

# JCPenney Reports April Sales

## Comparable Department Store Sales Increase 5.3% Management Raises First Quarter Earnings Guidance

**PLANO, Texas, May 6, 2004** -- J. C. Penney Company, Inc. (NYSE:JCP) reported today that comparable department store sales increased 5.3 percent and catalog/Internet sales increased 0.6 percent for the four weeks ended May 1, 2004. Sales continue to reflect good performance in both fashion and basic merchandise. Internet sales continue to experience strong growth, increasing about 35 percent for the month and 45 percent for the quarter. Sales patterns for both department stores and catalog/Internet reflect an earlier Easter holiday which benefited the March period. On a combined basis, March and April comparable store sales increased 8.5 percent and catalog/Internet sales increased 5.9 percent.

The Company currently expects May sales for both comparable department stores and catalog/Internet to be up low single digits.

While results have not been finalized, operating profit is trending higher than previous guidance. Accordingly, management expects first quarter earnings in the range of \$0.30 to \$0.35 per share compared to the \$0.05 per share earned in last year's first quarter.

### Preliminary Sales Summary

(\$ in millions)

	Period ended		% Increase	
	May 1,2004	Apr. 26,2003	All Stores	Comparable Stores
<u>4 Weeks</u>				
Department stores	\$ 1,107	\$ 1,054	5.0	5.3

Catalog/Internet	176	175	0.6	
Total	\$ 1,283	\$ 1,229	4.4	
<u>13 Weeks</u>				
Department stores	\$ 3,410	\$ 3,124	9.2	9.5
Catalog/Internet	625	587	6.5	
Total	\$ 4,035	\$ 3,711	8.7	

*Discontinued Operations* – Eckerd drugstores comparable store sales decreased 4.0 percent for the four week April period, with pharmacy sales and front-end sales decreasing 0.4 percent and 12.0 percent, respectively. Total drugstore sales decreased 2.0 percent for the period. For the thirteen weeks ended May 1, 2004, comparable store sales decreased 3.2 percent and total drugstore sales decreased 1.2 percent.

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

***Monthly Sales Plan 972-431-5500***

First Quarter Earnings Conference Call

Senior management will host a live conference call and real-time webcast on May 18, 2004, beginning at 9:30 a.m. EDT. 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 **973-935-2035** and reference the JCPenney Quarterly Earnings Conference Call. The telephone playback will be available for two days beginning approximately two hours after the conclusion of the call by dialing **973-341-3080**, pin code **4323457**. The live webcast may be accessed via JCPenney's Investor Relations page (JCPenney.net), or on StreetEvents.com (for members) and FullDisclosure.com (for media and individual investors). Replays of the webcast will be available for up to 90 days after the event.

J. C. Penney Corporation, Inc., the wholly-owned operating subsidiary of J. C. Penney Company, Inc., (the "Company") is one of America's largest department store, catalog, and e-commerce retailers, employing approximately 150,000 associates. As of May 1, 2004, J. C. Penney Corporation, Inc. operated 1,021

JCPenney department stores throughout the United States and Puerto Rico, and 59 Renner department stores in Brazil. JCPenney Catalog, including e-commerce, 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. J. C. Penney Corporation, Inc. is a contributor to JCPenney Afterschool Fund, a charitable organization committed to providing children with high quality after school programs to help them reach their full potential.

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, and government activity. Investors should take such risks into account when making investment decisions.