UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

October 20, 2020
Date of Report (date of earliest event reported)

J. C. PENNEY COMPANY, INC.
(Exact name of registrant as specified in its charter)

Delaware	1-15274	26-0037077
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

6501 Legacy Drive **Plano, Texas**	**75024-3698**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: (972) 431-1000

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 7.01. Regulation FD.

As previously reported, on May 15, 2020, J. C. Penney Company, Inc. (“J. C. Penney” or the “Company”) and certain of its subsidiaries (together with the Company, the “Debtors”) commenced voluntary cases under chapter 11 of title 11 of the United States Code (the “Chapter 11 Cases”) in the United States Bankruptcy Court for the Southern District of Texas (the “Bankruptcy Court”). Prior to the commencement of the Chapter 11 Cases, on May 15, 2020, the Company and its subsidiaries (together with the Company, the “Company Parties”) entered into a Restructuring Support Agreement (together with all exhibits and schedules thereto, and as amended to date, the “RSA”) with members of an ad hoc group of lenders and noteholders (the “Ad Hoc Group”).

Also as previously reported, on September 10, 2020, the Company entered into a non-binding letter-of-intent (“LOI”) with the Ad Hoc Group, Simon Property Group (“Simon”) and Brookfield Property Group (“Brookfield”) that is generally consistent with the framework of the restructuring process contemplated in the RSA. The parties to the LOI have been, and continue to be, in discussions regarding the transactions contemplated by the LOI.

On October 20, 2020, the Company will file with the Bankruptcy Court a draft asset purchase agreement (the “draft APA”), which was prepared with the other parties to the LOI and which generally tracks the terms of the LOI, to sell substantially all of the Company Parties’ assets. The Company and the other parties to the LOI are working to conclude negotiations and enter into a final asset purchase agreement. Key terms of the draft APA are as follows: (i) Simon and Brookfield will acquire substantially all of the Company Parties’ retail and operating assets (“OpCo”) through a combination of cash and new term loan debt; (ii) separate newly-formed property holding companies (“PropCo”), to be owned by the lenders under the Company’s Superpriority Senior Secured Debtor-In-Possession Credit and Guaranty Agreement and the other holders of the Debtors’ first lien debt, will be formed and will hold 160 of the Company Parties’ real estate assets and all of their owned distribution centers; and (iii) OpCo and PropCo will enter into master leases with respect to the properties and distribution centers moved into PropCo. A copy of the draft APA will be available at a website maintained by the Debtors’ claim agent, Prime Clerk, at http://www.cases.primeclerk.com/JCPenney. The draft APA is non-binding and provides no guarantee that a transaction will be completed. The terms of any potential transaction are subject to definitive documentation that must be agreed upon by all parties and subsequently approved by the Bankruptcy Court.

To facilitate discussions with the Ad Hoc Group during the negotiations relating to the draft APA, and in connection with discussions with certain other lenders, noteholders and other creditors, the Company provided such persons with certain non-public information subject to confidentiality agreements (collectively, the “NDAs”). Pursuant to the NDAs, the Company agreed to publicly disclose certain information (the “Cleansing Material”) upon the occurrence of certain events set forth in the NDAs. A copy of the Cleansing Material is attached to this Current Report on Form 8-K as Exhibit 99.1.

The Cleansing Material was not prepared with a view toward public disclosure and should not be relied upon to make an investment decision with respect to J. C. Penney. The Cleansing Material should not be regarded as an indication that the Company Parties or any third party consider the Cleansing Material to be a reliable prediction of future events, and the Cleansing Material should not be relied upon as such. The Cleansing Material includes certain values for illustrative purposes only and such values are not the result of, and do not represent, actual valuations, estimates, forecasts or projections of the Company Parties or any third party and should not be relied upon as such. Neither the Company Parties nor any third party has made or makes any representation to any person regarding the accuracy of any Cleansing Material or undertakes any obligation to publicly update the Cleansing Material to reflect circumstances existing after the date when the Cleansing Material was prepared or conveyed or to reflect the occurrence of future events, even in the event that any or all of the assumptions underlying the Cleansing Material are shown to be in error.

The information disclosed in this Item 7.01, including Exhibit 99.1, is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such a filing.

Additional Information on the Chapter 11 Cases

Court filings and information about the Chapter 11 Cases can be found at a website maintained by the Debtors’ claim agent, Prime Clerk, at http://www.cases.primeclerk.com/JCPenney.

Cautionary Statement Regarding Forward-Looking Information

The Company has included statements in this Current Report on Form 8-K that may constitute 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. 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, risks attendant to the bankruptcy process, including the Company's ability to obtain court approval from the Bankruptcy Court with respect to motions or other requests made to the Bankruptcy Court throughout the course of the Chapter 11 Cases; the ability of the Company to negotiate, develop, confirm and consummate a plan of reorganization; the effects of the Chapter 11 Cases, including increased legal and other professional costs necessary to execute the Company's reorganization, on the Company's liquidity (including the availability of operating capital during the pendency of the Chapter 11 Cases), results of operations or business prospects; the effects of the Chapter 11 Cases on the interests of various constituents; the length of time that the Company will operate under Chapter 11 protection; risks associated with third-party motions in the Chapter 11 Cases; Bankruptcy Court rulings in the Chapter 11 Cases and the outcome of the Chapter 11 Cases in general; conditions to which any debtor-in-possession financing is subject and the risk that these conditions may not be satisfied for various reasons, including for reasons outside the Company's control; the ability of the parties to the LOI to consummate the transactions contemplated therein; 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 the Company merchandise on a timely basis or at all; trade restrictions; the ability to monetize non-core assets on acceptable terms; the ability to implement the Company's strategic plan, including its omnichannel initiatives; customer acceptance of the Company's strategies; the Company's ability to attract, motivate and retain key executives and other associates; the impact of cost reduction initiatives; the Company's 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 the Company imports 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; the Company's ability to access the debt or equity markets on favorable terms or at all; risks arising from the delisting of the Company's common stock from the New York Stock Exchange; and the impact of natural disasters, public health crises or other catastrophic events on the Company's financial results, in particular as the Company manages its business through the COVID-19 pandemic and the resulting restrictions and uncertainties in the general economic and business environment. Please refer to the Company's Annual Report on Form 10-K for the year ended February 1, 2020, and Quarterly Reports on Form 10-Q filed subsequently thereto, for a further discussion of risks and uncertainties. There can be no assurances that the Company will achieve expected results, and actual results may be materially less than expectations. 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 the Company in this Current Report on Form 8-K is based only on information currently available to it and speaks only as of the date on which such statement is made. The Company does not undertake to update these forward-looking statements as of any future date.

Item 9.01. Financial Statements and Exhibits.

(d)	Exhibit 99.1	Cleansing Material
	Exhibit 104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

J. C. PENNEY COMPANY, INC.

By: /s/ Bill Wafford
Bill Wafford
Executive Vice President, Chief Financial Officer

Date: October 20, 2020

Exhibit 99.1

Variance Report
(US $ MMs)

Variance Report(1)		1 Week From: 4-Oct to 10-Oct				4 Weeks From: 13-Sep to 10-Oct			
	Week Beginning / Week(s) Ending	Budget 4-Oct 10-Oct	Actual 4-Oct 10-Oct	Budget $	Variance %	Budget 13-Sep 10-Oct	Actual 13-Sep 10-Oct	Budget $	Variance %
Net Sales		*$ 134.6*	*$ 126.9*	*$ (7.7)*	*-5.7%*	*$ 488.0*	*$ 511.2*	*$ 23.2*	*4.7%*
Collections & Disbursements									
Cash Receipts									
1 Sales Receipts		$ 136.4	$ 142.6	$ 6.3	4.6%	$ 514.6	$ 574.6	$ 60.0	11.7%
2 Other Receipts		2.5	6.7	4.1	161.5%	95.6	86.0	(9.6)	-10.0%
Total Collections		**$ 138.9**	**$ 149.3**	**$ 10.4**	**7.5%**	**$ 610.2**	**$ 660.7**	**$ 50.4**	**8.3%**
Operating Disbursements									
3 Domestic Merchandise Vendor		$ (53.4)	$ (56.7)	$ (3.3)	-6.2%	$(216.0)	$(273.0)	$ (57.0)	-26.4%
4 Import Merchandise Vendor		(26.6)	(23.1)	3.6	13.3%	(201.6)	(108.3)	93.4	46.3%
5 Sales, Use, and Other Taxes		(1.4)	(2.8)	(1.3)	-91.0%	(43.6)	(36.7)	6.9	15.9%
6 Freight, Duty, and Broker		(9.1)	(7.0)	2.1	23.3%	(48.7)	(32.8)	15.9	32.6%
7 Payroll and Benefits		(16.8)	(19.2)	(2.4)	-14.5%	(126.6)	(108.2)	18.4	14.5%
8 Occupancy		(18.9)	(6.9)	12.1	63.8%	(54.4)	(45.4)	9.0	16.5%
9 Non-Marketing Operating (NFR)		(15.0)	(15.9)	(0.9)	-5.7%	(58.0)	(77.8)	(19.8)	-34.1%
10 Marketing		(3.0)	(6.7)	(3.6)	-119.3%	(12.8)	(20.5)	(7.6)	-59.5%
11 Other		—	(0.1)	(0.1)	0.0%	—	(0.6)	(0.6)	0.0%
Total Operating Disbursements		**$(144.3)**	**$(138.2)**	**$ 6.1**	**4.2%**	**$(761.8)**	**$(703.3)**	**$ 58.5**	**7.7%**
Non-Operating Disbursements									
12 Debt Service and Fees		$ (0.5)	$ (22.2)	$(21.7)	-4341.0%	$ (31.3)	$ (34.5)	$ (3.1)	-10.0%
13 Restructuring Professionals		(1.2)	(2.9)	(1.7)	-142.5%	(17.6)	(9.9)	7.7	43.8%
14 Other Non-Operating		(0.5)	(0.0)	0.5	92.8%	(5.7)	(4.6)	1.0	18.3%
Total Non-Operating Disbursements		**$ (2.2)**	**$ (25.1)**	**$(22.9)**	**-1034.9%**	**$ (54.6)**	**$ (49.0)**	**$ 5.6**	**10.3%**
Net Cash Flow		**$ (7.6)**	**$ (14.0)**	**$ (6.4)**	**84.2%**	**$(206.2)**	**$ (91.6)**	**$114.6**	**55.6%**

Notes:

(1) This variance report reflects measurements against the Third Updated DIP Budget

Covenant Testing
($ MMs)

Variance Report(1) Cash Flow Tests		Test %	4 Weeks From: 13-Sep to 10-Oct Budget 13-Sep 10-Oct	Actual 13-Sep 10-Oct	Variance to Budget %	Threshold Test
1) Actual Receipts						**Test**
1	Sales Receipts	85.0%	$ 514.6	$ 574.6		
2	Other Receipts	85.0%	95.6	86.0		
Total Receipts		85.0%	**$ 610.2**	**$ 660.7**	**108.3%**	**Pass**
2) Actual Disbs. to Merchandise Vendors						**Test**
3	Domestic Merchandise Vendor	110.0%	$(216.0)	$(273.0)		
4	Import Merchandise Vendor	110.0%	(201.6)	(108.3)		
Total Merchandise Vendor Disbursements		110.0%	**$(417.6)**	**$(381.2)**	**91.3%**	**Pass**
3) Actual Disbursements (excl. Pro Fees)						
3	Domestic Merchandise Vendor	112.5%	$(216.0)	$(273.0)		
4	Import Merchandise Vendor	112.5%	(201.6)	(108.3)		
5	Sales, Use, and Other Taxes	112.5%	(43.6)	(36.7)		
6	Freight, Duty, and Broker	112.5%	(48.7)	(32.8)		
7	Payroll and Benefits	112.5%	(126.6)	(108.2)		
8	Occupancy	112.5%	(54.4)	(45.4)		
9	Non-Marketing Operating (NFR)	112.5%	(58.0)	(77.8)		
10	Marketing	112.5%	(12.8)	(20.5)		
11	Other	112.5%	—	(0.6)		
Operating Disbursements			$(761.8)	$(703.3)		
10	Debt Service and Fees	112.5%	(31.3)	(34.5)		**Test**
11	Other Non-Operating	112.5%	(5.7)	(4.6)		
Non-Operating Disbursements			$ (37.0)	$ (39.1)		
Total Disbursements (excl. Pro Fees)		**112.5%**	**$(798.8)**	**$(742.4)**	**92.9%**	**Pass**

Notes:

(1) This variance report reflects measurements against the Third Updated DIP Budget

Covenant Testing
(US $ MMs)

Variance Report(1) Cash Flow Tests	Test%	Third Updated DIP Budget 19-Sep	26-Sep	3-Oct	10-Oct	Total	Actuals Weekly Build Up 19-Sep	26-Sep	3-Oct	10-Oct	Total
1) Actual Receipts											
1 Sales Receipts	85.0%	$ 129.5	$ 125.6	$ 123.1	$ 136.4	$ 514.6	$ 141.5	$ 139.5	$ 151.1	$ 142.6	$ 574.6
2 Other Receipts	85.0%	1.3	91.1	0.7	2.5	95.6	3.6	73.9	1.8	6.7	86.0
Total Receipts	85.0%	**$ 130.8**	**$ 216.7**	**$ 123.8**	**$ 138.9**	**$ 610.2**	**$ 145.1**	**$ 213.4**	**$ 152.9**	**$ 149.3**	**$ 660.7**
2) Actual Disbs. to Merchandise Vendors											
3 Domestic Merchandise Vendor	110.0%	$ (40.3)	$ (42.2)	$ (80.1)	$ (53.4)	$(216.0)	$ (79.3)	$ (68.6)	$ (68.3)	$ (56.7)	$(273.0)
4 Import Merchandise Vendor	110.0%	(60.8)	(68.7)	(45.6)	(26.6)	(201.6)	(27.2)	(28.6)	(29.3)	(23.1)	(108.3)
Total Merchandise Vendor Disbursements	110.0%	**$(101.1)**	**$(110.8)**	**$(125.7)**	**$ (80.0)**	**$(417.6)**	**$(106.6)**	**$ (97.2)**	**$ (97.7)**	**$ (79.7)**	**$(381.2)**
3) Actual Disbursements (excl. Pro Fees)											
3 Domestic Merchandise Vendor	112.5%	$ (40.3)	$ (42.2)	$ (80.1)	$ (53.4)	$(216.0)	$ (79.3)	$ (68.6)	$ (68.3)	$ (56.7)	$(273.0)
4 Import Merchandise Vendor	112.5%	(60.8)	(68.7)	(45.6)	(26.6)	(201.6)	(27.2)	(28.6)	(29.3)	(23.1)	(108.3)
5 Sales, Use, and Other Taxes	112.5%	(18.5)	(19.1)	(4.5)	(1.4)	(43.6)	(20.7)	(12.7)	(0.6)	(2.8)	(36.7)
6 Freight, Duty, and Broker	112.5%	(9.2)	(22.1)	(8.3)	(9.1)	(48.7)	(5.0)	(14.5)	(6.4)	(7.0)	(32.8)
7 Payroll and Benefits	112.5%	(42.9)	(17.0)	(50.0)	(16.8)	(126.6)	(30.5)	(20.2)	(38.3)	(19.2)	(108.2)
8 Occupancy	112.5%	(7.5)	(13.1)	(14.9)	(18.9)	(54.4)	(7.0)	(16.0)	(15.6)	(6.9)	(45.4)
9 Non-Marketing Operating (NFR)	112.5%	(10.7)	(22.6)	(9.7)	(15.0)	(58.0)	(18.1)	(21.3)	(22.5)	(15.9)	(77.8)
10 Marketing	112.5%	(3.7)	(3.0)	(3.1)	(3.0)	(12.8)	(4.6)	(6.1)	(3.1)	(6.7)	(20.5)
11 Other	112.5%	—	—	—	—	—	(0.4)	(0.1)	(0.1)	(0.1)	(0.6)
Operating Disbursements		$(193.5)	$(207.7)	$(216.3)	$(144.3)	$(761.8)	$(192.7)	$(188.2)	$(184.2)	$(138.2)	$(703.3)
10 Debt Service and Fees	112.5%	(0.5)	(0.5)	(29.8)	(0.5)	(31.3)	(0.5)	(0.5)	(11.2)	(22.2)	(34.5)
11 Other Non-Operating	112.5%	(1.7)	(1.7)	(1.7)	(0.5)	(5.7)	(3.8)	(0.2)	(0.5)	(0.0)	(4.6)
Non-Operating Disbursements		$ (2.2)	$ (2.2)	$ (31.5)	$ (1.0)	$ (37.0)	$ (4.4)	$ (0.7)	$ (11.7)	$ (22.2)	$ (39.1)
Total Disbursements (excl. Pro Fees)	**112.5%**	**$(195.7)**	**$(209.9)**	**$(247.8)**	**$(145.3)**	**$(798.8)**	**$(197.1)**	**$(188.9)**	**$(195.9)**	**$(160.4)**	**$(742.4)**

Notes:

(1) This variance report reflects measurements against the Third Updated DIP Budget

Book Cash Report
(USD $)

Consolidated Book Cash Accounts			**Book Cash Balance 10-Oct-20**
Debtor Accounts			
1	Short Term Investment	$	607,177,270
2	Escrows		12,536,828
3	International (incl. non-Debtors)		15,615,428
4	Store Accounts		3,686,740
5	Other Operating Accounts		268,274,795
6	Other Domestic non-Debtor Accounts		4,841,878
7	Cash on Hand (In Stores)		25,925,441
8	Cash In Transit		33,841,721
Total Holdings and Subsidiaries Book Cash		**$**	**971,900,101**
	Test Threshold	*$*	*50,000,000*
	Minimum Required Book Cash		**Pass**

ABL Borrowing Base
As of October 10, 2020

A.	Available Credit Card Receivables	$ 34,305,462	
B.	Available Inventory	$1,404,728,698	
C.	Availability Reserves	$ 140,640,236	
D.	Borrowing Base (A+B-C)	$1,298,393,923	
	Lower of:		
	Borrowing Base	$1,298,393,923	
	Revolving Commitment	$2,350,000,000	
E.			$ 1,298,393,923
	Revolving Credit Outstandings:		
	Revolving Loans	$1,262,972,284	
	Standby Letters of Credit	$ 137,035,059	
	Commercial Letters of Credit	$ 0	
F.	Total Revolving Credit Outstandings		$ 1,400,007,343
G.	Facility Availability (E-F)		- $ 101,613,419
H.	Minimum Excess Availability (7.5% of E up to $200,000,000)		$ 97,379,544
I.	Facility Availability After Minimum Excess Availability Covenant (G-H)		- $ 198,992,963

Summary of Wind Down Budget
As of October 16, 2020 (unless otherwise stated)
(US$ in 000's)

Description	**Estimated Amount**	**Estimated Reserve Cash Cost**
SAP Claims/Unsecured Claims/Cure Amounts (1)(7)	**Estimated Claim**	
Total Estimated Cure Amounts	$ 57,025	$ 57,025
Secured Claims		
DIP	900,000	—
ABL	1,255,816	—
First Lien	469,261	—
Second Lien	400,000	—
Other Secured	1,666,805	TBD
Filed Unsecured Claims	2,844,360	TBD
Total Claims / Cure Amounts	**$ 7,593,267**	**$ 57,025**
Potential Excluded Liabilities - Net Working Capital (2)(3)(7)	**GAAP Liability as of 9/5 TB**	
Total Potential Excluded Liabilities - NWC	**$ 201,752**	**TBD**
Potential Excluded Liabilities - Long Term Liabilities (2)(3)(7)	**GAAP Liability as of 9/5 TB**	
Total Potential Excluded Liabilities - LTL	**$ 124,081**	**TBD**
Estate Costs (3)(4)(7)(8)	**Estimated Cost**	
Total Estate Costs	**$ 60,534**	**$ 60,534**

Footnotes:

(1) All swap costs, accrued interest, accrued fees, and secured debt are assumed to have been settled at emergence and not included within the wind down budget herein.
(2) These balances represent the GAAP liability from the 9/5 trial balance. Currently assessing the impact of cash vs. book GAAP accounting, which made materially change amounts.
(3) Where noted TBD, the estimated reserve cash cost is currently unknown, if any, until the finalization of the Asset Purchase Agreement.
(4) Assumes all costs of keeping PropCo properties along with employee leasing arrangements will be fully covered by OpCo.
(7) Governmental Bar Date is November 12th and could materially change the asserted amount of the claims. Additionally, further estimation necessary for taxes that may not be subject to bar date or be reflected in GAAP accrual.
(8) To the extent PropCo emergence occurs after January 2021, additional state income taxes could arise.

Lease Restructuring Savings Summary

	Store Count	FY 2020 Savings	FY 2021 Savings	FY 2022 Savings	FY 2023+ Savings	Total Term Reduction Savings	Total Rent Abatement	Total Rent Deferral	Total Debtor Cure	Total Cure Waiver	Total Cure Deferral	Total Deal Savings (not incl. Cure)
Approved - JCP & Lenders	160	$34,218,238	$25,034,248	$20,828,782	$35,193,209	$ 0	$16,116,562	$ 0	$4,378,855	$4,269,675	$ 0	$115,274,477
Approved by Company	22	$ 5,142,851	$ 4,141,845	$ 3,593,825	$ 6,327,727	$ 0	$ 2,557,918	$ 0	$ 628,263	$ 628,264	$ 0	$ 19,206,248
Pending Approval by Company	1	—	—	—	—	—	—	—	—	—	—	—
Negotiations Ongoing	266	—	—	—	—	—	—	—	—	—	—	—
No Deal Possible	0	—	—	—	—	—	—	—	—	—	—	—
TOTALS (Approved & Submitted)	**182**	**$39,361,090**	**$29,176,093**	**$24,422,607**	**$41,520,935**	**$ 0**	**$18,674,480**	**$ 0**	**$5,007,118**	**$4,897,939**	**$ 0**	**$134,480,725**

Forecasted Performance Summary

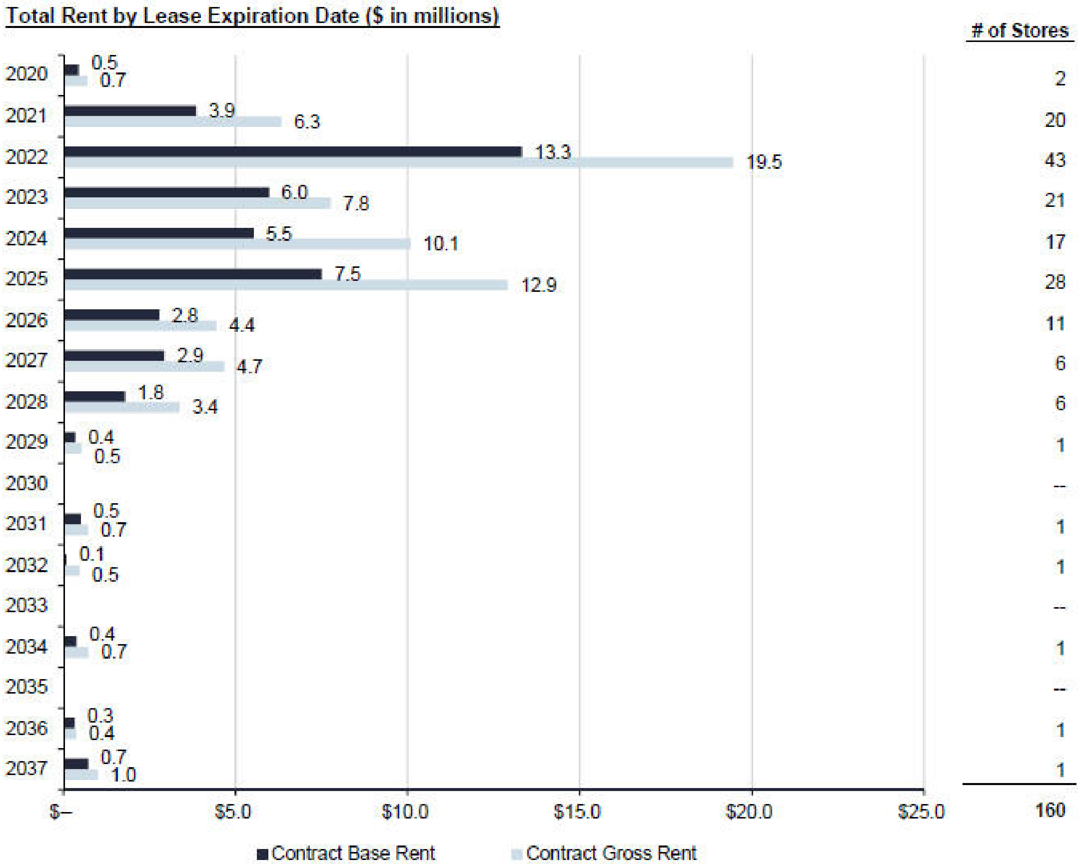
	Store Count	FY 2020 Sales	FY 2021 Sales	FY 2022 Sales	FY 2020 Unallocated Store Contribution Profit	FY 2021 Unallocated Store Contribution Profit	FY 2022 Unallocated Store Contribution Profit	FY 2020 Unallocated Store Contribution Margin (Mean)	FY 2020 Unallocated Store Contribution Margin (Median)	FY 2021 Unallocated Store Contribution Margin (Mean)	FY 2021 Unallocated Store Contribution Margin (Median)
Approved - Lease Restructuring Approved by Company and Lenders	160	$892,356,637	$1,447,780,749	$1,444,365,692	-$ 19,313,632	$119,195,324	$176,220,250	-2.04%	-1.76%	7.79%	8.83%
Approved - Lease Restructuring Approved by Company Only	22	$142,706,260	$ 237,132,903	$ 241,804,767	-$ 756,232	$ 22,697,934	$ 31,792,812	-0.93%	0.12%	9.35%	9.64%

Forecasted Performance with Lease Restructuring Summary

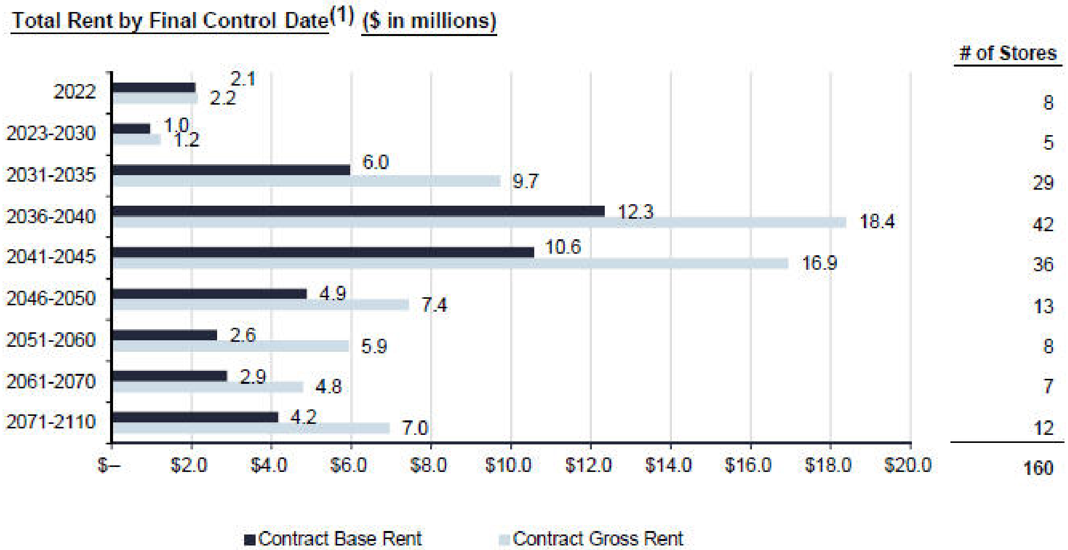
	Store Count	FY 2020 Sales	FY 2021 Sales	FY 2022 Sales	FY 2020 Unallocated Store Contribution Profit	FY 2021 Unallocated Store Contribution Profit	FY 2022 Unallocated Store Contribution Profit	FY 2020 Unallocated Store Contribution Margin (Mean)	FY 2020 Unallocated Store Contribution Margin (Median)	FY 2021 Unallocated Store Contribution Margin (Mean)	FY 2021 Unallocated Store Contribution Margin (Median)
Approved - Lease Restructuring Approved by Company and Lenders	160	$892,356,637	$1,447,780,749	$1,444,365,692	$ 14,904,606	$144,229,572	$197,049,032	1.92%	2.00%	10.51%	10.27%
Approved - Lease Restructuring Approved by Company Only	22	$142,706,260	$ 237,132,903	$ 241,804,767	$ 4,386,619	$ 26,839,779	$ 35,386,637	2.96%	2.61%	11.35%	11.15%

Note: Tables above reflect information as of October 13, 2020

SUMMARY - LEASE RESTRUCTURINGS APPROVED BY COMPANY AND LENDERS
(AS OF OCTOBER 13, 2020)

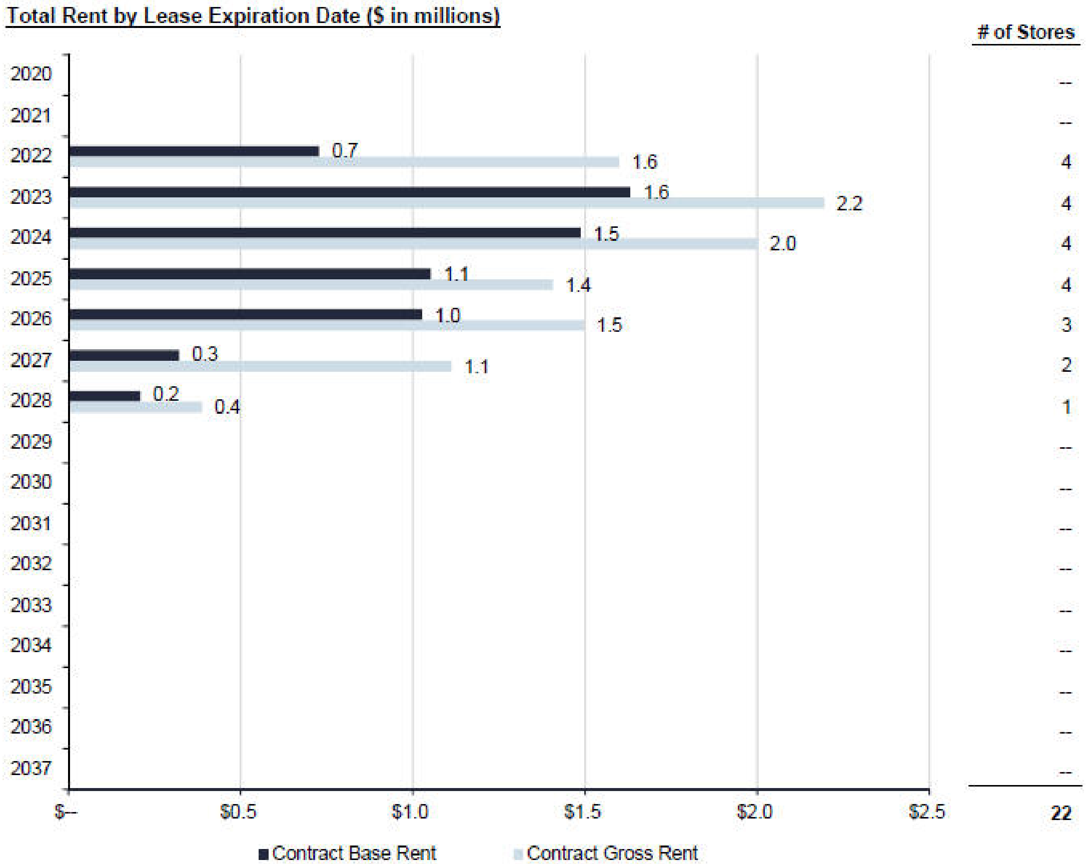


SUMMARY - LEASE RESTRUCTURINGS APPROVED BY COMPANY AND LENDERS
(AS OF OCTOBER 13, 2020)

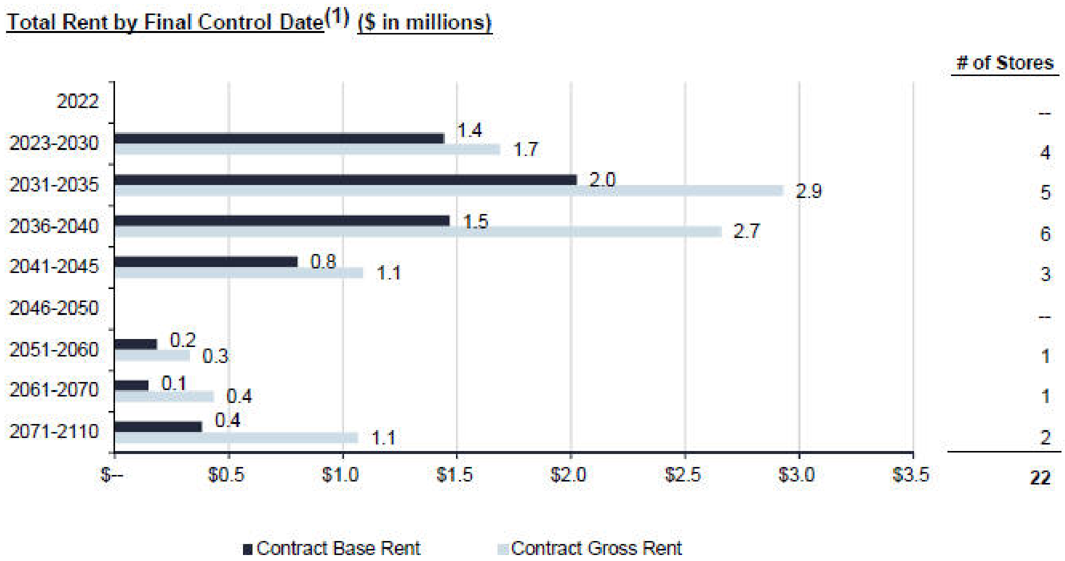


(1) Final Control Date represents exercise of all available extension options.

SUMMARY - LEASE RESTRUCTURINGS APPROVED BY COMPANY ONLY
(AS OF OCTOBER 13, 2020)



SUMMARY - LEASE RESTRUCTURINGS APPROVED BY COMPANY ONLY
(AS OF OCTOBER 13, 2020)



(1) Final Control Date represents exercise of all available extension options.

Top Suppliers for the Fiscal Year Ended February 1, 2020
(Measured by Dollar Volume of Purchases)

	Fiscal Year Ended February 1, 2020 Spend ($USD)
1. Merchandise Supplier - National Brand Apparel and Footwear	329,957,424
2. Service Provider - Marketing	216,378,390
3. Service Provider - Freight and Shipping	207,025,578
4. Merchandise Supplier – National Brand Apparel	193,015,132
5. Service Provider – Freight and Shipping	148,591,542
6. Service Provider – Instore Services	94,476,695
7. Service Provider – Marketing	87,918,316
8. Merchandise Supplier – Private Brand Apparel	73,451,234
9. Merchandise Supplier – National Brand Apparel	68,256,781
10. Service Provider - Marketing	66,438,684
Top 11-20 Suppliers	529,968,386

Letters of Credit

Beneficiary / Category	Letters of Credit Balances As of October 3, 2020 in US$	Expiration
Insurance	$ 114,255,313	Various dates between February 2021 and June 2021
Utility Support	$ 1,398,427	Various dates between October 2020 and May 2021
Vendor Support	$ 21,527,719	Various dates between October 2020 and April 2021
Total	$ 137,181,459	Various dates between October 2020 and June 2021

DRAFT - SUBJECT TO CHANGE
CONSIGNMENT POOL REPORT
AS OF OCTOBER 13, 2020

		Open Invoice Data as of Oct 13, 2020		
	Pre-Petition Inventory Amount	**Pre-Petition Open Invoices [2]**	**Post-Petition Open Invoices**	**Total Open Invoices**
Total	**$118,864,743.65**	**$ (299,032.35)**	**$4,474,429.61**	**$4,175,397.26**

[2] The large number of negative pre-petition invoices is primarily due to inventory reconciliations and adjustments made by JCP during the COVID-19 shutdown period