



HBC to Review Strategic Alternatives for Lord + Taylor

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TORONTO & NEW YORK--(BUSINESS WIRE)--May 6, 2019-- HBC (TSX:HBC) today announced it is pursuing strategic alternatives for the Lord + Taylor operating business, including a possible sale or merger, as part of its strategy to focus on its greatest opportunities.

"This review of strategic alternatives for Lord + Taylor is another example of how we are exploring options to position HBC for long-term success," said Helena Foulkes, HBC's Chief Executive Officer. "Over the last year, we've taken bold actions and made fundamental fixes that have resulted in a far stronger, more capable HBC, having returned to positive operating cash flow, increased profitability and strengthened the balance sheet."

Foulkes continued, "Lord + Taylor is a storied brand that has stood for quality, style and service for many years and serves a highly engaged, loyal customer base through a dedicated team of associates. Throughout the review, Lord + Taylor remains committed to serving customers across our stores and digital channels."

HBC has been simplifying its organization, strengthening its retail operations and unlocking the value of its real estate. The company is also focused on improving its cost structure while making strategic investments in technology and digital capabilities, marketing and stores.

HBC has retained PJ SOLOMON as its financial advisor for the review of the Lord + Taylor operating business and the company is committed to working through it as efficiently as possible.

About Lord + Taylor

Lord + Taylor has built its reputation on offering premium fashion apparel and accessories at incredible value with seamless service. With 2018 annual revenue of CAD\$1.4 billion, it serves customers through more than 40 stores in the northeastern and mid-Atlantic US and its online channels.

About HBC

HBC is a diversified retailer focused on driving the performance of high quality stores and their omni channel platforms and unlocking the value of real estate holdings. Founded in 1670, HBC is the oldest company in North America. HBC's portfolio today includes formats ranging from luxury to premium department stores to off price fashion shopping destinations, with more than 300 stores and about 40,000 employees around the world. HBC's leading businesses across North America include Saks Fifth Avenue, Hudson's Bay, Lord + Taylor, and Saks OFF 5TH.

HBC also has significant investments in joint ventures. It has partnered with Simon Property Group Inc. in the HBS Global Properties Joint Venture, which owns properties in the United States. In Canada, it has partnered with RioCan Real Estate Investment Trust in the RioCan-HBC Joint Venture. HBC has partnered with SIGNA Retail Holdings for real estate and retail joint ventures in Europe.

Forward-Looking Statements

Certain statements made in this news release, including, but not limited to, with respect to the company's strategic focus, any outcome, potential impact or timing of completing a strategic review of Lord + Taylor and the review being undertaken by our financial advisor and other statements that are not historical facts, are forward-looking. There can be no assurance regarding the outcome of an exploration of strategic alternatives for Lord + Taylor. Although HBC believes that the forward-looking statements in this news release are based on information and assumptions that are current, reasonable and complete, these statements are by their nature subject to a number of factors that could cause actual results to differ materially from management's expectations and plans as set forth in such forward-looking statements, including many factors which are beyond HBC's control and the effects of which can be difficult to predict. For more information on the risks, uncertainties and assumptions that could cause HBC's actual results to differ from current expectations, please refer to the "Risk Factors" section of HBC's Annual Information Form dated May 3, 2019, as well as HBC's other public filings, available at www.sedar.com and at www.hbc.com. The forward-looking statements contained in this news release describe HBC's expectations at the date of this news release and, accordingly, are subject to change after such date.

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