

J. C. Penney Announces Successful Early Tender Offer Results

PLANO, Texas (May 22, 2017) -- J. C. Penney Company, Inc. (NYSE: JCP) (the “Company”) and J. C. Penney Corporation, Inc., a wholly owned subsidiary of the Company (together with the Company, “J. C. Penney”), announced that, pursuant to J. C. Penney’s previously announced cash tender offers (collectively, the “Tender Offers”) with respect to the securities described in the table below (collectively, the “Securities”), the principal amounts of Securities that were validly tendered and not validly withdrawn on or before 5:00 p.m., New York City time, on May 19, 2017 (the “Early Tender Date”), according to information provided by D.F. King & Co., Inc., the tender agent for the Tender Offers, and the principal amounts of Securities to be accepted for purchase by J. C. Penney in accordance with the terms of the Tender Offers, are as set forth in the table below. Because the withdrawal deadline relating to the Tender Offers expired at 5:00 p.m., New York City time, on May 19, 2017, these Securities, as well as any subsequently tendered Securities, may not be withdrawn.

The terms and conditions of the Tender Offers are described in detail in the Offer to Purchase, dated as of May 8, 2017 (the “Offer to Purchase”), and the accompanying Letter of Transmittal (together, the “Offer Documents”). Holders are encouraged to read the Offer Documents carefully.

| Title of Security | CUSIP Number | Principal Amount Outstanding | Tender Cap | Acceptance Priority Level | Principal Amount Tendered | Percentage of Outstanding Amount Tendered | Principal Amount to be Accepted for Purchase |
|------------------------------|--------------|------------------------------|--------------|---------------------------|---------------------------|---|--|
| 5.75% Senior Notes due 2018 | 708130AB5 | \$265,000,000 | \$75,000,000 | 1 | \$183,679,000 | 69.31% | \$75,000,000 |
| 8.125% Senior Notes due 2019 | 708160CA2 | \$400,000,000 | N/A | 2 | \$336,914,000 | 84.23% | \$225,000,000 |

Holders of Securities who validly tendered (and did not validly withdraw) their Securities on or before the Early Tender Date are eligible to receive, for each \$1,000 principal amount of Securities, (i) \$1,030.00 for the 5.75% Senior Notes due 2018 and (ii) \$1,122.50 for the 8.125% Senior Notes due 2019, which in each case includes an early tender premium of \$30 per \$1,000 principal amount of Securities tendered by such holders that are accepted for purchase. Holders whose Securities are accepted for purchase pursuant to the Tender Offers will also receive accrued and unpaid interest on such purchased Securities from the last interest payment date for such series of Securities up to, but not including, the settlement date for such series of Securities. Payment for Securities accepted for purchase pursuant to the Tender Offers will be made on the settlement date, which is expected to be today, May 22, 2017.

Acceptance of Securities for purchase in the Tender Offers is subject to acceptance priorities, maximum tender amounts and proration, all as described in the Offer to Purchase. All Securities that were tendered for purchase prior to the Early Tender Date will have priority over any

Securities that are tendered for purchase after the Early Tender Date. Accordingly, as the aggregate principal amount of Securities tendered for purchase prior to the Early Tender Date exceeds the Maximum Tender Amount (as defined in the Offer to Purchase), no Securities tendered for purchase after the Early Tender Date will be accepted for purchase. Securities not accepted for purchase, including Securities not accepted because of proration, will be returned promptly.

Barclays Capital Inc. is acting as dealer manager for the Tender Offers. Questions regarding the Tender Offers may be directed to Barclays Capital Inc. at (800) 438-3242 (toll-free) or (212) 528-7581 (collect).

D.F. King & Co., Inc. is acting as tender and information agent for the Tender Offers. Requests for copies of the Offer Documents may be directed to D.F. King & Co., Inc. at (212) 269-5550 (banks and brokers), (800) 357-9167 (toll-free) or email at jcp@dfking.com.

This press release is for informational purposes only and does not constitute an offer to purchase or the solicitation of an offer to sell any Securities. The Tender Offers are not being made in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction. No recommendation is made as to whether or not holders of Securities should tender their Securities pursuant to the applicable Tender Offer. The Tender Offers are being made solely pursuant to the Offer Documents, which more fully set forth and govern the terms and conditions of the Tender Offers. The Offer Documents contain important information and should be read carefully before any decision is made with respect to the Tender Offers.

Forward-Looking Statements

This press release may contain forward-looking statements, which reflect the Company's current view of future events and financial performance. Words such as "expect" and similar expressions identify forward-looking statements, which include, but are not limited to, statements regarding the Tender Offers, the timing thereof and the conditions thereto. 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. While the Company believes that its assumptions are reasonable, the Company cautions that it is impossible to predict the degree to which any such factors could cause actual results to differ materially from predicted results. The Company intends the forward-looking statements in this press release to speak only as of the date of this press release and does not undertake to update or revise these forward-looking statements as more information becomes available.