



JCPENNEY REPORTS FEBRUARY SALES

PLANO, Texas, March 8, 2007 -- J. C. Penney Company, Inc. (NYSE:JCP) total department store sales increased 1.6 percent for the four weeks ended March 3, 2007. Comparable department store sales decreased 0.2 percent, compared with most recent guidance for sales to be down low-single digits. Comparable department store sales increased 2.3 percent last year. As previously noted, individual monthly sales comparisons in 2007 will be impacted by calendar shifts resulting from last year's 53rd week. This year's February results, as an example, reflect fewer days prior to Valentine's Day, an important holiday for fine jewelry and intimate apparel. In addition, the Company focused on the successful transition of the selling floor to spring merchandise, with correspondingly lower clearance levels.

Sales strengthened at month end, with a good response to spring apparel and accessories, especially in warm weather markets. The best merchandise categories for the month were women's apparel, accessories and fine jewelry. Customer response to the mid-February launches of Ambrielle and the new Liz Claiborne merchandise lines have been very positive. Geographically, the southeast, southwest and northwest regions of the country generated the best results in the period.

Internet sales through www.jcp.com increased 23.3 percent for the four-week February period, on top of a 24.2 percent increase last year. Total Direct sales, which include Internet, catalog print media and outlet stores, decreased 2.4 percent for the four-week period. Initial guidance was for sales to be down slightly. Last year, total Direct sales increased 4.5 percent. Sales gains in women's, men's and children's apparel were more than offset by continued softness in home categories.

March Sales Guidance

Sales for the five-week March period are expected to rise sharply, benefiting from an earlier Easter and the shift in the retail calendar due to last year's 53rd week that results in Easter sales being reported in this year's March period. Based on this and the related shifts in marketing events, the Company expects March comparable department store sales to increase high-single digits, with total department store sales benefiting from the opening of seven new stores on March 4th. Total Direct sales are expected to increase low-single digits. In last year's March period, comparable department store sales declined 1.0 percent, Internet sales increased about 25 percent and total Direct sales increased 5.0 percent.

Preliminary February Sales Summary (\$ in millions)

	Period ended		% Increase/(Decrease)			
			All Stores		Comp Stores	
	Mar. 3, 2007	Feb. 25, 2006	2007	2006	2007	2006
<u>4 Weeks</u>						
Department stores	\$ 1,110	\$ 1,093	1.6	3.6	(0.2)	2.3
Direct	204	209	(2.4)	4.5		
Total Company	\$ 1,314	\$ 1,302	0.9	3.7		

Sales Conference Call Recording (8:00 a.m. ET) – (402) 220-5662

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About JCPenney

J. C. Penney Corporation, Inc., the wholly owned operating subsidiary of J. C. Penney Company, Inc., is one of America's largest department store, catalog, and e-commerce retailers, employing approximately 155,000 associates. As of Feb. 3, 2007, J. C. Penney Corporation, Inc. operated 1,033 JCPenney department stores throughout the United States and Puerto Rico. JCPenney is the nation's largest catalog merchant of general merchandise, and jcp.com is one of the largest apparel and home furnishings sites on the Internet. JCPenney refers to the Internet/catalog business as Direct.

This release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements, which reflect the Company's current views of future events and financial performance, involve known and unknown risks and uncertainties that may cause the Company's actual results to be materially different from planned or expected results. Those risks and uncertainties include, but are not limited to, competition, consumer demand, seasonality, economic conditions, including the price and availability of oil and natural gas, changes in interest rates, changes in management, retail industry consolidations, government activity, and acts of terrorism or war. Please refer to the Company's most recent Form 10-K and subsequent filings for a further discussion of risks and uncertainties. Investors should take such risks into account when making investment decisions. We do not undertake to update these forward-looking statements as of any future date.

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