

JCPenney Provides Holiday Sales Performance Update

Company delivers a 3.4% comp sales increase for the combined nine-week period ending December 30, 2017; reaffirms full-year financial guidance

PLANO, Texas – (Jan. 4, 2018) – J. C. Penney Company, Inc. (NYSE: JCP) announced today that its comparable store sales for the combined nine-week period ending December 30, 2017 increased 3.4 % over the same period last year. The Company also reaffirmed all components of its most recent full-year financial guidance for fiscal 2017.

"We are very encouraged with our overall comp sales performance during the holiday season, which was led by home, beauty and fine jewelry. Additionally, our apparel categories continue to demonstrate improved comp performance, particularly in women's and kids. We are also pleased by our e-commerce business that continues to outpace prior year results with double-digit sales growth, largely driven by sought-after gifting categories such as fine jewelry, home decor and luggage, toys, boots and athletic footwear. Our ability to execute e-commerce fulfillment from 100% of our brick and mortar stores helped fuel the growth in e-commerce for the holiday season. We remain confident that our strategic initiatives are taking hold and resonating with customers," said Marvin R. Ellison, chairman and chief executive officer of JCPenney.

"As we close out fiscal 2017, we remain committed to operating the business for growth, while providing our customers more reasons to shop and experience everything JCPenney has to offer. We look forward to sharing more details about our 2017 fourth quarter performance and full year results as well as our fiscal 2018 expectations during our earnings call planned for March 2nd," added Ellison.

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About JCPenney:

J. C. Penney Company, Inc. (NYSE: JCP), one of the nation's largest apparel and home furnishings retailers, combines an expansive footprint of approximately 875 stores across the United States and Puerto Rico with a powerful e-commerce site, jcp.com, to connect with shoppers how, when and where they prefer to shop. At every customer touchpoint, she will get her Penney's worth of a broad assortment of products from an extensive portfolio of private, exclusive and national brands. Powering this shopping experience is the customer service and warrior spirit of over 100,000 associates across the globe, all driving toward the Company's three strategic priorities of strengthening private brands, becoming a world-class omnichannel retailer and increasing revenue per customer. For additional information, please visit jcp.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, cost of goods sold, selling, general and administrative expenses,

earnings, cash flows and interest expense. 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, 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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