

Macy's, Inc. (M)

\$23.72 (Stock Price as of 01/08/2026)

Price Target (6-12 Months): **\$25.00**

Long Term: 6-12 Months

Zacks Recommendation:

Outperform

(Since: 09/18/25)

Prior Recommendation: Neutral

Short Term: 1-3 Months

Zacks Rank: (1-5)

1-Strong Buy

Zacks Style Scores:

VGM: F

Value: A

Growth: F

Momentum: F

Summary

Macy's delivered strong performance driven by momentum in its luxury banners, improved store productivity and disciplined cost management. Bloomingdale's and Bluemercury continued to outperform, gaining share with higher-value customers and supporting merchandise margin mix. Store optimization efforts under the Bold New Chapter strategy boosted results, with upgraded Macy's locations generating the strongest comparable sales in over three years. Operational efficiencies contributed to a reduction in SG&A costs rate and growth in core adjusted EBITDA. We expect SG&A expenses to decline 1.7% in fiscal 2025. Macy's raised its full-year outlook, reflecting improved business trends. Strong cash generation, limited near-term debt maturities and continued share repurchases further strengthened the financial position.

Price, Consensus & Surprise⁽¹⁾



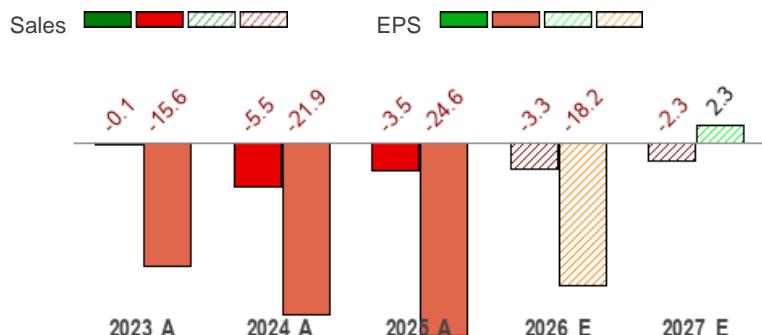
Data Overview

52 Week High-Low	\$24.41 - \$9.76
20 Day Average Volume (sh)	5,067,176
Market Cap	\$6.0 B
YTD Price Change	2.0%
Beta	1.43
Dividend / Div Yld	\$0.73 / 3.2%
Industry	Retail - Regional Department Stores
Zacks Industry Rank	Top 2% (5 out of 244)

Last EPS Surprise	169.2%
Last Sales Surprise	2.6%
EPS F1 Est- 4 week change	-0.1%
Expected Report Date	03/05/2026
Earnings ESP	-0.7%

P/E TTM	9.1
P/E F1	11.0
PEG F1	-1.3
P/S TTM	0.3

Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	4,496 E	4,707 E	4,610 E	7,250 E	21,062 E
2026	4,599 A	4,812 A	4,713 A	7,426 E	21,550 E
2025	4,846 A	4,937 A	4,742 A	7,768 A	22,293 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2027	0.17 E	0.43 E	0.10 E	1.51 E	2.21 E
2026	0.16 A	0.41 A	0.09 A	1.50 E	2.16 E
2025	0.27 A	0.53 A	0.04 A	1.80 A	2.64 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 01/08/2026.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/30/2025.

Overview

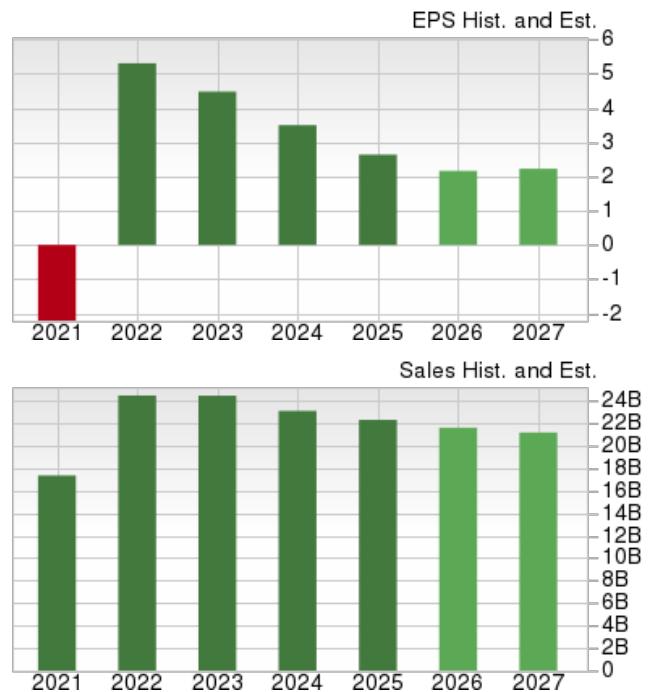
Macy's is in the process of a complete makeover and has outlined plans under its three-year Bold New Chapter program to adapt better to the new retail ecosystem. Notably, the company is banking on Backstage locations, Vendor Direct, Store Pickup and Loyalty Program. The department store chain is investing in areas where it has a strong foothold, and these include dresses, fine jewelry, fragrances, men's tailored, women's shoes and beauty. As of Nov. 1, 2025, the company operated 685 store locations in 43 states, the District of Columbia, Puerto Rico and Guam.

Macy's is an omnichannel retail organization operating stores, websites and mobile applications under three brands Macy's, Bloomingdale's and bluemercury. Bloomingdale's in Dubai, United Arab Emirates and Al Zahra, Kuwait are operated under a license agreement with Al Tayer Insignia, a company of Al Tayer Group, LLC.

This New York-based company trades in a wide range of merchandise, including men's, women's and children's apparel and accessories, cosmetics, home furnishings and other consumer goods in 43 states, the District of Columbia, Guam and Puerto Rico. Most stores are located at urban or suburban sites, principally in densely populated areas across the United States.

The principal private label brands offered by Macy's include Alfani, Bar III, And Now This, Charter Club, Club Room, Epic Threads, Family PJs, First Impressions, Giani Bernini, Holiday Lane, Oake, Hotel Collection, Ideology, I-N-C, Jenni, JM Collection, Karen Scott, Style & Co., Sun + Stone, The Cellar and Tools of the Trade.

(Note: Zacks identifies fiscal years by the month in which the fiscal year ends, while BJ identifies their fiscal year by the calendar year in which it begins; so comparable figures for any given fiscal year, as published by BJ, will refer to this same fiscal year as being the year before the same year, as identified by Zacks)



As of 12/30/2025



As of 01/08/2026

Reasons To Buy:

▲ **Luxury Banners Reinforce Macy's Portfolio Strength:** Bloomingdale's and Bluemercury delivered accelerating strength in the third quarter, reinforcing the power of Macy's luxury strategy and its ability to capture higher-value consumers. Bloomingdale's achieved an outstanding performance with net sales up 8.6% and comparable sales rising 9%, marking its strongest quarter in 13 periods and its fifth consecutive quarter of growth. The banner posted broad-based gains across women's ready-to-wear, fine jewelry, shoes and tabletop, supported by premium brand launches, including Totême, TWP, Zimmermann, Victoria Beckham, Christian Louboutin and Roger Vivier. Sequential improvements in Net Promoter Score reflect rising customer advocacy and repeat engagement. Bluemercury maintained momentum with net sales up 3.8% and comps growing 1.1%, led by dermatological skincare and expanded access to high-demand brands, such as Parfums de Marly, Byredo and Sisley Paris. Combined, these luxury banners continue to capture share in resilient, premium segments and lift overall merchandise margin mix. Their performance demonstrates portfolio diversification benefits and positions Macy's to sustain profitable growth.

▲ **Store Optimization Strengthens Productivity & Efficiency:** Transformation initiatives under the Bold New Chapter strategy delivered meaningful revenue acceleration, highlighted by a strong third-quarter performance in upgraded store formats. Macy's nameplate achieved 2% comparable sales growth, reflecting a second consecutive quarter of positive momentum and the strongest comp performance in 13 quarters. The Go-Forward Macy's fleet outperformed with 2.3% comp growth, while Reimagine 125 stores delivered 2.7% growth, with both the first 50 and next 75 locations posting positive results. These modernized stores benefited from enhanced merchandise clarity, improved layouts and superior staffing execution, driving higher traffic, conversion and AUR. Net Promoter Scores were consistently higher in these locations, demonstrating meaningful improvements in customer experience and satisfaction. Store optimization has increased productivity by concentrating resources in the highest return areas, while closures of underproductive stores reduce fixed cost drag. The initiative provides a durable, scalable engine for organic comp growth heading into 2026.

▲ **Operational Efficiencies Generate Measurable Improvements:** Disciplined execution enabled significant profitability gains in the third quarter, positioning Macy's with improved earnings resilience. SG&A expenses declined 1.9% year over year. This reduction reflects savings from closed Macy's stores and ongoing cost discipline. As a percentage of total revenues, SG&A expenses declined 90 basis points to 41.2%. We expect SG&A expenses to decline 1.7% year over year in fiscal 2025. Core adjusted EBITDA increased to \$273 million, or 5.6% of revenues compared with 4.2% last year, demonstrating healthy operating leverage. The company reported adjusted earnings of 9 cents per share, increased from adjusted earnings of 4 cents in the year-ago period.

▲ **Path Ahead Looks Optimistic:** Macy's updated its annual outlook, raising net sales and adjusted earnings per share expectations. The company expects net sales of \$21.48-\$21.63 billion compared with the earlier stated \$21.15-\$21.45 billion. Comparable owned-plus-licensed-plus-marketplace sales are expected to be flat to up 0.5% from that reported in 2024, an improvement from the prior expectation of a decline of 1.5-0.5%. For the company's go-forward business, comparable owned-plus-licensed-plus-marketplace sales are expected to be flat to up 1% year over year, as compared with the earlier view of a decline of 1.5% to flat. Adjusted EBITDA as a percentage of total revenues is anticipated to be 7.8-8% compared with the previously stated 7.4-7.9%. Core adjusted EBITDA as a percentage of total revenues is forecast at 7.5-7.7%, compared with the earlier mentioned 7-7.5%. Adjusted earnings per share are expected between \$2.00 and \$2.20, up from the prior stated \$1.70-\$2.05.

▲ **High-Margin Revenue Streams:** Growth in higher-margin credit and media revenue continues to enhance earnings durability and diversify Macy's profit model. Other revenues reached \$200 million in the third quarter, driven by \$158 million in credit card revenues, a \$38 million increase from last year, supported by healthier portfolio performance, increased account applications and controlled loss rates. Macy's Media Network contributed \$42 million and is expected to deliver double-digit growth in the fourth quarter and a low-double-digit rise for the full year, reflecting strong demand from brand partners and effective monetization of customer engagement. Full-year Other revenue expectations of \$830-\$840 million from these non-merchandise streams, including \$635-\$645 million in credit and \$195 million in media, provide meaningful visibility and margin leverage.

▲ **Supply-Chain Modernization & Omnichannel Competitiveness:** Network transformation advanced meaningfully with the opening of Macy's new 2.5-million-square-foot China Grove fulfillment and replenishment facility, the largest and most technologically advanced in its distribution infrastructure. Automation, robotics and AI integration improve order accuracy, delivery speed and cost efficiency, enhancing the end-to-end customer experience and supporting higher digital conversion. By consolidating fulfilment for apparel, beauty, home and toys, the facility reduces split-shipment expense and improves inventory productivity. Initially serving the Macy's banner with plans for future expansion to other banners, China Grove provides scalable operating leverage. This infrastructure strengthens Macy's ability to support omnichannel demand growth, particularly during seasonal traffic peaks.

▲ **Financial Synopsis:** Macy's drove material improvements in cash generation and balance sheet strength, while continuing meaningful capital returns. The company finished the fiscal third quarter with \$447 million in cash, \$2.43 billion in long-term debt, and \$4.33 billion in shareholders' equity. It has no major debt payments due until 2030. Operating activities generated \$247 million in cash during the first nine months of fiscal 2025. With a solid balance sheet, it is well-positioned to pursue transactions to enhance value. In the third quarter, the company repurchased 2.8 million shares for \$50 million, and \$1.2 billion remains under its \$2-billion share buyback program. The combination of financial discipline and shareholder return momentum provides compelling equity value support.

The performance of Macy's luxury brands, Bloomingdale's and Bluemercury, highlights significant growth opportunities and brand strength.

Risks⁽²⁾

- **Tariff Headwinds Continue to Pressure Margins:** Tariff-related cost inflation remains a major drag on profitability. The gross margin declined by 20 basis points despite mitigation actions, and tariffs alone accounted for a 50-basis-point headwind in the third quarter. Management noted that the impact of tariffs will be even worse in the fourth quarter, expecting 70-100 basis points of additional pressure, marking the steepest margin decline of the year. This indicates persistent structural cost pressure that cannot be easily absorbed. The company also indicated that part of the fourth-quarter gross margin risks will stem from the need to maintain promotional flexibility to compete in an uncertain environment, demonstrating limited ability to hold pricing. We expect gross margin to decline 50 basis points year over year to 37.9% in fiscal 2025.
- **Top-Line Pressure:** In the fiscal third quarter, Macy's experienced a 0.6% year-over-year decline in net sales. Management confirmed that this decline was entirely due to volume lost from 64 store closures, which removed \$160 million in sales from the prior-year base, showing meaningful lost revenues not yet recovered through other channels. This creates top-line pressure as the business attempts to offset closed-store volume with digital and go-forward fleet performance. We expect net sales to decline 3.3% in fiscal 2025.
- **Asset Monetization Weakness:** Macy's earnings profile remains partially dependent on episodic real estate monetization, which declined significantly in the third quarter and reduces near-term EPS flexibility. Asset sale gains fell sharply to \$12 million in the fiscal third quarter, significantly below the \$66 million recorded last year, representing a substantial decline in monetization benefits. Additionally, full-year expected asset sale gains were reduced to \$60-\$65 million from the prior expectation of \$90 million, pointing to weaker real estate monetization opportunities. Management stated this reduction negatively impacts EPS by 7 cents to 8 cents. The company anticipates fourth-quarter asset sale gains of \$15-\$20 million, compared with the previously expected \$38 million, which is expected to reduce the adjusted EPS by 5 cents to 6 cents relative to prior expectations. This signals a limited ability to rely on asset transactions to support future profitability. Despite progress in operating cash flow, free cash flow has remained negative in the past nine months of fiscal 2025. Lower monetization optionality increases risk to valuation and future guidance consistency.
- **Category Weakness:** The company acknowledged softness in the activewear category, which has historically been a strong performer and strategic category for Macy's. Management suggested the decline was tied to customers shifting spending toward dress apparel, tailored clothing, and contemporary fashion, highlighting unfavorable mix shifts. Weakness in activewear introduces risks because it is a highly competitive segment where lost momentum may be difficult to recover. Management also implied internal repositioning and brand balance work is still in progress rather than resolved, confirming execution challenges in category management.
- **Macroeconomic Pressure & Consumer Behavior Challenges:** Macy's continues to face uncertainty from a more cautious and selective consumer environment, which management emphasized as a key risk heading into the peak holiday period. Management noted that holiday results depend significantly on the aspirational customer, which heightens volatility if demand weakens late in the season. Inventory dollars increased 0.7% year over year due to tariff-driven costs rather than volume, raising exposure to markdown risk if conversion slows. The fourth-quarter guidance reflects management's limited visibility into near-term consumer behavior. For the fourth quarter, Macy's expects net sales between \$7.35 billion and \$7.5 billion. Comparable sales are projected to be down 2.5% to flat, with go-forward comparable sales down 2% to flat. Core adjusted EBITDA is expected to be 9.4-10.1% as a percent of total revenues, and adjusted EPS is projected to be \$1.35 to \$1.55.
- **Household Strains Challenge Discretionary Purchases:** Consumer confidence serves as a crucial barometer of the overall economic health, and any significant downturn in this metric can influence consumer spending patterns. For Macy's the sensitivity of its customer base to various macroeconomic factors poses a notable concern. Factors such as interest rate hikes, rise in fuel and energy costs, credit availability, unemployment rates, and elevated levels of household debt can collectively erode consumer sentiment. This, in turn, may have adverse impact on the company's growth trajectory and profitability.
- **Retail Giants Threaten Macy's Market Share:** Macy's faces significant challenges from intense competition in the retail sector, particularly from giants such as Amazon, Walmart, and Target. These rivals not only offer competitive pricing and a vast array of products but also excel in delivering superior customer experiences through advanced e-commerce platforms and efficient supply chains. Additionally, luxury department stores such as Nordstrom and specialty retailers like Sephora continue to capture market share by providing curated, high-quality offerings and personalized services. This stiff competition exacerbates Macy's challenges in retaining customer loyalty and growing market share, potentially leading to further erosion of sales and profit margins.

Last Earnings Report

Macy's Ups FY25 View After Posting Q3 Earnings Beat & Y/Y Comps Growth

Macy's reported third-quarter fiscal 2025 results, wherein the top and bottom lines surpassed the Zacks Consensus Estimate. However, net sales decreased and earnings increased from the year-ago quarter. Comparable sales (comps) increased on an owned and owned-plus-licensed-plus-marketplace basis. As a result, the company has raised its fiscal 2025 outlook.

The company reported adjusted earnings of 9 cents per share, surpassing the Zacks Consensus Estimate of an adjusted loss of 13 cents. Also, the bottom line increased from adjusted earnings of 4 cents in the year-ago period.

Net sales of \$4,713 million beat the consensus estimate of \$4,595 million. However, the top line dipped 0.6% from the year-ago quarter. On an owned basis, comparable sales rose 2.5%, and on an owned-plus-licensed-plus-marketplace basis, they increased 3.2%. Each of the company's nameplates contributed to the positive comparable sales growth.

M's go-forward business comps, including both go-forward locations and digital platforms across all nameplates, increased 2.7% on an owned basis and 3.4% on an owned-plus-licensed-plus-marketplace basis. Net credit card revenues were \$158 million, up 31.7% from the year-ago period. The metric represented 3.4% of sales, up 90 basis points from the year-ago quarter. Macy's Media Network revenues were \$42 million, flat year over year. The metric represented 0.9% of sales, unchanged from the year-ago quarter.

Update on M's Brand Performance

Comps across the Macy's brand increased 1.4% year over year on an owned basis and 2% on an owned-plus-licensed-plus-marketplace basis. At the Bloomingdale's brand, comps increased 8.8% on an owned basis and 9% on an owned-plus-licensed-plus-marketplace basis, marking its fifth consecutive quarter of growth. Comps at the Bluemercury brand rose 1.1% on an owned basis, marking its 19th consecutive quarter of growth.

Insight Into Macy's Margins & Expenses

The gross margin in the fiscal third quarter was 39.4%. This represented a decline of 20 basis points from last year, driven by a 50-basis-point impact of tariffs, which was better than expected due to successful mitigation efforts.

The company reported selling, general and administrative (SG&A) expenses of \$2.02 billion, down 1.9% year over year. This reduction reflects savings from closed Macy's stores and ongoing cost discipline, partially offset by continued investments in key growth initiatives, including Reimagine 125 locations, Bloomingdale's and digital capabilities across all nameplates. As a percentage of total revenues, SG&A expenses declined 90 basis points to 41.2%.

Macy's reported an adjusted EBITDA of \$285 million, down 4.4% from \$273 million in the year-ago quarter. The adjusted EBITDA margin was 5.8%, up 20 basis points year over year.

M's Financial Snapshot: Cash, Inventory & Equity Overview

The company ended the fiscal third quarter with cash and cash equivalents of \$447 million, long-term debt of \$2.43 billion, and shareholders' equity of \$4.33 billion. The company does not face any significant long-term debt maturities until 2030. Merchandise inventories increased 0.7% on a year-over-year basis. In the first nine months of fiscal 2025, net cash provided by operating activities was \$247 million. Asset sale gains were \$12 million compared with \$66 million in the prior period. The company continues to focus on closing underperforming stores. With a strong balance sheet, it is positioned to pursue transactions strategically to maximize monetization value. In the third quarter of fiscal 2025, the company repurchased 2.8 million shares for \$50 million. As of the end of the quarter, \$1.2 billion was available under its \$2-billion share repurchase authorization.

Sneak-Peek Into Macy's FY25 Guidance

The company updated its annual outlook, raising net sales and adjusted earnings per share expectations. The guidance continues to reflect an assumption that consumers will remain more selective in the fourth quarter of fiscal 2025. It also expects current tariffs to be unchanged and includes the flexibility to adjust to shifts in consumer behavior and competitive dynamics.

Macy's expects net sales of \$21.48-\$21.63 billion compared with the earlier stated \$21.15-\$21.45 billion. Comparable owned-plus-licensed-plus-marketplace sales are expected to be flat to up 0.5% from that reported in 2024, an improvement from the prior expectation of a decline of 1.5-0.5%. For the company's go-forward business, comparable owned-plus-licensed-plus-marketplace sales are expected to be flat to up 1% year over year, as compared with the earlier view of a decline of 1.5% to flat.

Adjusted EBITDA as a percentage of total revenues is anticipated to be 7.8-8% compared with the previously stated 7.4-7.9%. Core adjusted EBITDA as a percentage of total revenues is forecast at 7.5-7.7%, compared with the earlier mentioned 7-7.5%. Adjusted earnings per share are expected between \$2.00 and \$2.20, up from the prior stated \$1.70-\$2.05. The guidance includes the expected impacts of fiscal 2024 store closures, primarily within the Macy's nameplate, which reduced annual net sales by \$700 million. Expected fiscal-year asset sale gains of \$60-\$65 million are lower than the prior stated \$90 million and are anticipated to reduce adjusted earnings per share by 7-8 cents from the previous guidance. The outlook does not reflect the impacts of any future share repurchases under the company's existing authorization.

FY Quarter Ending	1/31/2025
Earnings Reporting Date	Dec 03, 2025
Sales Surprise	2.56%
EPS Surprise	169.23%
Quarterly EPS	0.09
Annual EPS (TTM)	2.46

Recent News

Macy's Announces Quarterly Dividend - Oct. 24, 2025

Macy's has announced a quarterly dividend of 18.24 cents per share, payable Jan 2, 2026, to shareholders of record as on Dec 15, 2025.

Valuation

Macy's shares are up 89.5% in the past six-month period and 30.6% in the trailing 12-month period. Stocks in the Zacks sub-industry and the Zacks Retail Wholesale sector are up 73.7% and 3.9%, respectively, in the past six-month period. Over the past year, the sub-industry and the sector are up 41.7% and 7.5%, respectively.

The S&P 500 index is up 14.5% in the past six-month period and 20.1% in the past year.

The stock is currently trading at 9.95X forward 12-month earnings, which compares to 14.94X for the Zacks sub-industry, 24.80X for the Zacks sector, and 23.44X for the S&P 500 index.

Over the past three years, the stock has traded as high as 11.58X and as low as 3.61X, with a 3-year median of 6.12X. Our Outperform recommendation indicates that the stock will perform better than the market. Our \$25 price target reflects 11.44X forward 12-month sales.

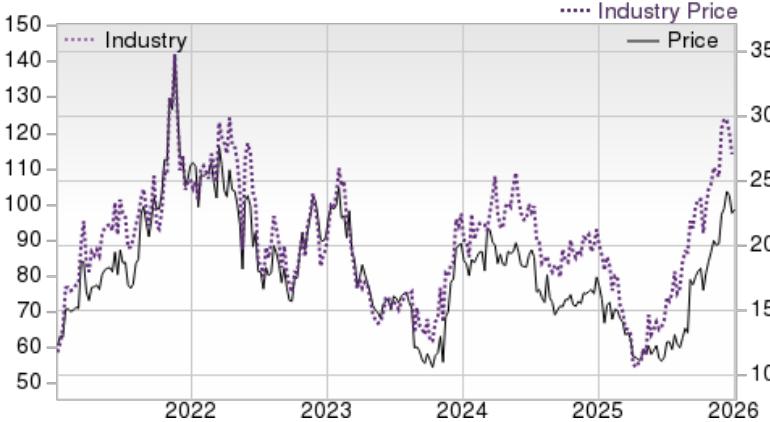
The table below shows summary valuation data for M

Valuation Multiples - M					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	9.95	14.94	24.80	23.44
	3-Year High	11.58	17.03	26.37	23.80
	3-Year Low	3.61	5.49	21.48	17.37
	3-Year Median	6.12	9.29	24.39	21.23
P/S F12M	Current	0.28	0.52	1.64	5.31
	3-Year High	0.31	0.55	1.82	5.49
	3-Year Low	0.13	0.26	1.20	4.06
	3-Year Median	0.20	0.36	1.52	4.99
EV/EBITDA TTM	Current	4.13	7.30	13.33	18.87
	3-Year High	4.42	8.01	15.87	19.52
	3-Year Low	2.17	3.56	11.23	13.86
	3-Year Median	3.21	5.24	13.81	17.72

As of 12/29/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 2% (5 out of 244)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
American Eagle Outfitters (AEO)	Outperform	1
Costco Wholesale Corporation (COST)	Outperform	3
Dillard's, Inc. (DDS)	Outperform	1
Dollar General Corporation (DG)	Outperform	3
Kohl's Corporation (KSS)	Outperform	2
Abercrombie & Fitch Company (ANF)	Neutral	3
Ross Stores, Inc. (ROST)	Neutral	2
Target Corporation (TGT)	Neutral	3

Industry Comparison⁽¹⁾ Industry: Retail - Regional Department Stores

	M	X Industry	S&P 500	DDS	KSS	ROST
Zacks Recommendation (Long Term)	Outperform		-	Outperform	Outperform	Neutral
Zacks Rank (Short Term)	1		-	1	2	2
VGM Score	F	-	-	B	C	D
Market Cap	5.98 B	5.98 B	40.07 B	10.18 B	2.32 B	60.48 B
# of Analysts	3	3	22	3	5	6
Dividend Yield	3.25%	1.30%	1.38%	0.18%	2.42%	0.87%
Value Score	A	-	-	B	A	D
Cash/Price	0.07	0.07	0.04	0.13	0.06	0.07
EV/EBITDA	4.50	10.36	14.89	10.36	5.17	18.94
PEG Ratio	-1.28	NA	2.04	NA	NA	4.12
Price/Book (P/B)	1.38	2.22	3.41	4.98	0.59	10.28
Price/Cash Flow (P/CF)	3.81	8.61	15.44	13.40	2.53	24.31
P/E (F1)	10.93	14.84	18.58	19.52	14.84	28.98
Price/Sales (P/S)	0.26	1.56	3.06	1.56	0.15	2.75
Earnings Yield	9.61%	6.73%	5.38%	5.12%	6.73%	3.45%
Debt/Equity	0.56	0.99	0.57	0.21	0.99	0.17
Cash Flow (\$/share)	5.90	7.04	8.98	48.59	8.17	7.69
Growth Score	F	-	-	C	F	C
Hist. EPS Growth (3-5 yrs)	6.71%	8.46%	8.24%	10.21%	-28.32%	21.21%
Proj. EPS Growth (F1/F0)	-18.18%	0.22%	9.21%	-9.40%	-7.33%	2.06%
Curr. Cash Flow Growth	-12.93%	-12.76%	7.00%	-12.59%	-14.63%	10.62%
Hist. Cash Flow Growth (3-5 yrs)	-2.84%	-2.98%	7.49%	18.54%	-11.60%	4.83%
Current Ratio	1.25	1.30	1.19	2.19	1.30	1.52
Debt/Capital	35.98%	49.87%	38.14%	17.23%	49.87%	14.74%
Net Margin	2.10%	8.90%	12.77%	8.90%	1.23%	9.47%
Return on Equity	15.57%	15.57%	17.03%	30.50%	4.30%	36.75%
Sales/Assets	1.40	1.15	0.53	1.69	1.15	1.49
Proj. Sales Growth (F1/F0)	-3.30%	0.00%	5.29%	-0.60%	-3.90%	6.30%
Momentum Score	F	-	-	B	F	F
Daily Price Chg	-3.19%	-0.34%	-0.34%	-0.24%	-6.60%	-0.29%
1 Week Price Chg	1.25%	0.00%	1.10%	1.09%	-1.07%	0.88%
4 Week Price Chg	-3.35%	-3.35%	0.50%	-10.89%	-12.61%	2.84%
12 Week Price Chg	25.59%	16.99%	3.75%	8.39%	34.53%	19.11%
52 Week Price Chg	40.24%	42.48%	16.94%	44.73%	53.08%	20.93%
20 Day Average Volume	5,067,176	138,523	2,431,070	138,523	3,166,797	2,124,234
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	-0.08%	-0.08%	0.00%	0.63%	-2.49%	0.00%
(F1) EPS Est 12 week change	10.66%	10.66%	0.44%	7.56%	110.91%	4.32%
(Q1) EPS Est Mthly Chg	-1.31%	2.15%	0.00%	2.15%	11.14%	0.00%

Analyst Earnings Model⁽²⁾

Macy's, Inc. (M)

In \$MM, except per share data

FY Ends January 31st	2023A	2024A	2025A	1Q	2Q	3Q	2026E		1Q	2Q	3Q	4Q	FY	2027E	2028E	
	FY	FY	FY				4Q	FY								
	Jan-23	Jan-24	Jan-25	30-Apr-25	31-Jul-25	31-Oct-25	31-Jan-26	Jan-26	30-Apr-26	31-Jul-26	31-Oct-26	31-Jan-27	Jan-27	Jan-28		
Income Statement																
Net Sales	\$24,442.0	\$23,092.0	\$22,293.0	\$4,599.0	\$4,812.0	\$4,713.0	\$7,426.0	\$21,550.0	\$4,496.3	\$4,706.5	\$4,609.8	\$7,249.8	\$21,062.4	\$20,909.6		
Other Revenue	\$1,007.0	\$774.0	\$713.0	\$194.0	\$187.0	\$200.0	\$254.5	\$835.5	\$198.7	\$192.3	\$204.8	\$262.9	\$858.7	\$893.3		
Total Revenue	\$25,449.0	\$23,866.0	\$23,006.0	\$4,793.0	\$4,999.0	\$4,913.0	\$7,680.5	\$22,385.5	\$4,695.0	\$4,898.8	\$4,814.7	\$7,512.8	\$21,921.2	\$21,803.0		
Cost of Sales	\$15,347.0	\$14,224.0	\$13,740.0	\$2,795.0	\$2,900.0	\$2,855.0	\$4,838.1	\$13,388.1	\$2,732.6	\$2,836.4	\$2,792.5	\$4,723.3	\$13,084.8	\$12,975.6		
Gross Profit	\$9,095.0	\$8,868.0	\$8,553.0	\$1,804.0	\$1,912.0	\$1,858.0	\$2,587.9	\$8,161.9	\$1,763.7	\$1,870.1	\$1,817.3	\$2,526.5	\$7,977.6	\$7,934.0		
Selling, General and Administrative Expenses	\$8,461.0	\$8,375.0	\$8,330.0	\$1,913.0	\$1,944.0	\$2,024.0	\$2,307.9	\$8,188.9	\$1,892.7	\$1,905.0	\$1,978.7	\$2,257.5	\$8,033.9	\$7,962.3		
Gains on Sale of Real Estate	\$89.0	\$61.0	\$144.0	\$16.0	\$16.0	\$12.0	\$18.0	\$62.0	\$16.0	\$16.0	\$12.0	\$18.0	\$62.0	\$0.0		
Impairment, Restructuring and Other Costs	\$41.0	\$1,027.0	\$171.0	\$7.0	\$22.0	\$4.0	\$0.0	\$33.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0		
Adjusted EBITDA	\$2,607.0	\$2,236.0	\$1,977.0	\$324.0	\$393.0	\$285.0	\$794.4	\$1,796.4	\$313.3	\$400.0	\$299.5	\$797.1	\$1,809.9	\$1,812.7		
EBITDA, Reported	\$2,527.0	\$1,075.0	\$1,760.0	\$317.0	\$371.0	\$281.0	\$794.4	\$1,763.4	\$313.3	\$400.0	\$299.5	\$797.1	\$1,809.9	\$1,812.7		
Depreciation and Amortization	\$857.0	\$897.0	\$881.0	\$219.0	\$218.0	\$235.0	\$238.0	\$910.0	\$223.6	\$222.6	\$240.0	\$243.2	\$929.4	\$931.7		
Operating Income	\$1,689.0	\$301.0	\$909.0	\$94.0	\$149.0	\$42.0	\$552.5	\$837.5	\$85.7	\$173.4	\$55.5	\$549.9	\$864.5	\$865.0		
Benefit Plan Income (Expense), Net	\$20.0	\$11.0	\$16.0	\$4.0	\$4.0	\$4.0	\$4.0	\$16.0	\$4.0	\$4.0	\$4.0	\$4.0	\$16.0	\$16.0		
Settlement Charges	\$39.0	\$134.0	\$46.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0		
Interest Expense, Net	\$162.0	\$135.0	\$115.0	\$27.0	\$25.0	\$25.0	\$23.0	\$100.0	\$27.3	\$25.3	\$25.3	\$23.2	\$101.1	\$100.0		
Financing Costs	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0		
Losses on Early Retirement of Debt	\$31.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0		
Loss on Extinguishment of Debt				\$1.0	\$3.0	\$13.0	\$16.0	\$0.0	\$32.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0		
Pre-Tax Income	\$1,477.0	\$43.0	\$763.0	\$68.0	\$115.0	\$5.0	\$533.5	\$721.5	\$62.4	\$152.1	\$34.2	\$530.7	\$779.4	\$781.0		
Income Tax Expense (Benefit)	\$331.0	(\$2.0)	\$181.0	\$30.0	\$28.0	(\$6.0)	\$124.8	\$176.8	\$15.3	\$37.3	\$8.4	\$130.0	\$191.0	\$191.3		
Tax Rate	22.5%	15.3%	23.7%	44.1%	24.3%	(120.0%)	23.4%	24.5%	24.5%	24.5%	24.5%	24.5%	24.5%	24.5%	24.5%	
Net Income, Adjusted	\$1,228.0	\$913.0	\$745.0	\$46.0	\$113.0	\$26.0	\$408.7	\$593.7	\$47.1	\$114.8	\$25.8	\$400.7	\$588.5	\$589.7		
Net Income, Reported	\$1,146.0	\$45.0	\$582.0	\$38.0	\$87.0	\$11.0	\$408.7	\$544.7	\$47.1	\$114.8	\$25.8	\$400.7	\$588.5	\$589.7		
Basic Shares Outstanding	274.7	274.2	277.7	277.6	271.8	267.7	266.0	270.8	264.0	262.0	260.0	258.0	261.0	253.0		
Diluted Shares Outstanding	281.1	278.2	281.6	280.7	275.9	274.6	272.9	276.0	270.9	268.9	266.9	264.9	267.9	259.9		
Basic EPS	\$4.17	\$0.16	\$2.10	\$0.14	\$0.32	\$0.04	\$1.54	\$2.04	\$0.18	\$0.44	\$0.10	\$1.55	\$2.27	\$2.35		
Diluted EPS, Adjusted	\$4.36	\$3.28	\$2.64	\$0.16	\$0.41	\$0.09	\$1.50	\$2.16	\$0.17	\$0.43	\$0.10	\$1.51	\$2.21	\$2.28		
Diluted EPS, Reported	\$4.08	\$0.16	\$2.07	\$0.13	\$0.31	\$0.04	\$1.50	\$1.98	\$0.17	\$0.43	\$0.10	\$1.51	\$2.21	\$2.28		
Dividend per Share	\$0.63	\$0.67	\$0.69	\$0.18	\$0.18	\$0.18	\$0.18	\$0.73	\$0.19	\$0.19	\$0.19	\$0.19	\$0.77	\$0.80		

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

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Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

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Value Score	A
Growth Score	F
Momentum Score	F
VGM Score	F

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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