

MACY'S, INC.

Consolidated Statements of Cash Flows (Unaudited)

(millions)

	<u>52 Weeks Ended</u> <u>January 30,</u> <u>2021</u>	<u>52 Weeks Ended</u> <u>February 1,</u> <u>2020</u>
Cash flows from operating activities:		
Net income (loss)	\$ (3,944)	\$ 564
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Restructuring, impairment, store closings and other costs	3,579	354
Settlement charges	84	58
Depreciation and amortization	959	981
Benefit plans	47	31
Stock-based compensation expense	31	38
Gains on sale of real estate	(60)	(162)
Deferred income taxes	(327)	(6)
Amortization of financing costs and premium on acquired debt	18	4
Changes in assets and liabilities:		
(Increase) decrease in receivables	132	(9)
Decrease in merchandise inventories	1,406	75
Decrease in prepaid expenses and other current assets	51	89
Increase in merchandise accounts payable	237	40
Decrease in accounts payable and accrued liabilities	(759)	(257)
Decrease in current income taxes	(617)	(60)
Change in other assets and liabilities	(188)	(132)
Net cash provided by operating activities	649	1,608
Cash flows from investing activities:		
Purchase of property and equipment	(338)	(902)
Capitalized software	(128)	(255)
Disposition of property and equipment	113	185
Other, net	28	(30)
Net cash used by investing activities	(325)	(1,002)
Cash flows from financing activities:		
Debt issued	2,780	—
Debt issuance costs	(95)	(3)
Debt repaid	(2,049)	(597)
Dividends paid	(117)	(466)
Increase (decrease) in outstanding checks	181	(62)
Acquisition of treasury stock	(1)	(1)
Issuance of common stock	—	6
Net cash provided (used) by financing activities	699	(1,123)
Net increase (decrease) in cash, cash equivalents and restricted cash	1,023	(517)
Cash, cash equivalents and restricted cash beginning of period	731	1,248
Cash, cash equivalents and restricted cash end of period	\$ 1,754	\$ 731