



HUDSON'S BAY COMPANY ANNOUNCES TWO NEW LOCATIONS IN THE NETHERLANDS

- **HBC enters into additional long-term lease agreements in the Netherlands for approximately 30,600 m² (329,600 sq. ft.)**
- **Hudson's Bay stores to open in Amstelveen and Almere**
- **Long-term lease agreements announced in the Netherlands for 13 locations to date total approximately 172,400 m² (1,855,600 sq. ft.)**

TORONTO & AMSTERDAM, 28 September 2016 - Hudson's Bay Company ("HBC" or the "Company") (TSX: [HBC](#)) is pleased to announce that it has finalized leases for two new store locations in the Netherlands, in addition to the eleven locations previously announced. In aggregate, the announced lease agreements total approximately 172,400 m² (1,855,600 sq. ft.) and include 12 Hudson's Bay stores and a Saks OFF 5TH store. As previously announced by the Company, HBC intends to enter the Netherlands with up to 20 new stores over the next two years. HBC's expansion into the Netherlands introduces two new exciting retail concepts to the Dutch market while leveraging the Company's existing European business infrastructure.

The newly announced Hudson's Bay stores are expected to open in the following locations:

Amstelveen, Buitenplein 101

Recognized as the 'best mall of the Netherlands', 'Stadshart' will welcome a 20,600 m² (222,000 sq. ft.) Hudson's Bay on the eastside of the mall. HBC and a.s.r. will transform the existing building completely in close cooperation with the municipality of Amstelveen and other stakeholders.

Edwin van de Woestijne of a.s.r. REIM

"In addition to Amersfoort, Haarlem and Leiden, we also cordially welcome Hudson's Bay to our beautiful building in Amstelveen. We are delighted with this new concept and look forward to elevating the shopping experience in Amstelveen. Hudson's Bay's decision to enter another long-term commitment with a.s.r. demonstrates that our properties are in the right locations and that we are a strong retail partner."

Almere, Citadel 16

The Hudson's Bay store in Almere will be situated in Almere's Citymall, designed by the well-known Dutch architect Rem Koolhaas. This shopping center is located in the heart of the city and is a popular shopping destination in the region. The Hudson's Bay store will occupy the former V&D building and additional areas on the first and second floor, with direct access to

the two main parking garages. The more than 10,000 m² (107,600 sq. ft.) store is a perfect fit with the mix of international brands and local retailers as Hudson's Bay will be the only department store in the Dutch region Flevoland.

Otto Ambagtsheer of Unibail-Rodamco:

“As Europe’s leading listed commercial property company we are proud and excited to add Hudson’s Bay to our portfolio. We cordially welcome Hudson’s Bay to Almere. The store will be located in the popular shopping area of Almere and, surrounded by other strong international retail brands, the high-quality Hudson Bay’s department store will be a great draw for our visitors.”

About Hudson's Bay Company

Hudson's Bay Company is one of the fastest-growing department store retailers in the world, based on its successful formula of driving the performance of high quality stores and their all-channel offerings, unlocking the value of real estate holdings and growing through acquisitions. Founded in 1670, HBC is the oldest company in North America.

HBC's portfolio today includes ten banners, in formats ranging from luxury to premium department stores to off price fashion shopping destinations, with more than 470 stores and 66,000 employees around the world. In North America, HBC's leading banners include Hudson's Bay, Lord & Taylor, Saks Fifth Avenue, Gilt, and Saks OFF 5TH, along with Find @ Lord & Taylor and Home Outfitters. In Europe, its banners include GALERIA Kaufhof, the largest department store group in Germany, Belgium's only department store group Galeria INNO, as well as Sportarena.

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 constitute forward-looking statements within the meaning of applicable securities laws, including, without limitation, statements regarding the Company's plans to expand its European presence to the Netherlands by opening up to 20 stores over the next 2 years, the Company's expectation that such stores will operate under the Hudson's Bay and Saks OFF 5TH banners, long term leases for up to 20 store locations will be finalized over the next two years, and the benefits that are expected to result from the expansion into the Netherlands. Often but not always, forward-looking statements can be identified by the use of forward-looking terminology such as "may", "will", "expect", "believe", "estimate", "plan", "could", "should", "would", "outlook", "forecast", "anticipate", "foresee", "continue" or the negative of these terms or variations of them or similar terminology.

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 and risks that could cause actual results to differ materially from management's expectations and plans as set forth in such forward-looking statements for a variety of reasons. Some of the factors and risks - many of which are beyond HBC's control and the effects of which can be difficult to predict - include, among

others - (a) the risk that HBC is unable to finalize long term leases for the remaining locations in the Netherlands, (b) the risk that the expansion into the Netherlands requires capital expenditures in excess of those currently anticipated and/or more than 24 months to complete, (c) the risk of introducing new brands into new markets and of doing business abroad, (d) the risk that the anticipated benefits from the expansion into the Netherlands cannot be realized, (e) credit, market, currency, operational, liquidity and funding risks generally, including changes in economic and geopolitical conditions, interest rates or tax rates, and (f) risks and uncertainties relating to information management, technology, supply chain, product safety, changes in law, competition, seasonality, commodity price and business.

HBC cautions that the foregoing list of important factors and assumptions is not exhaustive and other factors could also adversely affect its results. 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 April 28, 2016, 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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