

March 20, 2020



Macy's, Inc. Provides Update in Response to COVID-19 Outbreak

- *Company taking actions to provide additional financial flexibility*
- *Accessing \$1.5 billion credit facility*
- *Suspending quarterly cash dividend*
- *Reviewing all non-essential operating expenses and reducing 2020 capital expenditures*
- *Withdrawing 2020 sales and earnings guidance due to ongoing disruption*

NEW YORK--(BUSINESS WIRE)-- Macy's, Inc. (NYSE: M) today announced several actions to position the company for financial flexibility in response to the continued spread and impact of COVID-19.

Drawdown of Revolving Credit Facility

As previously disclosed, the company has access to a revolving credit facility that provides for borrowings and letters of credit in an aggregate amount of \$1.5 billion. As a proactive measure, on March 19, 2020, the company elected to access the \$1.5 billion available under this facility. The credit agreement is scheduled to expire on May 9, 2024.

Suspension of Quarterly Cash Dividend

The company is suspending its regular quarterly cash dividend payout beginning in the second quarter of fiscal 2020. The company's previously announced dividend payment occurring on April 1, 2020, is not affected by the suspension. Shareholders of record as of March 13, 2020, will receive the first quarter dividend payment as scheduled.

Additionally, the company is reviewing all non-essential operating expenses for opportunities to lower spending and is reducing its capital expenditures in 2020.

"The retail environment has deteriorated rapidly since we last provided guidance. And while February results met our expectations, we are now operating in an environment with a high degree of uncertainty. The actions we are announcing today give us additional financial flexibility to address the disruption we are seeing in our business, which we anticipate will continue into the foreseeable future," said Jeff Gennette, chairman and chief executive officer. "We are navigating this unprecedented situation thoughtfully and have a cross-functional senior team that is fully dedicated to managing our response and ensuring we make the right decisions quickly. We will continue to take the necessary actions to ensure that Macy's, Inc. and our brands – Macy's, Bloomingdale's and Bluemercury – emerge from the other side of this crisis ready to serve our customers and welcome back our colleagues."

2020 Earnings Guidance Update

Macy's, Inc. is withdrawing its 2020 sales and earnings guidance issued on February 5, 2020 and confirmed on February 25, 2020. The company is not currently providing an updated outlook.

Earlier this week, the company announced that it was temporarily closing all stores as of March 18, 2020, through March 31, 2020.

About Macy's, Inc.

Macy's, Inc. (NYSE: M) is one of the nation's premier omni-channel fashion retailers, with fiscal 2019 sales of \$24.6 billion. The company comprises three retail brands, Macy's, Bloomingdale's and Bluemercury. Macy's, Inc. is headquartered in New York, New York. For more information, please visit www.macysinc.com.

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