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News Release

JCPENNEY FEBRUARY COMPARABLE STORE SALES INCREASE 6.1 PERCENT

Catalog/Internet Sales Increase 6.4 Percent

PLANO, Texas, March 3, 2005 -- J. C. Penney Company, Inc. (NYSE:JCP) comparable department store sales increased 6.1 percent for the four weeks ending February 26, 2005, on top of a 12.1 percent increase in last year's February period. Sales of spring apparel and seasonal products exceeded expectations with good customer response to Valentine's and Presidents Day events. Catalog/Internet sales increased 6.4 percent on top of an 8.0 percent increase last year. The Internet component of sales continues to experience strong growth, increasing nearly 35 percent for the month.

For the month of March, the company expects comparable department stores to be up low-to-mid single digits and catalog/Internet sales to be flat to up slightly. Sales expectations reflect the shift of Easter into this year's March period. In last year's March period, comparable department store sales increased 11.4 percent and catalog/Internet sales increased 9.7 percent.

Capital Structure Repositioning Update

On March 1, 2005, the put option on the company's \$400 million 7.4% Debentures due 2037 expired, and as expected, virtually all of the debentures were extended. As a result, approximately \$400 million previously targeted for the exercise of the put option is expected to be reallocated to other capital structure repositioning actions. The majority of the \$400 million targeted for the put option exercise is expected to be used for open-market repurchases of debt, with the balance allocated to common stock repurchases.

As noted in the fourth quarter earnings release, the company's Board of Directors is considering a new common stock repurchase program in 2005 of at least \$600 million. The final size of the program will take into consideration additional common stock repurchases resulting from the extension of the debentures.

Preliminary Sales Summary

(\$ in millions)

	Period ended		% Increase	
	Feb. 26, 2005	Feb. 28, 2004	All Stores	Comparable Stores
4 Weeks				
Department stores	\$ 1,078	\$ 1,011	6.6	6.1
Catalog/Internet	200	188	6.4	
Total Company	\$ 1,278	\$ 1,199	6.6	

Sales Conference Call Recording (8:00 a.m. Eastern)

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 150,000 associates. As of January 29, 2005, J. C. Penney Corporation, Inc. operated 1,017 JCPenney department stores throughout the United States and Puerto Rico, and 62 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, changes in management, 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.

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