

**Pricing Term Sheet**

**7.875% Notes due 2015**

Issuer:	Macy's Retail Holdings, Inc.
Guarantor:	Macy's, Inc.
Size:	\$650,000,000
Maturity:	July 15, 2015
Coupon:	7.875%
Price to Public:	99.911% of face amount
Yield to maturity:	7.890%
Spread to Benchmark Treasury:	+408 basis points
Benchmark Treasury:	UST 4.125% due May 15, 2015
Benchmark Treasury Spot and Yield:	101-28+ (3.810%)
Interest Payment Dates:	January 15 and July 15, commencing on January 15, 2009
Redemption Provisions:	
Make-Whole Call:	Any time at the greater of 100% and the treasury rate plus 60 basis points.
Trade Date:	June 23, 2008
Settlement Date:	June 26, 2008 (T+3)
CUSIP:	55616X AE7
Denominations:	\$2,000 x \$1,000
Ratings:	Baa3 (stable) / BBB- (stable) / BBB- (stable)
Underwriters:	Banc of America Securities LLC Credit Suisse Securities (USA) LLC J.P. Morgan Securities Inc.  Citigroup Global Markets Inc. Piper Jaffray & Co. Wells Fargo Securities, LLC BNY Mellon Capital Markets, LLC Fifth Third Securities, Inc. PNC Capital Markets LLC Loop Capital Markets, LLC

**The security ratings above are not a recommendation to buy, sell or hold the securities offered hereby. The ratings may be subject to revision or withdrawal at any time by Moody's, Standard and Poor's and Fitch Ratings. Each of the security ratings above should be evaluated independently of any other security rating.**

**The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling Banc of America Securities LLC at 1-800-294-1322, Credit Suisse Securities (USA) LLC at 800-221-1037 or J.P. Morgan Securities Inc. collect at 1-212-834-4533.**