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News Release

JCPENNEY REPORTS NOVEMBER SALES

Comparable Store Sales Increase 1.4 Percent, Internet Sales Increase 17.5 Percent

PLANO, Texas, Nov. 30, 2006 -- J. C. Penney Company, Inc. (NYSE:JCP) comparable department store sales increased 1.4 percent for the four weeks ended Nov. 25, 2006, in line with initial expectations for a low-single digit increase and compared with a 3.6 percent gain last year. Total department store sales increased 3.3 percent for the four weeks. The best sales performances for the month were in fine and fashion jewelry, children's and selected home categories. The Company saw a positive early response to its "redbox gifts" program and products such as home entertainment, team sports and trim-a-tree. Geographically, the best performance continues to be in the west and southeast regions of the country.

Internet sales through www.jcp.com increased 17.5 percent in November, on top of a 23 percent increase last year. Including print and outlet stores, Direct sales decreased 0.3 percent for the period compared with initial guidance for a low-single digit increase and a 2.5 percent increase last year. The best performing categories in Direct were women's apparel, hard home and shoes.

December Sales and Fourth Quarter Earnings Outlook

For December, both comparable department store and Direct sales are expected to increase low single digits for the five week period ending Dec. 30, 2006. In last year's December period, comparable department store and Direct sales increased 2.2 percent and 4.3 percent, respectively. Management is reaffirming its previous earnings per share guidance for the fourth quarter.

JCPenney, through stores, jcp.com and catalog, is the one-stop destination for all customers' needs this holiday season. With the new "redbox gifts" program highlighting a wide selection of the best gifts to give and get for holiday 2006, at smart prices, JCPenney once again

demonstrates its leadership as America's gift headquarters with unique and innovative merchandise for a full range of ages, lifestyles and budgets.

Preliminary November Sales Summary
(\$ in millions)

	Period ended		% Increase /(Decrease)			
			All Stores		Comp Stores	
	Nov. 25, 2006	Nov. 26, 2005	2006	2005	2006	2005
<u>4 Weeks</u>						
Department stores	\$ 1,616	\$ 1,565	3.3	4.3	1.4	3.6
Direct	290	291	(0.3)	2.5		
Total Company	\$ 1,906	\$ 1,856	2.7	4.0		
<u>43 Weeks</u>						
Department stores	\$ 12,844	\$ 12,210	5.2	3.8	4.0	3.1
Direct	2,301	2,224	3.5	3.4		
Total Company	\$ 15,145	\$ 14,434	4.9	3.8		

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 151,000 associates. As of Oct. 28, 2006, J. C. Penney Corporation, Inc. operated 1,037 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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