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News Release

JCPENNEY FEBRUARY COMPARABLE STORE SALES INCREASE 2.3 PERCENT

Direct Sales Increase 4.5 Percent

PLANO, Texas, March 2, 2006 -- J. C. Penney Company, Inc. (NYSE:JCP) comparable department store sales increased 2.3 percent for the four weeks ended Feb. 25, 2006, and total department store sales increased 3.6 percent. Comparable store sales exceeded previous guidance for sales to be flat to up slightly, and compare with a sales increase of 5.9 percent in last year's February period. The western and southeastern regions of the country continue to outpace the company average, with the best divisional performance coming from fine jewelry, family shoes and home. Additionally, sales reflect a positive customer response to new brand launches, including a.n.a, Miss Bisou, Studio, Solitude and Rule by Steve Madden.

Direct sales increased 4.5 percent during the period, better than previous guidance for sales to be flat to up slightly. The sales increase comes on top of a 6.4 percent increase in the February period last year. Internet sales through www.jcp.com continue to represent the fastest growing sales channel and increased about 24 percent in February.

March Sales Guidance

For the month of March, the company expects both comparable department store and Direct sales to increase low single digits, and reflect the shift of Easter into this year's April period from March last year. In last year's March period, comparable department store sales decreased 0.4 percent and Direct sales were flat.

Preliminary February Sales Summary

(\$ in millions)

	Period ended		% Increase			
	Feb. 25, 2006	Feb. 26, 2005	All Stores		Comp Stores	
			2006	2005	2006	2005
<u>4 Weeks</u>						
Department stores	\$ 1,093	\$ 1,055	3.6	6.3	2.3	5.9
Direct	209	200	4.5	6.4		
Total Company	\$ 1,302	\$ 1,255	3.7	6.4		

The JCPenney Experience to Debut on Times Square

On March 3, 2006, JCPenney will open the "JCPenney Experience" store, a showcase for its private and exclusive brands, at One Times Square (42nd Street and Broadway) in New York City. Visitors from around the world will find an exclusive assortment from the spring collections of the company's private and exclusive brands such as: The Original Arizona Jean Co.; nicole by Nicole Miller; Bisou Bisou by Michele Bohbot; nick(it) by Nick Graham; Solitude by Shaun Tomson; and Chris Madden for the JCPenney Home Collection, among many, many more. Shoppers will be able to buy merchandise in the store at interactive kiosks, which feature more than 250,000 skus available on www.jcp.com. The opening of this virtual store coincides with JCPenney's exclusive retail sponsorship, for the fifth year in a row, of the Academy Awards telecast airing on March 5. The company's three-week Broadway stay will run through March 26.

April Analyst Meeting

The company will host its 2006 analyst meeting on April 18 and 19, at its Home Office, located at 6501 Legacy Drive, Plano, Texas. The meeting will provide an update on the company's Long Range Plan and the progress it has made in its mission to become the retailer of choice for Middle America, driving JCPenney to a position of leadership in the retail industry. Meetings will commence at 1 p.m. on April 18, followed by a reception with senior management planned for that evening. The meeting will adjourn at 1 p.m. on April 19, when participants will have an opportunity to attend an optional store tour. This year JCPenney has made online registration available for attendees, which can now be accessed through the company's investor relations website at www.jcpenney.net.

Sales Conference Call Recording (8:00 a.m. ET) – (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 Jan. 28, 2006, J. C. Penney Corporation, Inc. operated 1,019 JCPenney department stores throughout the United States and Puerto Rico. JCPenney is the nation's largest catalog merchant of general merchandise, and jcp.com is one of the largest apparel and home furnishings sites on the Internet. JCPenney refers to the catalog/Internet business as Direct.

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, changes in credit card payment terms, 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.

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