

NEWS MEDIA CONTACT:
Sears Holdings Public Relations
(847) 286-8371

FOR IMMEDIATE RELEASE:
October 15, 2018

**SEARS HOLDINGS RECEIVES COURT APPROVAL OF
“FIRST DAY” MOTIONS TO SUPPORT BUSINESS OPERATIONS**

Sears and Kmart Stores, Online and Mobile Platforms, are Open for Business

Provides Access to \$300 million in Debtor-in-Possession Financing

HOFFMAN ESTATES, Ill. - Sears Holdings Corporation ("Holdings," "we," "our," or the "Company") (NASDAQ: SHLD) today announced that the U.S. Bankruptcy Court for the Southern District of New York (the "Court") granted interim approval of all the Company's first day motions related to its voluntary Chapter 11 restructuring. Collectively, the approvals by the Court immediately improve the Company's liquidity position and allow Holdings to continue its business operations throughout the financial restructuring process.

The Court entered an order granting the Company authorization to access its \$300 million in senior priming debtor-in-possession ("DIP") financing from its senior secured asset-based revolving lenders. The Company also received authorization to continue paying employee wages and benefits, and to honor member programs including warranties and promotions.

"The Court's approval of our First Day motions is an important step forward in our financial restructuring process that will allow the Company to continue operating in the normal course and providing our customers and members with trusted service," said Robert A. Riecker, Chief Financial Officer, and member of the Office of the Chief Executive. "Our stores, online and mobile platforms, and related businesses are open and we continue to offer our customers and members the brands and products they want. We look forward to continuing to engage in productive discussions with our creditors and other stakeholders to pursue a plan of reorganization as expeditiously as possible."

As previously announced, on October 15, 2018, Holdings and certain of its subsidiaries filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in the U.S. Bankruptcy Court for the Southern District of New York.

Additional information is available on the Company's restructuring website at restructuring.searsholdings.com. For Court filings and other documents related to the court-supervised process, please visit <http://restructuring.primeclerk.com/sears>, call (844) 384-4460 (for toll-free domestic calls) and +1 (929) 955-2419 (for tolled international calls), or email searsinfo@primeclerk.com.

Advisors

Weil, Gotshal & Manges LLP is serving as legal counsel, M-III Partners is serving as restructuring advisor and Lazard Frères & Co. LLC is serving as investment banker to Holdings.

About Sears Holdings Corporation

Sears Holdings Corporation (NASDAQ: SHLD) is a leading integrated retailer focused on seamlessly connecting the digital and physical shopping experiences to serve our members - wherever, whenever and however they want to shop. Sears Holdings is home to Shop Your Way®, a social shopping platform offering members rewards for

shopping at Sears and Kmart as well as with other retail partners across categories important to them. The Company operates through its subsidiaries, including Sears, Roebuck and Co. and Kmart Corporation, with full-line and specialty retail stores across the United States. For more information, visit www.searsholdings.com.

Forward-Looking Statements

This press release includes “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, included in this filing that address activities, events or developments that the Company expects, believes, targets or anticipates will or may occur in the future are forward-looking statements. The Company’s actual results may differ materially from those anticipated in these forward-looking statements as a result of certain risks and other factors, which could include the following: risks and uncertainties relating to the Company’s chapter 11 cases (the “Chapter 11 Case”), including but not limited to, the Company’s ability to obtain Bankruptcy Court approval with respect to motions in the Chapter 11 Case, the effects of the Chapter 11 Case on the Company and on the interests of various constituents, Bankruptcy Court rulings in the Chapter 11 Case and the outcome of the Chapter 11 Case in general, the length of time the Company will operate under the Chapter 11 Case, risks associated with third-party motions in the Chapter 11 Case, the potential adverse effects of the Chapter 11 Case on the Company’s liquidity or results of operations and increased legal and other professional costs necessary to execute the Company’s reorganization; the conditions to which the Company’s senior debtor-in-possession financing is subject and the risk that these conditions may not be satisfied for various reasons, including for reasons outside of the Company’s control; the Company’s ability to obtain junior debtor-in-possession financing and the amount, terms and conditions of any such financing; the impact of and ability to successfully implement store closures and to right-size the Company’s operating model; the Company’s ability to consummate sales of its store base and other assets and the terms and conditions of any such sales; the Company’s ability to implement operational improvement efficiencies; uncertainty associated with evaluating and completing any strategic or financial alternative as well as the Company’s ability to implement and realize any anticipated benefits associated with any alternative that may be pursued; the consequences of the acceleration of our debt obligations; trading price and volatility of the Company’s common stock and the ability of the Company to remain listed on Nasdaq as well as other risk factors set forth in the Company’s Annual Report on Form 10-K and Quarterly Reports on Form 10-Q filed with the Securities and Exchange Commission. The Company therefore cautions readers against relying on these forward-looking statements. All forward-looking statements attributable to the Company or persons acting on the Company’s behalf are expressly qualified in their entirety by the foregoing cautionary statements. All such statements speak only as of the date made, and, except as required by law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.