

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

	26 Weeks Ended August 1, 2020		26 Weeks Ended August 3, 2019	
	\$	% to Net sales	\$	% to Net sales
Net sales	\$ 6,576		\$ 11,050	
Credit card revenues, net	299	4.5%	348	3.1%
Cost of sales	(5,219)	(79.4%)	(6,798)	(61.5%)
Selling, general and administrative expenses	(2,995)	(45.4%)	(4,287)	(38.8%)
Gains on sale of real estate	16	0.2%	49	0.4%
Impairment, restructuring and other costs	(3,426)	(52.1%)	(3)	—%
Operating income (loss)	(4,749)	(72.2%)	359	3.2%
Benefit plan income, net	21		15	
Settlement charges	(38)		—	
Interest expense, net	(117)		(94)	
Financing costs	(3)		—	
Income (loss) before income taxes	(4,886)		280	
Federal, state and local income tax benefit (expense)	874		(57)	
Net income (loss)	\$ (4,012)		\$ 223	
Basic earnings (loss) per share	\$ (12.91)		\$ 0.72	
Diluted earnings (loss) per share	\$ (12.91)		\$ 0.71	
Average common shares:				
Basic	310.9		309.5	
Diluted	310.9		311.5	
End of period common shares outstanding	310.2		308.9	
Supplemental Financial Measures:				
Gross Margin	\$ 1,357	20.6 %	\$ 4,252	38.5 %
Depreciation and amortization expense	\$ 472		\$ 472	