



macys inc

★ macys

bloomingdales

BLUEMERCURY

1Q24 Earnings

May 21, 2024



Safe Harbor Statement

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, Inc.'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 presentation because of a variety of factors, including Macy's, Inc.'s ability to successfully implement its A Bold New Chapter strategy, including the ability to realize the anticipated benefits within the expected timeframe 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 and catalogs 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, declines in credit card revenues, Macy's, Inc.'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, inflation, inventory shortage and labor shortages, the amount and timing of future dividends and share repurchases, our ability to execute on our strategies or achieve expectations related to environmental, social, and governance matters, and other factors identified in documents filed by the company with the Securities and Exchange Commission, including under the captions "Forward-Looking Statements" and "Risk Factors" in the company's Annual Report on Form 10-K for the year ended February 3, 2024. Macy's, Inc. 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.

This presentation includes non-GAAP financial measures that exclude the impact of certain financial statement items. Additional important information regarding these non-GAAP financial measures as well as others used in the earnings release can be found on the Investors section of our website and in the appendix of this presentation.



Reading and reacting to the dynamic economic environment and competitive landscape



A Bold New Chapter

Three-year plan to return Macy's, Inc. to profitable growth.



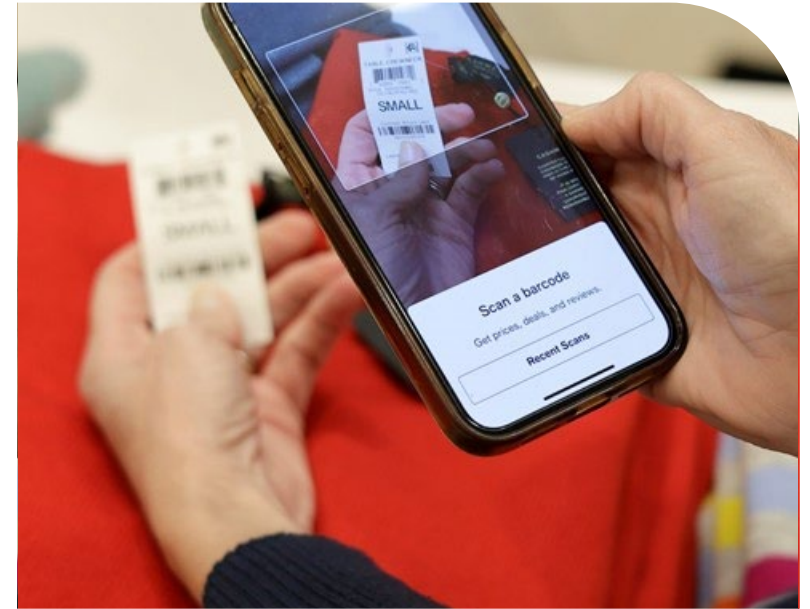
Strengthen

Macy's Nameplate



Accelerate

Luxury Growth



Simplify & Modernize

End-to-End Operations



Focused on understanding and meeting our customers' evolving needs and preferences





A Bold New
Chapter

Strengthen

Macy's Nameplate



Strengthen Macy's Nameplate

First 50 Locations

Delivered positive comps

Overview

- First 50 are:
 - A key component of the Macy's turnaround; and
 - A leading indicator for remaining go-forward store fleet.
- They serve as:
 - Pilots for new product, visual and staffing initiatives; and
 - Have broad geographic and mall representation.

Highlights

+3.4%

Comparable owned-plus-licensed (O+L) sales vs. 1Q23

+500 bps

First 50 NPS score year-over-year improvement. First 50 NPS scores were over 250 bps above all other Macy's locations.

Revitalize Assortment

Offering newness across categories

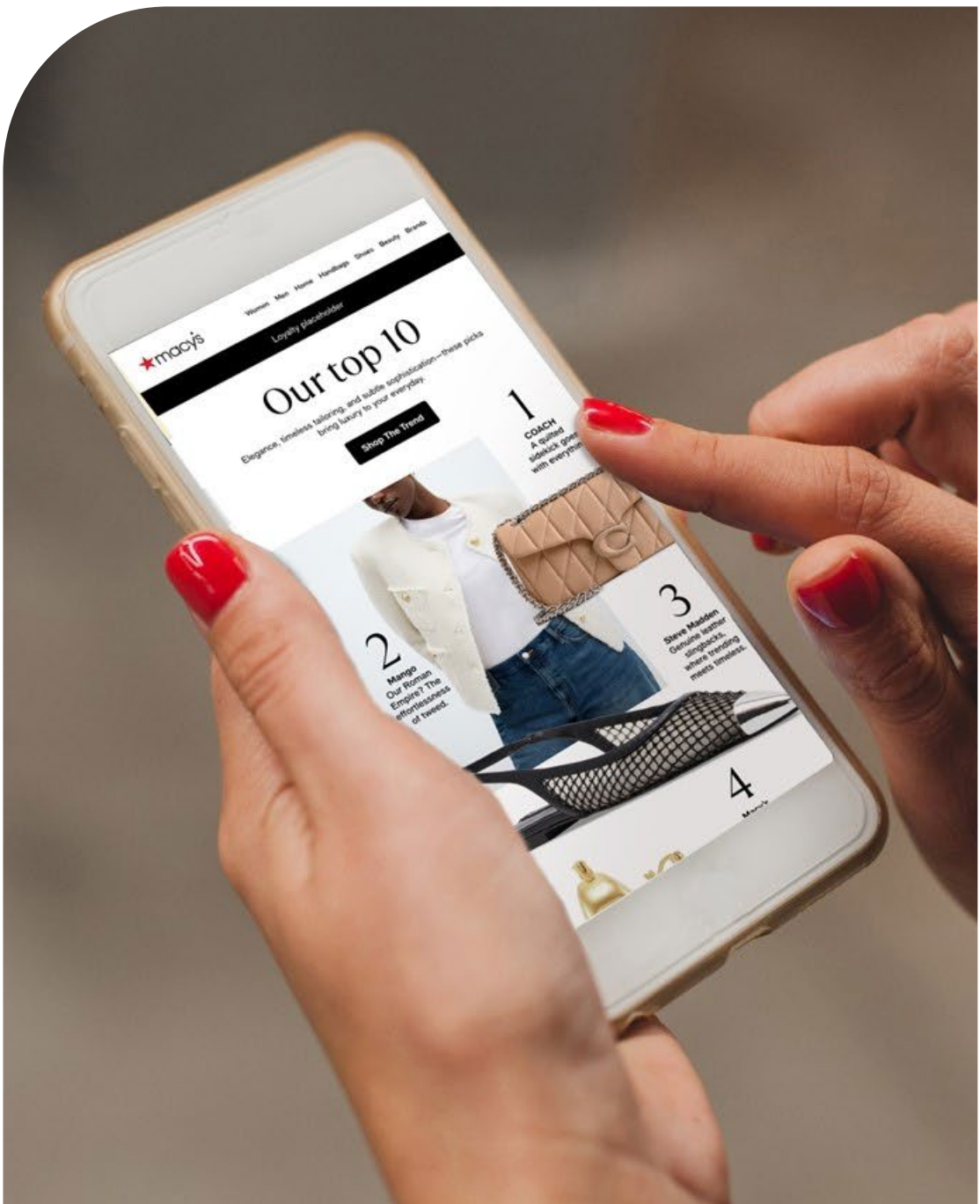
Category Highlights

- Introduced and expanded distribution in several market brands to address areas of softness in both women's and men's assortments.
- Better-than-expected accessories performance, led by women's shoes and fine jewelry, offset by ongoing weakness in handbags.
- Beauty remained a standout and key traffic driver, driven by fragrances.
- Big ticket and home still challenging, although seeing traction in certain categories. Adjusting market and private brand matrix beginning in FY25.

Private Brand Highlights

- Reimagination progressing, completed majority of apparel brand exits, and reimagined and launched several new ones.
- I.N.C. and Style & Co., which have led the initiative, continued to outperform Macy's women's apparel segment year-over-year.
- Refreshing kid's brands in summer 2024, introducing a new men's contemporary apparel brand later in the year.





Strengthen Macy's Nameplate

Digital Advancements

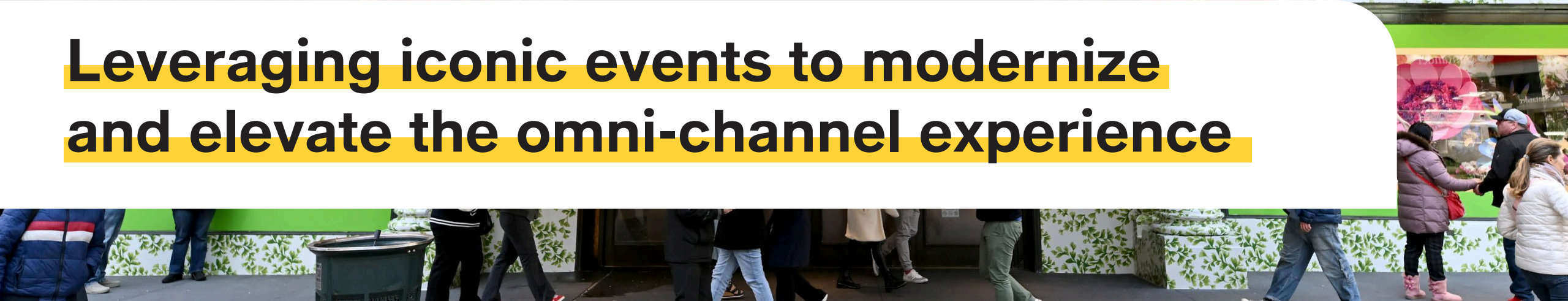
Gateway to Macy's brand, source of omni-engagement

Highlights

- Under new leadership, team has made progress on:
 - Optimizing the customer journey;
 - Addressing places of greatest friction; and
 - Enhancing and expanding the shopping experience across platforms.
- Launched baby registry, including 150+ new brands across all baby categories.
- Marketplace provides the opportunity to better serve customers and gain a greater share of their wallet.
 - Offering a compelling selection of electronics for Father's Day and the graduation season.



Leveraging iconic events to modernize and elevate the omni-channel experience



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Accelerate

Luxury Growth



Bloomingdale's

Highlights

+0.3%

Comparable owned-plus-licensed-plus-marketplace (O+L+M) sales¹ vs. 1Q23

~15

Bloomie's and Bloomingdale's the Outlet openings through FY26

- Contemporary apparel, private brands and beauty continue to be well-received and serve as growth engines.
- Private brands are a complement to contemporary matrix. AQUA registered a double-digit increase in ready-to-wear sales, benefiting from the quiet-luxury inspired collaboration with celebrity stylist Liat Baruch.
- Highly engaged digital customer appreciates depth and breadth of offerings across price points.
- Bloomie's and Bloomingdale's the Outlet comparable O+L sales outperformed Bloomingdale's fleet.

¹Excludes one non-go-forward location.





Accelerate Luxury Growth

Bluemercury

Highlights

+4.3%

Comparable owned sales vs. 1Q23

at least 30

New locations and ~30 remodels through FY26

- 13th consecutive quarter of comparable sales growth, driven by continued strength in skincare.
- Expanding key brand partners including Sisley Paris, Skinceuticals and Augustinus Bader.
- Incorporating learnings from remodeled locations:
 - Elevated aesthetic improves luxury perception of Bluemercury.
 - Expanded assortment and enhanced selling model has a positive impact on client experience.

On-Track to Achieve

A Bold New Chapter Targets

FY24 is a transition and investment year.

FY24 - FY26
Actions

Close ~150 Underperforming Macy's Locations

Reprioritize investments in remaining ~350 locations¹

Grow Luxury² Store Locations by ~20%

Asset Monetization \$600M to \$750M³

Primarily related to stores & distribution center closures

Beginning in
FY25

Annual Low-Single-Digit Comp Sales⁴ Growth

Annual Mid-Single-Digit Adj. EBITDA Dollar Growth

Pre-Pandemic Levels of Annual Free Cash Flow

¹ Go-forward Macy's locations inclusive of full line, furniture & current small formats.

² Luxury inclusive of Bloomingdale's & Bluemercury nameplates.

³ From FY24 – FY26, expect associated asset sale gains of \$250M to \$365M for non-go-forward stores and distribution centers. Within this, expect asset sale proceeds of \$500M to \$650M and asset sale gains of \$250M to \$350M for non-go-forward stores. Additionally, the company has generated over \$2.4B of real estate monetization proceeds from FY15-FY23.

⁴ Defined as comparable owned-plus-licensed-plus-marketplace (O+L+M) sales.



★ Macy's bloomingdale's
FULFILLMENT CENTER

**Improving customer experience
through collaboration, efficiency and speed**





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1Q24 Financial Results and Capital Allocation

Sales Highlights

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\$4.8B

Net sales -2.7% vs 1Q23

-1.2%

Comparable owned sales vs 1Q23

-0.3%

Comparable O+L+M sales vs 1Q23

+0.1%

Go-forward Macy's, Inc. business¹
comparable O+L+M sales vs 1Q23

¹ Defined as Macy's, Bloomingdale's and Bluemercury go-forward locations and digital





1Q24 Financial Results and Capital Allocation

Nameplate Highlights

Results versus 1Q23



Net Sales	-3.3%
Comparable O+L+M Sales	-0.4%
Go-Forward Macy's Business Comparable O+L+M Sales¹	Flat
Go-Forward Macy's Locations Comparable O+L Sales²	+0.1%
Macy's First 50 Locations Comparable O+L Sales	+3.4%
Non-First 50 Go-Forward Macy's Locations Comparable O+L Sales	-1.3%
Non-Go-Forward Macy's Locations Comparable O+L Sales	-4.5%

¹ Go-forward Macy's business includes all Macy's Go-Forward Locations and Digital.

² Go-forward Macy's locations inclusive of First 50 and Non-First 50 Go-Forward Locations.

Nameplate Highlights, cont.

Results versus 1Q23

bloomingdale's

Net Sales

+0.5%

Comparable O+L+M Sales¹

+0.3%

BLUEMERCURY

Net Sales

+4.0%

Comparable Owned Sales

+4.3%

¹Excludes one non-go-forward location.



Revenue Highlights

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\$154M

Other revenue -19.4% vs 1Q23

\$117M

Credit card revenue net
-27.8% vs 1Q23

\$37M

Macy's Media Network revenue net
+27.6% vs 1Q23



Profitability & Productivity Highlights

macys inc

	Actuals	Change
		vs 1Q23
Total Revenue	\$5,000	-3.3%
Gross Margin	\$1,900	-4.7%
Gross Margin Rate¹	39.2%	-80 bps
SG&A Expense	\$1,911	-2.0%
SG&A Expense Rate²	38.2%	+50 bps
EBIT	\$129	-48.0%
Adjusted EBIT	\$148	-40.8%
Adjusted EBIT Margin Rate²	3.0%	-180 bps
EBITDA	\$345	-26.0%
Adjusted EBITDA	\$364	-22.2%
Adjusted EBITDA Margin Rate²	7.3%	-170 bps
Diluted EPS	\$0.22	-60.7%
Adjusted Diluted EPS	\$0.27	-51.8%
Inventory	\$4,687	+1.7%

NOTE: In millions, except per share figures & percentages.
¹ % of net sales. ² % of total revenue.





YTD Highlights

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\$129M

Operating Cash Flow

\$229M

Capital Expenditures

\$96M

Free Cash Outflow

\$48M

Dividend Payments



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Looking Ahead

FY24 Guidance

Revised as of May 21, 2024

\$22.3B to \$22.9B

Net Sales

**-1.0% to +1.5%
vs FY23**

Comparable
O+L+M Sales¹

**~Flat to +2.5%
vs FY23**

Macy's Go-Forward²
Comparable O+L+M Sales

**~Flat to +2.5%
vs FY23**

Luxury Nameplates³
Comparable O+L+M Sales

~\$665M to \$680M

(Credit Card Revenues: ~\$490M to \$505M)

Other Revenue

~39.0% to 39.3%

Gross Margin
Rate⁴

8.7% to 9.0%

Adjusted
EBITDA Rate⁵

\$2.55 to \$2.90

Adjusted
Diluted EPS⁶

NOTE: Full Guidance Details can be found in the additional information section of this presentation. FY24 is a 52-week period while FY23 was a 53-week period. The FY24 outlook for all metrics is provided on a 52-week basis, with the exception of comparable sales, which is provided on a 52-week basis for both periods. The company's outlook excludes any potential impact from the credit card late fee ruling, which was stayed on May 10, 2024.

¹ Defined as comparable owned-plus-licensed-plus-marketplace sales. ² Macy's go-forward locations and digital. ³ Bloomingdale's and Bluemercury go-forward locations and digital. ⁴ % of net sales. ⁵ % of total revenue.

⁶ The impact of any potential future share repurchase associated with the company's current share repurchase authorization is excluded.

2Q24 Guidance

As of May 21, 2024

\$4.97B to \$5.1B

Net Sales

~\$155M

(Credit Card Revenues: ~\$120M)

Other Revenue

**Up at least
170 bps vs 2Q23**

Gross Margin Rate¹

\$0.25 to \$0.33

Adjusted Diluted EPS²

**Up Low-Single-Digits
vs 2Q23**

Inventory

NOTE: The company's outlook excludes any potential impact from the credit card late fee ruling, which was stayed on May 10, 2024.

¹% of net sales.

²The impact of any potential future share repurchase associated with the company's current share repurchase authorization is excluded.

A Bold New Chapter Targets **2025 & Beyond**

Low-Single-Digit

Annual Comparable O+L+M Sales Growth¹

Mid-Single-Digit

Annual Adjusted EBITDA Dollar Growth

Below Historic Rate of Inflation of 2% to 3%

Annual SG&A Dollar Growth

Below FY24 Levels

Annual Capital Expenditures

Return to Pre-Pandemic Levels

Annual Free Cash Flow

NOTE: The company's outlook excludes any potential impact from the credit card late fee ruling, which was stayed on May 10, 2024.

¹Inclusive of remaining non-go-forward locations that will not have closed.



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Q&A



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Additional Information

THE GIFT OF GARDENING

Additional Information

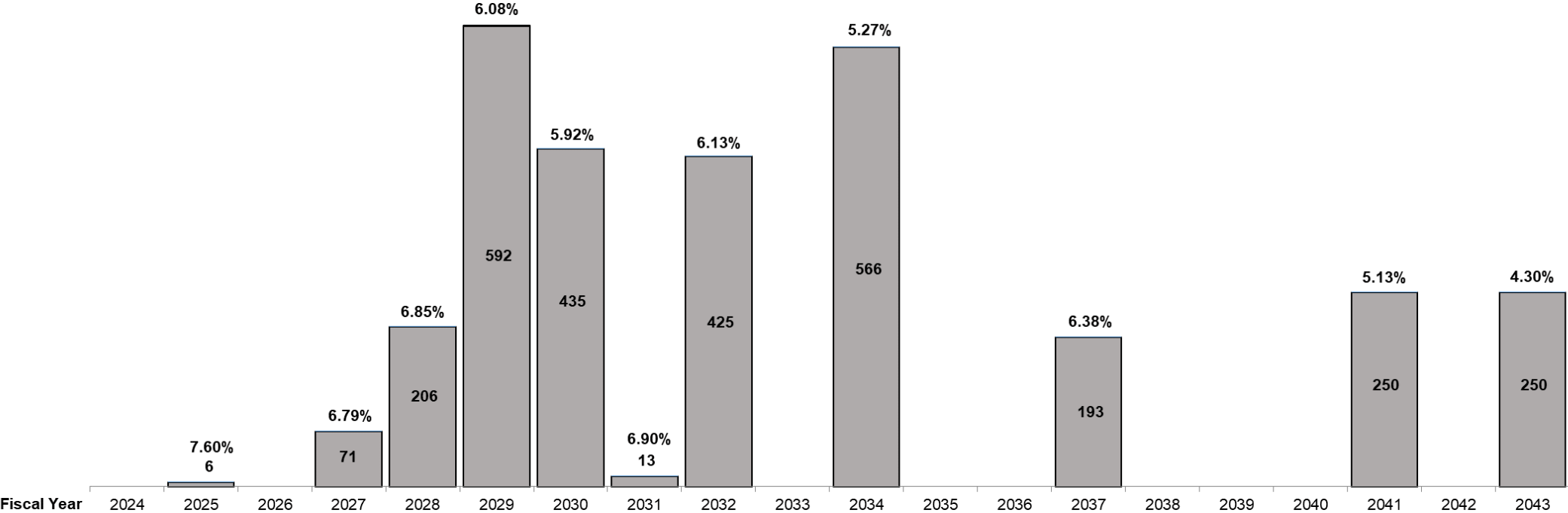
Store Count as of 5/4/2024

	End of 1Q24	Change In Locations from FY23
	Locations	
Macy's Department Stores	435	—
Macy's Small Format	13	+1
Macy's Furniture	45	—
Macy's Furniture Clearance	1	—
Freestanding Backstage	9	—
Total Macy's	503	+1
Bloomingdale's Department Stores	32	—
Bloomies	3	—
Bloomingdale's Furniture/Other	1	—
Bloomingdale's The Outlet	21	—
Total Bloomingdale's	57	—
Bluemercury	158	-1
Total Macy's, Inc.	718	—

Additional Information

Long-term Debt Maturities as of 5/4/2024

(\$M)



% represents weighted average interest rate. All outstanding long-term debt is unsecured.

Additional Information

1Q24 Additional Nameplate Highlights

	Actuals	Change
		vs 1Q23
Macy's Digital¹		
Digital visits	476M	+2.3%
Conversion rate	3.6%	-14 bps
Luxury Nameplates Digital		
Digital visits	74M	+0.3%
Conversion rate	2.4%	+10 bps

1Q24 Additional Nameplate Highlights, cont.

Performance

vs 1Q23

Backstage

Comparable owned sales versus Macy's full-line

+980 bps

Bloomingdale's the Outlet

Comparable owned-plus-licensed sales versus Bloomingdale's full-line

+380 bps

Additional Information

FY23 Nameplate Customer¹ Highlights

Actuals

Macy's

Active customers	41.2M
Star Rewards active member accounts	30.1M
Star Rewards program members % of Macy's comparable O+L+M sales	73%

Bloomingdale's

Active customers	4.0M
Loyallist program active member accounts	2.4M
Loyallist program members % of Bloomingdale's comparable O+L+M sales	81%

Bluemercury

Active Customers	711K
Loyalty program member accounts ²	1.0M
Loyalty program members % of Bluemercury sales	85%

Additional Information

1Q24 Financial Highlights & Commentary

	Actuals	Change	Commentary
		vs 1Q23	
Net Sales	\$4,846	-2.7%	Digital penetration of net sales was 32%. Owned AUR increased 4%, driven by improvements across all nameplates.
Comparable owned sales		-1.2%	
Comparable O+L+M sales		-0.3%	
Other Revenue	\$154	-19.4%	Decline attributable to the impact of expected higher delinquency rates and net credit losses within the portfolio. Proprietary card penetration rate of 43.2% was down 40 bps versus 1Q23.
Credit card revenues, net	\$117	-27.8%	
Macy's Media Network revenues, net	\$37	+27.6%	
Gross Margin	\$1,900	-4.7%	Merchandise margin declined 100 bps, primarily reflecting additional discounting for slower-moving warm weather products. Delivery expense as a percent of net sales improved 20 bps, reflecting ongoing efforts to improve supply chain efficiency.
Gross Margin Rate¹	39.2%	-80 bps	
SG&A Expense	\$1,911	-2.0%	SG&A expense dollars benefited from the company's commitment to ongoing expense discipline.
SG&A Expense Rate²	38.2%	+50 bps	

Additional Information

1Q24 Financial Highlights & Commentary

	Actuals	Change	Commentary
		vs 1Q23	
EBIT	\$129	-48.0%	Adjusted EBITDA and Adjusted Diluted EPS benefited from efficiencies and expense discipline throughout the organization. Adjusted EPS of \$0.27 exceeded our prior outlook of \$0.10 to \$0.16.
Adjusted EBIT	\$148	-40.8%	
Adjusted EBIT Margin ²	3.0%	-180 bps	
EBITDA	\$345	-26.0%	
Adjusted EBITDA	\$364	-22.2%	
Adjusted EBITDA Margin ²	7.3%	-170 bps	
Diluted EPS	\$0.22	-60.7%	
Adjusted Diluted EPS	\$0.27	-51.8%	
Inventory	\$4,687	+1.7%	Entering the second quarter of 2024, end-of-quarter inventories are well-positioned for the upcoming summer season.
Inventory Turnover³		-3.0%	

Additional Information

FY24 Guidance

	FY24 Guidance (as of 5/21/2024, bold captions indicate a change)	FY24 Guidance (as of 2/27/2024)
Net sales	\$22.3 billion to \$22.9 billion	\$22.2 billion to \$22.9 billion
Comparable O+L+M sales	Down ~1.0% to up ~1.5% vs FY23	Down ~1.5% to up ~1.5% vs FY23
Go-forward Macy's nameplate comparable O+L+M sales	~Flat to up ~2.5% vs FY23	Down ~1.0% to up ~2.5% vs FY23
Luxury nameplates comparable O+L+M sales	~Flat to up ~2.5% vs FY23	~Flat to up ~ 2.5% vs FY23
Other revenues	~\$665 million to \$680 million <small>(credit card revenues expected to be ~\$490 million to \$505 million)</small>	~2.9% of net sales <small>(credit card revenues accounting for ~74% of other revenues or \$475 million to \$490 million)</small>
Gross margin rate¹	~39.0% to 39.3%	~39.2% to 39.5%
SG&A expense rate²	~36.3% to 36.4%	~36.6% to 36.8%
Asset sale gains/Monetization proceeds³	\$90 million to \$115 million/\$130 million to \$150 million	\$90 million to \$115 million/\$130 million to \$150 million
Adjusted EBITDA margin²	~8.7% to 9.0%	~8.5% to 8.9%
Interest expense, net	~\$135 million	~\$135 million
Adjusted tax rate	~24.5%	~24.5%
Diluted shares outstanding⁴	~284 million	~284 million
Adjusted diluted EPS⁴	\$2.55 to \$2.90	\$2.45 to \$2.85
Capital expenditures	~\$875 million	~\$875 million

NOTE: FY24 guidance reflects a 52-week year. The company's outlook excludes any potential impact from the credit card late fee ruling, which was stayed on May 10, 2024.

¹ % of net sales. ² % of total revenue.

³ Reflects planned closure of approximately 50 locations by the end of the fiscal year, closures expected to take place after Holiday 2024.

⁴ The impact of any potential future share repurchase associated with the company's current share repurchase authorization is excluded.

Additional Information

FY24 Guidance Assumptions

as of 5/21/2024

Housekeeping Items

- The company's outlook does not assume an improvement in the consumer's health and that they will continue to scrutinize discretionary purchases.
- FY24 is a 52-week period while FY23 was a 53-week period. The FY24 outlook for all metrics is provided on a 52-week basis, with the exception of comparable sales, which is provided on a 52-week basis for both periods.
- The Macy's nameplate completed its conversion to cost accounting at the beginning of FY24.
- The company renamed owned plus licensed sales comp (O+L) to owned plus licensed plus marketplace (O+L+M). Marketplace has been included within prior O+L results since its introduction, therefore a historical restatement is not needed.
- The company expects digital penetration of net sales to be ~33% in FY24.
- The company expects FY24 depreciation & amortization to be ~\$895 million.

2Q24 Considerations

- 2Q24 guidance reflects the lapping of heightened clearance markdowns taken in 2Q23 on excess seasonal goods, successful quarter-to-date discounting of remaining spring assortments and the planned liquidation of select men's private brands as part of the reimagination strategy.
- 2Q23 credit card revenues included a pro-rata adjustment for the mid-year increase in the company's annual net credit loss outlook due to the normalizing of the credit environment.

Credit Card Revenue

- FY24 guidance does not include any impact for the credit card late fee ruling (which was stayed on May 10, 2024) in its 2024 outlook or beyond. The company will incorporate the impact when the ruling and timing of implementation are certain.
- FY24 credit card revenue outlook includes an assumption for an increase in net credit losses in 2024.

Asset Sale Gains

- FY24 guidance assumes the majority of asset sale gains occur in 4Q24; 2Q24 guidance assumes no asset sales gains take place during the quarter.

Cost Savings

- The company achieved the previously disclosed \$200 million of cost savings in FY23. All future savings the company anticipates to achieve are contemplated in its outlook.

Supply Chain

- The company continues to closely monitor the Red Sea disruptions and potential China tariff regulations and implement its mitigation strategies. At this time, material impacts from supply chain disruptions are not anticipated.



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Appendix

Reconciliation of GAAP to Non-GAAP Financial Measures

The company reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). However, management believes that certain non-GAAP financial measures provide users of the company's financial information with additional useful information in evaluating operating performance. Management believes that providing supplemental changes in comparable sales on an owned-plus-licensed-plus-marketplace basis, which includes adjusting for the impact of comparable sales of departments licensed to third parties and marketplace sales, assists in evaluating the company's ability to generate sales growth, whether through owned businesses, departments licensed to third parties or marketplace sales, and in evaluating the impact of changes in the manner in which certain departments are operated. Earnings before interest, taxes, depreciation and amortization (EBITDA) is a non-GAAP financial measure which the company believes provides meaningful information about its operational efficiency by excluding the impact of changes in tax law and structure, debt levels and capital investment. In addition, management believes that excluding certain items from EBITDA, net income and diluted earnings per share that are not associated with the company's core operations and that may vary substantially in frequency and magnitude from period-to-period provides useful supplemental measures that assist in evaluating the company's ability to generate earnings and to more readily compare these metrics between past and future periods.

The company does not provide reconciliations of the forward-looking non-GAAP measures of comparable owned-plus-licensed-plus-marketplace sales change and adjusted diluted earnings per share to the most directly comparable forward-looking GAAP measures because the timing and amount of excluded items are unreasonably difficult to fully and accurately estimate. For the same reasons, the company is unable to address the probable significance of the unavailable information, which could be material to future results.

Non-GAAP financial measures should be viewed as supplementing, and not as an alternative or substitute for, the company's financial results prepared in accordance with GAAP. Certain of the items that may be excluded or included in non-GAAP financial measures may be significant items that could impact the company's financial position, results of operations or cash flows and should therefore be considered in assessing the company's actual and future financial condition and performance. Additionally, the amounts received by the company on account of sales of departments licensed to third parties and marketplace sales are limited to commissions received on such sales. The methods used by the company to calculate its non-GAAP financial measures may differ significantly from methods used by other companies to compute similar measures. As a result, any non-GAAP financial measures presented herein may not be comparable to similar measures provided by other companies.

Changes in Comparable Sales

	13 weeks ended May 4, 2024 versus 13 weeks ended April 29, 2023	
	Macy's, Inc.	Macy's
Decrease in comparable sales on an owned basis (Note 1)	(1.2%)	(1.6%)
Impact of departments licensed to third parties and marketplace sales (Note 2)	0.9%	1.2%
Decrease in comparable sales on an owned-plus-licensed-plus-marketplace basis	(0.3%)	(0.4%)

Notes:

1. Represents the period-to-period percentage change in net sales from stores in operation for one full fiscal year for the 13 weeks ended May 4, 2024 and April 29, 2023. Such calculation includes all digital sales and excludes commissions from departments licensed to third parties and marketplace. Stores impacted by a natural disaster or undergoing significant expansion or shrinkage remain in the comparable sales calculation unless the store, or material portion of the store, is closed for a significant period of time. Definitions and calculations of comparable sales may differ among companies in the retail industry.
2. Represents the impact of including the sales of departments licensed to third parties occurring in stores in operation throughout the year presented and the immediately preceding year and all online sales, including marketplace sales, in the calculation of comparable sales. Macy's and Bloomingdale's license third parties to operate certain departments in its stores and online and receive commissions from these third parties based on a percentage of their net sales, while Bluemercury does not participate in licensed or marketplace businesses. In its financial statements prepared in conformity with GAAP, the company includes these commissions (rather than sales of the departments licensed to third parties and marketplace) in its net sales. The company does not, however, include any amounts in respect of licensed department or marketplace sales (or any commissions earned on such sales) in its comparable sales in accordance with GAAP (i.e., on an owned basis). The amounts of commissions earned on sales of departments licensed to third parties and from the digital marketplace are not material to its net sales for the periods presented.

Changes in Comparable Sales

13 weeks ended May 4, 2024 versus 13 weeks ended April 29, 2023

	Macy's, Inc. go-forward business	Macy's go-forward business	Bloomingdale's*	Bluemercury
Increase (decrease) in comparable sales on an owned basis (Note 1)	(0.9)%	(1.3)%	0.8%	4.3%
Impact of departments licensed to third parties and marketplace sales (Note 2)	1.0%	1.3%	(0.5%)	—%
Increase in comparable sales on an owned-plus-licensed-plus-marketplace basis	0.1 %	— %	0.3%	4.3 %

*Excludes one non-go-forward location.

13 weeks ended May 4, 2024 versus 13 weeks ended April 29, 2023

	Macy's First 50 locations	Macy's non-First 50 go-forward locations	Macy's go-forward locations	Macy's non-go-forward locations
Increase (decrease) in comparable sales on an owned basis (Notes 1 and 3)	3.3%	(1.2%)	0.1%	(4.5%)
Impact of departments licensed to third parties (Notes 2 and 3)	0.1%	(0.1%)	—%	—%
Increase (decrease) in comparable sales on an owned-plus-licensed basis	3.4 %	(1.3) %	0.1 %	(4.5)%

Earnings Before Interest and Taxes, Excluding Certain Items

<i>Millions, except percentages</i>	13 weeks ended May 4, 2024	13 weeks ended April 29, 2023
Most comparable GAAP measure:		
Net income	\$62	\$155
Total revenue	\$5,000	\$5,173
Net income as a percent to total revenue	1.2%	3.0%
Non-GAAP measure:		
Net income	\$62	\$155
Interest expense, net	31	37
Federal, state and local income tax expense	36	56
Earnings before interest and taxes	\$129	\$248
Impairment, restructuring and other costs	19	2
Adjusted EBIT	\$148	\$250
Adjusted EBIT as a percent to total revenue	3.0%	4.8%

Earnings Before Interest, Taxes, Depreciation, and Amortization Excluding Certain Items

<i>Millions, except percentages</i>	13 weeks ended May 4, 2024	13 weeks ended April 29, 2023
Most comparable GAAP measure:		
Net income	\$62	\$155
Total revenue	\$5,000	\$5,173
Net income as a percent to total revenue	1.2%	3.0%
Non-GAAP measure:		
Net income	\$62	\$155
Interest expense, net	31	37
Federal, state and local income tax expense	36	56
Depreciation and amortization	216	218
Earnings before interest, taxes, depreciation and amortization	\$345	\$466
Impairment, restructuring and other costs	19	2
Adjusted EBITDA	<u>\$364</u>	<u>\$468</u>
Adjusted EBITDA as a percent to total revenue	<u>7.3%</u>	<u>9.0%</u>

Net Income and Diluted Earnings Per Share, Excluding Certain Items

<i>Millions</i>	13 weeks ended May 4, 2024		13 weeks ended April 29, 2023	
	Net Income	Diluted Earnings Per Share	Net Income	Diluted Earnings Per Share
As reported	\$62	\$0.22	\$155	\$0.56
Impairment, restructuring and other costs	19	0.07	2	—
Income tax impact of certain items identified above	(4)	(0.02)	—	—
As adjusted to exclude certain items above	<u>\$77</u>	<u>\$0.27</u>	<u>\$157</u>	<u>\$0.56</u>

Free Cash Flow

<i>Millions</i>	13 weeks ended May 4, 2024
Net cash provided by operating activities	\$129
Purchase of property and equipment	(154)
Capitalized software	(75)
Disposition of property and equipment	4
Free Cash Flow	<u><u>\$(96)</u></u>