

JCPENNEY ANNOUNCES PLANS TO RETIRE \$500 MILLION ASSET-BASED TERM LOAN

Plans to upsize Asset-Based Revolving Credit Facility and reduce annual interest payments by approximately \$20 million; Overall Facility Size Remains Unchanged at \$2.35 Billion

PLANO, Texas – (Nov 16, 2015) – J. C. Penney Company, Inc. (NYSE: JCP) announced today that it has received \$500 million of incremental bank commitments to increase the size of the Revolving Line of Credit under its existing Senior Secured Asset-Based Credit Facility (“ABL”) to \$2.35 billion from \$1.85 billion. In connection with upsizing the revolving credit facility, the Company also intends to prepay and retire the outstanding principal amount of its \$500 million Term Loan previously issued under the ABL, which is scheduled to mature in June 2019. The Company expects to close these transactions in December.

The Company expects that retirement of the ABL Term Loan will reduce interest expense by approximately \$20 million annually, beginning in 2016. The \$2.35 billion ABL revolving line of credit, which will also mature in June 2019, will remain available for seasonal working capital needs and general corporate purposes.

Marvin Ellison, chief executive officer, said, “We proactively pursued this transaction to reduce our long-term debt and ongoing interest expense and to further enhance our financial flexibility while maintaining our strong liquidity position as we continue to make progress on our goal of \$1.2 billion in EBITDA by 2017.”

The arrangement and syndication of the revolving credit facility increase will be co-led by Wells Fargo, J.P. Morgan, Barclays, Bank of America Merrill Lynch, Citizens Bank, Regions Bank and HSBC.

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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 jcpenny.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 jcpenny.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 the ABL, interest expense and earnings. 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, 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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