

July 27, 2020



# Macy's Inc. Announces Expiration and Final Results of Exchange Offers and Consent Solicitations for Certain Outstanding Debt Securities of Macy's Retail Holdings, LLC

NEW YORK--(BUSINESS WIRE)-- Macy's, Inc. (NYSE: M) ("Macy's") announced today the final results, as of 11:59 p.m., New York City time, on July 24, 2020 (the "Expiration Date"), of the previously announced (A) offers by its wholly-owned subsidiary, Macy's Retail Holdings, LLC ("MRH"), to eligible holders to exchange (each, an "Exchange Offer" and, collectively, the "Exchange Offers") (i) new 6.65% Senior Secured Debentures due 2024 ("New 2024 Notes") to be issued by MRH for validly tendered (and not validly withdrawn) outstanding 6.65% Senior Debentures due 2024 issued by MRH ("Old 2024 Notes"), (ii) new 6.7% Senior Secured Debentures due 2028 ("New 2028 Notes") to be issued by MRH for validly tendered (and not validly withdrawn) outstanding 6.7% Senior Debentures due 2028 issued by MRH ("Old 2028 Notes"), (iii) new 8.75% Senior Secured Debentures due 2029 ("New 2029 Notes") to be issued by MRH for validly tendered (and not validly withdrawn) outstanding 8.75% Senior Debentures due 2029 issued by MRH ("Old 2029 Notes"), (iv) new 7.875% Senior Secured Debentures due 2030 ("New 2030 Notes") to be issued by MRH for validly tendered (and not validly withdrawn) outstanding 7.875% Senior Debentures due 2030 issued by MRH ("Old 2030 Notes"), (v) new 6.9% Senior Secured Debentures due 2032 ("New 2032 Notes") to be issued by MRH for validly tendered (and not validly withdrawn) outstanding 6.9% Senior Debentures due 2032 issued by MRH ("Old 2032 Notes"), and (vi) new 6.7% Senior Secured Debentures due 2034 ("New 2034 Notes" and, together with the New 2024 Notes, New 2028 Notes, New 2029 Notes, New 2030 Notes and New 2032 Notes, the "New Notes" and each series, a "series of New Notes") to be issued by MRH for validly tendered (and not validly withdrawn) outstanding 6.7% Senior Debentures due 2034 issued by MRH ("Old 2034 Notes" and, together with the Old 2024 Notes, Old 2028 Notes, Old 2029 Notes, Old 2030 Notes and Old 2032 Notes, the "Old Notes" and each series, a "series of Old Notes") and (B) consent solicitations from holders of each series of Old Notes (each, a "Consent Solicitation" and, collectively, the "Consent Solicitations") pursuant to the separate Consent Solicitation Statement (as defined below) to adopt certain proposed amendments to the indenture governing the Old Notes (the "Existing Indenture") to conform certain provisions in the negative pledge covenant in the Existing Indenture to the provisions of the negative pledge covenant in MRH's most recent indenture (the "Proposed Amendments").

## Exchange Offers

As of the Expiration Date, pursuant to the Exchange Offers, MRH received from eligible

holders valid and unrevoked tenders and related consents of (i) \$80,811,000 aggregate principal amount of outstanding Old 2024 Notes, representing approximately 66.46% of such notes, (ii) \$73,892,000 aggregate principal amount of outstanding Old 2028 Notes, representing approximately 71.81% of such notes, (iii) \$13,000,000 aggregate principal amount of outstanding Old 2029 Notes, representing approximately 98.85% of such notes, (iv) \$4,686,000 aggregate principal amount of outstanding Old 2030 Notes, representing approximately 47.34% of such notes, (v) \$5,339,000 aggregate principal amount of outstanding Old 2032 Notes, representing approximately 31.32% of such notes, and (vi) \$182,698,000 aggregate principal amount of outstanding Old 2034 Notes, representing approximately 90.98% of such notes.

MRH intends to accept for exchange all such tendered Old Notes in exchange for the same aggregate principal amount of the corresponding series of New Notes on the settlement date, which is expected to occur on July 28, 2020, subject to the terms of the relevant Exchange Offer. Following such settlement, the aggregate principal amount of (i) Old 2024 Notes outstanding will be \$40,776,000, (ii) Old 2028 Notes outstanding will be \$29,005,000, (iii) Old 2029 Notes outstanding will be \$151,000, (iv) Old 2030 Notes outstanding will be \$5,212,000, (v) Old 2032 Notes outstanding will be \$11,707,000 and (vi) Old 2034 Notes outstanding will be \$18,105,000.

### **Consent Solicitations**

As of the Expiration Date, pursuant to the Consent Solicitations, MRH received consents from holders of (i) \$84,598,000 aggregate principal amount of outstanding Old 2024 Notes, representing approximately 69.58% of such notes, (ii) \$77,124,000 aggregate principal amount of outstanding Old 2028 Notes, representing approximately 74.95% of such notes, (iii) \$13,050,000 aggregate principal amount of outstanding Old 2029 Notes, representing approximately 99.23% of such notes, (iv) \$5,173,000 aggregate principal amount of outstanding Old 2030 Notes, representing approximately 52.26% of such notes, (v) \$5,897,000 aggregate principal amount of outstanding Old 2032 Notes, representing approximately 34.59% of such notes, and (vi) \$185,004,000 aggregate principal amount of outstanding Old 2034 Notes, representing approximately 92.13% of such notes. As of the Expiration Date, the aggregate principal amount of Old Notes and related consents validly tendered and not validly withdrawn was \$370,846,000, representing approximately 79.69% of the Old Notes.

As previously announced, the requisite consents for the Proposed Amendments were obtained as of 5:00 PM on July 10, 2020 and the supplemental indenture containing the Proposed Amendments (the "Supplemental Indenture") was previously executed with the trustee under the Existing Indenture. The Supplemental Indenture will not be operative until the previously announced consent fee has been paid and all other conditions to the Consent Solicitations have been satisfied or waived. The consent fee is expected to be paid on July 28, 2020.

The Exchange Offers and Consent Solicitations were made pursuant to the terms and subject to the conditions set forth in the confidential exchange offering memorandum (the "Exchange Offering Memorandum") and consent solicitation statement (the "Consent Solicitation Statement"), as applicable, each dated June 23, 2020, and the related letter of transmittal with respect to the Exchange Offers, as amended by the press release issued by the Company on July 13, 2020 (collectively, with the Exchange Offering Memorandum and

the Consent Solicitation, the “Offering Documents”).

Documents relating to the Exchange Offers will be distributed only to eligible holders of Old Notes who complete and return an eligibility form confirming that they are either (i) a “qualified institutional buyer” as defined in Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), (ii) not a “U.S. person” as defined in Rule 902 under the Securities Act and outside the United States within the meaning of Regulation S under the Securities Act, or (iii) an “accredited investor” as defined in Rule 501 under the Securities Act. The complete terms and conditions of the Exchange Offers are described in the Exchange Offering Memorandum, copies of which may be obtained by contacting Ipreo LLC and the exchange agent in connection with the Exchange Offers, at (888) 593-9546 (U.S. toll-free) or (212) 849-3880 (banks and brokers). The eligibility form is available electronically at: [ipreo-ExchangeOffer@ihsmarkit.com](mailto:ipreo-ExchangeOffer@ihsmarkit.com). Holders of Old Notes that are not eligible holders will not be able to receive such documents.

Documents relating to the Consent Solicitations will be distributed to any holders of Old Notes who requests a copy. The complete terms and conditions of the Consent Solicitations are described in the Consent Solicitation Statement, copies of which may be obtained by contacting Ipreo LLC, the information agent in connection with the Consent Solicitations, at (888) 593-9546 (U.S. toll-free) or (212) 849-3880 (banks and brokers).

The dealer manager for the Exchange Offers and the solicitation agent for the Consent Solicitations is:

**Credit Suisse Securities (USA) LLC**  
Eleven Madison Avenue  
New York, New York 10010  
Collect: (212) 325-2476  
U.S. Toll Free: (800) 820-1653  
Attention: Liability Management Group

*This news release does not constitute an offer to sell or purchase, or a solicitation of an offer to sell or purchase, or the solicitation of tenders or consents with respect to, any security. No offer, solicitation, purchase or sale will be made in any jurisdiction in which such an offer, solicitation or sale would be unlawful. The Exchange Offers and Consent Solicitations are being made solely pursuant to the Exchange Offering Memorandum and Consent Solicitation Statement and letter of transmittal and only to such persons and in such jurisdictions as are permitted under applicable law.*

*The New Notes offered in the Exchange Offers have not been registered under the Securities Act or any state securities laws. Therefore, the New Notes may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and any applicable state securities laws.*

#### **About Macy’s, Inc.**

Macy’s, Inc. (NYSE: M) is one of the nation’s premier omni-channel fashion retailers. The company comprises three retail brands, Macy’s, Bloomingdales and Bluemercury. Macy’s, Inc. is headquartered in New York, New York. For more information, please visit [www.macysinc.com](http://www.macysinc.com).

## **Forward-Looking Statements**

All statements in this press release 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 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 release because of a variety of factors, including the effects of the novel coronavirus (COVID-19) on customer demand, its supply chain as well as its consolidated results of operation, financial position and cash flows, Macy's ability to successfully implement its Polaris strategy and restructuring, including the ability to realize the anticipated benefits within the expected time frame 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, catalogs and television shopping 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, Macy'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 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, 2020, and "The recent outbreak of COVID-19 has had and will continue to have a significant negative impact on the Company's business and financial results" in the Company's Quarterly Report on Form 10-Q for the quarter ended May 2, 2020. Macy's 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.

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