

NORDSTROM INC
Form 10-Q
August 30, 2016
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q
(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended July 30, 2016

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 91-0515058
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

1617 Sixth Avenue, Seattle, Washington 98101
(Address of principal executive offices) (Zip Code)
206-628-2111

(Registrant's telephone number, including area code)

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 whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

YES NO

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 definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

YES NO

Common stock outstanding as of August 24, 2016: 173,440,084 shares

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PART I — FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited).

NORDSTROM, INC.

CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

(Amounts in millions except per share amounts)

(Unaudited)

	Quarter Ended		Six Months Ended	
	July 30, 2016	August 1, 2015	July 30, 2016	August 1, 2015
Net sales	\$3,592	\$3,598	\$6,784	\$6,714
Credit card revenues, net	59	103	116	202
Total revenues	3,651	3,701	6,900	6,916
Cost of sales and related buying and occupancy costs	(2,359)	(2,327)	(4,459)	(4,326)
Selling, general and administrative expenses	(1,071)	(997)	(2,114)	(1,968)
Earnings before interest and income taxes	221	377	327	622
Interest expense, net	(30)	(32)	(61)	(65)
Earnings before income taxes	191	345	266	557
Income tax expense	(74)	(134)	(103)	(218)
Net earnings	\$117	\$211	\$163	\$339
Earnings per share:				
Basic	\$0.67	\$1.11	\$0.94	\$1.78
Diluted	\$0.67	\$1.09	\$0.93	\$1.74

Weighted-average shares outstanding:

Basic	173.5	189.4	173.3	190.0
Diluted	174.8	193.5	175.2	194.2

The accompanying Notes to Condensed Consolidated Financial Statements are an integral part of these financial statements.

NORDSTROM, INC.

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS

(Amounts in millions)

(Unaudited)

	Quarter Ended		Six Months Ended	
	July 30, 2016	August 1, 2015	July 30, 2016	August 1, 2015
Net earnings	\$117	\$211	\$163	\$339
Postretirement plan adjustments, net of tax	—	1	1	3
Foreign currency translation adjustment	(10)	(10)	17	(5)
Comprehensive net earnings	\$107	\$202	\$181	\$337

The accompanying Notes to Condensed Consolidated Financial Statements are an integral part of these financial statements.

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NORDSTROM, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Amounts in millions)
(Unaudited)

July 30, January 30, August 1,
2016 2016 2015

Assets

Current assets:

Cash and cash equivalents \$892