

it'sallinside:



jcp.com

# News Release

## **JCPENNEY REPORTS MARCH SALES**

**Department Store Sales Flat, Direct Sales Increase 5.0 Percent**

**Company Reaffirms First Quarter Earnings Guidance**

**PLANO, Texas, April 6, 2006** -- J. C. Penney Company, Inc. (NYSE:JCP) total department store sales were flat with last year for the five weeks ended April 1, 2006. Comparable department store sales decreased 1.0 percent compared to a 0.4 percent decline in last year's March period. Sales were below initial guidance for a low single digit comparable store increase, reflecting a later Easter spending pattern than originally anticipated, due to the three-week shift of the Easter holiday into mid-April 2006. The western region of the country continues to generate the strongest sales results, with the best divisional performance coming from home, family shoes and fine jewelry.

Direct sales increased 5.0 percent during the period, surpassing initial guidance for a low single digit increase. Sales results reflect improved performance in both print media and Internet. The sales increase compares to flat sales in the March period last year. Internet sales through [jcp.com](http://jcp.com) continue to represent the Company's fastest growing sales channel, increasing about 25.0 percent in March.

### **April Sales Guidance and First Quarter Earnings**

For the month of April, the Company expects comparable department store sales to increase low single digits and Direct sales to be flat to up slightly. In last year's April period, comparable department store and Direct sales increased 3.5 percent and 12.5 percent, respectively. The Company continues to be comfortable with its initial guidance for first quarter earnings from continuing operations to be in the area of \$0.80 per share, based on results through the nine weeks ended April 1, 2006.

## Preliminary March Sales Summary

(\$ in millions)

	Period ended		% Increase/Decrease			
			All Stores		Comp Stores	
	Apr. 01, 2006	Apr. 02, 2005	2006	2005	2006	2005
<u>5 Weeks</u>						
Department stores	\$ 1,274	\$ 1,276	(0.1)	0.4	(1.0)	(0.4)
Direct	274	261	5.0	0.0		
Total Company	\$ 1,548	\$ 1,537	0.7	0.4		
<u>9 Weeks</u>						
Department stores	\$ 2,367	\$ 2,327	1.7	2.8	0.7	2.4
Direct	484	461	5.0	2.7		
Total Company	\$ 2,851	\$ 2,788	2.3	2.8		

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

### 2006 JCPenney Analyst Meeting

The Company will host its 2006 Analyst Meeting on April 18th and 19th, 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. For more information about the Analyst Meeting, or to register online, please visit the Company's investor relations website at [www.jcpenney.net](http://www.jcpenney.net) or [click here](#) to go to the registration site.

#### For further information, contact:

##### Investor Relations

Bob Johnson; (972) 431-2217; [rvjohnso@jcpenney.com](mailto:rvjohnso@jcpenney.com)

Ed Merritt; (972) 431-8167; [emerritt@jcpenney.com](mailto:emerritt@jcpenney.com)

##### Media Relations

Darcie Brossart; (972) 431-3400; [dbrossar@jcpenney.com](mailto:dbrossar@jcpenney.com)

Quinton Crenshaw; (972) 431-3400; [qcrenscha@jcpenney.com](mailto:qcrenscha@jcpenney.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 151,000 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 most recent annual report on Form 10-K.

# # #