

THE MACY'S, INC. Retirement PROGRAM NEWSLETTER

Spring 2014

THE INSIDE SCOOP

- Retirement Planning at Any Age
- Your Company Match



As a current participant in Save Actively, the Macy's, Inc. retirement program, you're receiving this newsletter. This newsletter is for your information only and **no action is required** unless you want to change your contribution percent or investment direction.

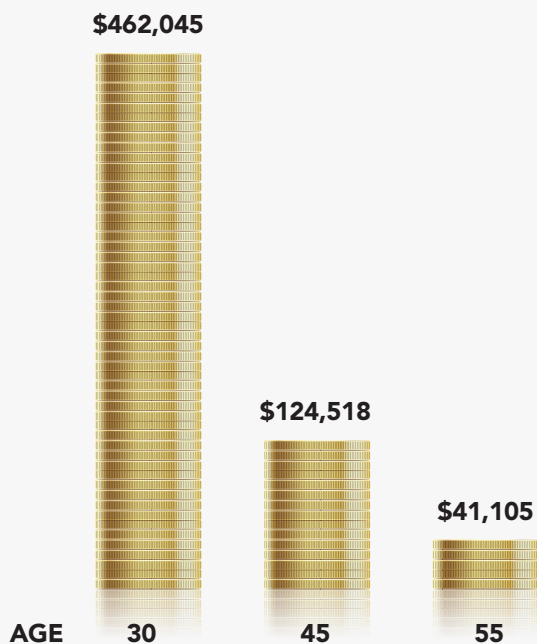
Retirement Planning at Any Age

Creating a stable financial future can be a complicated task. A financial plan that considers life's ups and downs and balances the needs of today with the needs of tomorrow is achievable. While ensuring you are able to save enough for retirement takes knowledge, planning, and perseverance, consider these suggestions for small changes that can set you on the right path.

Your Company Match

When you contribute 6% of your pay pre-tax or Roth in the 401(k) plan, the Company pays YOU back 58.3%. **Just how much of a difference does your contribution make?**

See how \$30 a week can help you prepare for retirement at age 65, when you begin saving at the age shown below.



*For illustrative purposes only. This projection assumes a retirement age of 65 and an annual rate of return of 8%.

IN YOUR
20s

Starting to Plan

You don't have to be just entering the workforce to start planning for the future. At any age or stage in your career, making your retirement savings a priority is the first step.

- **Track your expenses.** After just one month, you will better understand where your money is going. A clear picture of your spending habits allows you to step back from your daily spending and reconsider your choices.
- **Create a budget.** Now that you understand your spending, you can develop a spending and a savings plan that works for you. Only you can decide how best to balance how much you need to spend and save versus how much you would like to spend and save.

Need a little inspiration to get started? Check out BetterMoneyHabits.comTM or visit the Better Money Habits link in the Education Center on **Benefits OnLine**[®].

IN YOUR
30s

Growing Your Savings

Now that you have taken the first step to financial health, it's time to help it grow. The skills you have begun to develop remain valuable when accumulating savings.

- **Maximize your growth opportunities.** Contributing to the 401(k) Plan pre-tax allows you to delay federal income tax until retirement, which could lead to more money in your paycheck right now.

Also, when you contribute 6% of pay, you can earn a 58.3% Company match. Your Company match is added to your 401(k) account for retirement.

Not sure how much you should be saving to meet your goals? Use the **Advice Access** tool on **Benefits OnLine** to get recommendations for a personalized strategy.

IN YOUR
40s

Protecting Your Assets

Are you on your way to healthy retirement savings? Now is the time to protect your money.

- **Set aside an emergency fund.** Maintain emergency savings for the unexpected. Keeping extra cash for when the furnace dies or the roof begins to leak – and it will! – will keep your retirement plan on autopilot.
- **Consolidate your plan.** You can rollover funds from a previous employer's pension or 401(k) into the Macy's, Inc. 401(k) Plan. Consolidating your assets makes them easier to track and may provide more diverse investment options.

Visit **Benefits OnLine** to educate yourself about the Macy's, Inc. 401(k) investment options. Make sure your money is in the right investment(s) for your situation.

IN YOUR
50s

Playing Catch-Up

- **Time for a reality check.** Will you be ready for retirement in another 10-15 years? Contributing just what you need to get the 401(k) Company match may not be enough anymore. The IRS allows you to contribute as much \$17,500 pre-tax in 2014.
- **It's never too late to catch-up!** If you saved less when you were younger or lost money in a market downturn, you can do more to make up your savings. Catch-up contributions are designed to get you where you want to be for retirement. If you are at least age 50, you can save an additional \$5,500 in 401(k) Plan pre-tax catch-up contributions, for a total pre-tax contribution of \$23,000 in 2014.

You can change your 401(k) Plan elections at any time on **Benefits OnLine**. Increase your regular election or make a catch-up contribution election.

IN YOUR
60s

Is Your Nest Egg Ready?

You may have a clear picture of your retirement. So now you can fine-tune your plan. Are you ready to take the next step?

- **Talk the talk.** If you have not already, talk to a financial advisor about managing your money to make it last in retirement.
- **Walk the walk.** Analysts estimate that your retirement savings may last at least 30 years if you withdraw no more than 4% of your principal savings per year in retirement. Stay ahead of the curve.

Estimate your income and expenses using the **Retirement Income Worksheet** found on **Benefits OnLine**.

Did you know?

If you're saving less than 6% in the 401(k), you can increase your contribution (up to 50%) at any time to get the full Company match for 2014.



Benefits OnLine Mobile

Review your account balance or check fund performance in a snap! With **Benefits OnLine Mobile**, you can use your smartphone or other mobile device to monitor your account anytime.

NEED MORE INFORMATION?

HR Services: 1-800-234-MACY (6229)

Benefits OnLine: www.benefits.ml.com

IN-SITE via Employee Connection: www.employeeconnection.net

Retiree Connection: www.retireeconnection.net