

**MACY'S, INC.**

Consolidated Statements of Cash Flows (Unaudited)

(millions)

	13 Weeks Ended	13 Weeks Ended
	May 2, 2020	May 4, 2019
Cash flows from operating activities:		
Net income (loss)	\$ (3,581)	\$ 136
Adjustments to reconcile net income (loss) to net cash used by operating activities:		
Impairment, restructuring and other costs	3,184	1
Depreciation and amortization	237	236
Benefit plans	12	8
Stock-based compensation expense	6	14
Gains on sale of real estate	(16)	(43)
Deferred income taxes	(225)	7
Changes in assets and liabilities:		
Decrease in receivables	236	163
(Increase) decrease in merchandise inventories	265	(235)
(Increase) decrease in prepaid expenses and other current assets	12	(6)
Increase in merchandise accounts payable	629	247
Decrease in accounts payable and accrued liabilities	(531)	(516)
Increase (decrease) in current income taxes	(353)	8
Change in other assets and liabilities	(39)	(58)
Net cash used by operating activities	(164)	(38)
Cash flows from investing activities:		
Purchase of property and equipment	(122)	(204)
Capitalized software	(38)	(60)
Disposition of property and equipment	21	34
Other, net	26	(7)
Net cash used by investing activities	(113)	(237)
Cash flows from financing activities:		
Debt issued	1,500	—
Debt repaid	(4)	(3)
Dividends paid	(117)	(116)
Decrease in outstanding checks	(231)	(45)
Issuance of common stock	—	6
Net cash provided (used) by financing activities	1,148	(158)
Net increase (decrease) in cash, cash equivalents and restricted cash	871	(433)
Cash, cash equivalents and restricted cash beginning of period	731	1,248
Cash, cash equivalents and restricted cash end of period	\$ 1,602	\$ 815