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HAL LAWTON NAMED PRESIDENT OF MACY'S

Company also announces actions to balance the 'art and science' of retail through changes to merchandising structure and strengthened consumer insights and data analytics

CINCINNATI--August 21, 2017-- Macy's, Inc. today announced several changes intended to improve the company's performance, including the hiring of Hal Lawton as president, the creation of a single simplified merchandising organization and an enhanced focus on the company's data analytics capabilities.

Hal Lawton Named President of Macy's

Hal Lawton has been named president of Macy's, effective Sept. 8, 2017. As president, Mr. Lawton will be responsible for all aspects of the Macy's brand, including merchandising, marketing, stores, operations, technology, and consumer insights and analytics. He will report to Jeff Gennette, Macy's, Inc. chief executive officer. Mr. Lawton has strong technology and digital expertise and was most recently senior vice president, eBay North America. He spent his earlier career at Home Depot and McKinsey & Company.

"Hal Lawton has deep expertise at the intersection of retail and technology, a diverse set of business experiences that give him a unique perspective, and a track record of successfully driving a change agenda at scale. I'm thrilled that he has chosen to join Macy's," said Mr. Gennette. "This is a key step as we look to further transform the business and work through the volatility of today's retail landscape. Macy's already has one of the strongest omnichannel businesses in the industry, and with Hal on the team, we will accelerate the integration of digital both online and in our stores to deliver the world-class experience our customers demand."

"At a time when there is both dramatic change and great potential in retail, I'm excited to be part of the team that will shape the future of the Macy's brand and, along with it, consumer expectations of what a great omnichannel experience can be," said Lawton. "I look forward to working with Jeff, the management team and Macy's associates across the country. It's great to play a part in the transformation of this iconic company."

As SVP of eBay North America, Mr. Lawton was responsible for all aspects of eBay's Americas business unit and oversaw a period of sustained, sequential performance improvement. Prior to joining eBay, Mr. Lawton spent 10 years in various leadership roles at Home Depot, where he was most recently SVP for merchandising. While at Home Depot, Mr. Lawton was responsible for jump-starting homedepot.com and building it into a nearly \$2 billion business.

Improvements to Merchandising, Strengthened Consumer Insights and Data Analytics Capabilities

The company also announced the restructuring of its merchandising operations and the strengthening of its consumer insights and data analytics capabilities.

The restructuring includes the consolidation of three functions – merchandising, planning and private brands – into a single Merchandising function to be led by Jeff Kantor and organized around five 'families-of-business' (Ready-to-Wear, Center Core, Beauty, Men's and Kid's, and Home). Feeding into this new merchandising structure are strengthened customer insights and data analytics, which the company is expanding to include inventory replenishment and pricing capabilities.

"Macy's best merchants will be in the right structure to operate at the speed of our customer and will be fueled by the power of data," said Gennette. "Macy's has long been known for innovation and excellence in merchandising. The changes we are making today maintain our core merchandising skills while massively simplifying our structure and processes for greater speed and flexibility. We are also further strengthening our consumer insights and data analytics capabilities so we can make better decisions faster, balancing the art and science of retail."

"Exclusivity is a great customer loyalty tool, and we plan to grow that offering to 40 percent of our business. Having a single lens for each family-of-business will allow us to expedite our strategy of delivering this edited, elevated and exclusive assortment to our best customers. To achieve this, we will aggressively grow our private brands while also offering the best national brands," continued Gennette. "I've asked Jeff Kantor to lead Merchandising because of his deep knowledge of our business, strong relationships with our brand partners and outstanding leadership skills."

Mr. Kantor is a 35-year Macy's veteran, with extensive experience in merchandising and stores. He also successfully oversaw macys.com. Currently, Mr. Kantor serves as chief stores and human resources officer. Mr. Kantor will report to Mr. Lawton.

Financial Impact

While the primary objective of this restructuring is growth, the company anticipates it will save approximately \$30 million on an annual basis, some of which may be used for reinvestment in the business. The company anticipates savings of approximately \$5 million or approximately 1 cent per share in the fourth quarter of 2017, which is additive to previously provided earnings guidance.

The company anticipates one-time costs of approximately \$20 - \$25 million associated with this restructuring, to be booked primarily in the third quarter of 2017.

The company expects that these actions will result in a headcount reduction of approximately 100.

About Hal Lawton

Hal Lawton was named SVP, eBay North America, in April 2015. In that role, Lawton oversaw all aspects of eBay's Americas business unit, including marketing, merchandising, operations, business selling, consumer selling, and advertising, as well as global responsibility for shipping, payments, risk, and trust. Prior to joining eBay, Lawton spent 10 years in various leadership roles at Home Depot, where he most recently was SVP for merchandising. Lawton was responsible for starting Home Depot's Internet business and building it to nearly \$2 billion. Prior to that Lawton was an associate principal at McKinsey & Co., providing strategic advice to executive teams in consumer packaged goods and manufacturing industries.

Lawton serves on the board of Buffalo Wild Wings Inc. He also serves on the corporate advisory board for The University of Virginia's Darden School of Business and is a member of the Board of the San Jose Children's Discovery Museum. He holds an MBA from the University of Virginia and a Bachelor's degree in Chemical Engineering from North Carolina State University.

About Jeff Kantor

Jeff Kantor has nearly four decades of experience with Macy's, Inc. and its predecessor companies. He was named chief stores officer of Macy's, Inc. in February 2015, responsible for overseeing all aspects of store strategy, management and operations. He assumed additional responsibility for Human Resources in February 2017. Previously, Kantor was named chairman of macys.com and served as macys.com's president for merchandising. Prior to that, Kantor had been Macy's president, merchandising for home. Kantor was previously president and chief executive officer of the Hecht's/Strawbridge's division of the May Department Stores Company, which was acquired by Macy's, Inc. in 2005. Kantor started his career as an assistant buyer at the Boston-based Filene's/Kaufmann's division of May Company in 1981.

About Macy's, Inc.

Macy's, Inc. is one of the nation's premier retailers. With fiscal 2016 sales of \$25.778 billion and approximately 140,000 employees, the company operates more than 700 department stores under the nameplates Macy's and Bloomingdale's, and approximately 150 specialty stores that include Bloomingdale's The Outlet, Bluemercury and Macy's Backstage. Macy's, Inc. operates stores in 45 states, the District of Columbia, Guam and Puerto Rico, as well as macys.com, bloomingdales.com and bluemercury.com. Bloomingdale's stores in Dubai and Kuwait are operated by Al Tayer Group LLC under license agreements. Macy's, Inc. has corporate offices in Cincinnati, Ohio, and New York, New York.

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 real estate and other transactions, prevailing interest rates and non-recurring charges, store closings, competitive pressures from specialty stores, general merchandise stores, off-price and discount stores, manufacturers' outlets, the Internet, mail-order catalogs and television shopping 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. Macy's disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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

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