



**J.C. Penney Company, Inc.****JCP NYSE****Retail - Department Stores**

Market Capitalization USD:

\$5,712.59 mm**CONCERN LEVEL: AVERAGE**

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap. 
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance.
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: Ron Johnson**Age: 53****CEO Since: 2011**

	2009	2010	2011
Base Salary	\$1,500,000	\$1,500,000	\$1,489,583
Discretionary Bonus	\$0	\$0	\$0
Annual Cash Incentive	\$3,534,375	\$2,562,656	\$1,875,000
Benefits and Perquisites	\$382,865	\$237,937	\$15,339,521
TOTAL ANNUAL COMPENSATION	\$5,417,240	\$4,300,593	\$18,704,104
Increase in Post-Retirement Benefits	\$491,050	\$814,287	\$857,205
Stock Option Awards	\$1,599,997	\$1,599,999	\$3,600,006
Stock Awards	\$1,280,757	\$6,399,990	\$11,400,007
TOTAL COMPENSATION	\$8,789,044	\$13,114,869	\$34,561,322
Median of Other Named Executive Officers Total Compensation	\$2,664,525	\$2,402,630	\$37,893,898
Value Realized on Exercise of Stock Option	\$0	\$0	\$0
Value Realized on Vesting of Stock	\$1,808,708	\$542,837	\$47,080,304
TOTAL REALIZED EQUITY COMPENSATION	\$1,808,708	\$542,837	\$47,080,304

Proxy Date: 28 Mar 2012

Annual Meeting Date: 18 May 2012

Equity Reserves: 13.31%

Stock Option Run Rate: 1.16%

J.C. Penney Company, Inc.

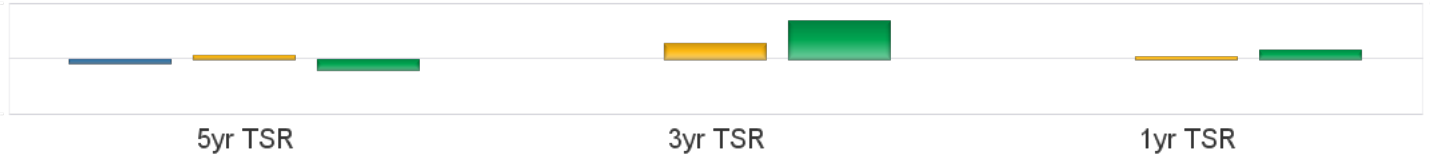
JCP NYSE

Retail - Department Stores

Market Capitalization USD: \$5,712.59 mm

Performance Comparison

■ S&P500 ■ Industry ■ JCP



Peer Comparisons (TRBC) =Retail - Department Stores

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
JCP	J.C. Penney Company, Inc.	\$8,789,044	\$13,114,869	\$34,561,322	\$5,712,594,499
KSS	Kohl's Corporation	\$9,037,962	\$6,653,669	\$9,422,443	\$13,229,445,718
M	Macy's, Inc.	\$16,092,487	\$14,902,592	\$17,650,702	\$11,241,626,135
JWN	Nordstrom, Inc.	\$4,340,209	\$5,951,085	\$5,995,829	\$9,712,040,605
SHLD	Sears Holdings Corporation	\$1,513,400	\$5,320,870	\$9,932,924	\$6,149,000,624
BIG	Big Lots, Inc.	\$9,786,526	\$13,394,075		\$2,283,186,295
DDS	Dillard's, Inc.	\$4,911,882	\$4,054,760	\$11,796,843	\$2,237,842,379

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

Best Buy Co., Inc., Macy's, Inc., Target Corp., Gap, Inc., Marriott International, Inc., TJX Companies, Inc. (The), General Mills, Inc., Nike, Inc., Walt Disney Co., Kimberly-Clark Corp., Nordstrom, Inc., YUM! Brands, Inc., Kohl's Corp., Pepsico, Inc., Limited Brands, Inc., Sears Holdings Corp., Lowe's Companies, Inc., Staples, Inc.

Performance Peer Group

NA

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Burl Osborne	Chairman	74	Male	9	Outside
Colleen C. Barrett	Member	67	Female	8	Outside
Geraldine B. Lavbourne	Member	64	Female	3	Outside
R. Gerald Turner	Member	66	Male	17	Outside Related
William A. Ackman	Member	45	Male	1	Outside Related