

JCPenney Reports May Sales

Comparable Department Store Sales Increase 9.1%

PLANO, Texas, June 3, 2004 -- J. C. Penney Company, Inc. (NYSE:JCP) reported today that comparable department store sales increased 9.1 percent for the four weeks ended May 29, 2004. Sales reflected strength in both fashion and basic merchandise throughout the month, particularly during Mother's Day events. Catalog/Internet sales were even with last year, with Internet continuing to experience strong growth, increasing over 35 percent for the month. The Company is pleased with the early response to its Chris Madden line of home décor and furnishings launched in early May. This merchandise is currently available in most department stores and on the Internet and will be in catalog print media beginning in late June.

For June, the Company currently expects comparable department store sales to be up low single digits and catalog/Internet sales to be about flat.

The Company is pleased with its results in May, particularly since last May represented the first positive sales increase of 2003. However, it is early in the quarter, and there continue to be concerns over the impact that higher energy prices and other external issues may have on the consumer. Accordingly, the Company is maintaining its earnings guidance in the area of six cents per share for the second quarter compared to a three cent loss in last year's period.

Preliminary Sales Summary

(\$ in millions)

	Period ended		% Increase	
	May 29, 2004	May 24, 2003	All Stores	Comparable Stores
<u>4 Weeks</u>				
Department stores	\$ 1,042	\$ 956	9.0	9.1
Catalog/Internet	179	179	0.0	
Total	\$ 1,221	\$ 1,135	7.6	
<u>17 Weeks</u>				
Department stores	\$ 4,451	\$ 4,080	9.1	9.4
Catalog/Internet	804	766	5.0	
Total	\$ 5,255	\$ 4,846	8.4	

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

Monthly Sales Plan 972-431-5500

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.