

April 27, 2010



Macy's, Inc. Raises FY2010 Sales, Earnings Guidance

CINCINNATI--(BUSINESS WIRE)-- Macy's, Inc. (NYSE:M) today provided updated sales and earnings guidance for the first quarter and full year of fiscal 2010.

For the first quarter, which ends May 1, the company continues to expect same-store sales to be up by approximately 5 percent. This is consistent with previous guidance provided on April 8.

First quarter earnings per diluted share are expected to be approximately break-even. This includes \$27 million in premium and fees related to repurchase of debt, as previously announced. In last year's first quarter, the company lost 16 cents per diluted share, excluding restructuring charges.

"Our very strong results so far this year reflect continued progress on our key strategic initiatives, including My Macy's localization and multichannel integration," said Terry J. Lundgren, chairman, president and chief executive of Macy's, Inc. "We believe we still are in the early stages of implementation of our new strategies, which were enabled by the unification of the Macy's organization at this time last year. Thus, we are optimistic about the company's ongoing ability to grow sales and earnings and capture market share."

While predicting the future remains difficult amid macro-economic uncertainty, Macy's, Inc. now expects same-store sales for full-year fiscal 2010 to grow in the range of 3 to 3.5 percent. This compares with previous guidance for sales growth in the range of 1 percent to 2 percent in fiscal 2010. Guidance for earnings per diluted share in fiscal 2010 now is \$1.75 to \$1.80. This compares to previous full-year guidance for earnings of \$1.55 to \$1.60 per diluted share.

In order to more accurately reflect U.S. generally accepted accounting principles, the company will change its method of accounting and reporting certain items, beginning with the first quarter of 2010. These items primarily involve sales of private brand goods directly to outside third-party retailers and sales of excess inventory to third parties at the end of a season. In the past, the P&L impact of these items was accounted for, net of the related cost of sales, in selling, general and administrative expense. Going forward, sales and cost of sales from these items will be reflected, on a gross basis, in Macy's, Inc. total sales and cost of sales, respectively. There is no impact on EBIT (earnings before interest and taxes) from these changes but total sales will increase. In 2009, these items would have added approximately \$400 million to sales. The change in accounting and reporting will be reflected in the company's first quarter results, which is scheduled for release on May 12, 2010, and in each monthly sales report beginning with the release for April 2010. The change of accounting and reporting will have no impact on the calculation of same-store sales and will not affect the financial statement presentation for periods ended prior to this change.

As previously announced, Macy's, Inc. is hosting a meeting with financial analysts and investment professionals from 9:15 a.m. to 3:30 p.m. ET today (April 27) in New York City. A webcast of the presentation will be available in real time via the company's Web site at www.macysinc.com. The webcast will be archived for replay within 24 hours of the conclusion of the presentation.

Macy's, Inc., with corporate offices in Cincinnati and New York, is one of the nation's premier retailers, with fiscal 2009 sales of \$23.5 billion. The company operates about 850 department stores in 45 states, the District of Columbia, Guam and Puerto Rico under the names of Macy's and Bloomingdale's. The company also operates macys.com and bloomingdales.com. Prior to June 1, 2007, Macy's, Inc. was known as Federated Department Stores, Inc.

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 conditions to, or changes in the timing of, proposed transactions, prevailing interest rates, changes in expected synergies, cost savings and non-recurring charges, competitive pressures from specialty stores, general merchandise stores, manufacturers' outlets, off-price and discount stores, new and established forms of home shopping (including the Internet, mail-order catalogs and television) and general consumer spending levels, including the impact of the availability and level of consumer debt, the effect of weather and other factors identified in documents filed by the company with the Securities and Exchange Commission.

(NOTE: Additional information on Macy's, Inc., including past news releases, is available at www.macysinc.com/pressroom).

Source: Macy's, Inc.