macys inc

macy's bloomingdale's BLUEMERCURY

4Q25 Earnings

March 18, 2026

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. 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 Bold New Chapter strategy, including the ability to realize the anticipated benefits associated with the strategy, 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, conditions to, or changes in the timing of proposed real estate and other transactions, declines in credit card revenues, possible systems failures and/or security breaches, business, legal and ethical challenges related to use of artificial intelligence, 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, regional political and economic conditions, the effect of trade policies and tariffs, including changes thereto, the effect of weather, inflation, inventory shortage, and labor shortages, the potential for the incurrence of charges in connection with the impairment of tangible and intangible assets, including goodwill, the amount and timing of future dividends and share repurchases, our ability to execute on our strategies and 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 1, 2025. 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

FY25 Macy's, Inc.

Performance Highlights

macys inc

+1.5%

Comparable Owned-Plus-Licensed-Plus-Marketplace (OLM) Sales vs. FY24

$2.32

Adjusted Diluted Earnings Per Share (EPS)

- As we look back on 2025, we achieved several major milestones including:
  - Returned to positive comparable sales for total Macy's, Inc. and Macy's nameplate
  - Achieved better-than-expected top- and bottom-line results in every quarter of FY25
  - Delivered Adjusted diluted EPS well-above most recent guidance and initial guidance, despite the unanticipated impact of tariffs and lower-than-expected asset sale gains

4Q25 Macy's, Inc.

Performance Highlights

macys inc

+1.8%

Comparable Owned-Plus-Licensed-Plus-Marketplace (OLM) Sales vs. 4Q24

$1.67

Adjusted Diluted Earnings Per Share (EPS)

- Net sales, comparable OLM sales and Core Adj. EBITDA all exceeded guidance, driven by better-than-expected performance across key line items and positive go-forward comparable OLM sales at each nameplate
- Customers responded favorably to merchandising, marketing and promotional events, supported by an improved omni-channel shopping experience
- Performance wrapped up a successful second year for the Bold New Chapter strategy

A Bold New Chapter

Will build on what has been working, including our go-forward fleet, product and brand relevancy, and improved omni-channel experiences and messaging

Steve Madden @ Macy's

Strengthen & Reimagine

Macy's Nameplate

Chan Luu @ Bloomingdale's

Accelerate & Differentiate

Luxury

Simplify & Modernize

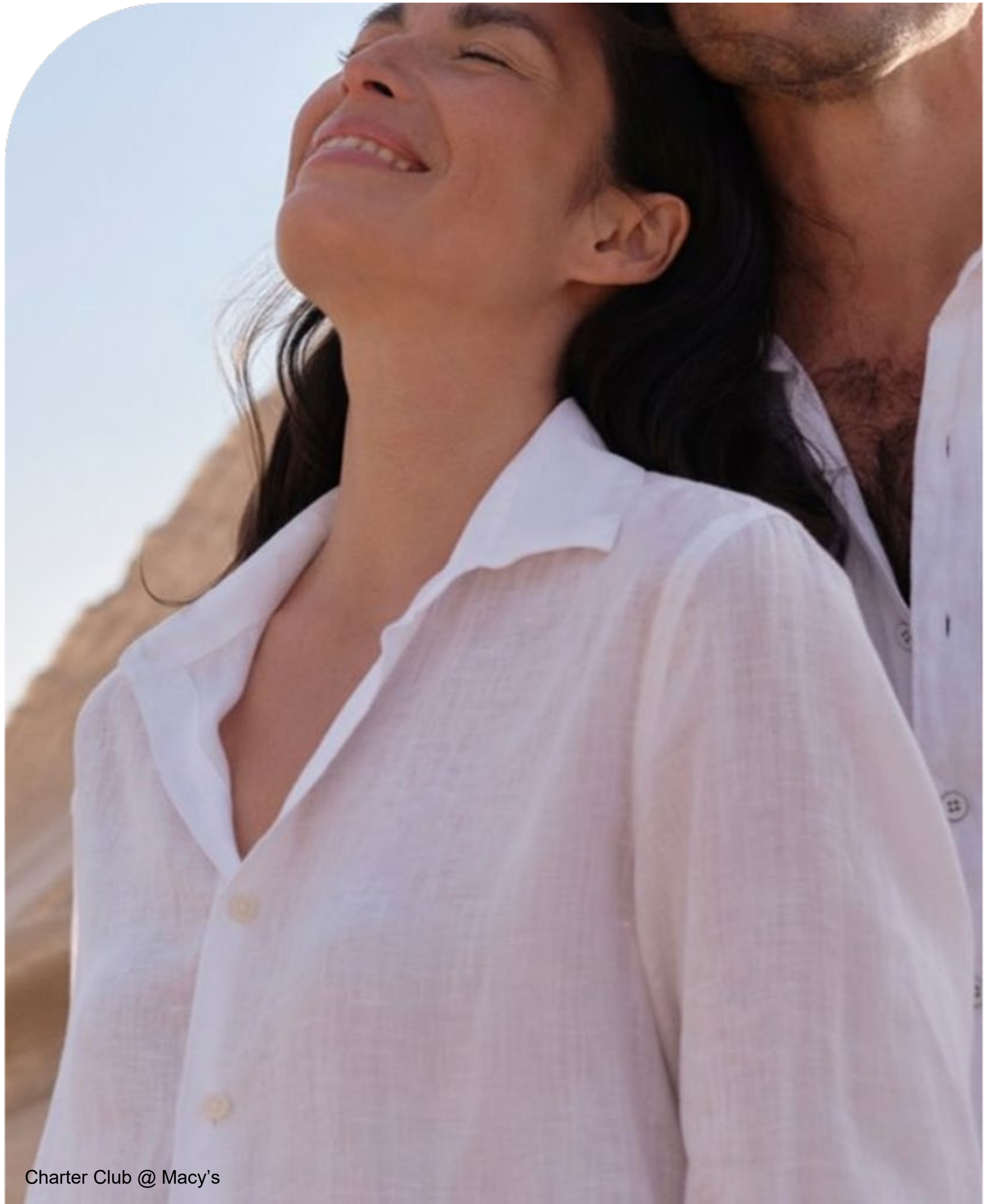
End-to-End Operations

A Bold New Chapter

FY25 and 4Q25

Highlights

Men’s suiting @ Macy’s



Charter Club @ Macy's

Strengthen & Reimagine

Macy's Nameplate

FY25

+0.4%

Comparable OLM Sales vs. FY24

+0.6%

Macy's Go-Forward Business Comparable OLM Sales vs. FY24

- Go-Forward Business Comparable OLM sales: +190 bps on a 1-year basis; +690 bps on a 2-year basis
- Reimagine 125 comparable OLM sales +1.0%
- Positive comparable OLM sales in 7 of last 8 quarters for stores with initiatives; Strong proof point of ability to return to growth
- Positive digital channel comparable OLM sales (1/3 annual sales)
- Emphasizing product and experience
- Achieved best Net Promoter Score on record

Accelerate & Differentiate

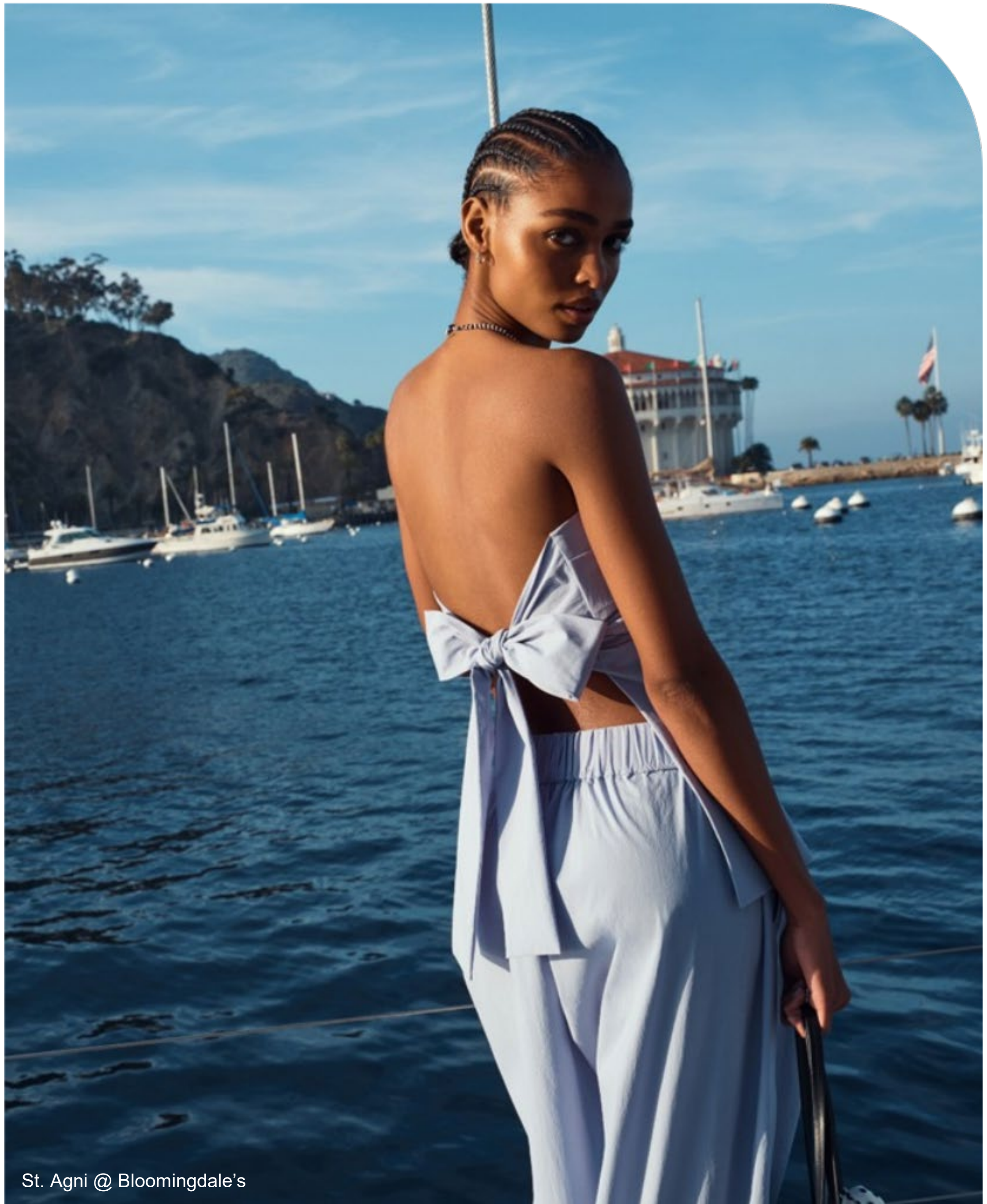
Bloomingdale's

FY25

+7.4%[1]

Comparable OLM Sales vs. FY24

- Comparable OLM sales: +490 bps on a 1-year basis; +1030 bps on a 2-year basis
- Strategy anchored on being the local leader; Emphasis on discovery, newness and connection with customers
- Raising the bar on curation, deepened brand partnerships and further invested in store experiences
- Gaining share across brands, categories and regions
- Performance demonstrates how a disciplined focus, clear brand strategy and consistent execution can drive results



[1] Bloomingdale's Go-Forward Comparable OLM Sales (no meaningful difference vs. Bloomingdale's Total Comparable OLM Sales).

Accelerate & Differentiate

Bluemercury

FY25

+1.6%[1]

Comparable OLM Sales vs. FY24

- Results continued to be driven dermatological skincare and fragrances
  - Including Skinceuticals, Dr. Diamond's Metacine, Sisley Paris and Parfums De Marley
- Encouraged by performance in new stores
  - Continue to post growth
  - Iterate on assortments
  - Develop each stores' client base

[1] Bluemercury Go-Forward Comparable OLM Sales (no meaningful difference vs. Bluemercury Total Comparable OLM Sales).

Simplify & Modernize

End-to-End Operations

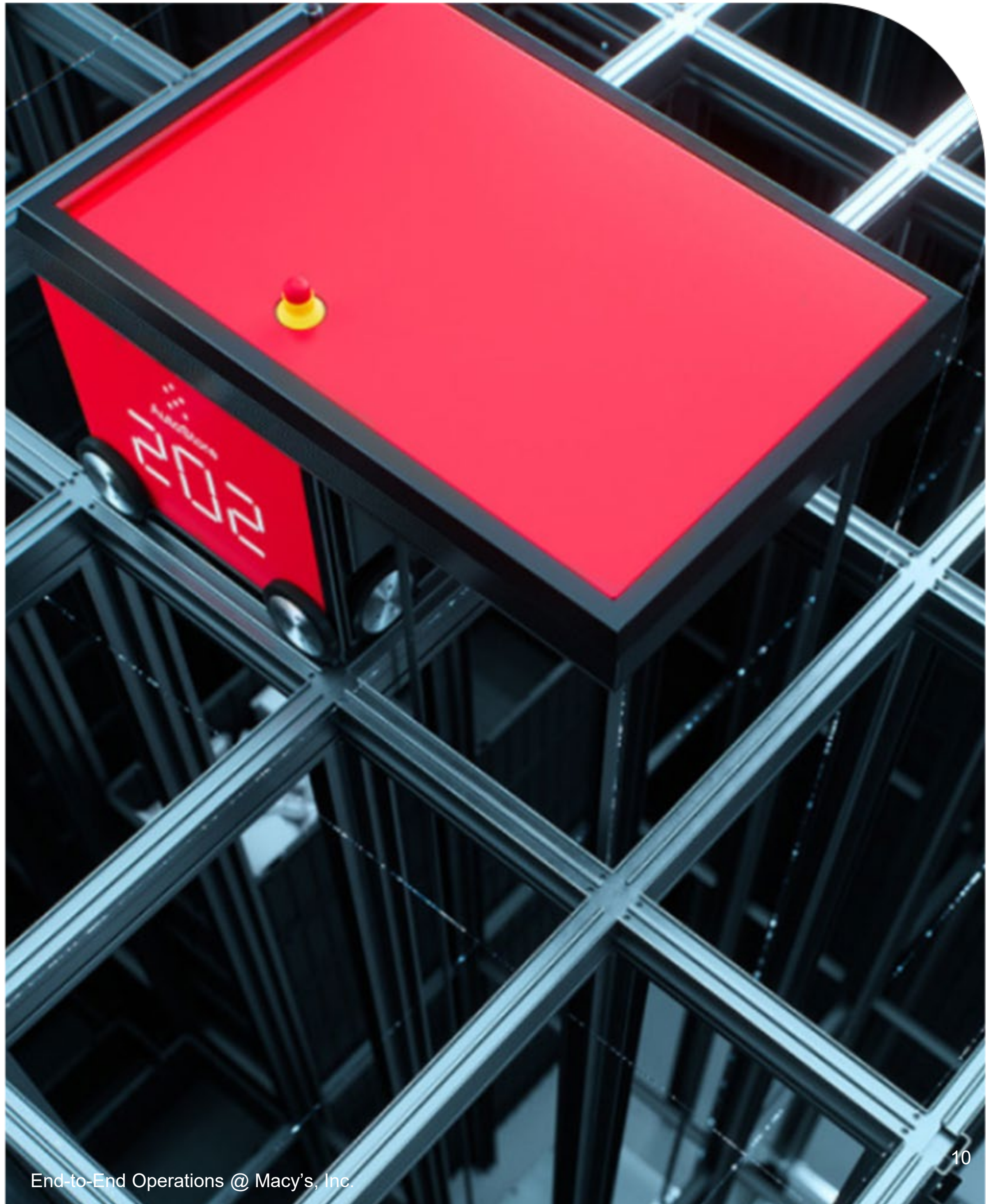
+4.1%

FY25 Units Processed Per Hour[1] vs. FY24

+4.1%

FY25 Delivery Speed to Customer[2] vs. FY24

- Expanding the aperture of end-to-end to encompass a broader view of organizational excellence and operational efficiency
- Continuing to incorporate the use of AI and building capabilities throughout the organization



[1] Specific to direct-to-consumer and store replenishment network, excludes furniture, bedding and reverse logistics.
[2] Based on the overall speed of delivery from the time the order is placed to delivery across primary fulfillment channels.

A Bold New Chapter

FY26

Expectations

Mayela @ Macy’s


Prom @ Macy's

FY26 Expectations

Macy's Nameplate

Reimagine Locations

- Introduced Reimagine initiatives to an additional 75 locations, creating the "Reimagine 200"
- Nearly 60% of Macy's nameplate Go-Forward store base has the full suite of Reimagine initiatives

Celebrations Start at Macy's

- 50th anniversary of July 4th fireworks and 100th Macy's Thanksgiving Parade. Macy's, Inc. will be top-of-mind during these key moments
- Localized strategies designed to engage customers, generate excitement, increase brand loyalty and enhance the shopping experience
- "Prom Starts Here" was the first celebration event, held in Herald Square and stores across the country

FY26 Expectations

Bloomingdale's

- "California Love" spring campaign features unique experiences, exclusive product and community-driven moments
- The campaign's "Surf Shop" Carousel spotlights California-owned and inspired product
- Strong momentum with multiple levers for continued growth
  - Partner of choice; New, relevant and exclusive brands; Expanding points of distribution for existing brands
  - Immersive shopping environments are differentiated and resonate across geographies
  - Stores in just 14 of the top 50 designated U.S. markets; Significant room for expansion of small format Bloomies and Bloomingdale's Outlet locations
- Confident in ability to further expand position as the leading modern luxury shopping destination

California Love campaign @ Bloomingdale's

Approach to 2026 Guidance

- Our customers:
  - Have remained resilient and we are pleased with our quarter-to-date sales results
  - Skew towards the middle- and upper-income tiers
- Looking ahead:
  - Recognize there are many macroeconomic and geopolitical factors that could influence discretionary spend
- While remain confident in strategy and believe well-positioned to build on recent momentum, taking a prudent approach to guidance
- 1Q26 and FY26 guidance ranges support Go-Forward growth initiatives while preserving flexibility to respond to changes in the competitive landscape and consumer demand

A Bold New Chapter

4Q25 & FY25

Financial Results & Capital Allocation

Prom @ Macy's

4Q25 Sales Highlights

macys inc

$7.6B

Net Sales -1.7% vs. 4Q24; +0.9% vs. 4Q24 ex. impact of 64 store closures in late FY24 which had contributed ~$200 million to 4Q24 Net Sales

+1.8%

Comparable OLM Sales vs. 4Q24

+2.0%

Go-forward Business[1] Comparable OLM Sales vs. 4Q24

Casablanca @ Bloomingdale's

NOTE: 4Q25 digital penetration of Net Sales: 39%; Owned comparable average unit retail (AUR): +4.7% vs. 4Q24.
[1] Defined as Macy's, Bloomingdale's and Bluemercury Go-Forward locations and digital.

4Q25 Nameplate Highlights

Results versus 4Q24

macy's

Net Sales	-3.2%
Comparable OLM Sales	+0.4%
Go-Forward Comparable OLM Sales[1]	+0.6%

bloomingdale's

Net Sales	+8.5%
Comparable OLM Sales	+9.9%

BLUEMERCURY

Net Sales	+2.5%
Comparable OLM Sales[2]	+1.3%

[1] Go-Forward Macy's business includes all Macy's Go-Forward Locations and Digital.
[2] There is no difference between Bluemercury Owned and OLM sales.

4Q25 & FY25 Financial Results & Capital Allocation

4Q25 Profitability & Productivity Highlights

macys inc	Actuals	Change
		vs. 4Q24
Other Revenue	$277	15.9%
Credit Card Revenue	$205	17.1%
Macy's Media Network	$72	12.5%
Total Revenue[1]	$7,916	-1.1%
Gross Margin	$2,692	-3.1%
Gross Margin Rate[2, 3]	35.2%	-50 bps
SG&A Expense[4]	$2,359	-1.0%
SG&A Expense Rate[5]	29.8%	+10 bps
EBITDA[6]	$905	+32.7%
Adjusted EBITDA	$840	-7.0%
Adjusted EBITDA Margin Rate[5]	10.6%	-70 bps
Core Adjusted EBITDA	$837	-2.9%
Core Adjusted EBITDA Margin Rate[5]	10.6%	-20 bps
Diluted EPS[6]	$1.84	+52.1%
Adjusted Diluted EPS	$1.67	-7.2%

NOTE: In millions, except per share figures & percentages. [1] Decline was entirely attributable to the 64 FY24 store closures. [2] % of net sales. [3] Excluding an ~60 bps tariff impact, gross margin rate would have expanded ~10 bps. [4] Decline reflected the net benefit of the 64 closed Macy's locations and ongoing expense savings initiatives. [5] % of total revenue. [6] Inclusive of $328 million of pre-tax income related to the settlement of agreements to resolve credit card interchange fee litigation matters, net of legal fees.

Rare Editions @ Macy's

FY25 Capital Allocation Highlights

macys inc

$1.4B

Operating Cash Inflow,
+11.9% vs. FY24

$797M

Free Cash Flow,
+17.4% vs. FY24[1]

$4.4B

Inventories,
-1.3% vs. FY24

$740M

Capital Expenditures,
-16.1% vs. FY24

[1] Achieved higher free cash flow despite monetization proceeds of $107M compared to $283M in the prior year.

Capital Allocation Priorities

1 **Invest in the business to support the Bold New Chapter strategy**

2 **Manage balance sheet leverage and liquidity**

3 **Return cash to shareholders through dividends and share repurchases**

FY25 Shareholder Returns

$197M

Cash Dividends Paid in FY25

$251M

Shares Repurchased in FY25, incl. $50M in 4Q

- Returned $448M to shareholders
- Since reinstating regular quarterly dividend in FY21, annual payout amount has risen 27%
- ~$1.1B remaining in share repurchase authorization

Karl Lagerfeld and Kenneth Cole @ Macy’s

A Bold New Chapter

Looking Ahead

Lagos @ Bloomingdale’s

FY26 Guidance

Macy's, Inc. enters FY26 well positioned to satisfy its customers' needs.

The company is providing the following estimates for certain FY26 financial statement items, as of March 18, 2026

For more information, refer to the appendix section of this presentation

$21.4B to $21.65B

Net Sales

-0.5% to +0.5%

Comparable OLM Sales

7.7% to 7.9%

Adjusted EBITDA Rate[1, 3]

$1.90 to $2.10

Adjusted Diluted EPS[2, 3]

[1] % of total revenue.

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

[3] Based on the company's non-GAAP definitions as described in its 8-K filing on February 18, 2026. For further information, see the appendix of this presentation regarding Updated Disclosure Metrics, or the 8-K filing.

1Q26 Guidance

The company is providing the following estimates for certain 1Q26 financial statement items, as of March 18, 2026
For more information, refer to the appendix section of this presentation

Metric	Guidance
Net Sales	**$4.575B to $4.625B**
Comparable OLM Sales	**+0.5% to +1.5%**
Adjusted EBITDA Rate[1, 3]	**4.9% to 5.1%**
Adjusted Diluted EPS[2, 3]	**$-0.01 to $0.01**

[1] % of total revenue.
[2] The impact of any potential future share repurchase associated with the company's current share repurchase authorization is excluded.
[3] Based on the company's non-GAAP definitions as described in its 8-K filing on February 18, 2026. For further information, see the appendix of this presentation regarding Updated Disclosure Metrics, or the 8-K filing.

Q&A

Nahmias @ Bloomingdale's

A Bold New Chapter

Appendix

Aqua @ Bloomingdale's

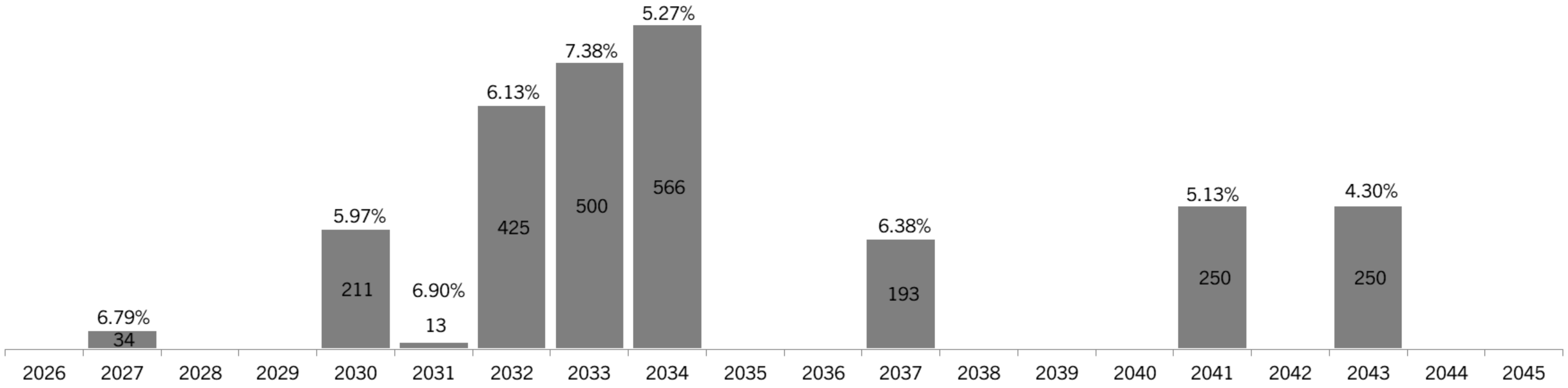
Store Count as of 1/31/2026

	End of 4Q25 Locations	Change In Locations from FY24
Macy's Department Stores	378	-12
Macy's Small Format	20	—
Macy's Furniture	30	-4
Macy's Furniture Clearance	0	-1
Freestanding Backstage[1]	4	-1
Total Macy's	432	-18
Bloomingdale's Department Stores	31	—
Bloomies	4	—
Bloomingdale's Furniture/Other	1	—
Bloomingdale's The Outlet	25	+2
Total Bloomingdale's	61	+2
Bluemercury	172	+1
Total Macy's, Inc.	665	-15

NOTE: Using store locations combines multi-box stores into a single location provides a more accurate count of the store fleet. Excluded in the count above is 288 Macy's Store Within Store Backstage locations located within Macy's stores.

Appendix

Long-term Debt Maturities as of 1/31/2026



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

Additional Information

FY25 Financial Highlights

	Actuals	Change
		vs. FY24
Net Sales	$21,764	-2.4%
Comparable OLM sales[1]		+1.5%
Go-forward Business[2] Comparable OLM Sales		+1.7%
Macy's Private Brand Penetration	13%	Flat
Other Revenue	$857	20.2%
Credit card revenues, net	$669	24.6%
Macy's Media Network revenues, net	$188	+6.8%
Gross Margin	$8,267	-3.3%
Gross Margin Rate[3]	38.0%	-40 bps

	Actuals	Change
		vs. FY24
SG&A Expense	$8,240	-1.1%
SG&A Expense Rate[4]	36.4%	+20 bps
EBITDA[5, 6]	$1,873	6.4%
Adjusted EBITDA[5]	$1,842	-6.8%
Adjusted EBITDA Margin Rate[4, 5]	8.1%	-50 bps
Core Adjusted EBITDA[5]	$1,794	-2.1%
Core Adjusted EBITDA Margin Rate[4, 5]	7.9%	-10 bps
Diluted EPS[5, 6]	$2.32	12.1%
Adjusted Diluted EPS[5]	$2.32	-12.1%

[1] Comparable sales are on a 52-week basis.
[2] Defined as Macy's, Bloomingdale's and Bluemercury Go-Forward locations and digital.
[3] % of net sales.
[4] % of total revenue.
[5] Based on legacy definitions of non-GAAP metrics.
[6] Inclusive of $328 million of pre-tax income related to the settlement of agreements to resolve credit card interchange fee litigation matters, net of legal fees.

Appendix

FY26 Guidance as of 3/18/2026

The company is providing the following estimates for certain FY26 financial statement items. Refer to the following guidance assumptions slide for more details.

	As of 3/18/2026
Net sales	$21.4 billion to $21.65 billion
Comparable OLM sales	(0.5%) to 0.5%
Other revenues	$920 million
Gross margin rate[1]	38.3% to 38.6%
SG&A Dollars[2]	Up 1% to 2%
Adjusted EBITDA margin rate[2, 3, 4]	7.7% to 7.9%
Interest expense, net	$110 million
Adjusted tax rate	24.4%
Diluted shares outstanding[4]	276 million
Adjusted diluted EPS[3, 4, 5]	$1.90 to $2.10
Capital expenditures	~$800 million

1 % of net sales.
2 % of total revenue.
3 Excludes asset sale gains.
4 Based on new definitions as of the 8-K filing on February 18, 2026. For further information, see the appendix of this presentation regarding Updated Disclosure Metrics, or the 8-K filing.
5 The impact of any potential future share repurchase associated with the company's current share repurchase authorization is excluded.

Appendix

FY26 Guidance Assumptions as of 3/18/2026

General Considerations

- The company expects performance of the new class of Macy’s Reimagine locations to improve as the year progresses and more customers become aware of the positive changes.
- While the company remains confident in its strategy and believes it is well-positioned to build on recent momentum, it is taking a prudent approach to guidance.
- 1Q26 and FY26 guidance incorporates the flexibility for the company to respond to changes in the competitive landscape and external environment.
- 1Q26 guidance reflects tariff rates before recent changes, as prior tariffs are incorporated in the company’s existing inventory cost basis. The remainder of FY26 guidance assumes similar tariffs remain in place.
- In FY26, the company expects digital penetration to be slightly over a third of net sales and depreciation & amortization to be ~$915 million.

Comparable Sales

- The company expects Macy's Reimagine 200 location and digital performance to be partially offset by the go-forward Macy's locations that have not yet received initiatives and the stores the company has planned for closures in 2026 and beyond.

FY26 Store Closure Impacts

- Store closures contributed ~$145 million of net sales in FY25, equating to ~$40 million in 1Q25, ~$35 million in 2Q25, ~$30 million in 3Q25 and ~$40 million in 4Q25.

Cost Savings

- All future savings the company anticipates to achieve are contemplated within its guidance.

Additional Considerations

- The company now expects cash proceeds for all closures of approximately $650 million to $700 million, which is above its prior expectation of $500 million to $650 million. The company has approximately $250 million to $300 million remaining, representing about $1.00 per share of value.

Updated Financial Metrics

A Bold New Chapter

Fragrances @ Bluemercury

Appendix

Updated Disclosure Metrics (Overview of Financial Reporting Metrics)

On February 18, 2026, Macy’s, Inc. announced updates to certain financial disclosure metrics. These changes are intended to simplify Macy’s, Inc’s disclosures for its go-forward business comparable sales and provide increased clarity on key metrics that support Macy’s, Inc. growth profile and operating performance. A detailed summary of these updates is below:

Comparable Sales	Additions	No Changes	No Longer Provide
Macy's, Inc.		Macy's, Inc. comparable OLM (Owned + Licensed + Marketplace) sales Macy's, Inc. GF (Go-Forward) comparable OLM sales	Macy's, Inc. comparable owned sales
Macy's		Macy's GF comparable OLM sales Macy's reimagine locations comparable OLM sales	Macy's comparable OLM sales Macy's comparable owned sales Macy's NGF (Non-Go-Forward) locations comparable owned sales Macy's NGF locations comparable OLM sales Macy's GF locations comparable owned sales Macy's reimagine locations comparable owned sales
Bloomingdale's		Bloomingdale's GF comparable OLM sales	Bloomingdale's comparable owned sales
Bluemercury		Bluemercury GF comparable OLM sales[1]	Bluemercury comparable owned sales

OLM Sales	Additions	No Changes	No Longer Provide
Macy's, Inc.	Macy's, Inc. OLM dollar sales Macy's, Inc. GF OLM dollar sales		
Macy's	Macy's GF OLM dollar sales		
Bloomingdale's	Bloomingdale's GF OLM dollar sales		
Bluemercury	Bluemercury GF OLM dollar sales		

Net Sales	Additions	No Changes	No Longer Provide
Macy's, Inc.		Macy's, Inc. net sales	
Macy's			Macy's percent of net sales
Bloomingdale's			Bloomingdale's net sales change
Bluemercury			Bluemercury net sales change

Total Revenue	Additions	No Changes	No Longer Provide
Macy's, Inc.	Macy's, Inc. GF total revenue	Macy's, Inc. total revenue	

EBIT / EBITDA	Additions	No Changes	No Longer Provide
Macy's, Inc.	Macy's, Inc. adj. EBIT / EBITDA ex. Impairment, restructuring and other costs, ASG (Gains on Sale of Real Estate), BPI (Benefit Plan Income), pension settlement charges and interchange fee settlement, net	Macy's, Inc. EBIT / EBITDA	Macy's, Inc. adj. EBIT / EBITDA ex. Impairment, restructuring and other costs and pension settlement charges Macy's, Inc. core adj. EBITDA

Net Income	Additions	No Changes	No Longer Provide
Macy's, Inc.	Macy's, Inc. adj. net income ex. Impairment, restructuring and other costs, ASG, BPI, pension settlement charges and interchange fee settlement, net	Macy's, Inc. net income	Macy's, Inc. adj. net income ex. Impairment, restructuring and other costs and pension settlement charges

EPS	Additions	No Changes	No Longer Provide
Macy's, Inc.	Macy's, Inc. adj. EPS ex. Impairment, restructuring and other costs, ASG, BPI, pension settlement charges and interchange fee settlement, net		Macy's, Inc. adj. EPS ex. Impairment, restructuring and other costs and pension settlement charges

[1] There is no difference between Bluemercury owned sales and OLM sales and no change to historical results.

Updated Disclosure Metrics

(Updated Financial Reporting Metrics, continued)

On February 18, 2026, Macy's, Inc. announced updates to certain financial disclosure metrics. These changes are intended to simplify Macy's, Inc's disclosures for its go-forward business comparable sales and provide increased clarity on key metrics that support Macy's, Inc. growth profile and operating performance. A detailed summary of these updates is below:

In millions except for percentages	Fiscal 2023[1]	Fiscal 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Fiscal 2025
Macy's, Inc. Comparable OLM (Owned+Licensed+Marketplace) Sales	(6.0)%	(0.9)%	(1.2)%	1.9 %	3.2 %	1.8 %	1.5 %
Macy's, Inc. Go-Forward Business Comparable OLM Sales	(5.7)%	(0.6)%	(0.9)%	2.2 %	3.4 %	2.0 %	1.7 %
Macy's Go-Forward Business Comparable OLM Sales	(6.3)%	(1.3)%	(1.9)%	1.5 %	2.3 %	0.6 %	0.6 %
Bloomingdale's Go-Forward Business Comparable OLM Sales	(2.9)%	2.5 %	3.8 %	5.7 %	9.0 %	9.9 %	7.4 %
Bluemercury Go-Forward Comparable OLM Sales	3.6 %	4.0 %	1.5 %	1.2 %	1.1 %	1.3 %	1.6 %
Macy's, Inc. OLM Sales	$ 24,509	$ 23,947	$ 5,047	$ 5,182	$ 5,160	$ 8,198	$ 23,587
Macy's, Inc. Go-Forward Business OLM Sales	$ 22,872	$ 22,471	$ 4,886	$ 5,016	$ 5,000	$ 7,968	$ 22,871
Macy's Go-Forward Business OLM Sales	$ 19,109	$ 18,647	$ 3,980	$ 4,118	$ 4,037	$ 6,622	$ 18,757
Bloomingdale's Go-Forward Business OLM Sales	$ 3,481	$ 3,534	$ 840	$ 826	$ 894	$ 1,256	$ 3,816
Bluemercury Go-Forward OLM Sales	$ 282	$ 290	$ 66	$ 73	$ 69	$ 90	$ 298
Macy's, Inc. Go-Forward Total Revenue	$ 22,302	$ 21,595	$ 4,640	$ 4,843	$ 4,762	$ 7,696	$ 21,940
Net income	$ 45	$ 582	$ 38	$ 87	$ 11	$ 507	$ 642
Federal, state and local income tax (benefit) expense	(2)	181	30	28	(6)	155	207
Interest expense, net	135	115	27	25	25	20	97
Loss on extinguishment of debt	—	1	3	13	16	—	33
Benefit plan income, net	(11)	(16)	(4)	(4)	(4)	(4)	(16)
Pension settlement charges	134	46	—	—	—	67	67
Impairment, restructuring and other costs	1,027	171	7	22	4	196	230
Interchange fee settlement, net	—	—	—	—	—	(328)	(328)
Gains on sale of real estate	(61)	(144)	(16)	(16)	(12)	(3)	(48)
Adjusted EBIT	$ 1,267	$ 936	$ 85	$ 155	$ 34	$ 610	$ 884
Depreciation and amortization	897	881	219	218	235	223	894
Adjusted EBITDA	$ 2,164	$ 1,817	$ 304	$ 373	$ 269	$ 833	$ 1,778

[1] 2023 represents a 53 week year.

Appendix

Updated Disclosure Metrics

(Updated Financial Reporting Metrics, continued)

On February 18, 2026, Macy's, Inc. announced updates to certain financial disclosure metrics. These changes are intended to simplify Macy's, Inc's disclosures for its go-forward business comparable sales and provide increased clarity on key metrics that support Macy's, Inc. growth profile and operating performance. A detailed summary of these updates is below:

In millions except per share data	Fiscal 2023[1]		Fiscal 2024		Q1 2025		Q2 2025		Q3 2025		Q4 2025		Fiscal 2025	
	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS
As Reported	$ 45	$ 0.16	$ 582	$ 2.07	$ 38	$ 0.13	$ 87	$ 0.31	$ 11	$ 0.04	$ 507	$ 1.84	$ 642	$ 2.32
Loss on extinguishment of debt	—	—	1	—	3	0.01	13	0.05	16	0.06	—	—	33	0.12
Benefit plan income, net	(11)	(0.04)	(16)	(0.05)	(4)	(0.01)	(4)	(0.01)	(4)	(0.02)	(4)	(0.02)	(16)	(0.06)
Pension settlement charges	134	0.48	46	0.16	—	—	—	—	—	—	67	0.24	67	0.24
Impairment, restructuring and other costs	1,027	3.69	171	0.61	7	0.03	22	0.08	4	0.01	196	0.71	230	0.83
Interchange fee settlement, net	—	—	—	—	—	—	—	—	—	—	(328)	(1.19)	(328)	(1.19)
Gains on sale of real estate	(61)	(0.23)	(144)	(0.51)	(16)	(0.06)	(16)	(0.06)	(12)	(0.04)	(3)	(0.01)	(48)	(0.17)
Income tax impact of items identified above	(275)	(0.99)	(15)	(0.05)	3	0.01	(4)	(0.02)	(1)	—	18	0.07	15	0.06
As adjusted to exclude items above	$ 859	$ 3.07	$ 625	$ 2.23	$ 31	$ 0.11	$ 98	$ 0.35	$ 14	$ 0.05	$ 453	$ 1.64	$ 595	$ 2.15

[1] 2023 represents a 53 week year.

Appendix

Definitions of Certain Sales and Revenue Metrics

Net Sales *(GAAP Metric)*

- Includes all retail sales of merchandise, net of returns. Retail sales include owned retail sales (for all retail, cost (restaurants, etc.) and workroom (alterations, services, etc.) departments
- Includes licensed department and marketplace commissions
- Includes gift card and loyalty program gift card breakage income
- Includes delivery revenue and warranty deferral income
- Includes a reserve for returns (i.e., net of actual returns for the period plus the change in beginning/ending return liability)

Total Revenue *(GAAP Metric)*

- Includes net sales (GAAP – see above) plus Macy's Media Network and Credit Card portfolio net revenues
- Both Macy's Media Network revenues and Credit Card revenues are net of direct costs related to the respective revenue streams (therefore, the net revenue amounts flow directly to EBIT excluding any allocation of overhead or indirect costs)

Total Go-Forward Revenue[1] *(Performance Metric, Subset of Total Revenue)*

- Includes net sales (GAAP – see above) for Go-Forward locations plus:
  - 100% of Macy's Media Network net revenues
  - Go-Forward Credit Card net revenues

OLM (Owned + Licensed + Marketplace) Comparable Sales *(Performance Metric)*

- Includes sales for all OLM locations that are in operation for one full fiscal year during both of the respective periods reported
- Definition excludes stores impacted by a natural disaster or undergoing significant renovation (expansion or shrinkage) if a material portion of the store is closed for a significant period of time

Macy's, Inc. OLM Dollar Sales *(Performance Metric)*

- Includes sales, net of returns, for all retail, cost (restaurants, etc.) and workroom (alterations, services, etc.) departments
- Includes sales, net of returns, for all licensed and marketplace businesses
- Includes delivery income
- Does not include any breakage income or warranty deferral income
- Does not include a reserve for returns

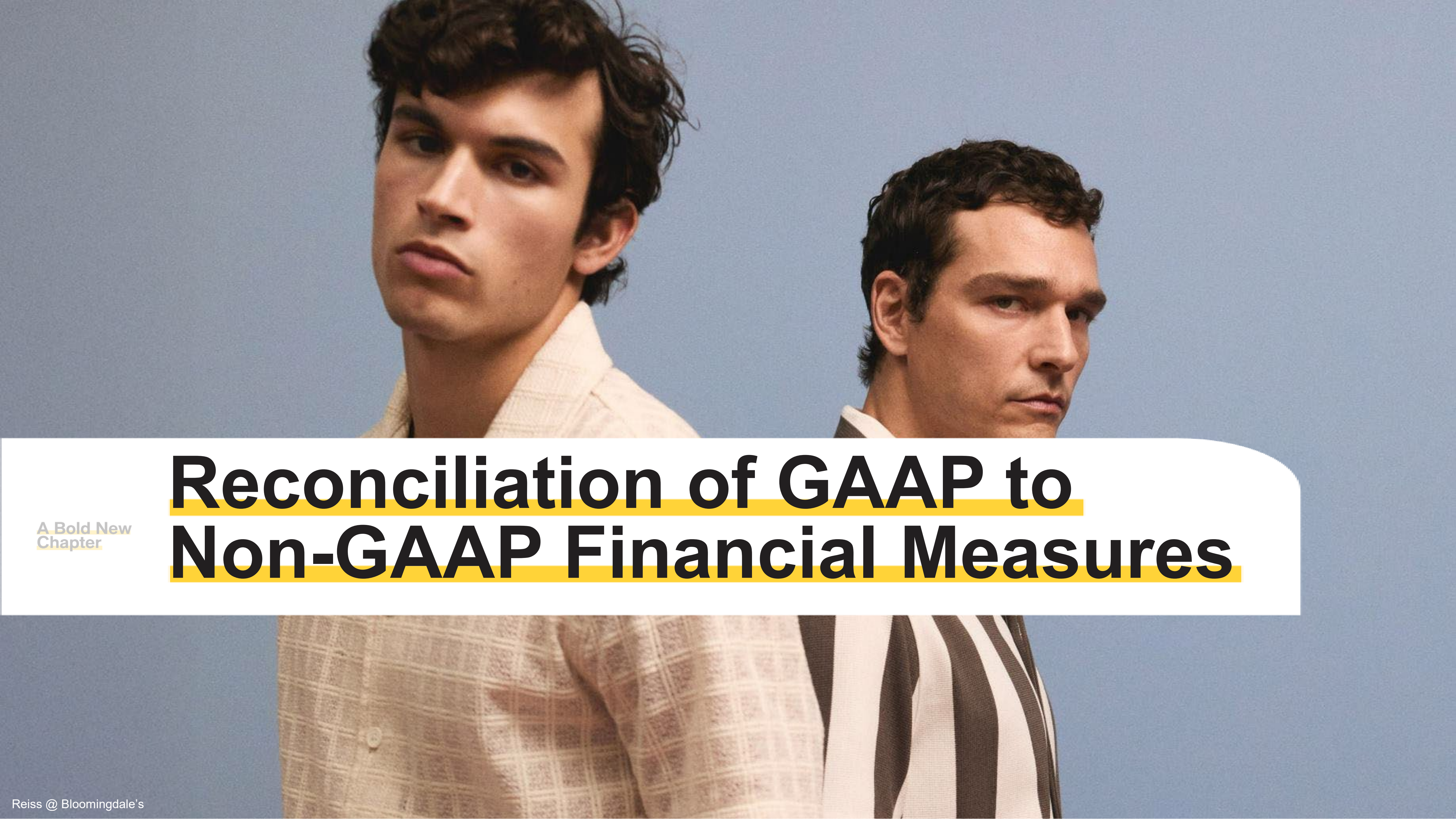
Macy's, Inc. Go-Forward OLM Dollar Sales[1] *(Performance Metric)*

- Includes sales, net of returns, for all retail, cost (restaurants, etc.) and workroom (alterations, services, etc.) departments
- Includes sales, net of returns, for all licensed and marketplace businesses
- Includes delivery income
- Does not include any breakage income or warranty deferral income
- Does not include a reserve for returns
- Only reflects the above from Go-Forward locations across Macy's, Bloomingdale's Bluemercury, as well as digital

[1] Metrics provided on a Go-Forward basis reflect locations closed and to be closed as part of the Bold New Chapter strategy.

A Bold New Chapter

Reconciliation of GAAP to Non-GAAP Financial Measures



Reiss @ Bloomingdale's

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 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. Management also believes free cash flow provides a better indication of the ongoing cash being generated that is ultimately available for both debt and equity holders as well as other investment opportunities. Unlike cash flow provided by operating activities, free cash flow includes the impact of capital expenditures and proceeds from the disposition of property and equipment, providing a more complete picture of cash generation. Free cash flow has certain limitations, including that it does not reflect adjustment for certain non-discretionary cash flows such as mandatory debt repayments.

The company does not provide reconciliations of the forward-looking non-GAAP measures of Adjusted EBITDA, Core Adjusted EBITDA and adjusted diluted earnings per share to the most directly comparable forward-looking GAAP measures, and is unable to address the probable significance to future results of any items excluded from these measures, because the timing and amount of excluded items are unreasonably difficult to fully and accurately estimate.

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.

Earnings Before Interest, Taxes, Depreciation, and Amortization Excluding Certain Items and Core Adjusted EBITDA

Millions, except percentages	**13 weeks ended January 31, 2026**	**13 weeks ended February 1, 2025**
Most comparable GAAP measure:		
Total revenue	$7,916	$8,007
Net income	$507	$342
Net income as a percent to total revenue	6.4%	4.3%
Non-GAAP measure:		
Net income	$507	$342
Interest expense, net	20	22
Federal, state and local income tax expense	155	94
Depreciation and amortization	223	224
Earnings before interest, taxes, depreciation and amortization (EBITDA)	$905	$682
Impairment, restructuring and other costs	196	175
Interchange fee settlement, net	(328)	—
Pension settlement charges	67	46
Adjusted EBITDA	$840	$903
Adjusted EBITDA as a percent to total revenue	10.6%	11.3%
Gains on sale of real estate	(3)	(41)
Core Adjusted EBITDA	$837	$862
Core Adjusted EBITDA as a percent to total revenue	10.6%	10.8%

Earnings Before Interest, Taxes, Depreciation, and Amortization Excluding Certain Items and Core Adjusted EBITDA

Millions, except percentages	**52 weeks ended January 31, 2026**	**52 weeks ended February 1, 2025**
Most comparable GAAP measure:		
Total revenue	$22,621	$23,006
Net income	$642	$582
Net income as a percent to total revenue	2.8%	2.5%
Non-GAAP measure:		
Net income	$642	$582
Interest expense, net	97	115
Loss on extinguishment of debt	33	1
Federal, state and local income tax expense (benefit)	207	181
Depreciation and amortization	894	881
Earnings before interest, taxes, depreciation and amortization	$1,873	$1,760
Impairment, restructuring and other costs	230	171
Interchange fee settlement, net	(328)	—
Pension settlement charges	67	46
Adjusted EBITDA	$1,842	$1,977
Adjusted EBITDA as a percent to total revenue	8.1%	8.6%
Gains on the sale of real estate	(48)	(144)
Core Adjusted EBITDA	$1,794	$1,833
Core Adjusted EBITDA as a percent to total revenue	7.9 %	8.0 %

Net Income and Diluted Earnings Per Share, Excluding Certain Items

Millions, except per share figures	13 weeks ended January 31, 2026		13 weeks ended February 1, 2025	
	Net Income	Diluted Earnings Per Share	Net Income (Loss)	Diluted Earnings (Loss) Per Share
As reported	$507	$1.84	$342	$1.21
Impairment, restructuring and other costs	196	0.71	175	0.62
Interchange fee settlement, net	(328)	(1.19)	—	—
Pension settlement charges	67	0.24	46	0.16
Income tax impact of certain items identified above	16	0.07	(56)	(0.19)
As adjusted to exclude certain items above	$458	$1.67	$507	$1.80

Millions, except per share figures	52 weeks ended January 31, 2026		52 weeks ended February 1, 2025	
	Net Income	Diluted Earnings Per Share	Net Income	Diluted Earnings Per Share
As reported	$642	$2.32	$582	$2.07
Impairment, restructuring and other costs	230	0.83	171	0.61
Interchange fee settlement, net	(328)	(1.19)	—	—
Pension settlement charges	67	0.24	46	0.16
Loss on extinguishment of debt	33	0.12	1	—
Income tax impact of certain items identified above	(1)	—	(55)	(0.20)
As adjusted to exclude certain items above	$643	$2.32	$745	$2.64

Free Cash Flow

Millions	**52 weeks ended January 31, 2026**
Net cash provided by operating activities	$1,430
Purchase of property and equipment	(373)
Capitalized software	(367)
Proceeds from disposition of assets, net	107
Free Cash Flow	$797