

March 30, 2020

macy's inc

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

March 30, 2020-- The COVID-19 outbreak continues to take a heavy toll on Macy's, Inc. business. Our top priority is the health and safety of our customers, colleagues and communities during this unprecedented crisis. All of our stores have been closed since March 18th and will remain closed until we have clear line of sight on when it is safe to reopen.

While the digital business remains open, we have lost the majority of our sales due to the store closures. We've already taken measures to maintain financial flexibility, including suspending the dividend, drawing down our line of credit, freezing both hiring and spending, stopping capital spend, reducing receipts, cancelling some orders and extending payment terms, and we are evaluating all other financing options.

While these actions have helped, it is not enough. Across Macy's, Bloomingdales, and Bluemercury brands, we will be moving to the absolute minimum workforce needed to maintain basic operations. This means the majority of our colleagues will go on furlough beginning this week. There will be fewer furloughs in our digital business, supporting distribution centers and call centers so we can continue to serve our customers online. At least through May, furloughed colleagues who are enrolled in health benefits will continue to receive coverage with the company covering 100% of the premium. We expect to bring colleagues back on a staggered basis as business resumes.