998	INDIANA			
Scottsdale				Indianapolis	Circle Centre	216,000	1995
CALIFORNIA							
Arcadia	Santa Anita	151,000	1994				
Brea	Brea Mall	195,000	1979	KANSAS			
	Topanga			Overland Park	Oak Park Mall	219,000	1998
Canoga Park	Los Cerritos Center	122,000	1981				
Cerritos	The Village at Corte Madera	116,000	1985	MARYLAND			
Corte Madera	South Coast Plaza	235,000	1978	Annapolis	Annapolis Mall	162,000	1994
Costa Mesa	North County	156,000	1986	Bethesda	Montgomery Mall	225,000	1991
Escondido	Glendale Galleria	147,000	1983	Columbia	The Mall in Columbia	173,000	1999
Glendale	Irvine Spectrum Center	130,000	2005	Towson	Towson Town Center	205,000	1992
Irvine	The Grove	120,000	2002				
Los Angeles	Westside Pavilion	150,000	1985	MASSACHUSETTS			
Los Angeles	The Shops at Mission Viejo	172,000	1999	Natick	Natick Collection	154,000	2007
Mission Viejo	Montclair Plaza	134,000	1986				
Montclair	Stanford Shopping Center	187,000	1984	MICHIGAN			
Palo Alto	Stoneridge Mall	173,000	1990	Novi	Twelve Oaks Mall	172,000	2007
Pleasanton	South Bay Galleria	161,000	1985	Troy	Somerset Collection	258,000	1996
Redondo Beach	Galleria at Tyler	164,000	1991				
Riverside	Galleria at Roseville	149,000	2000	MINNESOTA			
Roseville							

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Sacramento	Arden Fair	190,000	1989	Bloomington	Mall of America	240,000	1992
San Diego	Fashion Valley	220,000	1981				
San Diego	Horton Plaza	151,000	1985	MISSOURI			
San Diego	University Towne Center	130,000	1984	Des Peres	West County	193,000	2002
San Francisco	San Francisco Centre	350,000	1988				
San Francisco	Stonestown Galleria	174,000	1988	NEVADA			
San Jose	Valley Fair	232,000	1987	Las Vegas	Fashion Show	207,000	2002
San Mateo	Hillsdale Shopping Center	149,000	1982				
Santa Ana	MainPlace	169,000	1987	NEW JERSEY			
Santa Barbara	Paseo Nuevo	186,000	1990	Edison	Menlo Park	204,000	1991
Walnut Creek	Broadway Plaza	193,000	1984	Freehold	Freehold Raceway Mall	174,000	1992
				Paramus	Garden State Plaza	282,000	1990
				Short Hills	The Mall at Short Hills	188,000	1995
COLORADO							
Broomfield	FlatIron Crossing	172,000	2000				
Denver	Cherry Creek Shopping Center	142,000	2007	NEW YORK			
Littleton	Park Meadows	245,000	1996	Garden City	Roosevelt Field	241,000	1997
				White Plains	The Westchester	219,000	1995
CONNECTICUT							
Farmington	Westfarms	189,000	1997	NORTH CAROLINA			
				Charlotte	SouthPark	151,000	2004
				Durham	The Streets at Southpoint	149,000	2002
FLORIDA							
Boca Raton	Town Center at Boca Raton	193,000	2000				
Coral Gables	Village of Merrick Park	212,000	2002	OHIO			
Miami	Dadeland Mall	150,000	2004	Beachwood	Beachwood Place	231,000	1997
Orlando	The Florida Mall	174,000	2002	Columbus	Easton Town Center	174,000	2001
Palm Beach Gardens	The Gardens Mall	150,000	2006				
Tampa	International Plaza	172,000	2001				
Wellington	The Mall at Wellington Green	127,000	2003	OREGON			
				Portland	Clackamas Town Center	121,000	1981
				Portland	Downtown Portland	174,000	1966
GEORGIA							
Atlanta	Perimeter Mall	243,000	1998	Portland	Lloyd Center	150,000	1963

Atlanta	Phipps Plaza	140,000	2005	Salem	Salem Center	71,000	1980
Buford	Mall of Georgia	172,000	2000	Tigard	Washington Square	189,000	1974 <sup>1</sup>

<sup>1</sup> This store has been subsequently relocated.

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Location	Store Name	Square Footage	Year Opened	Location	Store Name	Square Footage	Year Opened
<b>Full-Line Stores (continued)</b>				<b>Nordstrom Rack Group</b>			
PENNSYLVANIA				Chandler, AZ	Chandler Festival Rack	37,000	2000
King of Prussia	King of Prussia	238,000	1996	Phoenix, AZ	Last Chance	48,000	1992 <sub>1</sub>
RHODE ISLAND				Scottsdale, AZ	Scottsdale Promenade Rack	38,000	2000
Providence	Providence Place	206,000	1999	Brea, CA	Brea Union Plaza Rack	45,000	1999
				Chino, CA	Chino Spectrum Towne Center Rack	38,000	1987 <sub>1</sub>
				Colma, CA	Colma Rack	31,000	1987
TEXAS				Costa Mesa, CA	Metro Pointe at South Coast Rack	50,000	1983 <sub>1</sub>
Austin	Barton Creek Square Galleria	150,000	2003	Fresno, CA	Villaggio Retail Center Rack	32,000	2002
Dallas	Dallas NorthPark Center	249,000	1996	Glendale, CA	Glendale Fashion Center Rack	36,000	2000
Dallas	Stonebriar Centre	212,000	2005	Long Beach, CA	Long Beach CityPlace Rack	33,000	2002
Frisco		149,000	2000	Los Angeles, CA	The Promenade at Howard Hughes Center Rack	41,000	2001
Houston	Houston Galleria North East Mall	226,000	2003	Ontario, CA	Ontario Mills Mall Rack	40,000	2002
Hurst	The Shops at La Cantera	149,000	2005	Oxnard, CA	Esplanade Shopping Center Rack	38,000	2001
				Roseville, CA	Creekside Town Center Rack	36,000	2001
UTAH				Sacramento, CA	Howe `Bout Arden Center Rack	54,000	1999
Murray	Fashion Place	110,000	1981	San Diego, CA	Mission Valley Rack	57,000	1985 <sub>1</sub>
Orem	University Mall	122,000	2002	San Francisco, CA	555 Ninth Street Retail Center Rack	43,000	2001
VIRGINIA				San Jose, CA	Westgate Mall Rack	48,000	1998
Arlington		241,000	1989		San Leandro Rack	44,000	1990

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	The Fashion Centre at			San Leandro, CA				
	Pentagon City			San Marcos, CA	Grand Plaza Rack	35,000	2006	
Dulles	Dulles Town Center	148,000	2002	Woodland Hills, CA	Topanga Rack	64,000	1984	
McLean	Tysons Corner Center	211,000	1988	Broomfield, CO	Flatiron Marketplace Rack	36,000	2001	
Norfolk	MacArthur Center	166,000	1999	Littleton, CO	Meadows Marketplace Rack	34,000	1998	
Richmond	Short Pump Town Center	128,000	2003	Miami, FL	Last Chance	26,000	2005	
WASHINGTON				Sunrise, FL	The Oasis at Sawgrass Mills Rack	27,000	2003	
				Buford, GA	Mall of Georgia Crossing Rack	44,000	2000	
Bellevue	Bellevue Square	285,000	1967 <sub>1</sub>	Honolulu, HI	Ward Centers Rack	34,000	2000	
Lynnwood	Alderwood Downtown	151,000	1979 <sub>1</sub>	Chicago, IL	The Shops at State and Washington Rack	41,000	2003	
Seattle	Seattle	383,000	1963 <sub>1</sub>					
Seattle	Northgate Mall	122,000	1965	Northbrook, IL	Northbrook Rack	40,000	&	