



# News Release

## JCPENNEY REPORTS JULY SALES

### Provides Updated Guidance for Second Quarter

**PLANO, Texas, Aug. 7, 2008** -- J. C. Penney Company, Inc. (NYSE:JCP) comparable store sales decreased 6.5 percent for the four-week period ended Aug. 2, 2008, compared with the Company's guidance for sales to decrease mid-single digits. In last year's July period, comparable store sales increased 12.0 percent, largely driven by a calendar shift that moved sales for an important Back-To-School selling week from August into the July reporting period. Total Company sales in the 2008 July period decreased 4.9 percent.

Women's apparel, family shoes and children's were the top performing merchandise divisions in July, while fine jewelry and home experienced the weakest sales during the month. The northeast and central regions were the best performing regions, with the southeast and southwest continuing to experience softer sales during the month. The Company continues to focus on effectively managing its inventory position, and, as previously forecasted, ended the July period with comparable store inventories below 2007 levels.

### **Preliminary July Sales Summary**

(\$ in millions)

	Total Company Sales for period ended		% Increase/(Decrease)			
	Aug. 2, 2008	Aug. 4, 2007	Total Sales		Comp Stores	
			2008	2007	2008	2007
<u>4 Weeks</u>	\$ 1,336	\$ 1,405	(4.9)	13.3	(6.5)	12.0
<u>13 Weeks</u>	\$ 4,282	\$ 4,391	(2.5)	3.6	(4.3)	2.9
<u>26 Weeks</u>	\$ 8,409	\$ 8,741	(3.8)	3.3	(5.8)	3.1

### **August Sales and Updated Second Quarter Earnings Outlook**

Management's guidance for the four-week period ending Aug. 30, 2008, is for a mid-single digit decrease in comparable store sales compared to a 2.4 percent decrease during the same month last year.

Due to better than expected sell-through of promotionally priced merchandise and continued expense management measures taken over the course of the quarter as part of the Company's Bridge Plan, JCPenney now expects second quarter earnings to be in the range of \$0.50 to \$0.52 per share. The Company's previous guidance was for second quarter earnings to be approximately \$0.38 per share.

### **New Release Dates for Second Quarter Earnings and August and September Sales**

***Second Quarter Earnings*** - Due to a scheduling conflict, JCPenney will release its Second Quarter financial results before the market opens on Friday, Aug. 15, 2008, rather than as originally scheduled on Aug. 14, 2008. Management will host a live conference call and real-time webcast on Aug. 15, 2008, beginning at 9:30 a.m. ET. Access to the conference call is open to the press and general public in a listen-only mode. To access the conference call, please dial 877-407-0778, or 201-689-8565 for international callers, and reference the JCPenney Second Quarter Earnings Conference Call. The telephone playback will be available for three days beginning approximately two hours after the conclusion of the call by dialing 877-660-6853, account code 286, pass code 284826. The live webcast may be accessed via JCPenney's Investor Relations page at [jcpenney.net](http://jcpenney.net), or on [streetevents.com](http://streetevents.com) (for members) and [fulldisclosure.com](http://fulldisclosure.com) (for media and individual investors). Replays of the webcast will be available for up to 90 days after the event.

***August Sales*** - JCPenney will release August sales before the market opens on Wednesday, Sept. 3 in anticipation of a presentation by Chairman and CEO Myron E. (Mike) Ullman, III at the Goldman Sachs Global Retail Conference in New York City on the morning of Sept. 3. August sales results were originally scheduled to be released on Sept. 4, 2008. The related sales recording will be available at the same time as the sales release. Mr. Ullman's presentation at the Conference, which will be available via webcast, is scheduled for approximately 45 minutes starting at 10:25 a.m. ET. The live webcast may be accessed via JCPenney's Investor Relations page on the corporate website at [www.jcpenney.net](http://www.jcpenney.net). Replays of the webcast will be available for up to 30 days after the event.

**September Sales** - JCPenney will release its September sales results before the market opens on Wednesday, Oct. 8, 2008, one day earlier than the originally scheduled date of Oct. 9, which coincides with the observance of Yom Kippur. The related sales recording will be available at the same time as the sales release.

## ***Sales Conference Call Recording (8:30 a.m. ET) -- (877)793-7778***

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### **About JCPenney**

JCPenney is one of America's leading retailers, operating 1,083 department stores throughout the United States and Puerto Rico, as well as one of the largest apparel and home furnishing sites on the Internet, [jcp.com](http://jcp.com), and the nation's largest general merchandise catalog business. Through these integrated channels, JCPenney offers a wide array of national, private and exclusive brands which reflect the Company's commitment to providing customers with style and quality at a smart price. Traded as "JCP" on the New York Stock Exchange, the Company posted revenue of \$19.9 billion in 2007 and is executing its strategic plan to be the growth leader in the retail industry. Key to this strategy is JCPenney's "Every Day Matters" brand positioning, intended to generate deeper, more emotionally driven relationships with customers by fully engaging the Company's 155,000 Associates to offer encouragement, provide ideas and inspire customers every time they shop with JCPenney.

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, general economic conditions, including inflation, recession, consumer spending patterns and debt levels, the cost of goods, trade restrictions, changes in tariff, freight, paper and postal rates, changes in the cost of fuel and other energy and transportation costs, competition and retail industry consolidations, interest rate fluctuations, dollar and other currency valuations, risks associated with war, an act of terrorism or pandemic, and a systems failure and/or security breach that results in the theft, transfer or unauthorized disclosure of customer, employee or Company information. 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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