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News Release

JCPENNEY JANUARY COMPARABLE STORE SALES INCREASE 3.6 PERCENT

Internet Sales Through jcp.com Increase 23.5 Percent

PLANO, Texas, Feb. 8, 2007 -- J. C. Penney Company, Inc. (NYSE:JCP) comparable department store sales increased 3.6 percent for the four weeks ended Jan. 27, 2007, above initial expectations for a low-single digit increase and compared with a 2.5 percent gain last year. Total department store sales increased 5.5 percent for the four weeks. Including this year's 53rd week, total department store sales increased 28.4 percent for the five weeks ended Feb. 3, 2007. The best sales performances for the month were in the apparel areas, which reflected favorable sell through of spring merchandise as well as strong demand for cold weather apparel and accessories. Geographically, all regions of the country generated positive sales results.

Internet sales through www.jcp.com increased 23.5 percent for the four-week January period, on top of a 28 percent increase last year. Total Direct sales which includes internet, catalog print media and outlet stores, decreased 1.5 percent for the four-week period and was in-line with guidance for sales to be down slightly. Last year, Direct increased 4.3 percent. Including this year's 53rd week, total Direct sales increased 24.0 percent for the five week period. Sales increases in women's, men's and children's apparel were offset by continued softness in home.

February Sales Guidance

For February, comparable department store sales are expected to increase low-single digits and Direct sales are expected to decrease slightly versus last year. In last year's February period, comparable department store and Direct sales increased 2.3 percent and 4.5 percent, respectively.

Throughout 2007, the Company will report sales which reflect a calendar shift related to the 53rd week in 2006 (e.g., February 2007 will compare the four weeks ended March 3, 2007 against the

four weeks ended Feb. 25, 2006). Comparing against a 53-week year will result in calendar shifts impacting certain monthly comparisons, primarily in the back half of the year. These calendar shifts will be incorporated and referenced in monthly sales guidance in 2007.

Preliminary January Sales Summary
(\$ in millions)

	Period Ended			Excluding the 53 rd Week % Increase/(Decrease)		Comparable Stores 2005
	Feb. 03,	Jan. 28,	%	Total Sales	Comparable Stores	
	2007	2006	Increase	2006 ^(a)	2006	
<u>5 Weeks</u>						
Department stores	\$ 1,153	\$ 898	28.4	5.5	3.6	2.5
Direct	243	196	24.0	(1.5)		
Total Company	<u>\$ 1,396</u>	<u>\$ 1,094</u>	27.6	4.2		
<u>14 Weeks</u>						
Department stores	\$ 5,722	\$ 5,299	8.0	4.1	2.2	2.6
Direct	944	904	4.4	(1.2)		
Total Company	<u>\$ 6,666</u>	<u>\$ 6,203</u>	7.5	3.3		
<u>53 Weeks</u>						
Department stores	\$ 16,950	\$15,943	6.3	5.0	3.7	2.9
Direct	2,955	2,838	4.1	2.4		
Total Company	<u>\$ 19,905</u>	<u>\$18,781</u>	6.0	4.6		

(a) This year's 53rd week accounted for sales (in millions) of \$206 and \$50 for department stores and Direct, respectively.

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

Fourth Quarter Earnings Conference Call

Senior management will host a live conference call and real-time web cast, Feb. 22, 2007, beginning at 9:30 a.m. ET. 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 6939850. The live web cast may be accessed via JCPenney's Investor Relations page at www.jcpenny.net, or on www.streetevents.com (for members) and www.earnings.com (for media and individual investors). Replays of the webcast will be available for up to 90 days after the event.

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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 151,000 associates. As of Feb. 3, 2007, J. C. Penney Corporation, Inc. operated 1,033 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 Internet/catalog 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, 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. In addition, non-GAAP terms referenced are defined and presented in the Company's most recent annual report on Form 10-K.

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