

Earnings Highlights



Q4 net sales of \$8.3 billion, down 4.6% versus 2021; Q4 comparable sales down 3.3% on an owned basis and down 2.7% on an owned-plus-licensed basis versus 2021

Inventory levels down 3% versus 2021 and down 18% versus 2019, reflecting disciplined controls

Q4 diluted EPS of \$1.83 and Adjusted diluted EPS of \$1.88; FY 2022 diluted EPS of \$4.19 and Adjusted diluted EPS of \$4.48

Strong balance sheet with ample liquidity and no material near-term debt maturities provides flexibility to navigate uncertainty while continuing to invest in future growth

4Q22 FINANCIAL HIGHLIGHTS

\$1.88

Adjusted Diluted EPS
\$1.83 Diluted EPS
\$0.57 ↓ Q4 2021 (adjusted)

11.0%

Adjusted EBITDA margin rate
340 BPS ↓ Q4 2021
\$910M Adjusted EBITDA

34.1%

Gross margin rate
240 BPS ↓ Q4 2021
Inventory ↓ 3% Q4 2021

29.0%

SG&A rate
100 BPS ↑ Q4 2021



4Q22 SALES HIGHLIGHTS

\$8.3B

Net Sales
4.6% ↓ Q4 2021
0.9% ↓ Q4 2019

(9)%

Digital sales decrease
versus Q4 2021
24% ↑ Q4 2019

(2)%

Brick-and-mortar
sales decrease
versus Q4 2021
11% ↓ Q4 2019

(3.3)%

Macy's O+L comp
sales decrease
versus Q4 2021

0.6%

Bloomingdale's
O+L comp sales
increase versus
Q4 2021

7.2%

Bluemercury
owned comp
sales increase
versus Q4 2021

CAPITAL ALLOCATION

\$173M

Dividends paid to
shareholders in
FY22

\$1.4B

Remaining in \$2B share
repurchase authorization

\$1.3B

FY22 capital
expenditures

- Focused on using cash to invest in high-return opportunities that will accelerate the benefits of the company's growth strategy, even with the economic uncertainties.
- Prioritize liquidity and balance sheet strength in order to maintain the ability to respond quickly to a variety of scenarios as they arise.

GUIDANCE

FY23

\$23.7B to \$24.2B

(3%) to (1%) versus LY
Net Sales

(4%) to (2%) versus LY

Comp O+L Sales
(on a 52-week basis)

\$3.67 to \$4.11

Adjusted diluted EPS

1Q23

\$5.0B to \$5.1B

Net Sales

\$0.42 to \$0.48

Adjusted diluted EPS

"We successfully navigated 2022 from a position of financial and operational strength. Despite an increasingly volatile macroeconomic climate, through the ongoing execution of our Polaris strategy, we remained agile, pivoted to meet customer demand and elevated our approach to inventory management. In the fourth quarter, we benefited from our disciplined inventory approach and compelling gift-giving strategy, which allowed us to provide fresh fashion and style at great values for all our customers. We were competitive but measured in our promotions, took strategic markdowns and intentionally did not chase unprofitable sales. As we look to 2023 and beyond, we believe our five growth vectors which include our private brands reimagination, off-mall expansion, online marketplace, luxury brands acceleration and personalized offers and communication will further solidify our modern department store positioning."

Jeff Gennette | Macy's, Inc. chairman & chief executive officer