



## JCPENNEY REPORTS SEPTEMBER SALES

### Company Raises Third Quarter Earnings Guidance

**PLANO, Texas, Oct. 8, 2009** -- J. C. Penney Company, Inc. (NYSE:JCP) reported comparable store sales for the five-week period ended Oct. 3, 2009, and raised its earnings guidance for the third quarter. Comparable store sales in September decreased 1.4 percent, better than the Company's guidance for sales to decrease 3 to 6 percent. In last year's September period, comparable store sales decreased 12.4 percent. Total Company sales in September decreased 0.6 percent.

Women's apparel was again a top performing merchandise division in September, along with shoes and children's apparel, while fine jewelry continued to experience weaker sales. The southwest region was the best performing region in September with positive low single-digit comparable store sales. The northwest region had the softest sales during the month.

The Company completed its 2009 new store expansion program during the September period with the opening of three new stores. The Company also opened 12 Sephora inside JCPenney locations, bringing the total number of SiJCP locations to 155.

### Preliminary September Sales Summary

(\$ in millions)

	Total Company Sales for period ended		% Increase/(Decrease)			
	Oct. 03, 2009	Oct. 04, 2008	Total Sales		Comp Stores	
			2009	2008	2009	2008
<u>5 Weeks</u>	\$ 1,438	\$ 1,446	(0.6)	(10.9)	(1.4)	(12.4)
<u>9 Weeks</u>	\$ 2,866	\$ 2,959	(3.1)	(7.1)	(4.8)	(8.6)
<u>35 Weeks</u>	\$ 10,693	\$ 11,368	(5.9)	(4.7)	(7.5)	(6.6)

## **October Sales Outlook and Updated Third Quarter Earnings Guidance**

Management's guidance for the four-week period ending Oct. 31, 2009, is for a 5 to 8 percent decrease in comparable store sales, compared to a 13.0 percent decrease in last year's October period. Based on better than expected gross margin improvement during the first two months of the quarter, management now expects to report third quarter earnings of \$0.03 to \$0.10 per share compared to previous guidance for earnings to be in the range of a loss of \$0.05 to earnings of \$0.05 per share.

## ***Sales Conference Call Recording (8:30 a.m. ET) -- (877) 793-7778***

### **For further information, contact:**

#### Investor Relations

Phil Sanchez; (972) 431-5575; [psanc3@jcpenny.com](mailto:psanc3@jcpenny.com)

Kristin Hays; (972) 431-1261; [klhays@jcpenny.com](mailto:klhays@jcpenny.com)

#### Media Relations

Darcie Brossart (972) 431-3400;

[jpcorpcomm@jcpenny.com](mailto:jpcorpcomm@jcpenny.com)

#### Corporate Website

[www.jcpenny.net](http://www.jcpenny.net)

## **About JCPenney**

JCPenney is one of America's leading retailers, operating 1,109 department stores throughout the United States and Puerto Rico, as well as one of the largest apparel and home furnishing sites on the Internet, [jcp.com](http://jcp.com), and the nation's largest general merchandise catalog business. Through these integrated channels, JCPenney offers a wide array of national, private and exclusive brands which reflect the Company's commitment to providing customers with style and quality at a smart price. Traded as "JCP" on the New York Stock Exchange, the Company posted revenue of \$18.5 billion in 2008 and is executing its strategic plan to be the growth leader in the retail industry. Key to this strategy is JCPenney's "Every Day Matters" brand positioning, intended to generate deeper, more emotionally driven relationships with customers by fully engaging the Company's approximately 150,000 Associates to offer encouragement, provide ideas and inspire customers every time they shop with JCPenney.

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, general economic conditions, including inflation, recession, unemployment levels, consumer spending patterns, credit availability and debt levels, changes in store traffic trends, the cost of goods, trade restrictions, changes in tariff, freight, paper and postal rates, changes in the cost of fuel and other energy and transportation costs, increases in wage and benefit costs, competition and retail industry consolidations, interest rate fluctuations, dollar and other currency valuations, risks associated with war, an act of terrorism or pandemic, and a systems failure and/or security breach that results in the theft, transfer or unauthorized disclosure of customer, employee or Company information. 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.

###