JCPenney News Release

CONTACT
Quinton Crenshaw	Tim Lyons	Eli Akresh	Bob Johnson
Public Relations	Public Relations	Investor Relations	Investor Relations
(972) 431-5581	(972) 431-4834	(972) 431-2207	(972) 431-2217
qcrensha@jcpenney.com	tmlyons@jcpenney.com	eakresh@jcpenney.com	rvjohnso@jcpenney.com

JCPENNEY REPORTS SEPTEMBER SALES

Department Store and Catalog/Internet Sales on Plan
Third Quarter Earnings Tracking at the High End of Guidance

PLANO, Texas, October 7, 2004 -- J. C. Penney Company, Inc. (NYSE:JCP) reported today that comparable Department Store sales increased 2.0 percent for the five weeks ended October 2, 2004. Catalog/Internet sales increased 3.3 percent, with Internet increasing nearly 30 percent for the period. The Company estimates that the hurricanes that devastated Florida and parts of the southeastern United States negatively impacted both Department Store and Catalog/Internet sales by approximately 1.5 to 2.0 percentage points. In addition, sales were impacted to some extent by record-high energy prices.

The Company expects flat to low-single digit increases for both comparable Department Store and Catalog/Internet sales for October. This outlook factors in recent softness in the consumer environment, particularly in the central part of the country.

Through the first nine weeks of the third quarter, earnings are tracking at the high end of the Company's previously announced earnings range, reflecting strong gross margin performance and an improved Catalog/Internet profit contribution.

As of October 6, 2004, the Company has repurchased 19.8 million shares of its common stock in open market transactions, or approximately 25 percent of its announced share repurchase program. In addition, the Company has retired approximately $1 billion of debt year to date and announced that it expects to call its $650 million of 5% Convertible Notes at the end of October.

Preliminary Sales Summary
($ in millions)

	Period ended		% Increase	
	Oct. 2, 2004	Sep. 27, 2003	All Stores	Comparable Stores
5 Weeks				
Department stores	$ 1,255	$ 1,229	2.1	2.0
Catalog/Internet	253	245	3.3	
Total	$ 1,508	$ 1,474	2.3	
9 Weeks				
Department stores	$ 2,601	$ 2,523	3.1	3.0
Catalog/Internet	448	428	4.7	
Total	$ 3,049	$ 2,951	3.3	
35 Weeks				
Department stores	$ 9,313	$ 8,731	6.7	6.8
Catalog/Internet	1,625	1,576	3.1	
Total	$ 10,938	$ 10,307	6.1	

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 the Company, is one of America's largest department store, catalog, and e-commerce retailers, employing approximately 150,000 associates. As of July 31, 2004, J. C. Penney Corporation, Inc. operated 1,018 JCPenney department stores throughout the United States and Puerto Rico, and 60 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. Any non-GAAP terms referenced, such as EBITDA and free cash flow, are defined and presented in the Company's 2003 Annual Report on Form 10-K.