UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended May 4, 2002

OR

[_] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___________ to ___________

Commission file number 1-11084

KOHL'S CORPORATION
(Exact name of the registrant as specified in its charter)

WISCONSIN	39-1630919
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

N56 W17000 Ridgewood Drive, Menomonee Falls, Wisconsin	53051
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (262) 703-7000

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 Days.

Yes X No ___________

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: June 13, 2002 Common Stock, Par Value $.01 per Share, 336,660,604 shares Outstanding.

KOHL'S CORPORATION
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PART I FINANCIAL INFORMATION

KOHL'S CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS

	May 4, 2002 (Unaudited)	February 2, 2002 (Audited)	May 5, 2001 (Unaudited)
	(In thousands, except share amounts)		
Assets			
Current assets:			
Cash and cash equivalents	$ 100,541	$ 106,722	$ 13,493
Short-term investments	25,000	229,377	144,030
Accounts receivable, net of allowance for doubtful accounts of $19,520, $17,780 and $11,431	836,675	835,946	712,032
Merchandise inventories	1,418,974	1,198,307	1,134,129
Deferred income taxes	32,426	52,292	36,569
Other	69,033	41,400	46,224
Total current assets	2,482,649	2,464,044	2,086,477
Property and equipment, net	2,327,094	2,199,494	1,818,746
Other assets	87,072	81,850	71,163
Favorable lease rights	173,012	174,860	176,301
Goodwill	9,338	9,338	13,238
Total assets	$5,079,165	$ 4,929,586	$ 4,165,925
Liabilities and Shareholders' Equity			
Current liabilities:			
Accounts payable	$ 581,108	$ 478,870	$ 387,314
Accrued liabilities	234,316	259,598	189,197
Income taxes payable	37,905	125,085	30,065
Short-term debt	5,000	-	5,000
Current portion of long-term debt	11,509	16,418	16,568
Total current liabilities	869,838	879,971	628,144
Long-term debt	1,087,882	1,095,420	1,089,434
Deferred income taxes	123,585	114,228	89,769
Other long-term liabilities	53,041	48,561	40,933
Shareholders' equity:			
Common stock-$.01 par value, 800,000,000 shares authorized, 336,513,278, 335,138,497, and 333,409,969 issued	3,365	3,351	3,334
Paid-in capital	1,051,947	1,005,169	951,990
Retained earnings	1,889,507	1,782,886	1,362,321
Total shareholders' equity	2,944,819	2,791,406	2,317,645
Total liabilities and shareholders' equity	$5,079,165	$ 4,929,586	$ 4,165,925

See accompanying Notes to Condensed Consolidated Financial Statements

KOHL'S CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Three Months (13 Weeks) Ended	
	May 4, 2002	May 5, 2001
	(In thousands, except per share data)	
Net sales	$ 1,870,588	$ 1,488,333
Cost of merchandise sold	1,213,821	967,535
Gross margin	656,767	520,798
Operating expenses:		
Selling, general, and administrative	411,827	338,241
Depreciation and amortization	43,969	35,512
Goodwill amortization	-	1,300
Preopening expenses	16,939	13,235
Operating income	184,032	132,510
Interest expense, net	12,615	10,576
Income before income taxes	171,417	121,934
Provision for income taxes	64,796	46,823
Net income	$ 106,621	$ 75,111
Earnings per share:		
Basic		
Net income	$ 0.32	$ 0.23
Average number of shares	335,858	332,784
Diluted		
Net income	$ 0.31	$ 0.22
Average number of shares	342,615	341,142

See accompanying Notes to Condensed Consolidated Financial Statements

KOHL'S CORPORATION
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited)

	Common Stock		Paid-In	Retained	
	Shares	Amount	Capital	Earnings	Total
	(In thousands, except share amounts)				
Balance at February 2, 2002	335,138,497	$ 3,351	$ 1,005,169	$ 1,782,886	$ 2,791,406
Exercise of stock options	1,374,781	14	16,661	-	16,675
Income tax benefit from exercise of stock options	-	-	30,117	-	30,117
Net income	-	-	-	106,621	106,621
Balance at May 4, 2002	336,513,278	$ 3,365	$ 1,051,947	$ 1,889,507	$ 2,944,819

See accompanying Notes to Condensed Consolidated Financial Statements

KOHL'S CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Three Months (13 Weeks) Ended	
	May 4, 2002	May 5, 2001
	(In thousands)	
Operating activities		
Net income	$ 106,621	$ 75,111
Adjustments to reconcile net income to net cash (used in) provided by operating activities		
Depreciation and amortization	44,167	36,997
Amortization of debt discount	2,323	2,252
Deferred income taxes	29,223	8,475
Changes in operating assets and liabilities:		
Accounts receivable	(729)	(30,776)
Merchandise inventories	(220,667)	(130,839)
Other current assets	(27,633)	(20,625)
Accounts payable	102,238	(12,625)
Accrued and other long-term liabilities	(20,802)	813
Income taxes	(57,063)	(59,390)
Net cash used in operating activities	(42,322)	(130,607)
Investing activities		
Acquisition of property and equipment and favorable lease rights, net	(165,757)	(176,110)
Net sales (purchases) of short-term investments	204,377	(95,430)
Other	(9,347)	(6,971)
Net cash provided by (used in) investing activities	29,273	(278,511)
Financing activities		
Proceeds from short-term debt	5,000	-
Proceeds from public debt offering, net	-	299,503
Payments of other long-term debt, net	(14,770)	(15,402)
Payments of financing fees on debt	(37)	(1,534)
Proceeds from stock option exercises	16,675	16,423
Net cash provided by financing activities	6,868	298,990
Net decrease in cash and cash equivalents	(6,181)	(110,128)
Cash and cash equivalents at beginning of period	106,722	123,621
Cash and cash equivalents at end of period	$ 100,541	$ 13,493

See accompanying Notes to Condensed Consolidated Financial Statements

KOHL'S CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States for interim financial information. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for fiscal year end financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. For further information, refer to the financial statements and footnotes thereto included in the Company's Form 10-K (Commission File No. 1-11084) filed with the Securities and Exchange Commission.

2. Reclassifications

Certain reclassifications have been made to the prior periods' financial statements to conform to the fiscal 2002 presentation.

3. New Accounting Pronouncements

During June 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards ("SFAS") No. 142, "Goodwill and Other Intangible Assets," effective for fiscal years beginning after December 15, 2001. The Company adopted this statement on February 3, 2002. Under SFAS No. 142, goodwill and intangible assets deemed to have indefinite lives will no longer be amortized. Goodwill is now subject to fair value based impairment tests. In addition, a transitional goodwill impairment test is required as of the adoption date. The Company completed the transitional impairment test during the first quarter of 2002 and determined there were no impairment losses on existing goodwill. The remaining balance of goodwill is $9.3 million. In accordance with SFAS No. 142, the Company ceased amortization of its remaining goodwill. Under SFAS No. 142, the Company would have had $1.3 million of additional pretax income and net income in the first quarter of fiscal 2001, and the impact on basic and diluted earnings per share would have been less than $0.01.

In August 2001, The Financial Accounting Standards Board issued SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets," effective for fiscal years beginning after December 15, 2001. SFAS No. 144 addresses financial accounting and reporting for impairment or disposal of long-lived assets and supersedes SFAS No. 121. The Company adopted SFAS No. 144 on February 3, 2002. The adoption of this statement did not have an impact on the Company's results of operations or financial position.

4. Merchandise Inventories

The Company uses the last-in, first-out (LIFO) method of accounting for merchandise inventories. The following information is provided to show the effects of the LIFO provision on each quarter, as well as to provide users with the information to compare to other companies not on LIFO.

	LIFO Expense	
Quarter	Fiscal 2002	Fiscal 2001
	(In thousands)	
First	$ 2,243	$ 1,786

Inventories would have been $9,353,000, $7,110,000, and $6,637,000 higher at May 4, 2002, February 2, 2002, and May 5, 2001, respectively, if they had been valued using the first-in, first-out (FIFO) method.

5. Contingencies

The Company is involved in various legal matters arising in the normal course of business. In the opinion of management, the outcome of such proceedings and litigation will not have a material adverse impact on the Company's financial position or results of operations.

6. Net Income Per Share

The numerator for the calculation of basic and diluted net income per share is net income. The denominator is summarized as follows:

	Three Months Ended	
	May 4, 2002	May 5, 2001
	(In thousands)	
Denominator for basic earnings per share- Weighted average shares	335,858	332,784
The impact of dilutive employee stock options	6,757	8,358
Denominator for dilutive earnings	342,615	341,142

Item 2

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

THREE MONTHS ENDED MAY 4, 2002

Results of Operations

At May 4, 2002, the Company operated 420 stores compared with 354 stores at the same time last year. During the quarter, the company continued to execute its growth strategy by opening 38 new stores. In March, Kohl's entered the Houston, TX market with 12 stores. In April, the Company opened 26 stores including entering the Boston market with 13 stores and the Nashville, TN market with four stores. In addition, the Company added two stores in Dallas, TX; one store in the Indianapolis, IN market; one store in Huntsville, AL and five stores in the Northeast region. In fall of 2002, Kohl's plans to open approximately 32 stores including an entry into the Providence, RI market with four stores; two additional stores in the Boston, MA market; 14 additional stores in the Midwest region; five additional stores in the Northeast region and seven new stores in other existing regions.

Net sales increased $382.3 million or 25.7% to $1,870.6 million for the three months ended May 4, 2002, from $1,488.3 million for the three months ended May 5, 2001. Net sales increased $254.3 million due to the opening of 38 new stores in 2002 and the inclusion of 62 new stores opened in 2001. The remaining $128.0 million is attributable to comparable store sales growth of 9.1%.

Gross margin for the three months ended May 4, 2002, was $656.8 million, or 35.1% compared to $520.8 million, or 35.0% for the three months ended May 5, 2001. Gross margin increased $133.8 million due to growth in sales. The increase in the gross margin rate is primarily attributable to a change in the sales mix. Accessories and women's apparel, which generally achieve a higher than average gross margin rate, experienced a rate of sales growth that exceeded the Company's average for the three months ended May 4, 2002.

Selling, general and administrative (S,G&A) expenses include all direct store expenses such as payroll, occupancy and store supplies and all costs associated with the Company's distribution centers, advertising and corporate functions, but exclude depreciation and amortization. The S,G&A expenses declined to 22.0% of net sales for the three months ended May 4, 2002, from 22.7% of net sales for the three months ended May 5, 2001. Of the 71 basis points improvement, 34 basis points are due to improvement in store operating expenses while the remainder is primarily due to advertising leverage.

Depreciation and amortization for the three months ended May 4, 2002, was $44.0 million compared to $36.8 million for the three months ended May 5, 2001. The increase is primarily attributable to the addition of new stores, the opening of two new distribution centers and the remodeling of existing stores.

Preopening expenses are expensed as incurred and relate to the costs associated with new store openings, including advertising, hiring and training costs for new employees, and processing and transporting initial merchandise. Preopening expense for the three months ended May 4, 2002, was $16.9 million compared to $13.2 million for the three months ended May 5, 2001. The increase is primarily due to an increase in the number of new stores opened and the timing of related expenses. The average cost incurred to open the 38 stores in the first quarter of fiscal 2002 was $550,000 per store. The average cost incurred to open the 34 stores in the first quarter of fiscal 2001 was $540,000. The average cost fluctuates based on the mix of stores opened in new markets versus fill-in stores opened in existing markets.

As a result of the above factors, operating income for the three months ended May 4, 2002, increased $51.5 million or 38.9% over the three months ended May 5, 2001.

Net interest expense for the three months ended May 4, 2002, was $12.6 million compared to $10.6 million for the three months ended May 5, 2001. The Company incurred incremental interest expense as a result of the $300.0 million of non-callable secured notes issued March 2001.

Net income for the three months ended May 4, 2002, increased 42.0% to $106.6 million from $75.1 million for the three months ended May 5, 2001. Earnings were $0.31 per diluted share for the three months ended May 4, 2002, compared to $0.22 per diluted share for the three months ended May 5, 2001.

Seasonality & Inflation

The Company's business, like that of most retailers, is subject to seasonal influences, with the major portion of sales and income typically realized during the last half of each fiscal year, which includes the back-to-school and holiday seasons. Approximately 16% and 31% of sales typically occur during the back-to-school and holiday seasons, respectively. Because of the seasonality of the Company's business, results for any quarter are not necessarily indicative of the results that may be achieved for a full fiscal year. In addition, quarterly results of operations depend significantly upon the timing and amount of revenues and costs associated with the opening of new stores.

The Company does not believe that inflation has had a material effect on the results during the periods presented. However, there can be no assurance that the Company's business will not be affected in the future.

Financial Condition and Liquidity

The Company's primary ongoing cash requirements are for seasonal and new store inventory purchases, the growth in credit card accounts receivable and capital expenditures in connection with expansion and remodeling programs. The Company's primary sources of funds for its business activities are cash flow from operations, $225 million of available financing secured by its proprietary accounts receivable, seasonal borrowings under its $300 million revolving credit facility and short-term trade credit. Short-term trade credit, in the form of extended payment terms for inventory purchases, represents a significant source of financing for merchandise inventories. The Company's working capital and inventory levels typically build throughout the fall, peaking during the holiday selling season. In addition, the Company periodically accesses the capital markets, as needed, to finance its growth. The Company expects to generate adequate cash flows from operating activities to sustain current levels of operations. The Company maintains favorable banking relations and anticipates that the necessary credit agreements will be extended or new agreements will be entered into in order to provide future borrowings requirements as needed.

The Company's working capital increased to $1,612.8 million at May 4, 2002, from $1,584.1 million at February 2, 2002, and from $1,458.3 million at May 5, 2001. The increase from May 5, 2001, is primarily attributable to an increase in accounts receivable and inventory, offset in part by an increase in accounts payable.

The Company's accounts receivable at May 4, 2002, increased $124.6 million over the May 5, 2001, balance. These receivables are related to the Company's proprietary credit card. Proprietary credit card sales as a percent of total net sales increased from 32.2% for the three months ended May 5, 2001, to 33.7% for the three months ended May 4, 2002. Due to the difficult economic environment in 2001, the Company experienced a significant increase in net write-off's related to customer bankruptcies and delinquent accounts. As a result, the allowance for doubtful accounts was increased from $11.4 million or 1.6% of gross receivables at May 5, 2001, to $19.5 million or 2.3% of gross receivables at May 4, 2002.

The Company's merchandise inventories increased $284.8 million over the May 5, 2001 balance. The increase was primarily the result of higher merchandise levels required to support existing stores and new store locations. Accounts payable increased $193.8 million from May 5, 2001. Fluctuations in the level of accounts payable are primarily attributable to the timing of inventory receipts and invoice dating arrangements with vendors.

Cash used in operating activities was $42.3 million for the three months ended May 4, 2002, compared to $130.6 million for the three months ended May 5, 2001.

Excluding changes in operating assets and liabilities, cash provided by operating activities was $182.3 million for the three months ended May 4, 2002, compared to $122.8 million for the three months ended May 5, 2001. The change in cash was due to an increase in net income and the related provision for deferred income taxes.

Capital expenditures for the three months ended May 4, 2002, were $165.8 million compared to the $176.1 million for the same period a year ago. The decrease in expenditures is primarily attributable to the timing of spending related to new stores.

Total capital expenditures for fiscal 2002 are expected to be approximately $740 million. This estimate includes new store spending as well as base capital needs. The actual amount of the Company's future annual capital expenditures will depend primarily on the number of new stores opened, whether such stores are owned or leased by the Company and the number of existing stores remodeled or refurbished.

The Company opened 38 new stores during the quarter, including entering the Houston market with 12 stores; the Boston market with 13 stores and the Nashville market with four stores. The Company plans to open 32 additional stores during the third quarter, including 8 new stores in August and 24 new stores in October.

In 2003, the Company plans to open approximately 80 new stores including the opening of approximately 40 stores in Southern California, Phoenix and Las Vegas. A distribution center, located in San Bernardino, CA, is currently under construction and will be opened at the end of fiscal 2002 to support the Company's expansion into this region.

In March 2002, the Company filed a shelf registration statement on Form S-3 with the SEC, which was effective June 6, 2002. The registration statement allows the Company to publicly offer and sell securities from time to time for an aggregate offering price of up to $300 million.

Forward Looking Statements

Item 2 of this form 10-Q contains "forward looking statements", subject to protections under federal law. The Company intends words such as "believes", "anticipates", "plans", "may", "will", "should", "expects", and similar expressions to identify forward-looking statements. In addition, statements covering the Company's future sales or financial performance and the Company's plans, objectives, expectations or intentions are forward-looking statements, such as statements regarding the Company's liquidity, debt service requirements, planned capital expenditures, future store openings and adequacy of capital resources and reserves. Such statements are subject to certain risks to differ materially from those anticipated by the forward-looking statements. These risks and uncertainties include but are not limited to those described in Exhibit 99.1 to the Company's annual report on Form 10-K filed with the SEC on April 12, 2002, which is expressly incorporated herein by reference, and such other factors as may periodically be described in the Company's filings with the SEC.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

a) Exhibits

12.1 Statement regarding calculation of ratio of earnings to fixed charges.

b) Reports on Form 8-K

There were no reports on form 8-K filed for three months ended May 4, 2002.

SIGNATURES

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

Kohl's Corporations
(Registrant)

Date: June 18, 2002

/s/ R. Lawrence Montgomery

R. Lawrence Montgomery
Chief Executive Officer
and Director

Date: June 18, 2002

/s/ Patricia Johnson

Patricia Johnson
Chief Financial Officer

Exhibit 12.1

Kohl's Corporation
Ratio of Earnings to Fixed Charges
($000s)

	13 Weeks Ended		Fiscal Year (1)				
	May 4, 2002	May 5, 2001	2001	2000	1999	1998	1997
Earnings							
Income before income taxes	$171,417	$121,934	$799,864	$605,114	$421,112	$316,749	$235,063
Fixed charges (2)	37,595	32,927	142,244	116,753	82,835	63,135	57,446
Less interest capitalized during period	(2,746)	(1,334)	(6,929)	(3,478)	(4,405)	(1,878)	(2,043)
	$206,266	$153,527	$935,179	$718,389	$499,542	$378,006	$290,466
Fixed Charges							
Interest (expensed or capitalized) (2)	$ 16,079	$ 14,685	$ 63,506	$ 52,305	$ 33,813	$ 24,550	$ 26,304
Portion of rent expense representative of interest	21,318	18,057	77,964	63,943	48,769	38,385	30,798
Amortization of deferred financing fees	198	185	774	505	253	200	344
	$ 37,595	$ 32,927	$142,244	$116,753	$ 82,835	$ 63,135	$ 57,446
Ratio of earnings to fixed charges	5.49	4.66	6.57	6.15	6.03	5.99	5.06

(1) Fiscal 2001, 1999, 1998 and 1997 were 52 week years and fiscal 2000 was a 53 week year.

(2) Interest expense for fiscal 1997 has been restated to properly reflect interest expense included on the Consolidated Statements of Income.