



October 9, 2018

HBC Agrees to Amend Hudson's Bay Lease at Oakridge Centre

Proceeds of \$151.5 million received by HBC

TORONTO & NEW YORK--(BUSINESS WIRE)-- HBC (TSX: HBC) today announced that it has entered into an amendment to its lease for the Hudson's Bay location at Oakridge Centre in Vancouver, BC. In exchange for certain concessions and approvals related to the redevelopment of Oakridge Centre, HBC has received \$151.5 million, which has been used to repay borrowings on the Company's revolving credit facility. As part of the amendment, HBC agreed to relocate Hudson's Bay to a new location within the redeveloped Oakridge Centre, where it will remain a retail anchor and pay similar rent as its existing lease. Construction of the new location is expected to be completed in 2022, at which time HBC will receive an additional \$21 million to outfit the new store, which is expected to open in 2023. The current location is expected to remain open and serve customers throughout the redevelopment.

About HBC

HBC is a diversified global retailer focused on driving the performance of high quality stores and their omnichannel offerings 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 480 stores and approximately 65,000 employees around the world.

HBC's leading banners across North America and Europe include Hudson's Bay, Lord & Taylor, Saks Fifth Avenue, Saks OFF 5TH, Galeria Kaufhof, the largest department store group in Germany, and Belgium's only department store group Galeria INNO.

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

FORWARD-LOOKING STATEMENTS

Certain statements made in this news release, including, but not limited to, the timing of the relocation, the expected timing of completion of construction of the new location, the expectation that the current location remain open and serve customers throughout the development, the receipt of the additional \$21 million to outfit the new store and the timing of such payment, and other statements that are not historical facts, are forward-looking. 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 risks inherent to the Company's business and/or factors beyond its control. 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 4, 2018, 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. Except as may be required by applicable Canadian securities laws, HBC does not undertake any obligation to update or revise any forward-looking statements contained in this news release, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements.

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