

MACY'S, INC.

Consolidated Statements of Operations (Unaudited)

(All amounts in millions except percentages and per share figures)

	<u>39 Weeks Ended</u> <u>October 31, 2020</u>		<u>39 Weeks Ended</u> <u>November 2, 2019</u>	
	<u>\$</u>	<u>% to</u> <u>Net sales</u>	<u>\$</u>	<u>% to</u> <u>Net sales</u>
Net sales	\$ 10,566		\$ 16,223	
Credit card revenues, net	494	4.7 %	531	3.3 %
Cost of sales	(7,788)	(73.7 %)	(9,905)	(61.1 %)
Selling, general and administrative expenses	(4,723)	(44.7 %)	(6,489)	(40.0 %)
Gains on sale of real estate	20	0.2 %	67	0.4 %
Impairment, restructuring and other costs	<u>(3,445)</u>	(32.6 %)	<u>(16)</u>	(0.1 %)
Operating income (loss)	(4,876)	(46.1 %)	411	2.5 %
Benefit plan income, net	37		23	
Settlement charges	(65)		(12)	
Interest expense, net	(196)		(143)	
Financing costs	<u>(4)</u>		<u>—</u>	
Income (loss) before income taxes	(5,104)		279	
Federal, state and local income tax benefit (expense)	<u>1,000</u>		<u>(55)</u>	
Net income (loss)	<u>\$ (4,104)</u>		<u>\$ 224</u>	
Basic earnings (loss) per share	<u>\$ (13.20)</u>		<u>\$ 0.72</u>	
Diluted earnings (loss) per share	<u>\$ (13.20)</u>		<u>\$ 0.72</u>	
Average common shares:				
Basic	311.0		309.6	
Diluted	311.0		311.3	
End of period common shares outstanding	310.3		309.0	
Supplemental Financial Measures:				
Gross Margin	\$ 2,778	26.3 %	\$ 6,318	38.9 %
Depreciation and amortization expense	\$ 722		\$ 725	