

## **J. C. PENNEY COMPANY, INC. REPORTS HOLIDAY UPDATE AND PLANS TO DELIVER POSITIVE FREE CASH FLOW IN FISCAL 2015**

### **Comparable store sales up 3.9% for the combined November/December period**

**PLANO, Texas – (Jan. 7, 2016)** – J. C. Penney Company, Inc. (NYSE: JCP) today announced that its comparable store sales for the combined nine-week November and December period resulted in a 3.9 percent increase over the same period last year, which equates to a 7.6 percent two-year stack of comparable store sales for the same time period. The Company also reaffirmed its full-year adjusted EBITDA target of \$645 million and plans to generate positive free cash flow in fiscal 2015.

“Despite unprecedented warm weather that significantly affected apparel sales across the Company, our focus on private brands, enhanced omnichannel execution and compelling gift giving selection resulted in strong holiday sales. I am especially pleased with the accelerated comp sales improvement from November to December, including record online sales for the Company during the holiday season,” said Marvin R. Ellison, chief executive officer of JCPenney.

“Although we have much work to do, our strengthened omnichannel capabilities enabled our supply chain network to process millions of jcp.com orders this season, supported by 250 stores across the country that helped fulfill online orders using in-store inventory. With this level of selection, we saw more online customers take advantage of our in-store pick up option available at over 1,000 JCPenney stores nationwide. We look forward to capitalizing on this digital progress through 2016,” Ellison added.

The Company will report its fourth quarter and fiscal 2015 results on Feb. 26.

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(972)431-3400 or [jcpnews@jcp.com](mailto:jcpnews@jcp.com)

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#### **About JCPenney**

J. C. Penney Company, Inc. (NYSE: JCP), one of the nation’s largest apparel and home furnishing retailers, is dedicated to fitting the diversity of America with unparalleled style, quality and value. Across approximately 1,020 stores and at [jcpenney.com](http://jcpenney.com), customers will discover a broad assortment of national, private and exclusive brands to fit all shapes, sizes, occasions and budgets. For more information, please visit [jcpenney.com](http://jcpenney.com).

#### **Forward-Looking Statements**

This release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "expect" and similar expressions identify forward-looking statements, which include, but are not limited to, statements regarding sales, gross margin, selling, general and administrative expenses, earnings and cash flows. Forward-looking statements are based only on the Company's current assumptions and views of future events and financial performance. They

are subject to known and unknown risks and uncertainties, many of which are outside of the Company's control 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 confidence and spending patterns, credit availability and debt levels, changes in store traffic trends, the cost of goods, more stringent or costly payment terms and/or the decision by a significant number of vendors not to sell us merchandise on a timely basis or at all, trade restrictions, the ability to monetize non-core assets on acceptable terms, the ability to implement our strategic plan including our omnichannel initiatives, customer acceptance of our strategies, our ability to attract, motivate and retain key executives and other associates, the impact of cost reduction initiatives, our ability to generate or maintain liquidity, implementation of new systems and platforms including EMV chip technology, changes in tariff, freight and shipping rates, changes in the cost of fuel and other energy and transportation costs, disruptions and congestion at ports through which we import goods, increases in wage and benefit costs, competition and retail industry consolidations, interest rate fluctuations, dollar and other currency valuations, the impact of weather conditions, risks associated with war, an act of terrorism or pandemic, the ability of the federal government to fund and conduct its operations, a systems failure and/or security breach that results in the theft, transfer or unauthorized disclosure of customer, employee or Company information, legal and regulatory proceedings and the Company's ability to access the debt or equity markets on favorable terms or at all. There can be no assurances that the Company will achieve expected results, and actual results may be materially less than expectations. Please refer to the Company's most recent Form 10-Q for a further discussion of risks and uncertainties. Investors should take such risks into account and should not rely on forward-looking statements when making investment decisions. Any forward-looking statement made by us in this press release is based only on information currently available to us and speaks only as of the date on which it is made. We do not undertake to update these forward-looking statements as of any future date.

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