

JCPenney news release

JCPenney Announces Paydown of Take-Back Term Loan and Refinancing of ABL and FILO Facilities

Transaction reduces JCPenney's outstanding indebtedness and meaningfully improves terms of ABL and FILO facilities

LEWISVILLE, Texas (Dec. 16, 2021) – JCPenney announced today that it paid off its \$506 million take-back term loan on Dec. 1, 2021. The Company used its strong existing liquidity position to reduce its debt and save interest as the business continues its transformation.

The take-back term loan was held by JCPenney's DIP and First Lien lenders following the Company's restructuring in 2020. Following this refinancing, JCPenney will have reduced its debt outstanding from \$800 million to \$500 million and will have approximately \$1.8 billion available liquidity.

JCPenney also completed a refinancing of its ABL and FILO facilities on Dec. 16, 2021. The newly refinanced ABL and FILO facilities will mature on Dec. 16, 2026, and have improved availability, pricing, and other favorable terms relative to the prior facilities. The ABL facility, which was led by Wells Fargo and PNC, will consist of a \$1.75 billion ABL credit facility and \$160 million term loan. The \$340 million FILO facility was led by Pathlight Capital.

"The paydown of our outstanding term loan and refinancing of our ABL and FILO facilities is a testament to JCPenney's results over the last year and represents further strengthening of our balance sheet," said Stanley Shashoua, executive chairman.

"Our continued impressive liquidity position leaves us with strong financial flexibility to accelerate business growth as we continue to evolve while delivering affordable fashion and a great shopping experience for American families," said Marc Rosen, chief executive officer.

###

About JCPenney

JCPenney proudly serves customers at more than 650 stores across the United States and Puerto Rico and at the Company's flagship store, jcp.com. JCPenney is one of the nation's largest retailers of apparel, home, jewelry, and beauty merchandise with a growing portfolio of private and national brands. Guided by the Golden Rule, JCPenney employs more than 50,000 associates worldwide and has served customers for over 119 years, playing a vital role in the communities it serves. For additional information, please visit jcp.com and follow JCPenney on [Facebook](#), [Instagram](#), and [Twitter](#).

Media Contacts

Melissa Seekely, Manager, Corporate Communications
jcpnews@jcp.com