

**MACY'S, INC.**  
**Consolidated Statements of Income (Unaudited)**  
(All amounts in millions except percentages and per share figures)

	52 Weeks Ended February 1, 2020		52 Weeks Ended February 2, 2019	
	\$	% to Net sales	\$	% to Net sales
Net sales	\$ 24,560		\$ 24,971	
Credit card revenues, net	771	3.1 %	768	3.1%
Cost of sales	(15,171)	(61.8%)	(15,215)	(60.9%)
Selling, general and administrative expenses	(8,998)	(36.6%)	(9,039)	(36.2%)
Gains on sale of real estate	162	0.6%	389	1.5%
Restructuring, impairment, store closings and other costs	(354)	(1.4%)	(136)	(0.5%)
Operating income	970	3.9%	1,738	7.0%
Benefit plan income, net	31		39	
Settlement charges	(58)		(88)	
Interest expense, net	(185)		(236)	
Losses on early retirement of debt	(30)		(33)	
Income before income taxes	728		1,420	
Federal, state and local income tax expense	(164)		(322)	
Net income	564		1,098	
Net loss attributable to noncontrolling interest	—		10	
Net income attributable to Macy's, Inc. shareholders	<u>\$ 564</u>		<u>\$ 1,108</u>	
Basic earnings per share attributable to Macy's, Inc. shareholders	<u>\$ 1.82</u>		<u>\$ 3.60</u>	
Diluted earnings per share attributable to Macy's, Inc. shareholders	<u>\$ 1.81</u>		<u>\$ 3.56</u>	
Average common shares:				
Basic	309.7		307.7	
Diluted	311.4		311.4	
End of period common shares outstanding	309.0		307.5	
Supplemental Financial Measures:				
Gross Margin	\$ 9,389	38.2 %	\$ 9,756	39.1 %
Depreciation and amortization expense	\$ 981		\$ 962	