

JCPenney Announces Share Repurchase Program and Dividend Increase

PLANO, Texas--(BUSINESS WIRE)--

J. C. Penney Company, Inc. (NYSE:JCP) announced that its Board of Directors has approved a new \$400 million common stock repurchase program. The Company expects to complete the repurchase program through open market purchases of shares of its common stock by the end of fiscal 2007. Shares acquired through this program are expected to essentially offset new shares issued in connection with the exercise of employee stock options. The impact of the new repurchase program was anticipated in the Company's initial guidance for full year 2007 earnings per share from continuing operations provided in conjunction with its fourth quarter earnings release.

In addition, the Company announced that its Board of Directors declared a quarterly dividend on its common stock of \$0.20 per share, an increase of 11 percent from the Company's current quarterly dividend. The dividend is payable May 1, 2007, to Company stockholders of record at the close of business on April 10, 2007.

"The Company is pleased to announce our new common stock repurchase program and a dividend increase at the same time that we are accelerating our growth initiatives," said Myron E. (Mike) Ullman, III, chairman and chief executive officer. "These two programs continue our efforts to enhance shareholder value and come on top of the \$750 million share repurchase program completed in 2006, as well as the 44 percent dividend increase instituted last year. At our Analyst Meeting in mid-April, we will outline our new Long-Range Plan strategies, which we are confident will position our Company for growth leadership."

About JCPenney

JCPenney is one of America's leading retailers, operating 1,033 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, 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 \$19.9 billion in 2006 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 155,000 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, competition, consumer demand, seasonality, economic conditions, including the price and availability of oil and natural gas, changes in interest rates, changes in management, retail industry consolidations, government activity, and acts of terrorism or war. 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.

Source: J. C. Penney Company, Inc.