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

FORM 10-Q

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

For the quarterly period ended November 2, 2019

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 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**

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $.01 par value	KSS	New York Stock Exchange

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 ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer	☒	Accelerated Filer	☐
Non-Accelerated Filer	☐	Smaller Reporting Company	☐
		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 pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by a check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: November 29, 2019 Common Stock, Par Value $0.01 per Share, 156,567,901 shares outstanding.

KOHL'S CORPORATION
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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

KOHL'S CORPORATION
CONSOLIDATED BALANCE SHEETS
(Unaudited)

(Dollars in Millions)	November 2, 2019	February 2, 2019	November 3, 2018
Assets			
Current assets:			
Cash and cash equivalents	**$ 490**	$ 934	$ 1,047
Merchandise inventories	**4,887**	3,475	4,844
Other	**404**	426	446
Total current assets	**5,781**	4,835	6,337
Property and equipment, net	**7,364**	7,428	7,538
Operating leases	**2,427**	-	-
Other assets	**167**	206	243
Total assets	**$ 15,739**	$ 12,469	$ 14,118
Liabilities and Shareholders' Equity			
Current liabilities:			
Accounts payable	**$ 2,454**	$ 1,187	$ 2,583
Accrued liabilities	**1,347**	1,364	1,289
Income taxes payable	**2**	64	14
Current portion of:			
Finance lease and financing obligations	**110**	115	121
Operating leases	**162**	-	-
Total current liabilities	**4,075**	2,730	4,007
Long-term debt	**1,856**	1,861	2,272
Finance lease and financing obligations	**1,332**	1,523	1,528
Operating leases	**2,643**	-	-
Deferred income taxes	**258**	184	201
Other long-term liabilities	**220**	644	657
Shareholders' equity:			
Common stock	**4**	4	4
Paid-in capital	**3,256**	3,204	3,185
Treasury stock, at cost	**(11,490)**	(11,076)	(10,952)
Accumulated other comprehensive loss	**-**	-	(8)
Retained earnings	**13,585**	13,395	13,224
Total shareholders' equity	**5,355**	5,527	5,453
Total liabilities and shareholders' equity	**$ 15,739**	$ 12,469	$ 14,118

See accompanying Notes to Consolidated Financial Statements

KOHL'S CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(Dollars in Millions, Except per Share Data)	Three Months Ended		Nine Months Ended	
	November 2, 2019	November 3, 2018	November 2, 2019	November 3, 2018
Net sales	**$ 4,358**	$ 4,369	**$ 12,348**	$ 12,632
Other revenue	**267**	259	**794**	774
Total revenue	**4,625**	4,628	**13,142**	13,406
Cost of merchandise sold	**2,775**	2,752	**7,740**	7,854
Operating expenses:				
Selling, general and administrative	**1,419**	1,375	**3,962**	3,907
Depreciation and amortization	**227**	243	**687**	725
Impairments, store closing and other costs	**-**	-	**55**	-
Operating income	**204**	258	**698**	920
Interest expense, net	**52**	63	**157**	197
(Gain) loss on extinguishment of debt	**(9)**	-	**(9)**	42
Income before income taxes	**161**	195	**550**	681
Provision for income taxes	**38**	34	**124**	152
Net income	**$ 123**	$ 161	**$ 426**	$ 529
Net income per share:				
Basic	**$ 0.79**	$ 0.98	**$ 2.69**	$ 3.21
Diluted	**$ 0.78**	$ 0.98	**$ 2.67**	$ 3.19

See accompanying Notes to Consolidated Financial Statements

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

	Three Months Ended		Nine Months Ended	
(Dollars in Millions, Except per Share Data)	**November 2, 2019**	**November 3, 2018**	**November 2, 2019**	**November 3, 2018**
Common stock				
Balance, beginning of period	**$ 4**	$ 4	**$ 4**	$ 4
Stock options and awards	**-**	-	**-**	-
Balance, end of period	**$ 4**	$ 4	**$ 4**	$ 4
Paid-in capital				
Balance, beginning of period	**$ 3,236**	$ 3,163	**$ 3,204**	$ 3,078
Stock options and awards	**20**	22	**52**	107
Balance, end of period	**$ 3,256**	$ 3,185	**$ 3,256**	$ 3,185
Treasury stock				
Balance, beginning of period	**$ (11,353)**	$ (10,835)	**$ (11,076)**	$ (10,651)
Treasury stock purchases	**(133)**	(110)	**(387)**	(275)
Stock options and awards	**(5)**	(8)	**(32)**	(29)
Dividends paid	**1**	1	**5**	3
Balance, end of period	**$ (11,490)**	$ (10,952)	**$ (11,490)**	$ (10,952)
Accumulated other comprehensive loss				
Balance, beginning of period	**$ -**	$ (8)	**$ -**	$ (11)
Other comprehensive income	**-**	-	**-**	3
Balance, end of period	**$ -**	$ (8)	**$ -**	$ (8)
Retained earnings				
Balance, beginning of period	**$ 13,568**	$ 13,163	**$ 13,395**	$ 13,006
Change in accounting standard (a)	**-**	-	**88**	(7)
Net earnings	**123**	161	**426**	529
Dividends paid	**(106)**	(100)	**(324)**	(304)
Balance, end of period	**$ 13,585**	$ 13,224	**$ 13,585**	$ 13,224
Total shareholders' equity, end of period	**$ 5,355**	$ 5,453	**$ 5,355**	$ 5,453
Common stock				
Shares, beginning of period	**375**	374	**374**	373
Stock options and awards	**-**	-	**1**	1
Shares, end of period	**375**	374	**375**	374
Treasury stock				
Shares, beginning of period	**(215)**	(207)	**(211)**	(205)
Treasury stock purchases	**(3)**	(2)	**(7)**	(4)
Shares, end of period	**(218)**	(209)	**(218)**	(209)
Total shares outstanding, end of period	**157**	165	**157**	165
Dividends paid per common share	**$ 0.67**	$ 0.61	**$ 2.01**	$ 1.83

(a) Adoption of new lease accounting standard in 2019, refer to Note 4.

See accompanying Notes to Consolidated Financial Statements

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KOHL’S CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(Dollars in Millions)	Nine Months Ended November 2, 2019	Nine Months Ended November 3, 2018
Operating activities		
Net income	$ 426	$ 529
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	687	725
Share-based compensation	47	71
Deferred income taxes	45	(13)
Impairments, store closing and other costs	45	-
(Gain) loss on extinguishment of debt	(9)	42
Non-cash lease expense	112	-
Other non-cash (income) expenses	(3)	15
Changes in operating assets and liabilities:		
Merchandise inventories	(1,405)	(1,293)
Other current and long-term assets	34	70
Accounts payable	1,266	1,312
Accrued and other long-term liabilities	(26)	38
Income taxes	(49)	(73)
Operating lease liabilities	(125)	-
Net cash provided by operating activities	1,045	1,423
Investing activities		
Acquisition of property and equipment	(678)	(458)
Other	8	6
Net cash used in investing activities	(670)	(452)
Financing activities		
Treasury stock purchases	(387)	(275)
Shares withheld for taxes on vested restricted shares	(32)	(29)
Dividends paid	(319)	(301)
Reduction of long-term borrowings	(6)	(530)
Premium paid on redemption of debt	-	(35)
Finance lease and financing obligation payments	(88)	(95)
Proceeds from financing obligations	11	-
Proceeds from stock option exercises	2	33
Net cash used in financing activities	(819)	(1,232)
Net decrease in cash and cash equivalents	(444)	(261)
Cash at beginning of period	934	1,308
Cash at end of period	$ 490	$ 1,047
Supplemental information		
Interest paid, net of capitalized interest	$ 131	$ 192
Income taxes paid	154	266
Property and equipment acquired through:		
Finance lease liabilities	163	-
Operating lease liabilities	103	-
Financing obligations	-	20

See accompanying Notes to Consolidated Financial Statements

KOHL'S CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States ("U.S. GAAP") for interim financial information. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for fiscal year end consolidated 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 consolidated financial statements and related footnotes included in our Annual Report on Form 10-K for the fiscal year ended February 2, 2019 (Commission File No. 1-11084) as filed with the Securities and Exchange Commission.

Due to the seasonality of our business, results for any quarter are not necessarily indicative of the results that may be achieved for a full fiscal year.

We operate as a single business unit.

The following table provides a brief description of issued, but not yet effective, accounting standards:

Standard	Description	Effect on our Financial Statements
Cloud Computing (ASU 2018-15) Issued August 2018 Effective Q1 2020	Under the new standard, implementation costs related to a cloud computing arrangement will be deferred or expensed as incurred, in accordance with the existing internal-use software guidance for similar costs. The new standard also prescribes the balance sheet, income statement and cash flow classification of the capitalized implementation costs and related amortization expense.	We are evaluating the impact of the new standard, but believe it is generally consistent with our current accounting for cloud computing arrangements and will not have a material impact on our financials.
Current Expected Credit Losses (ASU 2016-13) Issued June 2016 Effective Q1 2020	Under the new standard, credit losses for financial assets measured at amortized cost should be determined based on the total current expected credit losses over the life of the financial asset or group of financial assets. The amendments are effective on February 2, 2020 and must be applied using a modified retrospective approach with a cumulative-effect adjustment through retained earnings as of the beginning of the fiscal year upon adoption as required.	We are evaluating the impact of the new standard, but believe it will not have a material impact on our financial statements.

2. Revenue Recognition

The following table summarizes net sales by line of business:

	Three Months Ended		Nine Months Ended	
(Dollars in Millions)	November 2, 2019	November 3, 2018 (1)	November 2, 2019	November 3, 2018 (1)
Women's	**$ 1,264**	$ 1,287	**$ 3,857**	$ 3,982
Men's	**938**	925	**2,656**	2,668
Home	**715**	719	**1,994**	2,090
Children's	**647**	650	**1,561**	1,569
Footwear	**472**	470	**1,338**	1,372
Accessories	**322**	318	**942**	951
Net Sales	**$ 4,358**	$ 4,369	**$ 12,348**	$ 12,632

(1) Certain businesses do not agree to previously reported amounts due to changes in category classification.

Liabilities for performance obligations resulting from our rewards programs, return reserves and unredeemed gift cards and merchandise return cards totaled $354 million as of November 2, 2019, $ 413 million as of February 2, 2019 and $ 337 million as of November 3, 2018.

3. Debt

Long-term debt consists of the following unsecured senior debt:

			Outstanding		
Maturity by fiscal year (Dollars in Millions)	Effective Rate	Coupon Rate	November 2, 2019	February 2, 2019	November 3, 2018
2021	4.81%	4.00%	**$ -**	$ -	$ 413
2023	3.25%	3.25%	**350**	350	350
2023	4.78%	4.75%	**184**	184	184
2025	4.25%	4.25%	**650**	650	650
2029	7.36%	7.25%	**42**	42	42
2033	6.05%	6.00%	**113**	113	112
2037	6.89%	6.88%	**101**	101	101
2045	5.57%	5.55%	**427**	433	433
Outstanding long-term debt			**1,867**	1,873	2,285
Unamortized debt discounts and deferred financing costs			**(11)**	(12)	(13)
Long-term debt			**$ 1,856**	$ 1,861	$ 2,272
Effective interest rate			**4.74%**	4.74%	4.76%

Our long-term debt is classified as Level 1, financial instruments with unadjusted, quoted prices listed on active market exchanges. The estimated fair value of our long-term debt was $2.0 billion at November 2, 2019, $ 1.8 billion at February 2, 2019 and $ 2.3 billion at November 3, 2018.

Year to date 2019, we have reduced our outstanding debt by $ 6 million through open market repurchases.

On July 25, 2019, we amended and extended our existing credit facility with various lenders which provides for a $ 1.0 billion senior unsecured five-year revolving credit facility that will mature in July 2024. No amounts were outstanding on the credit facility at November 2, 2019, February 2, 2019 or November 3, 2018.

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4. Leases

Effective February 3, 2019 (the "adoption date"), we adopted ASC 842 Leases (the "new standard"). The new standard requires lessees to recognize a liability for lease obligations and a corresponding right of use asset on the balance sheet. The guidance also requires disclosure of key information about leasing arrangements that is intended to give financial statement users the ability to assess the amount, timing and potential uncertainty of cash flows related to leases. We adopted the new standard using a modified retrospective transition method and applied the transition provisions at the beginning of the period of adoption through a cumulative-effect adjustment to retained earnings. We did not restate prior period financial statements.

The new standard includes several transition practical expedients that were available to reduce the burden of implementing the standard.

- We elected the package of practical expedients, which among other things, allowed us to carry forward our historical lease classifications.
- We did not elect the hindsight practical expedient which would have allowed us to revisit key assumptions, such as lease term, that were made when we originally entered into the lease.

The following table summarizes changes in our Consolidated Balance Sheet upon adoption of the new standard:

(Dollars in Millions)			
Assets			
Property and equipment, net	$	(174)	(a)
Operating leases		2,446	(b)
Other assets		(32)	(c)
Total assets	$	2,240	
Liabilities and Shareholders' Equity			
Finance lease and financing obligations	$	(237)	(a)
Operating leases		2,771	(b)
Accrued and other liabilities		(413)	(c)
Deferred taxes		31	(d)
Shareholders' equity		88	(d)
Total liabilities and shareholders' equity	$	2,240	

(a) The reductions are primarily due to historical failed sale-leaseback and build-to-suit arrangements where we were deemed owner for accounting purposes. In accordance with ASC 842 transition provisions, they became operating or finance leases.

(b) The increases include land and other operating leases which were not previously recorded on our balance sheet or were previously recorded as financing obligations.

(c) The reductions are primarily due to the reclassification of lease-related assets and liabilities such as straight-line rent and reserves for closed stores to operating lease assets and liabilities.

(d) The cumulative effect of lease adjustments, net of the deferred tax impact, was recorded as an adjustment to retained earnings. In addition, retained earnings include a $26 million lease impairment charge.

These adjustments represent non-cash activities for Statement of Cash Flow purposes.

Adoption of the new standard is not expected to have a material impact on our net inc ome prospectively. We expect increases in Selling, general and administrative expenses to be more than offset by decreases in Depreciation and a mortization and Interest expense. Substantially all of the expected income statement changes are due to the reversal of accounting for build-to-suit arrangements where construction is complete, which were accounted for as operating or finance leases in accordance with the transition provisions of ASC 842.

Finance and Operating Leases

We lease certain property and equipment used in our operations. Some of our store leases include additional rental payments based on a percentage of sales over contractual levels or which are adjusted periodically for inflation. Our typical store lease has an initial term of 20 to 25 years and four to eight five-year renewal options.

Lease assets represent our right to use an underlying asset for the lease term. Lease assets are recognized at commencement date based on the value of the lease liability and are adjusted for any lease payments made to the lessor at or before commencement date, minus any lease incentives received and any initial direct costs incurred by the lessee.

Lease liabilities represent our contractual obligation to make lease payments. At the commencement date, the lease liabilities equal the present value of minimum lease payments over the lease term. As the implicit interest rate is not readily identifiable in our leases, we estimate our collateralized borrowing rate to calculate the present value of lease payments. For leases that commenced prior to the adoption date, we used the February 3, 2019 rate for a term consistent with the original lease term for operating leases and the rate on the lease commencement date for finance leases.

For leases with terms of 12 months or less, we elected the practical expedient to exclude them from the balance sheet and recognize expense on a straight-line basis over the lease term. For leases beginning, modified, or reassessed in 2019 and later, we elected the practical expedient to combine lease and non-lease components.

The following tables summarize our operating and finance leases and where they are presented in our Consolidated Financial Statements:

Consolidated Balance Sheet		November 2, 2019
(Dollars in Millions)	**Classification**	
Assets		
Operating leases	Operating leases	$ 2,427
Finance leases	Property and equipment, net	617
Total operating and finance leases		3,044
Liabilities		
Current		
Operating leases	Current portion of operating leases	162
Finance leases	Current portion of finance lease and financing obligations	74
Noncurrent		
Operating leases	Operating leases	2,643
Finance leases	Finance lease and financing obligations	836
Total operating and finance leases		$ 3,715

KOHL'S CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS—(Continued)

Consolidated Statement of Income		Three Months Ended November 2, 2019	Nine Months Ended November 2, 2019
(Dollars in Millions)	Classification		
Operating leases	Selling, general, and administrative	$ 79	$ 236
Finance leases			
Amortization of leased assets	Depreciation and amortization	18	53
Interest on lease liabilities	Interest expense, net	25	73
Total operating and finance leases		$ 122	$ 362

Consolidated Statement of Cash Flows		Nine Months Ended November 2, 2019
(Dollars in Millions)	Classification	
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases		$ 249
Operating cash flows from finance leases		73
Financing cash flows from finance leases		56

The following table summarizes future lease payments by fiscal year:

	November 2, 2019		
(Dollars in Millions)	Operating Leases	Finance Leases	Total
2019	$ 66	$ 43	$ 109
2020	311	176	487
2021	303	156	459
2022	290	139	429
2023	275	117	392
After 2023	3,660	1,765	5,425
Total lease payments	4,905	2,396	7,301
Amount representing interest	(2,100)	(1,486)	(3,586)
Lease liabilities	$ 2,805	$ 910	$ 3,715

Total lease payments include $2.9 billion related to options to extend operating lease terms that are reasonably certain of being exercised and $ 1.5 billion related to options to extend finance lease terms that are reasonably certain of being exercised.

The following table summarizes weighted-average remaining lease term and discount rates:

	November 2, 2019
Weighted-average remaining term (years)	
Operating leases	20
Finance leases	17
Weighted-average discount rate	
Operating leases	6%
Finance leases	11%

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Financing Obligations

Historical failed sale-leasebacks that did not qualify for sale-leaseback accounting upon adoption of ASC 842 continue to be accounted for as financing obligations.

The following tables summarize our financing obligations and where they are presented in our Consolidated Financial Statements:

Consolidated Balance Sheet		
(Dollars in Millions)	**Classification**	**November 2, 2019**
Assets		
Financing obligations	Property and equipment, net	$ 78
Liabilities		
Current	Current portion of finance lease and financing obligations	36
Noncurrent	Finance lease and financing obligations	496
Total financing obligations		$ 532

Consolidated Statement of Income		Three Month Ended	Nine Months Ended
(Dollars in Millions)	**Classification**	**November 2, 2019**	**November 2, 2019**
Amortization of financing obligation assets	Depreciation and amortization	$ 3	$ 8
Interest on financing obligations	Interest expense, net	9	28
Total financing obligations		$ 12	$ 36

Consolidated Statement of Cash Flows		Nine Months Ended
(Dollars in Millions)	**Classification**	**November 2, 2019**
Cash paid for amounts included in the measurement of financing obligations		
Operating cash flows from financing obligations		$ 28
Financing cash flows from financing obligations		32
Proceeds from financing obligations		11
Gain on extinguishment of debt		(9)

In October 2019, we purchased leased equipment that was accounted for as a financing obligation and resulted in recognition of a $ 9 million gain on extinguishment of debt.

The following table summarizes future financing obligation payments by fiscal year:

(Dollars in Millions)	November 2, 2019
2019	$ 12
2020	71
2021	71
2022	68
2023	66
After 2023	249
Total financing obligations payments	537
Non-cash gain on future sale of property	228
Amount representing interest	(233)
Financing obligation liability	$ 532

The following table summarizes the weighted-average remaining term and discount rate for financing obligations:

	November 2, 2019
Weighted-average remaining term (years)	9
Weighted-average discount rate	7%

5. Stock-Based Awards

The following table summarizes our stock-based awards activity for the nine months ended November 2, 2019:

	Nonvested Stock Awards		Performance Share Units		Stock Options		Stock Warrants	
(Shares and Units in Thousands)	Shares	Weighted Average Grant Date Fair Value	Units	Weighted Average Grant Date Fair Value	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Balance - February 2, 2019	**2,601**	**$ 51.90**	**1,046**	**$ 52.08**	**136**	**$ 51.48**	**-**	**$ -**
Granted	823	64.95	242	72.53	-	-	1,747	69.68
Exercised/vested	(961)	49.76	(336)	46.87	(41)	50.89	-	-
Forfeited/expired	(191)	57.62	(71)	59.11	-	-	-	-
Balance - November 2, 2019	**2,272**	**$ 56.45**	**881**	**$ 59.13**	**95**	**$ 51.74**	**1,747**	**$ 69.68**

Effective April 18, 2019, in connection with our entry into a commercial agreement with Amazon.com Services, Inc. ("Amazon"), we issued warrants to an affiliate of Amazon, to purchase up to 1,747,441 shares of our common stock at an exercise price of $ 69.68, subject to customary anti-dilution provisions. The fair value was estimated to be $17.52 per warrant using a binomial lattice method. The warrants vest in five equal annual installments beginning on January 15, 2020 and expire on April 18, 2026. Unvested warrants will not vest if the commercial agreement is terminated, not renewed, or if no substitute written returns arrangement is entered into between the parties.

6. Contingencies

We are subject to certain legal proceedings and claims arising out of the conduct of our business. In the opinion of management, the outcome of these proceedings and litigation will not have a material adverse impact on our Consolidated Financial Statements.

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7. Net Income Per Share

Basic net income per share is net income divided by the average number of common shares outstanding during the period. Diluted net income per share includes incremental shares assumed for share-based awards and stock warrants.

The information required to compute basic and diluted net income per share is as follows:

(Dollar and Shares in Millions, Except per Share Data)	Three Months Ended		Nine Months Ended	
	November 2, 2019	November 3, 2018	November 2, 2019	November 3, 2018
Numerator—Net income	**$ 123**	$ 161	**$ 426**	$ 529
Denominator—Weighted-average shares:				
Basic	**156**	164	**158**	165
Dilutive impact	**1**	1	**1**	1
Diluted	**157**	165	**159**	166
Antidilutive shares	**2**	—	**1**	—
Net income per share:				
Basic	**$ 0.79**	$ 0.98	**$ 2.69**	$ 3.21
Diluted	**$ 0.78**	$ 0.98	**$ 2.67**	$ 3.19

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

For purposes of the following discussion, unless noted, all references to "the third quarter" are for the three fiscal months (13 weeks) ended November 2, 2019 or November 3, 2018. References to “year to date” are for the nine fiscal months (39 weeks) ended November 2, 2019 or November 3, 2018.

This Form 10-Q contains "forward-looking statements" made within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as "believes," “anticipates,” “plans,” "may," "intends," "will," "should," “expects” and similar expressions are intended to identify forward-looking statements. Forward-looking statements may include comments about our future sales or financial performance and our plans, performance and other objectives, expectations or intentions, such as statements regarding our liquidity, debt service requirements, planned capital expenditures, future store initiatives and adequacy of capital resources and reserves. Forward-looking statements are based on our management’s then current views and assumptions and, as a result, are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Any such forward-looking statements are qualified by the important risk factors described in Part I, Item 1A of our 2018 Form 10-K or disclosed from time to time in our filings with the SEC, that could cause actual results to differ materially from those predicted by the forward-looking statements. Forward-looking statements relate to the date initially made and we undertake no obligation to update them.

Executive Summary

As of November 2, 2019, we operated 1,159 Kohl's stores, a website (www.Kohls.com) and 12 FILA outlets. Our Kohl's stores and website sell moderately-priced proprietary and national brand apparel, footwear, accessories, beauty and home products. Our Kohl's stores generally carry a consistent merchandise assortment with some differences attributable to local preferences. Our website includes merchandise which is available in our stores, as well as merchandise that is available only online.

In the third quarter of 2019, we delivered positive comparable sales growth driven by an acceleration in our Active business, continued strength in Digital and improved performance in our stores and across all of our lines of business versus the first half. During the quarter, we invested in pricing and enhanced our marketing offers to respond to a heightened competitive environment and to drive sales following modest disruption in stores related to a record number of brand launches.

Key financial results for the third quarter of 2019 include:

- 0.4% increase in comparable sales
- 67 basis point decrease in gross margin as a percent of net sales
- 3.2% increase in SG&A
- 20% decrease in diluted earnings per share
- 24% decrease in diluted earnings per share on a non-GAAP basis

We adopted the new lease accounting standard in the first quarter of 2019 and prior periods were not restated.

See "Results of Operations" and "Liquidity and Capital Resources" for additional details about our financial results.

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Results of Operations

Total Revenue

(Dollars in Millions)	Three Months Ended November 2, 2019	Three Months Ended November 3, 2018	Three Months Ended Change	Nine Months Ended November 2, 2019	Nine Months Ended November 3, 2018	Nine Months Ended Change
Net sales	**$ 4,358**	$ 4,369	$ (11)	**$ 12,348**	$ 12,632	$ (284)
Other revenue	**267**	259	8	**794**	774	20
Total revenue	**$ 4,625**	$ 4,628	$ (3)	**$ 13,142**	$ 13,406	$ (264)

Comparable sales increased 0.4% for the third quarter and decreased 1.9% year to date 2019.

- The increase in comparable sales in the third quarter 2019 reflects an increase in transactions, partially offset by a decrease in average transaction value. The decrease in comparable sales year to date 2019 reflects decreases in transactions and average transaction value.
- All businesses except Women's reported increases in comparable sales for the third quarter 2019, with Men's, Accessories and Footwear outperforming the Company. For year to date 2019, Men's, Children's and Accessories outperformed the Company while Women's and Home underperformed.
- Active continues to be a key strategic initiative contributing sales growth in both the third quarter and year to date 2019.
- The strongest regions were the West, Midwest and South Central for the third quarter 2019, and Midwest, Northeast and Mid-Atlantic for year to date 2019.
- Digital sales had a mid-teens percentage increase for the third quarter and a low double digits percentage increase year to date 2019. Digital penetration represents 22% of net sales for the third quarter and 21% of net sales for year to date 2019.

Comparable sales is a measure that highlights the performance of our stores and digital channel by measuring the change in sales for a period over the comparable, prior-year period of equivalent length. Comparable sales includes all store and digital sales, except sales from stores open less than 12 months, stores that have been closed and stores where square footage has changed by more than 10%. We measure the change in digital sales by including all sales initiated online or through mobile applications, including omnichannel transactions which are fulfilled through our stores.

We measure digital penetration as digital sales over net sales. These amounts do not take into consideration fulfillment node, digital returns processed in stores and coupon behaviors.

Comparable sales and digital penetration measures vary across the retail industry. As a result, our comparable sales calculation and digital penetration are non-GAAP measures that may not be consistent with the similarly titled measures reported by other companies.

Increases in Other revenue of $8 million for the third quarter and $20 million year to date 2019 were driven by higher credit revenue.

Cost of Merchandise Sold and Gross Margin

(Dollars in Millions)	Three Months Ended November 2, 2019	Three Months Ended November 3, 2018	Three Months Ended Change	Nine Months Ended November 2, 2019	Nine Months Ended November 3, 2018	Nine Months Ended Change
Net sales	**$ 4,358**	$ 4,369	$ (11)	**$ 12,348**	$ 12,632	$ (284)
Cost of merchandise sold	**2,775**	2,752	23	**7,740**	7,854	(114)
Gross margin	**$ 1,583**	$ 1,617	$ (34)	**$ 4,608**	$ 4,778	$ (170)
Gross margin as a percent of net sales	**36.3 %**	37.0 %	(67) bp	**37.3 %**	37.8 %	(51) bp

Cost of merchandise sold includes the total cost of products sold, including product development costs, net of vendor payments other than reimbursement of specific, incremental and identifiable costs; inventory shrink; markdowns; freight expenses associated with moving merchandise from our vendors to our distribution centers; shipping expenses for digital sales; and terms cash discount. Our Cost of merchandise sold may not be comparable with that of other retailers because we include distribution center and buying costs in Selling, general and administrative expenses while other retailers may include these expenses in Cost of merchandise sold.

The decreases in gross margin as a percent of net sales were driven by higher promotional markdowns due to a heightened competitive environment, product mix and higher shipping costs due to increases in digital penetration for both the third quarter and year to date 2019.

Selling, General and Administrative Expenses ("SG&A")

	Three Months Ended			Nine Months Ended		
(Dollars in Millions)	**November 2, 2019**	**November 3, 2018**	**Change**	**November 2, 2019**	**November 3, 2018**	**Change**
SG&A	**$ 1,419**	$ 1,375	$ 44	**$ 3,962**	$ 3,907	$ 55
As a percent of total revenue	**30.7%**	29.7%	96 bp	**30.1%**	29.1%	101 bp

SG&A expenses include compensation and benefit costs (including stores, headquarters, buying and distribution centers); occupancy and operating costs of our retail, distribution and corporate facilities; freight expenses associated with moving merchandise from our distribution centers to our retail stores and among distribution and retail facilities; marketing expenses, offset by vendor payments for reimbursement of specific, incremental and identifiable costs; expenses related to our credit card operations; and other administrative revenues and expenses. We do not include depreciation and amortization in SG&A. The classification of these expenses varies across the retail industry.

Many of our expenses, including store payroll and distribution costs, are variable in nature. These costs generally increase as sales increase and decrease as sales decrease. We measure both the change in these variable expenses and the expense as a percent of sales. If the expense as a percent of sales decreased from the prior year, the expense "leveraged". If the expense as a percent of sales increased over the prior year, the expense "deleveraged".

The following table summarizes the increases and (decreases) in SG&A by expense type:

(Dollars In Millions)	**Three Months Ended November 2, 2019**	**Nine Months Ended November 2, 2019**
Store expenses	**$ 43**	**$ 60**
Marketing	**6**	**26**
Technology	**6**	**7**
Credit expenses	**(1)**	**(6)**
Corporate and other	**(10)**	**(32)**
Total increase	**$ 44**	**$ 55**

SG&A expenses increased 3.2% deleveraging 96 basis points in the third quarter and increased 1.4% deleveraging 101 basis points year to date 2019, compared to the same periods in 2018. The changes were driven by an increase in store expenses which reflect higher rent expense, primarily due to the new lease accounting standard, costs related to brand launches, the Amazon return initiative and wage pressure in the third quarter and year to date 2019. Marketing expense increases were driven by continued investments to target market share gains over the long-term. Corporate and other expenses decreased due to lower general corporate costs in 2019 and expenses associated with leadership changes in 2018.

Other Expenses

(Dollars in Millions)	Three Months Ended November 2, 2019	Three Months Ended November 3, 2018	Three Months Ended Change	Nine Months Ended November 2, 2019	Nine Months Ended November 3, 2018	Nine Months Ended Change
Depreciation and amortization	**$ 227**	$ 243	$ (16)	**$ 687**	$ 725	$ (38)
Impairments, store closing and other costs	**—**	—	—	**55**	—	55
Interest expense, net	**52**	63	(11)	**157**	197	(40)
(Gain) loss on extinguishment of debt	**(9)**	—	(9)	**(9)**	42	(51)

Depreciation and amortization decreases were driven by the maturity of our store portfolio, as well as the adoption of the new lease accounting standard.

Interest expense, net decreased in the third quarter and year to date 2019 due primarily to the benefits of debt reductions in 2018 and adoption of the new lease accounting standard in the first quarter of 2019.

In the third quarter 2019, we purchased leased equipment that was accounted for as a financing obligation and resulted in the recognition of a $9 million gain on extinguishment of debt.

Year to date 2019, we incurred $55 million of Impairments, store closing and other costs; we incurred $49 million in lease asset impairment charges related to the closure of four Kohl's stores and $6 million in costs related to the closure of our four Off-Aisle clearance centers and the execution of a voluntary role reduction program.

In the first quarter 2018, we recognized a $42 million loss on extinguishment of debt related to our $500 million cash tender offer.

Income Taxes

(Dollars in Millions)	Three Months Ended November 2, 2019	Three Months Ended November 3, 2018	Three Months Ended Change	Nine Months Ended November 2, 2019	Nine Months Ended November 3, 2018	Nine Months Ended Change
Provision for income taxes	**$ 38**	$ 34	$ 4	**$ 124**	$ 152	$ (28)
Effective tax rate	**23.6%**	17.6%		**22.5%**	22.3%	

The increase in the Provision for income taxes in the third quarter was driven by a higher effective tax rate due to favorable items in the third quarter 2018 not repeating in the third quarter 2019, including positive audit results, tax accounting method changes and a higher stock price for share-based compensation. The decrease in the Provision for income taxes for year to date 2019 was driven by lower taxable income.

Income before Income Taxes, Net Income and Earnings Per Diluted Share

(Dollars in Millions, Except per Share Data)	November 2, 2019 Income before Income Taxes	November 2, 2019 Net Income	November 2, 2019 Earnings Per Diluted Share	November 3, 2018 Income before Income Taxes	November 3, 2018 Net Income	November 3, 2018 Earnings Per Diluted Share
Three Months Ended:						
GAAP	**$ 161**	**$ 123**	**$ 0.78**	$ 195	$ 161	$ 0.98
Impairments, store closing and other costs	**—**	**—**	**—**	—	—	—
(Gain) loss on extinguishment of debt	**(9)**	**(7)**	**(0.04)**	—	—	—
Adjusted (non-GAAP)	**$ 152**	**$ 116**	**$ 0.74**	$ 195	$ 161	$ 0.98
Nine Months Ended:						
GAAP	**$ 550**	**$ 426**	**$ 2.67**	$ 681	$ 529	$ 3.19
Impairments, store closing and other costs	**55**	**41**	**0.26**	—	—	—
Loss on extinguishment of debt	**(9)**	**(7)**	**(0.04)**	42	32	0.19
Adjusted (non-GAAP)	**$ 596**	**$ 460**	**$ 2.89**	$ 723	$ 561	$ 3.38

We believe the adjusted results in the table above are useful because they provide enhanced visibility into our results on a non-GAAP basis. However, these non-GAAP financial measures are not intended to replace the comparable GAAP measures.

Seasonality and Inflation

Our business, like that of most retailers, is subject to seasonal influences, with the majority of sales and income typically realized during the second half of each fiscal year, which includes the back-to-school and holiday seasons. Approximately 15% of annual sales typically occur during the back-to-school season and 30% during the holiday season. Because of the seasonality of our business, results for any quarter are not necessarily indicative of the results that may be achieved for a full fiscal year.

We expect that our operations will continue to be influenced by general economic conditions, including food, fuel and energy prices, higher wages and by costs to source our merchandise, including tariffs. There can be no assurances that such factors will not impact our business in the future.

Liquidity and Capital Resources

The following table presents our primary uses and sources of cash:

Cash Uses	Cash Sources
·Operational needs, including salaries, rent, taxes and other costs of running our business ·Capital expenditures ·Inventory ·Share repurchases ·Dividend payments ·Debt reduction	·Cash flow from operations ·Short-term trade credit, in the form of extended payment terms ·Line of credit under our revolving credit facility

Our working capital and inventory levels typically build throughout the fall, peaking during the November and December holiday selling season.

	Nine Months Ended		
(Dollars in Millions)	**November 2, 2019**	**November 3, 2018**	**Change**
Net cash provided by (used in):			
Operating activities	**$ 1,045**	$ 1,423	$ (378)
Investing activities	**(670)**	(452)	(218)
Financing activities	**(819)**	(1,232)	413

Operating Activities

Operating activities generated $1,045 million year to date 2019 compared to $1,423 million year to date 2018. The decrease was primarily due to increased inventory purchases, lower net income and changes in operating liabilities.

Investing Activities

Investing activities used cash of $670 million year to date 2019 and $452 million year to date 2018. The increase was primarily due to investments in our E-commerce fulfillment centers and increased investment in our stores, including rightsizes, new stores and refreshes .

Financing Activities

Financing activities used cash of $819 million year to date 2019 compared to $1,232 million year to date 2018.

We paid cash for treasury stock purchases of $387 million year to date 2019 and $275 million year to date 2018. Share repurchases are discretionary in nature. The timing and amount of repurchases are based upon available cash balances, our stock price and other factors.

We paid cash dividends of $319 million ($2.01 per share) year to date 2019 and $301 million ($1.83 per share) year to date 2018. On November 13, 2019, our Board of Directors declared a quarterly cash dividend on our common stock of $0.67 per share. The dividend is payable December 24, 2019 to shareholders of record at the close of business on December 11, 2019.

We used cash to repurchase $6 million of debt on the open market year to date 2019 and to repurchase $530 million of debt pursuant to a tender offer and on the open market year to date 2018. We may again seek to retire or purchase our outstanding debt through open market cash purchases, privately negotiated transactions or otherwise. Such repurchases, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors.

As of November 2, 2019, our credit ratings were as follows:

	Moody's	**Standard & Poor's**	**Fitch**
Long-term debt	Baa2	BBB	BBB

Key Financial Ratios

Key financial ratios that provide certain measures of our liquidity are as follows:

(Dollars in Millions)	November 2, 2019	November 3, 2018
Working capital	**$ 1,706**	$ 2,330
Current ratio	**1.42**	1.58

The decreases in our working capital and current ratio are primarily due to lower cash balances as a result of debt reductions, share repurchases and dividends, as well as the addition of operating leases to current liabilities due to adoption of the new lease accounting standard.

Debt Covenant Compliance

As of November 2, 2019, we were in compliance with all debt covenants and expect to remain in compliance during the remainder of fiscal 2019.

Contractual Obligations

Other than operating leases which are now Recorded, rather than Unrecorded contractual obligations, there have been no significant changes in the contractual obligations disclosed in our 2018 Form 10-K.

Off-Balance Sheet Arrangements

We have not provided any financial guarantees as of November 2, 2019.

We have not created and are not a party to, any special-purpose or off-balance sheet entities for the purpose of raising capital, incurring debt or operating our business. We do not have any arrangements or relationships with entities that are not consolidated into our financial statements that are reasonably likely to materially affect our financial condition, liquidity, results of operations or capital resources.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect reported amounts. Management has discussed the development, selection and disclosure of its estimates and assumptions with the Audit Committee of our Board of Directors. There have been no significant changes in the critical accounting policies and estimates discussed in our 2018 Form 10-K.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no significant changes in the market risks described in our 2018 Form 10-K.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (the “Evaluation”) at a reasonable assurance level as of the last day of the period covered by this report.

Based upon the Evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures are effective at the reasonable assurance level. Disclosure controls and procedures are defined by Rule 13a-15(e) of the Securities Exchange Act of 1934 (the "Exchange Act") as controls and other procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosures.

It should be noted that the design of any system of controls is based in part upon certain assumptions about the likelihood of future events and there can be no assurance that any design will succeed in achieving our stated goals under all potential future conditions, regardless of how remote.

Changes in Internal Control Over Financial Reporting

On August 4, 2019, we implemented a new enterprise resource planning (“ERP”) system resulting in certain changes in our internal control over financial reporting. This implementation becomes a significant component of our internal control over financial reporting. With the exception of the new ERP implementation, there were no other changes in our internal control over financial reporting during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1A. Risk Factors

There have been no significant changes in the risk factors described in our 2018 Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table contains information for shares of common stock repurchased and shares acquired from employees in lieu of amounts required to satisfy minimum tax withholding requirements upon the vesting of the employees’ stock-based compensation during the three fiscal months ended November 2, 2019:

(Dollars in Millions, Except per Share Data)	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased under the Plans or Programs
August 4 - 31, 2019	916,227	$ 47.20	888,253	$ 908
September 1 - October 5, 2019	1,127,544	49.36	1,067,009	855
October 6 - November 2, 2019	766,508	51.49	761,510	816
Total	2,810,279	$ 49.27	2,716,772	$ 816

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Item 6. Exhibits

Exhibit	Description
10.1	2019 Form of Executive Compensation Agreement, incorporated by reference to Exhibit 10.2 of the Company's Current Report on Form 8-K dated September 16, 2019.
31.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibits 101)

SIGNATURES

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, thereunto duly authorized.

Kohl's Corporation
(Registrant)

Date: December 6, 2019

/s/ Jill Timm
Jill Timm
On behalf of the Registrant and as Chief Financial Officer
(Principal Financial Officer)

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Michelle Gass, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Kohl's Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: December 6, 2019 /s/ Michelle Gass

Michelle Gass
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jill Timm, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Kohl's Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: December 6, 2019 /s/ Jill Timm

Jill Timm
Senior Executive Vice President, Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

**CERTIFICATION OF PERIODIC REPORT
BY CHIEF EXECUTIVE OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Michelle Gass, Chief Executive Officer of Kohl's Corporation (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the undersigned's knowledge, on the date of this Certification:

1. This Quarterly Report on Form 10-Q of the Company for the quarterly period ended November 2, 2019 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. That the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: December 6, 2019

/s/ Michelle Gass
Michelle Gass
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION OF PERIODIC REPORT
BY CHIEF FINANCIAL OFFICER
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Jill Timm, Senior Executive Vice President, Chief Financial Officer of Kohl's Corporation (the “Company”), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to the undersigned's knowledge, on the date of this Certification:

1. This Quarterly Report on Form 10-Q of the Company for the quarterly period ended November 2, 2019 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. That the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: December 6, 2019

/s/ Jill Timm
Jill Timm
Senior Executive Vice President, Chief Financial Officer
(Principal Financial Officer)