



## **JCPENNEY REPORTS MARCH SALES**

### **Comparable Department Store Sales Increase 10.6 Percent, Internet Increases 15.5 Percent**

**PLANO, Texas, April 12, 2007** -- J. C. Penney Company, Inc. (NYSE:JCP) total department store sales increased 13.3 percent for the five weeks ended April 7, 2007, and include results from seven new stores the Company opened the first week of March. Comparable department store sales increased 10.6 percent, compared to initial guidance for a high-single digit increase and a 1.0 percent decrease last year. Results for the month were driven by strength in apparel categories, which benefited from an earlier Easter, while home continued to experience some weakness. Geographically, sales increased across all regions of the country, with the strongest sales coming from the northwest and central regions.

Internet sales through [www.jcp.com](http://www.jcp.com) increased 15.5 percent for the five-week March period, on top of an increase of about 25 percent last year. Total Direct sales, which include Internet, catalog print media and outlet stores decreased 1.1 percent, compared to initial guidance for Direct sales to be up low-single digits and a 5.0 percent increase last year. Sales in Direct continue to be impacted by softness in home categories, which represent a large portion of the Direct channel's volume.

### **First Quarter Earnings and April Sales**

During the Company's upcoming Analyst Meeting, management will address first quarter earnings expectations, reflecting trends in both the department store and Direct shopping channels.

Sales guidance for this year's April period reflects the impact from Easter shifting into the March period and an earlier Mother's Day on the fiscal calendar due to last year's 53<sup>rd</sup> week. Accordingly, the Company is guiding to flat sales for both comparable department stores and Direct for the four-week April period ending May 5, 2007. Last year, April comparable department store sales increased 2.6 percent and total Direct sales increased 1.5 percent.

## Preliminary March Sales Summary

(\$ in millions)

	Period ended		% Increase/(Decrease)			
	Apr. 7, 2007	Apr. 1, 2006	All Stores		Comp Stores	
			2007	2006	2007	2006
<u>5 Weeks</u>						
Department stores	\$ 1,443	\$ 1,274	13.3	(0.1)	10.6	(1.0)
Direct	271	274	(1.1)	5.0		
Total Company	<u>\$ 1,714</u>	<u>\$ 1,548</u>	10.7	0.7		
<u>9 Weeks</u>						
Department stores	\$ 2,554	\$ 2,367	7.9	1.7	5.7	0.7
Direct	475	484	(1.9)	5.0		
Total Company	<u>\$ 3,029</u>	<u>\$ 2,851</u>	6.2	2.3		

### **2007 JCPenney Analyst Meeting**

The Company will host an Analyst Meeting with senior management April 17 and 18, 2007 in Ft. Worth, Texas. The meeting will begin at approximately 1:00 pm on April 17, followed by a tour of one of the newest off-mall JCPenney stores and a reception with senior management. The meeting is expected to conclude by approximately 12:00 pm on April 18. For more information about the Analyst Meeting, or to register online, please visit the Company's investor relations website at [www.jcpenney.net](http://www.jcpenney.net).

Management presentations and Q & A sessions each day will be available in a listen-only mode through a real-time webcast, accessible via JCPenney's Investor Relations website at [jcpenney.net](http://jcpenney.net) or on StreetEvents.com (for members) and Earnings.com (for media and individual investors).

For individuals without access to the webcast, the meeting will also be available through a live conference call. To access the live conference call, please dial 973-935-2035 and reference the JCPenney Analyst Meeting Conference Call. The call will be archived for 90 days which can be accessed by calling 973-341-3080 -- the PIN for the April 17 replay is 8540216, and the PIN for the April 18 replay is 8540217.

Summary agenda (all times are central time)

**April 17, 2007**

12:00 to 1:00 p.m.	Registration and light lunch
1:00 to 5:00 p.m.	Senior Management Presentations and Q & A
5:30 to 8:00 p.m.	JCPenney Store Tour and Reception with Management

**April 18, 2007**

7:30 a.m.	Continental Breakfast
8:00 a.m. to 12:00 p.m.	Senior Management Presentations and Q & A
12:00 p.m.	Adjourn / Lunch

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

**For further information, contact:**

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**About JCPenney**

JCPenney is one of America's leading retailers, operating 1,039 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 2006 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, 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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