



For Immediate Release

Hbc Announces Completion of Sale of Financial Services Business to GE Money

Toronto — April 3, 2006 — Hudson's Bay Company (Hbc), Canada's oldest diversified general merchandise retailer, today announced the completion of the sale of the Company's Financial Services operations to GE Money, the Canadian consumer lending unit of General Electric Company (NYSE:GE) for approximately \$355 million net of securitized receivables and related costs and taxes.

"This transaction, and our ongoing relationship with GE Money, will allow Hbc to focus greater attention on customer service and product differentiation, while providing our customers with enhanced access to a broader range of financial services and the continued benefits of the Hbc Rewards program," said Jerry Zucker, Governor and Chief Executive Officer, Hudson's Bay Company.

As part of the agreement, Hbc and GE Money have entered into a 10-year alliance under which GE Money will provide credit marketing and analytic support, credit servicing and customer care for Hbc's 3.1 million retail cardholders. In the short-term, Hbc expects to realize financial benefits similar to historic Financial Services earnings, however the Company anticipates additional earnings in the longer term with the introduction of additional products and services.

"We are pleased to enter this partnership with Hbc," says Stephen Motta, president and CEO of GE Money. "This alliance allows us to drive growth at Hbc by introducing

new products and using GE's global reach to leverage best practices from around the world."

Hbc customers will be able to continue to use their Hbc cards, and will continue to enjoy access to the Hbc Rewards program and other cardholder benefits as they do today, as well as a broader range of financial products in the future.

The sale also included the transfer of approximately 610 Hbc associates directly involved with Hbc's Financial Services business to GE Money. GE Money currently has 600 employees at its headquarters in Mississauga and its operations centre in Edmonton.

Goldman, Sachs & Co. and BMO Nesbitt Burns Inc. served as advisors to Hbc on the transaction.

Forward Looking Statements

This release contains statements about expected future events that are forward-looking and subject to risks and uncertainties. Accordingly, Hbc's actual results, performance or achievements could differ materially from those expressed or implied by such statements, and such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. These statements do not reflect the potential impact of any acquisitions, mergers or divestitures completed after the date of issuance of this report. In addition, factors that could cause actual results to differ materially from future expectations are the following: general business and economic conditions in Canada and competition within the Canadian retail industry generally.

About GE Money

GE Money is part of GE Consumer Finance-Americas and provides private label credit card and MasterCard programs to consumers, and lending options for retailers in key industries across Canada. GE Money also is a provider of alternative residential mortgages (www.gemoney.ca).

About GE Consumer Finance

With more than \$163 billion in assets, GE Consumer Finance, a unit of General Electric Company, is a leading provider of credit services to consumers, retailers and auto dealers in 50 countries around the world. GE Consumer Finance, based in Stamford, Connecticut (USA), offers a range of financial products, including private label credit cards, personal loans, bank cards, auto loans and leases, mortgages, corporate travel and purchasing cards, debt consolidation and home equity loans, and credit insurance. More information can be found at www.geconsumerfinance.com.

GE is Imagination at Work -- a diversified technology, media and financial services company focused on solving some of the world's toughest problems. With products and services ranging from aircraft engines, power generation, water processing and security technology to medical imaging, business and consumer financing, media content and advanced materials, GE serves customers in more than 100 countries and employs more than 300,000 people worldwide. For more information, visit the company's Web site at www.ge.com.

In Canada, GE has more than 10,000 employees, 19 major manufacturing plants and more than 150 sales and service locations across the country.

About Hudson's Bay Company

HBC is Canada's oldest diversified general merchandise retailer, operating in department store (the Bay), mass merchandise (Zellers), specialty (Home Outfitters and Designer Depot) and discount (Fields) formats. With over 550 stores and nearly 70,000 associates located in every province in Canada, Hbc provides Canadians with stylish, quality merchandise at great value, through retail banners focused on exceptional customer service.

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