

**MACY'S, INC.**  
**Consolidated Statements of Income (Unaudited)**  
(All amounts in millions except percentages and per share figures)

	13 Weeks Ended February 1, 2020		13 Weeks Ended February 2, 2019	
	\$	% to Net sales	\$	% to Net sales
Net sales	\$ 8,337		\$ 8,455	
Credit card revenues, net	239	2.9%	240	2.8%
Cost of sales	(5,266)	(63.2%)	(5,288)	(62.5%)
Selling, general and administrative expenses	(2,509)	(30.1%)	(2,538)	(30.0%)
Gains on sale of real estate	95	1.1%	278	3.2%
Restructuring, impairment, store closings and other costs	(337)	(4.0%)	(97)	(1.1%)
Operating income	559	6.7%	1,050	12.4%
Benefit plan income, net	8		8	
Settlement charges	(46)		(15)	
Interest expense, net	(42)		(49)	
Losses on early retirement of debt	(30)		(28)	
Income before income taxes	449		966	
Federal, state and local income tax expense	(109)		(226)	
Net income	340		740	
Net loss attributable to noncontrolling interest	—		—	
Net income attributable to Macy's, Inc. shareholders	\$ 340		\$ 740	
Basic earnings per share attributable to Macy's, Inc. shareholders	\$ 1.10		\$ 2.40	
Diluted earnings per share attributable to Macy's, Inc. shareholders	\$ 1.09		\$ 2.37	
Average common shares:				
Basic	309.9		308.4	
Diluted	311.5		311.9	
End of period common shares outstanding	309.0		307.5	
Supplemental Financial Measures:				
Gross Margin	\$ 3,071	36.8 %	\$ 3,167	37.5 %
Depreciation and amortization expense	\$ 256		\$ 244	