

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

	13 Weeks Ended August 1, 2020		13 Weeks Ended August 3, 2019	
	\$	% to Net sales	\$	% to Net sales
Net sales	\$ 3,559		\$ 5,546	
Credit card revenues, net	168	4.7%	176	3.2%
Cost of sales	(2,718)	(76.4%)	(3,395)	(61.2%)
Selling, general and administrative expenses	(1,398)	(39.2%)	(2,177)	(39.3%)
Gains on sale of real estate	—	—%	7	0.1%
Restructuring, impairment and other costs	(242)	(6.8%)	(2)	—%
Operating income (loss)	(631)	(17.7%)	155	2.8%
Benefit plan income, net	12		8	
Settlement charges	(38)		—	
Interest expense, net	(69)		(47)	
Financing costs	(3)		—	
Income (loss) before income taxes	(729)		116	
Federal, state and local income tax benefit (expense)	298		(30)	
Net income (loss)	\$ (431)		\$ 86	
Basic earnings (loss) per share	\$ (1.39)		\$ 0.28	
Diluted earnings (loss) per share	\$ (1.39)		\$ 0.28	
Average common shares:				
Basic	311.2		309.8	
Diluted	311.2		311.6	
End of period common shares outstanding	310.2		308.9	
Supplemental Financial Measures:				
Gross Margin	\$ 841	23.6 %	\$ 2,151	38.8 %
Depreciation and amortization expense	\$ 235		\$ 237	