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HBC Responds to Recent Market Rumours Regarding Its European Business

TORONTO & NEW YORK & COLOGNE, Germany--(BUSINESS WIRE)-- HBC (TSX:HBC) today stated that contrary to recent reports it has not signed a binding agreement to sell or combine its European business or properties.

HBC regularly evaluates potential strategic opportunities to create value for its shareholders. From time to time, this process leads to discussions with potential counterparties. While HBC does not generally comment publicly on market speculation or rumors, in light of recent media reports, HBC believes it is prudent to advise stakeholders that it is in discussions with SIGMA Holding GmbH and has signed a non-binding letter of intent with respect to the exploration of a potential joint venture. Any potential transaction is subject to further review and analysis by HBC, approval of HBC's Board of Directors, as well as many conditions, including due diligence and third party consents, that are outside of HBC's control. There can be no assurance that any such discussions will ultimately lead to a transaction. HBC does not anticipate issuing any further public statement regarding any rumors or speculation in the marketplace unless required by applicable laws.

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 leading 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.

Forward-Looking Statements

Certain statements made in this news release, including, but not limited to, the prospects of a potential joint venture between Kaufhof and Karstadt, and other statements that are not historical facts, are forward-looking. These statements represent HBC's intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors. Numerous important factors could cause actual results, performance or achievements to differ materially from those expressed in or implied by these forward-looking statements, including, without limitation, those factors outlined in 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. Accordingly, readers are cautioned not to place undue reliance on these forward-looking statements. In addition, HBC cannot assure that any of its expectations, estimates or projections will be achieved. All forward-looking statements should be evaluated with the understanding of their inherent uncertainty. All forward-looking statements in this news release are qualified by these cautionary statements. The forward-looking statements in this news release are made as of the date of this new release and HBC disclaims any obligation to publicly update any forward-looking statement to reflect subsequent events or circumstances, except as required by law.

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