

# First Quarter 2020 Preliminary Sales and Operating Performance

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# Safe Harbor Statement

All forward-looking statements are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those in such statements. A detailed discussion of these risks and uncertainties is contained in the company's filings with the Securities and Exchange Commission.

All statements in this presentation that are not statements of historical fact are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are based upon the current beliefs and expectations of Macy's management and are subject to significant risks and uncertainties. Actual results could differ materially from those expressed in or implied by the forward-looking statements contained in this release because of a variety of factors, including the finalization of Macy's financial statements as of and for the 13 weeks ended May 2, 2020, including the actual amount of the impairment charges that it expects to incur for the period, the effects of the novel coronavirus (COVID-19) on customer demand, its supply chain as well as its consolidated results of operation, financial position and cash flows, Macy's ability to obtain additional financing on commercially acceptable terms or at all, Macy's ability to successfully implement its Polaris strategy, including the ability to realize the anticipated benefits within the expected time frame or at all, conditions to, or changes in the timing of proposed real estate and other transactions, prevailing interest rates and non-recurring charges, the effect of potential changes to trade policies, store closings, competitive pressures from specialty stores, general merchandise stores, off-price and discount stores, manufacturers' outlets, the Internet, catalogs and television shopping and general consumer spending levels, including the impact of the availability and level of consumer debt, possible systems failures and/or security breaches, the potential for the incurrence of charges in connection with the impairment of intangible assets, including goodwill, Macy's reliance on foreign sources of production, including risks related to the disruption of imports by labor disputes, regional or global health pandemics, and regional political and economic conditions, the effect of weather and other factors identified in documents filed by the company with the Securities and Exchange Commission. Macy's disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.



# Q1 Preliminary Results

(\$ in millions)	13 Weeks Ended May 2, 2020		13 Weeks Ended May 4, 2019	
	Estimated <sup>(1)</sup>		Actual	
<b>Income Statement Data</b>	<b>Low</b>	<b>High</b>		
<b>Net Sales</b>	\$ 3,000	\$ 3,030	\$ 5,504	
<b>Operating Income / (Loss)*</b>	(1,110)	(905)	203	
	<b>As of May 2, 2020</b>		<b>As of May 4, 2019</b>	
<b>Balance Sheet Data</b>	Estimated		Actual	
<b>Cash and cash equivalents</b>		\$ 1,523	\$ 737	
<b>Total Debt</b>		5,657	4,721	

## Liquidity:

- Given the steps we've made to maintain our financial flexibility and preserve liquidity, our cash position has continued to build since the end of the first quarter as store re-openings have bolstered cash receipts
- We anticipate having sufficient liquidity to execute our 2020 priorities

\*Operating Income / (Loss) excludes estimated pre-tax non-cash goodwill and long-lived asset impairment charges expected to be recorded for the first quarter of 2020. We are currently performing impairment assessments for certain of our long-lived asset groups as well as goodwill. These assessments are not complete, and upon completion, we may record additional impairment expenses not presently estimated within this range.

(1) Represents preliminary estimates for the first quarter of 2020, derived from our internal records and based on the most current information available to management. Preliminary results may differ materially from actual results.



# Staggered Macy's Stores Reopening On Track



## Key states reactivated for May openings\*

### May 22<sup>nd</sup> Reopening

- Connecticut
- Florida
- Missouri
- Hawaii
- Virginia
- Minnesota
- Pennsylvania

### May 18<sup>th</sup> reopening

- Arizona
- Ohio
- Colorado
- Nevada
- Florida
- North Carolina

### May 11<sup>th</sup> reopening

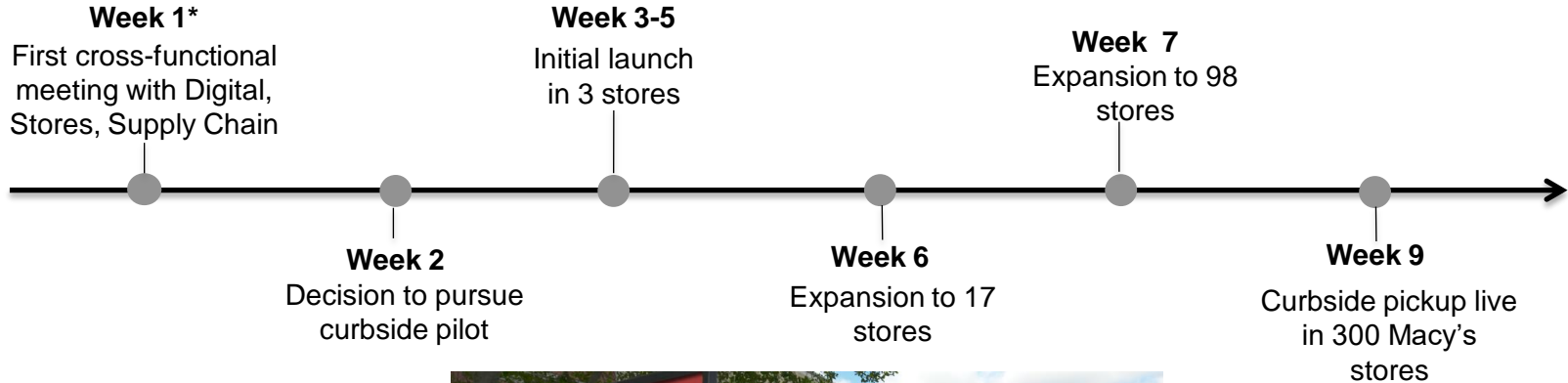
- Florida – Tampa North
- Colorado – excl. Denver
- Missouri
- Indiana

### May 4<sup>th</sup> reopening

- Texas
- South Carolina
- Oklahoma
- Georgia
- Tennessee



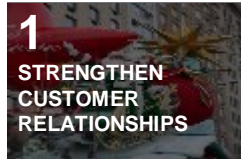
# Curbside Pickup: Tested, Iterated and Scaled in Nine Weeks





# Refocused Polaris Strategy Post-COVID

✓ Continue    ↻ Refocus  
|| Pause    → Accelerate



↻ Build profitable customer lifetime value

✓ Expand loyalty program

✓ Accelerate personalization & monetization



↻ Drive Category roles

↻ Best brand destination

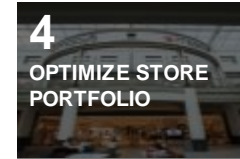
↻ Balance sales and margin



→ Enhance digital experience

↻ Grow omni-channel customer base

→ Improve profitability



|| Invest in best stores

↻ Expand off-mall profitably

|| Test and prove market ecosystem



→ Right-size organization & expense base

✓ Balance sales and profit

→ Improve productivity of working capital



**“I am confident that we are taking the right steps to ensure that Macy’s, Inc. will emerge on the other side of this crisis a strong, resilient company and ready to serve our customers.”**

- Jeff Gennette  
*Chairman & CEO*

