

it's **all** inside.



stores | catalog | .com

News Release

JCPENNEY REPORTS NOVEMBER SALES

Comparable Department Store Sales Increase 3.6 Percent

PLANO, Texas, Dec. 1, 2005 -- J. C. Penney Company, Inc. (NYSE:JCP) comparable department store sales increased 3.6 percent for the four weeks ended Nov. 26, 2005. Comparable store sales were at the upper end of previous guidance for a low-single digit increase, and come on top of a 12.2 percent increase in last year's November period. Total department store sales increased 4.3 percent in November. The best performing merchandise categories for the month were women's accessories, family shoes and home. Sales across all regions of the country were positive, with the best performance continuing to be in the southeast and west. Sales benefited from record after-Thanksgiving sales, with strong contributions across all merchandise categories and areas of the country.

Direct (catalog/Internet) sales increased 2.5 percent, which was above previous guidance for flat sales, and compares to a 4.1 percent decline in the November period last year. Sales for jcpenney.com increased approximately 23 percent in November and over 30 percent year-to-date.

December Sales Guidance

For the month of December, the company expects both comparable department store and Direct (catalog/Internet) sales to increase low-single digits. Comparable department store sales decreased 1.3 percent and Direct sales increased 6.7 percent in last year's December period.

Preliminary Sales Summary

(\$ in millions)

	Period ended		% Increase / (Decrease)			
			All Stores		Comp Stores	
	Nov. 26, 2005	Nov. 27, 2004 ⁽¹⁾	Nov. 26, 2005	Nov. 27, 2004	Nov.26, 2005	Nov. 27, 2004
<u>4 Weeks</u>						
Department stores	\$ 1,565	\$ 1,500	4.3	12.2	3.6	12.2
Direct	291	284	2.5	(4.1)		
Total Company	<u>\$ 1,856</u>	<u>\$ 1,784</u>	4.0	9.3		
<u>43 Weeks</u>						
Department stores	\$ 12,210	\$ 11,758	3.8	6.7	3.1	6.8
Direct	2,224	2,151	3.4	1.9		
Total Company	<u>\$ 14,434</u>	<u>\$ 13,909</u>	3.8	5.9		

(1) 2005 department store sales have reflected the accounting for a sales returns reserve on a monthly basis. Beginning with the October period, 2004 monthly sales are being shown on a comparable basis with 2005.

Earnings Guidance

While November sales were at the upper end of previous guidance, it remains early in the holiday selling period and the majority of fourth quarter sales and operating profit are attributable to December sales performance. Consequently, management is maintaining previously announced fourth quarter earnings guidance of approximately \$1.58 per share.

Capital Structure Repositioning Update

The company repurchased approximately 230,000 shares of common stock during the four weeks ended Nov. 26, 2005, completing the aggregate \$4.15 billion common stock repurchase programs authorized by its board of directors. Fiscal 2005 common stock repurchases totaled about 44.2 million shares for approximately \$2.2 billion dollars.

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

For further information, contact:

Investor Relations

Bob Johnson; (972) 431-2217; rjohnso@jcpenny.com

Ed Merritt; (972) 431-8167; emerritt@jcpenny.com

Media Relations

Darcie Brossart; (972) 431-4753; dbrossar@jcpenny.com

Quinton Crenshaw; (972) 431-5581; qcrensa@jcpenny.com

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 150,000 associates. As of October 29, 2005, J. C. Penney Corporation, Inc. operated 1,017 JCPenney department stores throughout the United States and Puerto Rico. JCPenney is the nation's largest catalog merchant of general merchandise, and jcpenney.com is one of the largest apparel and home furnishings sites on the Internet.

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 management, retail industry consolidations, acts of terrorism or war, and government activity. 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. In addition, non-GAAP terms referenced are defined and presented in the company's 2004 annual report on Form 10-K.

#