



HUDSON'S BAY COMPANY ANNOUNCES NEW LOCATION IN THE NETHERLANDS

- **HBC enters into an additional long-term lease agreement in the Netherlands for approximately 16.860 m² (181.481 sq. ft.)**
- **Hudson's Bay store to open in Utrecht**
- **Long-term lease agreements announced in the Netherlands for 17 locations to date total approximately 225.620 m² (2.428.574 sq. ft.)**

TORONTO & AMSTERDAM, 28 February 2017 - Hudson's Bay Company ("HBC" or the "Company") (TSX: HBC) is pleased to announce that it has finalized a lease for one new store location in the Netherlands, in addition to the 16 locations previously announced. In aggregate, the announced lease agreements total approximately 225.619 m² (2.428.571 sq. ft.) and include 15 Hudson's Bay stores and 2 Saks OFF 5TH stores. As previously announced by the Company, HBC intends to enter the Netherlands with up to 20 new stores. 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 department store is expected to open in Utrecht.

Hoog Catharijne, Rijnkade 5 Utrecht

HBC has reached a long-term lease agreement with IEF Berlage for Rijnkade 5 in Utrecht. The old and character-rich city centre of Utrecht is a true shoppers' paradise. The future Hudson's Bay store will be located in the shopping mall Hoog Catharijne, in the heart of the city. The 16.860 m² (181.481 sq. ft.) store will be well situated in the left side / Vredenburg side of Hoog Catharijne.

HBC will start mid 2018 with the refurbishments of this location.

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 480 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.

MORE INFORMATION:

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