

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

(Mark One)

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

For the quarterly period ended May 1, 2010

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

(State or other jurisdiction of incorporation
or organization)

39-1630919

(I.R.S. Employer Identification No.)

N56 W17000 Ridgewood Drive,
Menomonee Falls, Wisconsin

(Address of principal executive offices)

53051

(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 No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted 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 and post such files). Yes No

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

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

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: May 29, 2010 Common Stock, Par Value \$0.01 per Share, 307,919,332 shares outstanding.

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KOHL'S CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(In Millions)

	May 1, 2010	January 30, 2010	May 2, 2009
	(Unaudited)	(Audited)	(Unaudited)
Assets			
Current assets:			
Cash and cash equivalents	\$ 2,388	\$ 2,267	\$ 856
Merchandise inventories	3,017	2,923	2,804
Deferred income taxes	91	73	74
Other	209	222	188
Total current assets	5,705	5,485	3,922
Property and equipment, net	7,109	7,018	7,001
Long-term investments	318	321	327
Favorable lease rights, net	201	204	198
Other assets	133	132	115
Total assets	<u>\$ 13,466</u>	<u>\$ 13,160</u>	<u>\$ 11,563</u>
Liabilities and Shareholders' Equity			
Current liabilities:			
Accounts payable	\$ 1,412	\$ 1,188	\$ 1,003
Accrued liabilities	895	1,002	777
Income taxes payable	113	184	82
Current portion of long-term debt and capital leases	318	16	17
Total current liabilities	2,738	2,390	1,879
Long-term debt and capital leases	1,754	2,052	2,056
Deferred income taxes	380	377	323
Other long-term liabilities	497	488	420
Shareholders' equity:			
Common stock	4	4	4
Paid-in capital	2,133	2,085	1,981
Treasury stock, at cost, 46 shares	(2,642)	(2,639)	(2,639)
Accumulated other comprehensive loss	(36)	(36)	(46)
Retained earnings	8,638	8,439	7,585
Total shareholders' equity	8,097	7,853	6,885
Total liabilities and shareholders' equity	<u>\$ 13,466</u>	<u>\$ 13,160</u>	<u>\$ 11,563</u>

See accompanying Notes to Condensed Consolidated Financial Statements

KOHL'S CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(In Millions, Except per Share Data)

	Three Months (13 Weeks) Ended	
	May 1, 2010	May 2, 2009
Net sales	\$ 4,035	\$ 3,638
Cost of merchandise sold (exclusive of depreciation shown separately below)	2,498	2,270
Gross margin	1,537	1,368
Operating expenses:		
Selling, general, and administrative	1,031	961
Depreciation and amortization	151	141
Preopening expenses	4	15
Operating income	351	251
Interest expense, net	31	32
Income before income taxes	320	219
Provision for income taxes	121	82
Net income	\$ 199	\$ 137
Net income per share:		
Basic:		
Basic	\$ 0.65	\$ 0.45
Average number of shares	307	305
Diluted:		
Diluted	\$ 0.64	\$ 0.45
Average number of shares	309	306

See accompanying Notes to Condensed Consolidated Financial Statements

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

	<u>Common Stock</u>		<u>Paid-In Capital</u>	<u>Treasury Stock</u>	<u>Accumulated Other Comprehensive Loss</u>	<u>Retained Earnings</u>	<u>Total</u>
	<u>Shares</u>	<u>Amount</u>					
Balance at January 30, 2010	353	\$ 4	\$ 2,085	\$ (2,639)	\$ (36)	\$ 8,439	\$ 7,853
Net income and other comprehensive income	-	-	-	-	-	199	199
Share-based compensation	-	-	15	-	-	-	15
Exercise of stock options and other	1	-	32	-	-	-	32
Net income tax impact from exercise of stock options	-	-	1	-	-	-	1
Treasury stock purchases	-	-	-	(3)	-	-	(3)
Balance at May 1, 2010	354	\$ 4	\$ 2,133	\$ (2,642)	\$ (36)	\$ 8,638	\$ 8,097

See accompanying Notes to Condensed Consolidated Financial Statements

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

	Three Months (13 Weeks) Ended	
	May 1, 2010	May 2, 2009
Operating activities		
Net income	\$ 199	\$ 137
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization, including debt discount and deferred financing fees	152	141
Share-based compensation	14	11
Excess tax benefits from share-based compensation	2	-
Deferred income taxes	(16)	4
Other non-cash revenues and expenses	8	24
Changes in operating assets and liabilities:		
Merchandise inventories	(92)	(5)
Other current and long-term assets	12	21
Accounts payable	224	122
Accrued and other long-term liabilities	(146)	(36)
Income taxes	(70)	(25)
Net cash provided by operating activities	<u>287</u>	<u>394</u>
Investing activities		
Acquisition of property and equipment and favorable lease rights	(191)	(186)
Sales of investments in auction rate securities	4	7
Other	(1)	2
Net cash used in investing activities	<u>(188)</u>	<u>(177)</u>
Financing activities		
Treasury stock purchases	(3)	(1)
Capital lease payments	(5)	(4)
Proceeds from stock option exercises	32	1
Excess tax benefits from share-based compensation	(2)	-
Net cash provided by (used in) financing activities	<u>22</u>	<u>(4)</u>
Net increase in cash and cash equivalents	121	213
Cash and cash equivalents at beginning of period	<u>2,267</u>	<u>643</u>
Cash and cash equivalents at end of period	<u>\$ 2,388</u>	<u>\$ 856</u>
Supplemental information:		
Interest paid, net of capitalized interest	\$ 15	\$ 17
Income taxes paid	207	103

See accompanying Notes to Condensed Consolidated Financial Statements

KOHL'S CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

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 related footnotes included in our Form 10-K (Commission File No. 1-11084) 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. In addition, quarterly results of operations depend significantly upon the timing and amount of sales and costs associated with the opening of new stores.

We operate as a single business unit.

Certain reclassifications have been made to the Condensed Consolidated Balance Sheet as of May 2, 2009 and the Statement of Cash Flows for the three months ended May 2, 2009 to conform to the 2010 presentation.

2. Debt

Long-term debt consists of the following:

Maturing	Weighted Average Effective Rate	May 1, 2010	January 30, 2010	May 2, 2009
(Dollars in Millions)				
Non-callable and unsecured senior debt:				
March 2011	6.32%	\$ 300	\$ 300	\$ 300
October 2011	7.41%	100	100	100
2017	6.31%	650	650	650
2029	7.36%	200	200	200
2033	6.05%	300	300	300
2037	6.89%	350	350	350
Total senior debt	6.55%	1,900	1,900	1,900
Capital lease obligations		178	174	180
Unamortized debt discount		(6)	(6)	(7)
Less current portion		(318)	(16)	(17)
Long-term debt and capital leases		<u>\$ 1,754</u>	<u>\$ 2,052</u>	<u>\$ 2,056</u>

Based on quoted market prices (Level 1 per ASC No. 820, "Fair Value Measurements and Disclosures"), the estimated fair value of our senior debt was approximately \$2.1 billion at May 1, 2010.

3. Share-Based Compensation

We grant share-based compensation, including options to purchase shares of our common stock and nonvested stock, pursuant to various plans. Annual grants of stock options and nonvested stock are generally made to eligible employees in the first quarter of the fiscal year. Grants to newly-hired and promoted employees and other discretionary grants are made periodically throughout the remainder of the year.

In conjunction with the March 2010 annual grant, we implemented various changes to our share-based compensation practices. Share-based compensation is no longer granted to employees below our management board. All employees who remain eligible for share-based compensation may now elect to receive their annual equity awards in the form of stock options, nonvested stock awards, or a blend of stock options and nonvested stock awards. Finally, annual grants are now based on a fixed dollar value tied to the employee's performance rating, which will eliminate the expense volatility caused by changes in our stock price.

The Black-Scholes option valuation model was used to estimate the fair value of each option award during the first quarter of the respective fiscal year based on the following assumptions:

	2010	2009
Volatility	33.6%	42.8%
Risk-free interest rate	2.5%	1.7%
Expected life in years	5.4	5.4
Dividend yield	0%	0%
Weighted-average fair value at grant date	\$19.51	\$16.98

The following table summarizes our stock option activity for the first quarters of 2010 and 2009:

	2010		2009	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
	(Shares in Thousands)			
Balance at beginning of year	19,848	\$ 52.10	19,134	\$ 53.01
Granted	458	55.66	2,617	41.51
Forfeited/expired	(139)	54.06	(300)	56.70
Exercised	(872)	36.27	(26)	29.38
Balance at end of quarter	<u>19,295</u>	<u>\$ 52.89</u>	<u>21,425</u>	<u>\$ 51.58</u>

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The following table summarizes our nonvested stock activity for the first quarters of 2010 and 2009:

	2010		2009	
	Shares	Weighted Average Grant Date Fair Value	Shares	Weighted Average Grant Date Fair Value
Balance at beginning of year	883	\$ 45.44	276	\$ 54.39
Granted	430	55.74	657	41.63
Vested	(179)	47.41	(58)	60.73
Balance at end of quarter	<u>1,134</u>	<u>\$ 49.03</u>	<u>875</u>	<u>\$ 44.38</u>

Total share-based compensation expense was \$14 million for the three months ended May 1, 2010 and \$11 million for the three months ended May 2, 2009.

Total unrecognized share-based compensation expense for all share-based payment plans was \$131 million at May 1, 2010, of which approximately \$46 million is expected to be recognized in the remainder of 2010, \$36 million in 2011, \$22 million in 2012, \$18 million in 2013 and \$9 million in 2014. Future compensation expense may be impacted by future grants, changes in forfeiture estimates and/or actual forfeitures which differ from estimated forfeitures.

4. Long-Term Investments

Our long-term investments consist primarily of investments in auction rate securities (“ARS”), which are long-term debt instruments with interest rates reset through periodic short-term auctions. Our ARS portfolio consists entirely of highly-rated, insured student loan backed securities. Substantially all of the principal and interest is insured by the federal government and the remainder is insured by highly-rated insurance companies. As of May 1, 2010, \$189 million of our ARS (at fair value) were rated “AAA” by Moody’s, Standard & Poor’s and/or Fitch Ratings. The remaining ARS investments have ratings equivalent to the Standard & Poor’s “AA” and “A” ratings.

We intend to hold our ARS until their fair value once again equals their par value and believe we have the ability to do so based on other sources of liquidity. Therefore, impairment charges are considered temporary and have been included in Accumulated Other Comprehensive Loss within our Condensed Consolidated Balance Sheets.

The fair value for our ARS is based on third-party pricing models and is classified as a Level 3 pricing category. The Level 3 pricing category includes financial instruments that are not actively traded on a market exchange and includes situations where there is little, if any, market activity for the financial instrument. Level 3 prices are determined using significant unobservable inputs or valuation techniques.

We utilized a discounted cash flow model to estimate the current fair market value for each of the securities we owned as there was no recent activity in the secondary markets in these types of securities. This model used unique inputs for each security including discount rate,

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interest rate currently being paid and maturity. The discount rate was calculated using the closest match available for other insured asset backed securities. A market failure scenario was employed as recent successful auctions of these securities were very limited.

The following table presents a rollforward of our ARS, all of which are measured at fair value on a recurring basis using unobservable inputs (Level 3 per ASC No. 820, "Fair Value Measurements and Disclosures"):

	<u>2010</u>	<u>2009</u>
	(In Millions)	
Balance at beginning of year	\$ 320	\$ 332
Sales (at par)	(4)	(7)
Unrealized gains	1	1
Balance at end of quarter	<u>\$ 317</u>	<u>\$ 326</u>

5. Contingencies

We are 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 our consolidated financial statements.

6. Net Income Per Share

The calculations of the numerator and denominator for basic and diluted net income per share are summarized as follows:

	Three Months	
	Ended	
	May 1,	May 2,
	2010	2009
	(In Millions)	
Numerator - net income	<u>\$ 199</u>	<u>\$ 137</u>
Denominator - weighted average shares:		
Basic	307	305
Impact of dilutive employee stock options and non-vested stock (a)	<u>2</u>	<u>1</u>
Diluted	<u>309</u>	<u>306</u>

- (a) Excludes 8 million options for the three months ended May 1, 2010 and 19 million options for the three months ended May 2, 2009, as the impact of such options was antidilutive.

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

For purposes of the following discussion, all references to “the first quarter of 2010” or “2010” are for the 13-week fiscal period ended May 1, 2010 and all references to “the first quarter of 2009” or “2009” are for the 13-week fiscal period ended May 2, 2009.

The following discussion should be read in conjunction with our Condensed Consolidated Financial Statements and the related notes included elsewhere in this report, as well as the financial and other information included in our 2009 Annual Report on Form 10-K. The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could materially differ from those discussed in these forward-looking statements. Factors that could cause or contribute to those differences include, but are not limited to, those discussed elsewhere in this report and in our 2009 Annual Report on Form 10-K (particularly in “Risk Factors”).

Executive Summary

We believe that consumers were slightly more confident in their spending during the first quarter of 2010, but remain focused on value and ways to make their dollars go farther. We intend to be flexible in our sales and inventory planning and in our expense management in order to react to changes in consumer demand.

For the quarter, net sales increased 10.9% and comparable store sales increased 7.4% compared to the prior year quarter. All regions and all lines of business reported positive comparable store sales for the quarter. Our E-Commerce business also generated significant growth, achieving a 50 percent increase in sales for the quarter and contributing 110 basis points to our overall comparable store sales.

Gross margin as a percent of net sales for the quarter increased 48 basis points compared to the prior year quarter to 38.1%. Strong inventory management, as well as successful private and exclusive brand strategies, contributed to the margin strength. Selling, general and administrative expenses increased 7.3% compared to the prior year quarter, less than our increase in sales.

Net income increased 45% for the quarter to \$199 million, or \$0.64 per diluted share, compared to net income of \$137 million and diluted earnings per share of \$0.45 in the first quarter of last year.

Our strategic committees continue to focus on opportunities to drive our overall profitability. The mission of the Regional Assortment Committee is to accelerate sales growth by varying merchandise assortment, marketing and store presentation by region to reflect the lifestyle preferences and climate needs of our customers. Our focus on regional relevance resulted in significant increases in both transactions per store and comparable store sales in our hot and mild markets in the Southeast and West, where we have the strongest opportunity to gain market share. The mission of the In-Store Experience Committee is to consistently deliver an improved store experience that generates loyalty and grows market share. Our overall internal customer service scores continue to increase year over year and were up 4% for the first quarter.

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As of May 1, 2010, we operated 1,067 stores in 49 states, including 9 stores which opened in the quarter ended May 1, 2010, compared to 1,022 stores as of May 2, 2009. Selling square footage totaled 79 million square feet at May 1, 2010 and 76 million square feet at May 2, 2009. We currently expect to open 21 additional stores in the second half of fiscal 2010.

We completed 17 remodels in March 2010 and plan to complete an additional 68 remodels during the remainder of the year, approximately two-thirds more than last year's remodel total of 51. Remodels remain a critical part of our long-term strategy as we believe it is extremely important to maintain our existing store base, even in this difficult environment. Our current plans are to remodel each store every nine to ten years.

In April 2010, we announced the expansion of our exclusive ELLE-branded lifestyle collection into the home category with an ELLE Décor line of contemporary home furnishings. ELLE Décor will be available in approximately 350 stores and Kohls.com beginning in September 2010. The line will initially launch with home and home décor products, including decorative pillows, frames, candles and accent items.

We were pleased with the performance of our brands that were new to Spring 2010, especially the following current quarter and Fall 2009 launches:

- LC Lauren Conrad, our exclusive partnership with Lauren Conrad
- Mudd in juniors and girls
- Helix, our newest private brand, in young men's

During 2010, we are making significant capital investments to support our growth:

- In the second quarter, we plan to open a second E-fulfillment center in southern California to support the significant growth in our E-Commerce business. We expect this center to be fully operational in time for the 2010 Holiday season.
- We also plan to open a third customer operations center in Texas in July 2010. This center will serve Kohl's charge and Kohls.com customers.
- By the Back to School season, we expect all stores to have kiosks where customers can order items which were not available in the store and have them shipped to their home at no cost.
- This Fall, we expect to test new electronic signs in 100 of our stores. Although it will be a significant capital investment, we expect a good return on this investment through elimination of ad set payroll hours, signage errors and paper signs, which supports our desire to be a leader in "Green" initiatives. Assuming success in our pilot, we would expect to have electronic signs in all stores by the 2011 Holiday season.

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Our current expectations for the second quarter of 2010 compared to the comparable prior year quarter are as follows:

- Total sales increase of 5% to 7%
- Comparable store sales increase of 2% to 4%
- Gross margin increase of 20 to 40 basis points
- SG&A dollars to increase 10% to 11%
- Earnings per diluted share of \$0.70 to \$0.75

Our current expectations for fiscal 2010 compared to fiscal 2009 are as follows:

- Total sales increase of 6.5% to 8%
- Comparable store sales increase of 3.5% to 5%
- Gross margin increase of 20 to 40 basis points
- SG&A dollars to increase 6% to 7%
- Earnings per diluted share of \$3.57 to \$3.75

This guidance does not reflect any additional share repurchases in fiscal 2010.

Results of Operations

Net Sales

	<u>2010</u>	<u>2009</u>	<u>Increase</u>	
			<u>\$</u>	<u>%</u>
			<u>(Dollars in Millions)</u>	
Net sales	\$ 4,035	\$ 3,638	\$ 397	10.9 %

New stores contributed \$132 million in net sales over the prior year quarter. Comparable store sales for the quarter, which are sales from stores (including E-Commerce sales and relocated or expanded stores) open throughout the full current and prior fiscal year periods, increased \$265 million compared to the first quarter of last year.

Drivers of the changes in comparable stores sales were as follows:

	<u>2010</u>	<u>2009</u>
Selling price per unit	<u>(1.8) %</u>	<u>5.8 %</u>
Units per transaction	<u>0.4</u>	<u>(7.4)</u>
Average transaction value	<u>(1.4)</u>	<u>(1.6)</u>
Number of transactions	<u>8.8</u>	<u>(2.6)</u>
Comparable store sales	<u>7.4 %</u>	<u>(4.2) %</u>
Stores	<u>6.3 %</u>	<u>(4.9) %</u>
E-Commerce	<u>50.2</u>	<u>33.6</u>
Total Kohl's	<u>7.4 %</u>	<u>(4.2) %</u>

All lines of business reported positive comparable store sales for the quarter. Footwear and Home both achieved double-digit comparable store sales increases. Footwear had broad-based strength led by athletic shoes. All areas of Home achieved positive comparable store sales, led by seasonal, electrics, and bedding.

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The remaining businesses achieved comparable store sales increases between five and seven percent with Women's being the strongest overall. Areas of strength within Women's were special sizes and both updated and classic sportswear, which all posted double-digit comparable store sales increases. Men's was strongest in basics, tailored clothing, and young men's. Accessories was strongest in fashion jewelry, watches and sterling silver jewelry. Children's best performing categories were small sizes and toys.

From a regional perspective, the Southeast and West regions both performed better than the company average. The remaining regions had comparable store sales increases in the mid-single digit range.

Private and exclusive brands as a percentage of total sales increased 268 basis points for the quarter to 47.2% of sales. Croft & Barrow, Sonoma and Apt. 9, our three largest private brands, as well as Jumping Beans achieved strong double-digit comparable store sales increases for the quarter. Strong exclusive brand performers for the quarter included Dana Buchman, ELLE, Fila Sport, Food Network and Simply Vera Vera Wang. All of these exclusive brands achieved positive comparable store sales of 20 percent or more.

E-Commerce revenues increased approximately 50% to \$132 million for the quarter. The sales growth is primarily the result of increased customer traffic on the web site, increased style and size selections offered on-line compared with our in-store selection, and the expansion of product categories not available in our stores.

Gross Margin

	<u>2010</u>	<u>2009</u>	<u>\$</u>	<u>%</u>
			(Dollars in Millions)	
Gross margin	\$ 1,537	\$ 1,368	\$ 169	12.4 %
Gross margin as a percent of net sales	38.1%	37.6%		

Gross margin 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 and handling expenses of E-Commerce sales; and terms cash discount. Our gross margin may not be comparable with that of other retailers because we include distribution center costs in selling, general and administrative expenses while other retailers may include these expenses in cost of merchandise sold.

Gross margin as a percent of net sales was 38.1% for 2010, an increase of 48 basis points compared to 37.6% for 2009. Strong inventory management as well as increased penetration of private and exclusive brands contributed to the margin strength. We continue to focus on receiving merchandise in season as needed through our cycle time reduction initiatives. This strategy reduces our seasonal merchandise clearance inventories. Sales of private and exclusive brands reached 47.2% of net sales for the quarter, an increase of 268 basis points over the comparable prior year period. Additionally, our ongoing markdown and size optimization initiatives continue to develop and have favorable impacts on our gross margin percentage.

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	<u>2010</u>	<u>2009</u>	<u>Increase</u>	
			<u>\$</u>	<u>%</u>
			(Dollars in Millions)	
S,G&A	\$ 1,031	\$ 961	\$ 70	7.3 %
S,G&A as a percent of net sales	25.5%	26.4%		

Selling, general and administrative expenses (“SG&A”) include compensation and benefit costs (including stores, headquarters, buying and merchandising 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; advertising expenses, offset by vendor payments for reimbursement of specific, incremental and identifiable costs; net revenues from the Kohl’s credit card program; and other administrative costs. We do not include depreciation and amortization and preopening expenses in SG&A. The classification of these expenses varies across the retail industry.

SG&A for 2010 increased \$70 million, or 7.3%, over 2009. Store payroll, advertising, and corporate expenses as a percentage of net sales decreased, or “leveraged” for the quarter. Distribution centers did not leverage due to initial expenses related to the purchase of our 2nd E-Commerce fulfillment center. IT expenses did not leverage for the quarter due to our increased E-Commerce investment.

In connection with the April 2006 sale of our proprietary credit card accounts to JPMorgan Chase & Co. (“JPMorgan Chase”), we entered into a service and revenue-sharing agreement. Pursuant to this agreement, JPMorgan Chase issues Kohl’s branded private label credit cards to new and existing Kohl’s customers. Since we do not own the receivables, the receivables and the related allowance for bad debt reserve are not reported on our balance sheets. Risk-management decisions are jointly managed by JPMorgan Chase and us. We handle all customer service functions and are responsible for all advertising and marketing related to credit card customers and the majority of the associated expenses. Net revenues of the program are shared with JPMorgan Chase according to a fixed percentage and are settled monthly. Net revenues include finance charge and late fee revenues, less write-offs of uncollectible accounts and other expenses. Net revenues from the credit card program decreased in 2010 due to costs incurred to prepare the portfolio for additional legislative changes effective in the first quarter of 2010 as well as a reduction in late fee revenue.

	<u>2010</u>	<u>2009</u>	<u>Increase</u>	
			<u>\$</u>	<u>%</u>
			(Dollars in Millions)	
Depreciation and amortization	\$ 151	\$ 141	\$ 10	7.1 %

The increase in depreciation and amortization for the quarter is primarily attributable to the addition of new stores and remodels.

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	<u>2010</u>	<u>2009</u>	<u>Decrease</u>	
			<u>\$</u>	<u>%</u>
			(Dollars in Millions)	
Preopening expenses	\$ 4	\$ 15	\$ (11)	(73.3) %
Number of stores opened	9	19		

Preopening expenses decreased due to fewer new store openings this quarter.

Operating Income

	<u>2010</u>	<u>2009</u>	<u>Increase</u>	
			<u>\$</u>	<u>%</u>
			(Dollars in Millions)	
Operating income	\$ 351	\$ 251	\$ 100	39.8 %
Operating income as a percent of net sales	8.7%	6.9%		

As a result of the above factors, operating income as a percent of net sales increased 179 basis points to 8.7% for 2010, compared to 6.9% for 2009.

Interest Expense, Net

	<u>2010</u>	<u>2009</u>	<u>Decrease</u>	
			<u>\$</u>	<u>%</u>
			(Dollars in Millions)	
Interest expense, net	\$ 31	\$ 32	\$ (1)	(3.1) %

Net interest expense of \$31 million was comparable to last year as interest income from higher average investments was more than offset by lower interest rates.

Provision for Income Taxes

	<u>2010</u>	<u>2009</u>	<u>Increase</u>	
			<u>\$</u>	<u>%</u>
			(Dollars in Millions)	
Provision for income taxes	\$ 121	\$ 82	\$ 39	47.6 %

Our effective tax rate was 37.8% for 2010 and 37.5% for 2009.

Seasonality & Inflation

Our 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 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. In addition, quarterly results of operations depend significantly upon the timing and amount of sales and costs associated with the opening of new stores.

Although we expect that our operations will be influenced by general economic conditions, including rising food, fuel and energy prices, we do not believe that inflation has had a material effect on our results of operations. However, there can be no assurance that our business will not be affected by such factors in the future.

Financial Condition and Liquidity

Our primary ongoing cash requirements are for capital expenditures in connection with our expansion and remodeling programs and seasonal and new store inventory purchases. Our primary source of funds for our business activities are cash flow from operations, short-term trade credit and our lines of credit.

As of May 1, 2010, we had cash and cash equivalents of \$2.4 billion. In the first quarter of 2006, we sold our proprietary credit card accounts and entered into a service and revenue-sharing agreement with JPMorgan Chase. This agreement will expire in April 2011. We are currently exploring various options related to the Kohl's credit card, including entering into a new agreement with an alternative partner. We expect to reach a decision by Fall 2010. This timing could be impacted by the timing of the issuance of the final CARD Act regulation. We currently believe that we will be able to negotiate a new contract with a financial institution that would be similar in nature to our existing arrangement. If, however, we are unable to do so, we may repurchase the receivables from JPMorgan Chase. We would expect to use a combination of cash on hand, funds from operations and/or proceeds from the issuance of debt and/or stock to fund the repurchase of the receivables. If we do not repurchase the receivables, we will consider other potential uses for our cash equivalent balances after finalizing a new agreement.

	<u>2010</u>	<u>2009</u>	<u>Increase (Decrease)</u> <u>in Cash</u>	
			<u>\$</u>	<u>%</u>
			<u>(Dollars in Millions)</u>	
Net cash provided by (used in):				
Operating activities	\$ 287	\$ 394	\$ (107)	(27.2) %
Investing activities	(188)	(177)	(11)	(6.2)
Financing activities	22	(4)	26	100+

Operating Activities. Despite the increase in net income, cash provided by operations in 2010 was \$287 million, 27% lower than the prior year. The decrease is primarily a result of making higher incentive compensation payments in 2010.

Merchandise inventories per store were \$2.8 million at May 1, 2010, up three percent from \$2.7 million at May 2, 2009. Our inventory levels reflect continued strong inventory management.

Accounts payable as a percent of inventory was 46.8% at May 1, 2010, compared to 35.8% at May 2, 2009, reflecting the positive results of inventory management and vendor finance initiatives. Our cycle time process improvements on fashion categories and a focus on replenishment of basics have allowed us to consistently receive inventory based on sales volume and to improve our inventory management by merchandise area and store location. With the cooperation of our vendor partners, we have been able to reduce our lead time by accelerating inventory receipts to support our recent sales growth. Extended payment terms have also contributed to an increase in our accounts payable balance. We have rolled out a receivable financing program whereby a financial institution provides our vendors with financing, at a rate which is below what the vendors could normally obtain on their own. We offer this program to vendors in exchange for extended payment terms.

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Investing Activities. The \$11 million increase in net cash used in investing activities is primarily attributable to a \$5 million increase in capital expenditures. Capital expenditures include costs for new store openings, store remodels, distribution center openings and other base capital needs.

As of May 1, 2010, we had investments in auction rate securities (“ARS”) with a par value of \$375 million and an estimated fair value of \$317 million. To date, all ARS sales and calls have been at par and we have collected all interest payable on outstanding ARS when due and expect to continue to do so in the future. At this time, we have no reason to believe that any of the underlying issuers of our ARS or their insurers are presently at risk or that the underlying credit quality of the assets backing our ARS has been impacted by the reduced liquidity of these investments. While the auction failures, which began in February 2008, limit our ability to liquidate these investments, we believe that the ARS failures will have no significant impact on our ability to fund ongoing operations and growth initiatives.

Financing Activities. Financing activities generated cash of \$22 million in 2010 and used cash of \$4 million 2009. The increase is primarily due to increased stock option exercises in 2010.

We have various facilities upon which we may draw funds, including a \$900 million senior unsecured revolving facility and two demand notes with aggregate availability of \$50 million. The \$900 million revolving facility expires in October 2011. The co-leads of this facility, The Bank of New York Mellon and Bank of America, have each committed \$100 million. The remaining 12 lenders have each committed between \$30 and \$130 million. There were no draws on these facilities during 2010 and 2009.

We have no debt maturing until 2011. We expect to use cash and cash equivalents on hand and funds from operations to repay both the \$300 million of long-term debt which is due in March 2011 and the \$100 million of long-term debt which is due in October 2011. Alternatively, if economic conditions and financing terms are favorable, we may choose to refinance the \$400 million in 2011.

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

	May 1, 2010	January 30, 2010	May 2, 2009
Working capital (In Millions)	\$ 2,967	\$ 3,095	\$ 2,043
Current ratio	2.08:1	2.29:1	2.09:1
Debt/capitalization	20.4%	20.8%	23.1%

The increase in working capital as of May 1, 2010 compared to May 2, 2009 was primarily due to higher cash and cash equivalents, partially offset by the reclassification of \$300 million of long-term debt due in March 2011 to current liabilities. The improvement in the debt/capitalization ratio as of May 1, 2010 compared to May 2, 2009 reflects higher capitalization, primarily due to earnings.

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Debt Covenant Compliance. As of May 1, 2010, we were in compliance with all debt covenants and expect to remain in compliance during fiscal 2010.

	(Dollars in Millions)
Total Debt per Balance Sheet	\$ 2,072
Other Debt	-
Subtotal	2,072
Rent x 8	4,017
A Included Indebtedness	<u>\$ 6,089</u>
Net Worth	\$8,097
Investments (accounted for under equity method)	-
Subtotal	8,097
Included Indebtedness	<u>6,089</u>
B Capitalization	<u>\$14,186</u>
Leverage Ratio (A/B)	0.43
Maximum permitted Leverage Ratio	0.70

Free Cash Flow. We generated free cash flow of \$96 million in 2010 compared to \$208 million in 2009. The decrease in free cash flow is primarily a result of making higher incentive compensation payments in 2010. Free cash flow is a non-GAAP financial measure which we define as net cash provided by operating activities less capital expenditures. Free cash flow should be evaluated in addition to, and not considered a substitute for, other financial measures such as net income and cash flow provided by operations. We believe that free cash flow represents our ability to generate additional cash flow from our business operations.

The following table reconciles net cash provided by operating activities, a GAAP measure, to free cash flow, a non-GAAP measure.

	<u>2010</u>	<u>2009</u>
	(In Millions)	
Net cash provided by operating activities	<u>\$ 287</u>	<u>\$ 394</u>
Acquisition of property and equipment and favorable lease rights	<u>(191)</u>	<u>(186)</u>
Free cash flow	<u>\$ 96</u>	<u>\$ 208</u>

Contractual Obligations

There have been no significant changes in the contractual obligations disclosed in our Annual Report on Form 10-K for the year ended January 30, 2010.

Off-Balance Sheet Arrangements

We have not provided any financial guarantees as of May 1, 2010. We have not created, and are not 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 liquidity or the availability of capital resources.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States 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 Annual Report on Form 10-K for the year ended January 30, 2010.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There have been no significant changes in the market risks described in our Annual Report on Form 10-K for the year ended January 30, 2010.

Item 4. Controls and Procedures

(a) *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 concluded that our disclosure controls and procedures are effective at the reasonable assurance level. Disclosure controls and procedures are defined by Rules 13a-15(e) and 15d-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.

(b) *Changes in Internal Control Over Financial Reporting*

During the last fiscal quarter, there were no changes in our internal control over financial reporting that have materially affected or are reasonably likely to materially affect such controls, including any corrective actions with regard to significant deficiencies and material weaknesses.

PART II. OTHER INFORMATION

Item 1A. Risk Factors

In March 2010, significant changes to healthcare legislation were passed. As a sponsor of healthcare for our employees, we are prepared to adhere to the most immediate changes which include features such as providing coverage to dependent children until age 26 and elimination of lifetime maximums; both of which will become effective January 1, 2011. The most significant changes that impact our healthcare plans are not scheduled to take effect until 2014. We are reviewing each element of the legislation and assessing the requirements along with the implication to Kohl's and to our employees. The complexity of the legislation requires some time for us to develop a full understanding of the specifics of the overall legislation and what impact these changes will have on our healthcare plans in the future.

There have been no other significant changes in our risk factors from those described in our Annual Report on Form 10-K for the year ended January 30, 2010.

Forward-looking Statements

This report contains statements that may constitute forward-looking statements within the meaning of the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Those statements relate to developments, results, conditions or other events we expect or anticipate will occur in the future. Words such as "believes," "anticipates," "plans," "expects" and similar expressions are intended to identify forward-looking statements. Without limiting the foregoing, these statements may relate to future outlook, revenues, earnings, store openings, planned capital expenditures, market conditions, new strategies and the competitive environment. 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 Item 1A of our Annual Report on Form 10-K filed with the SEC on March 19, 2010, 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. An investment in our common stock or other securities carries certain risks. Investors should carefully consider the risks as stated in our Form 10-K and other risks which may be disclosed from time to time in our filings with the SEC before investing in our securities.

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

We did not sell any securities during the quarter ended May 1, 2010, which were not registered under the Securities Act.

In September 2007, our board of Directors authorized a \$2.5 billion share repurchase program which is intended to return excess capital to our shareholders. As a result of the current economic environment, we have not purchased any shares pursuant to this program since July 2008. The program does not have a specified termination date.

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The following table contains information for shares acquired from employees in lieu of amounts required to satisfy minimum tax withholding requirements upon the vesting of the employees' restricted stock during the three fiscal months ended May 1, 2010:

Period	Total Number of Shares Purchased During Period	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
				(In millions)
Jan. 31 – Feb. 27, 2010	4,269	\$ 50.93	-	\$ 1,866
Feb. 28 – Apr. 3, 2010	59,362	55.77	-	1,866
Apr. 4 – May 1, 2010	20	56.90	-	1,866
Total	63,651	\$ 55.45	-	\$ 1,866

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Item 6. Exhibits

- 10.1 Form of Executive Stock Option Agreement pursuant to the Kohl's Corporation 2010 Long Term Compensation Plan.*
- 10.2 Form of Executive Restricted Stock Agreement pursuant to the Kohl's Corporation 2010 Long Term Compensation Plan.*
- 10.3 Form of Outside Director Stock Option Agreement pursuant to the Kohl's Corporation 2010 Long Term Compensation Plan.*
- 10.4 Form of Outside Director Restricted Stock Agreement pursuant to the Kohl's Corporation 2010 Long Term Compensation Plan.*
- 31.1 Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 31.2 Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
- 32.1 Certification of Periodic Report by Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.2 Certification of Periodic Report by Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 101.INS XBRL Instance Document
- 101.SCH XBRL Taxonomy Extension Schema
- 101.CAL XBRL Taxonomy Extension Calculation Linkbase
- 101.DEF XBRL Taxonomy Extension Definition Linkbase
- 101.LAB XBRL Taxonomy Extension Label Linkbase
- 101.PRE XBRL Taxonomy Extension Presentation Linkbase

* A management contract or compensatory plan or arrangement.

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: June 4, 2010

/s/ Wesley S. McDonald
Wesley S. McDonald
Executive Vice President, Chief Financial Officer
(Principal Financial and Accounting Officer)

**KOHL'S CORPORATION
NON-QUALIFIED STOCK OPTION AGREEMENT
BASED ON KOHL'S 2010 LONG-TERM COMPENSATION PLAN**

<u>Executive</u>	<u>Employee ID</u>	<u>Grant Date</u>	<u>Expiration Date</u>	<u>Number of Shares</u>	<u>Option Price Per Share</u>
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The Compensation Committee (the "Committee") of the Board of Directors of Kohl's Corporation ("Kohl's") has approved granting to the Executive named above ("Executive") a nonstatutory option ("Option") to purchase shares of Kohl's common stock on the terms and subject to the conditions described below. Kohl's and the Executive agree as follows:

1. Number of Shares Optioned; Option Price.

Kohl's grants to Executive the right and option to purchase, in the aggregate, the number of shares of Kohl's \$0.01 par value common stock ("Common Shares") shown above at the option price per share shown above. Except as provided by this Agreement, the Option granted shall be irrevocable. The Common Shares which Executive is entitled to purchase will be either Kohl's authorized but unissued common stock or Kohl's treasury shares. The Option granted is not intended to be treated, and will not be treated, as an incentive stock option within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended. Except as provided herein, the Option shall impose no obligation on Executive to exercise such Option.

2. Time Limitations on Exercise of Option.

Except as provided in Kohl's 2010 Long-Term Compensation Plan (the "Plan") or in this Agreement, and unless the Committee establishes otherwise, Executive may exercise his/her Option to purchase, in whole or in part, not more than that portion of the total number of Common Shares shown above according to the percentages and the anniversary dates specified below:

<u>Anniversary Date After Option Grant</u>	<u>Total Number of Shares For Which Option is Exercisable</u>
1 st Anniversary Date	20%
2 nd Anniversary Date	40%
3 rd Anniversary Date	60%
4 th Anniversary Date	80%
5 th Anniversary Date	100%

Except as provided in the Plan, an employment agreement, executive compensation agreement, or other similar agreement between Executive and Kohl's, or in this Agreement, this Option may not be exercised before the anniversary dates specified above or after the expiration of seven (7) years from the date it is granted (the "Expiration Date"). This Option may not be exercised for fractional Common Shares.

3. Termination of Employment.

Except as provided in an employment agreement, executive compensation agreement, or other similar agreement between Executive and Kohl's:

(a) If Executive, on a permanent basis, ceases to be actively employed by Kohl's as a full time employee for any reason other than Retirement, Disability or death, Executive shall have until the earlier of: (i) the Expiration Date; (ii) ninety (90) days following the date of termination of Executive's employment with Kohl's; or (iii) ninety (90) days following the date Executive ceases to be a full time employee, to exercise this Option to the extent Executive is otherwise entitled to exercise it as provided in Paragraph 2; and

(b) To the extent Executive is not entitled to exercise this Option at the time Executive ceases to be actively employed by Kohl's as a full time Employee, the outstanding and unexercised portion of the Option shall immediately lapse and Executive shall have no further rights with respect to it.

Nothing contained herein shall limit Kohl's right to terminate the employment of Executive at any time for any reason.

4. Rights in the Event of Retirement or Disability.

If Executive's employment with Kohl's is terminated due to Retirement (or due to an early retirement approved by the Committee) or Disability (as each of those terms are defined in the Plan), Executive shall have until the earlier of: (i) the Expiration Date; or (ii) one (1) year from the effective date of such Retirement or Disability to exercise this Option to the extent to which Executive would otherwise be entitled to exercise it on the effective date of such Retirement or Disability. To the extent Executive is not entitled to exercise any portion of this Option prior to Executive's Retirement or Disability, such outstanding and unexercised portion of the Option shall immediately lapse on the date of Executive's Retirement or Disability.

5. Rights In the Event of Executive's Death.

In the event of Executive's death: (i) while actively employed by Kohl's as a full time employee; or (ii) during any period following Executive's Retirement or Disability during which any then outstanding and unexercised Option is exercisable by Executive pursuant to Paragraph 4, the term during which the Option is exercisable shall be the earlier of:

- (a) the expiration of the period during which the Option is exercisable pursuant to Paragraph 4;
- (b) twelve (12) months after the date of Executive's death; or
- (c) the Expiration Date.

In the event of Executive's death while actively employed by Kohl's as a full time employee, the number of Common Shares for which the Option may be exercised shall be the total number of Common Shares granted to Executive pursuant to this Option Agreement (irrespective of whether they are exercisable on or before the date of Executive's death) that remain outstanding and unexercised on the date of Executive's death. In the event of Executive's death following Executive's Retirement or Disability, the number of Common Shares for which the Option may be exercised shall be limited to that number of Common Shares for which Executive would otherwise be entitled to exercise this Option on the date of Executive's Retirement or Disability, as provided in Paragraph 4. In the event of Executive's death, the Option may be exercisable by the beneficiary designated by Executive, if any, or the personal representative, administrator or other representative of Executive's estate.

6. Rights in the Event of a Change in Control.

In the event of a Change in Control, the Option shall be subject to the provisions of Paragraph 19 of the Plan, any references to "cause" and "good reason" used in Paragraph 19 of the Plan shall be interpreted by applying the definitions of "cause" and "good reason" set forth in any employment agreement, executive compensation agreement, or any similar agreement between Kohl's and the Executive in effect as of the date of the Change in Control.

7. Method of Exercising Option.

The Executive may exercise the Option on or after the appropriate anniversary date (and before an event of termination) in whole or in part, from time to time in accordance with any manner permitted by Kohl's in effect on the date of exercise. The Executive may contact the office of Kohl's Executive Vice President of Human Resources at the address specified in Paragraph 9 to receive details regarding the manner(s) of exercise permitted by Kohl's which are in effect on the date of exercise.

Executive shall not acquire any rights or privileges as a shareholder of Kohl's for any Common Shares issuable upon the exercise of this Option until such Common Shares have been duly issued by Kohl's. Kohl's shall have the right to delay the issue or delivery of any Common Shares to be delivered hereunder until (i) the completion of such registration or qualification of such shares under federal or state law, ruling or regulation as Kohl's deems to be necessary or advisable; and (ii) receipt from Executive of such documents and information as Kohl's deems necessary or appropriate in connection with such registration or qualification or the issuance of Common Shares hereunder.

8. Prohibition Against Transfer, Pledge, and Attachment.

This Option, and the rights and privileges conferred by it, is personal to Executive and, absent a binding court order, may not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) during Executive's lifetime and shall be exercisable only by Executive. Executive may transfer this Option, and the rights and privileges conferred by it, upon Executive's death, either by will or under the laws of descent and distribution, or by beneficiary designation made in such form and subject to such limitations as may from time to time be acceptable to the Committee and delivered to and accepted by the Committee. All distributees shall be subject to all of the terms and conditions of this Agreement to the same extent as would Executive if still alive. This Option, and the rights and privileges conferred by it, may not be subjected to execution, attachment or similar process.

9. Notices.

Any notice to be given to Kohl's under the terms of this Agreement shall be addressed to the attention of Kohl's Executive Vice President of Human Resources, N56 W17000 Ridgewood Drive, Menomonee Falls, Wisconsin 53051, and any notice to be given to Executive may be sent to Executive's address as it appears on the payroll records of Kohl's, or at such other addresses as either party may designate in writing to the other.

10. Provisions of the Plan Control.

This Option is subject to, and qualified in its entirety by reference to, the terms and conditions of the Plan under which it is granted, a copy of which may be obtained from Kohl's Executive Vice President of Human Resources and the provisions of the Plan shall be incorporated into and be a part of this Option Agreement. Capitalized terms used but not defined in this Agreement shall have the meanings ascribed to them in the Plan. The Plan empowers the Committee to make interpretations, rules and regulations under it. Determinations made by the Committee with respect to the Plan shall be binding upon Kohl's and Executive.

11. Taxes.

Executive shall pay all taxes applicable to the grant or exercise of this Option. Kohl's may require payment of or withhold any tax which it believes is required to be the obligation of Executive as a result of the grant or exercise of this Option, and Kohl's may defer making delivery of Common Shares or cash payable hereunder until arrangements satisfactory to Kohl's have been made for such tax obligations.

12. Choice of Law.

This Agreement shall be governed by and construed in accordance with the laws of the state in which the majority of Executive's job responsibilities are carried out as of the date of this Agreement.

Kohl's has caused this Agreement to be executed and Executive has executed the same as evidence of Executive's acceptance hereof and upon the terms and conditions herein set forth as of the grant date shown above.

KOHL'S CORPORATION

By: _____

Executive: _____

RESTRICTED STOCK AGREEMENT

Executive	Employee ID	Grant Date	Number of Restricted Shares

RECITALS:

The Company and Executive have previously entered into an [Employment Agreement] [Executive Compensation Agreement] (the “[Employment Agreement] [Executive Compensation Agreement]”) setting forth some of the terms of Executive’s employment and post-employment relationships with Company.

The Compensation Committee of the Board of Directors (the “Committee”) has determined to award to the Executive shares of the common stock of the Company (“Common Stock”), subject to the restrictions contained herein, pursuant to the Company’s 2010 Long-Term Compensation Plan (the “Plan”). All terms used herein and not otherwise defined shall have the same meaning as set forth in the Plan.

NOW, THEREFORE, for good and valuable consideration, including the mutual promises set forth in this agreement and the benefits that the Company expects to derive in connection with the services to be hereafter rendered to it or its subsidiaries by the Executive, the Company and the Executive hereby agree as follows:

ARTICLE I

Restricted Shares

1.1 Award of Restricted Shares. The Company hereby awards to the Executive the number of shares of Common Stock listed above under the heading “Number of Restricted Shares” (the “Restricted Shares”), subject to the restrictions contained herein and the provisions of the Plan.

1.2 Vesting of the Restricted Shares. Subject to the terms of this Agreement, the Restricted Shares shall vest in accordance with the following schedule:

	Shares Vesting
1 st Anniversary Date	20%
2 nd Anniversary Date	20%
3 rd Anniversary Date	20%
4 th Anniversary Date	20%
5 th Anniversary Date	20%

(a) Termination By Company for Cause, By Executive Other Than for Good Reason or Due to Disability. If Executive's employment is terminated by the Company pursuant to Section [3.1 (b)] [2.1] of the [Employment Agreement] [Executive Compensation Agreement], by Executive pursuant to [Section 3.1(e)] [Sections 2.2 or 2.3] of the [Employment Agreement] [Executive Compensation Agreement] or due to Disability (defined in the [Employment Agreement] [Executive Compensation Agreement]) pursuant to Section [3.1(d)] [2.5] of the [Employment Agreement] [Executive Compensation Agreement], the vesting of the Restricted Shares shall, on the date of such termination, cease and any unvested Restricted Shares shall be forfeited by Executive and revert to the Company.

(b) Termination Due to Executive's Death. If Executive's employment is terminated due to Executive's death pursuant to Section [3.1(d)] [2.4] of the [Employment Agreement] [Executive Compensation Agreement], the Restricted Shares shall, upon such termination, vest immediately.

(c) Termination By Company Without Cause or By Executive for Good Reason. If Executive's employment is terminated by Executive [pursuant to Section 3.1(c) of the Employment Agreement or by] [or] the Company pursuant to [Section 3.1(a)] [2.6] of the [Employment Agreement] [Executive Compensation Agreement], any Restricted Shares that are scheduled to vest [during the period through the end of the Initial Term or the then current Renewal Term, as applicable, of the Employment Agreement (but in no event longer than the three] [in the two]-year period following the date of Executive's termination of employment[] shall immediately vest.

(d) Change of Control. In the event of a Change of Control, any outstanding Restricted Shares shall be subject to the provisions set forth in Paragraph 19 of the Plan, provided, however, any references to "cause" and "good reason" used in Paragraph 19 of the Plan shall be interpreted by applying the definitions of "cause" and "good reason" set forth in the [Employment Agreement] [Executive Compensation Agreement].

Any Restricted Shares which do not vest shall be forfeited by Executive and revert to the Company. The period during which the Restricted Shares are unvested is referred to herein as the Restricted Period.

1.3 Shareholder Status. Prior to the vesting of the Restricted Shares, Executive shall have the right to vote the Restricted Shares, the right to receive and retain all regular cash dividends paid or distributed in respect of the Restricted Shares, and except as expressly provided otherwise herein, all other rights as a holder of outstanding shares of Common Stock. Notwithstanding the foregoing, the Executive shall not have the right to vote or to receive dividends with respect to the Restricted Shares with respect to record dates occurring after any of the Restricted Shares revert to the Company pursuant to Section 1.2 hereof. Until the Restricted Shares vest pursuant to Section 1.2 hereof, the Company shall retain custody of the stock certificates representing the Restricted Shares. As soon as practicable after the lapse of the restrictions, the Company shall issue or release or cause to be issued or released certificate(s) representing the shares, less any shares used to satisfy the obligation to withhold income and/or employment taxes in connection with the vesting of any Restricted Shares.

1.4 Prohibition Against Transfer. During the Restricted Period, the Restricted Shares may not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) by the Executive, or be subject to execution, attachment or similar process. Any transfer in violation of this Section 1.4 shall be void and of no further effect.

ARTICLE II

Miscellaneous

2.1 Provisions of the Plan Control. This Agreement shall be governed by the provisions of the Plan, the terms and conditions of which are incorporated herein by reference. The Plan empowers the Committee to make interpretations, rules and regulations thereunder, and, in general, provides that determinations of such Committee with respect to the Plan shall be binding upon the Executive. A copy of the Plan will be delivered to the Executive upon reasonable request.

2.2 References to [Employment Agreement] [Executive Compensation Agreement]. All references to the [Employment Agreement] [Executive Compensation Agreement] herein shall refer to the [Employment Agreement] [Executive Compensation Agreement] in effect on the date of grant of Restricted Shares. Notwithstanding that, at the time of a termination of Executive's employment, the Executive and Company may no longer be parties to such [Employment Agreement] [Executive Compensation Agreement] or may have amended such [Employment Agreement] [Executive Compensation Agreement], this Agreement shall be interpreted as if such [Employment Agreement] [Executive Compensation Agreement] were still in place (including any requirements to give notice, etc.). [Further, to the extent that the Employment Agreement has been terminated prior to the Executive's termination of employment, the measurement period for additional vesting of Restricted Shares under Section 1.2(c) of this Agreement shall be the three-year period following the date of Executive's termination of employment.]

2.3 Taxes. The Company may require payment of or withhold any income or employment tax which it believes is payable as a result of the grant or vesting of the Restricted Shares or any payments thereon or in connection therewith, and the Company may defer making delivery with respect to the shares until arrangements satisfactory to the Company have been made with regard to any such withholding obligation. In accordance with the Plan, the Company may withhold shares of Common Stock to satisfy such withholding obligations.

2.4 No Employment Rights. The award of the Restricted Shares pursuant to this Agreement shall not give the Executive any right to remain employed by the Company or any affiliate thereof.

2.5 Notices. Any notice to be given to the Company under the terms of this Agreement shall be given in writing to the Company in care of its General Counsel at Kohl's Department Stores, Inc., N56 W17000 Ridgewood Drive, Menomonee Falls, Wisconsin, 53051. Any notice to be given to the Executive may be addressed to him/her at the address as it appears on the payroll records of the Company or any subsidiary thereof. Any such notice shall be deemed to have been duly given if and when actually received by the party to whom it is addressed, as evidenced by a written receipt to that effect.

2.6 Governing Law. This Agreement and all questions arising hereunder or in connection herewith shall be determined in accordance with the laws of the State of Wisconsin without giving effect to its conflicts of law provisions.

IN WITNESS WHEREOF, the parties have caused this Agreement to be effective as of the date first written above.

KOHL'S CORPORATION

By: _____

Title: _____

«Name»

«Title»

KOHL'S CORPORATION
NON-EMPLOYEE DIRECTOR STOCK OPTION AGREEMENT

<u>NAME</u>	<u>GRANT DATE</u>	<u>EXPIRATION DATE</u>	<u>NUMBER OF SHARES</u>	<u>OPTION PRICE PER SHARE</u>

The Board of Directors of Kohl's Corporation (the "Board") has approved granting to the director named above ("Director") a nonstatutory option ("Option") to purchase shares of Kohl's Corporation ("Kohl's") common stock pursuant to Kohl's 2010 Long-Term Compensation Plan ("Plan") on the terms and subject to the conditions described below. The Board and the Director agree as follows:

1. Number of Shares Optioned; Option Price.

Kohl's grants to Director the right and option to purchase, in the aggregate, the number of shares of Kohl's \$0.01 par value common stock ("Common Shares") shown above at the option price per share shown above. Except as provided by this Agreement, the Option granted shall be irrevocable. The Common Shares which Director is entitled to purchase will be either Kohl's authorized but unissued common stock or Kohl's treasury shares. The granting of the Option shall impose no obligation on Director to exercise such Option.

2. Time Limitations on Exercise of Option.

Except as provided in the Plan or in this Agreement, and unless the Board establishes otherwise, Director is entitled to purchase, in whole or in part, not more than percentage portion of the total number of Common Shares shown above according to the percentages and on or after the anniversary dates specified below, but before a date or event of termination as described in this Agreement as follows:

<u>Anniversary Date After Option Grant</u>	<u>Number of Options Exercisable</u>
1st Anniversary Date	100% of Grant

Except as provided in the Plan or in this Agreement, this Option may not be exercised after the expiration of ten (10) years from the date it is granted (the "Expiration Date"). This Option may not be exercised for fractional Common Shares.

3. Termination.

If Director ceases to be a Director of Kohl's for any reason, Director shall have until the Expiration Date to exercise this Option to the same extent to which Director would otherwise be entitled to exercise this Option on or prior to the date of such termination as provided in Paragraph 2. To the extent Director is not entitled to exercise this Option prior to the date of Director's termination, such outstanding and unexercised Option shall immediately lapse and Director shall have no further rights with respect to it.

4. Rights In the Event of Director's Death.

In the event of Director's death while actively participating on the Kohl's Board, the number of Common Shares for which the Option may be exercised shall be the total number of Common Shares granted to Director pursuant to this Option Agreement which remain outstanding and unexercised as of the date of Director's death. In the event of Director's death following Director's resignation from Kohl's Board, the number of Common Shares for which the Option may be exercised shall be limited to that number of Common Shares the Director would otherwise be entitled to exercise this Option on the date of Director's resignation from Kohl's Board, as provided in paragraph 2.

5. Method of Exercising Option.

Director may exercise the Option on or after the appropriate anniversary date (and before a date or event of termination) in whole or in part, from time to time by providing to Kohl's (i) a written notice identifying this Option and stating the number of Common Shares which Director desires to purchase; and (ii) payment of the option price per share for the Common Shares then being acquired by full payment for the Common Shares being purchased. This Option will be considered exercised with respect to the number of Common Shares Director desires to purchase on the date that Kohl's receives Director's notice of exercise and payment. Director shall not acquire any rights or privileges as a shareholder of Kohl's for any Common Shares issuable upon the exercise of this Option until such Common Shares have been duly issued by Kohl's.

6. Prohibition Against Transfer, Pledge, and Attachment.

This Option, and the rights and privileges conferred by it, is personal to Director and may not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) during Director's lifetime and shall be exercisable only by Director. Director may transfer this Option, and the rights and privileges conferred by it, upon Director's death, either by will or under the laws of descent and distribution, or by beneficiary designation made in such form and subject to such limitations as may from time to time be acceptable to the Board and delivered to and accepted by the Board. All distributees shall be subject to all of the terms and conditions of this Agreement to the same extent as if Director were still alive. This Option, and the rights and privileges conferred by it, may not be subjected to execution, attachment or similar process.

7. Notices.

Any notice to be given to Kohl's under the terms of this Agreement shall be addressed to the attention of Kohl's Chairman, N56 W17000 Ridgewood Drive, Menomonee Falls, Wisconsin 53051, and any notice to be given to Director shall be addressed to him at his address as he may designate in writing.

8. Provisions of the Plan Control.

This Option is subject to, and qualified in its entirety by reference to, the terms and conditions of the Plan under which it is granted and the provisions of the Plan shall be incorporated into and be a part of this Option Agreement. The Plan empowers the Board to make interpretations, rules and regulations under it. Determination by the Board with respect to the Plan shall be binding upon Director.

9. Taxes.

Kohl's may require payment of or withhold any tax which it believes is required to be the obligation of Director as a result of the grant or exercise of this Option, and Kohl's may defer making delivery of Common Shares or cash payable hereunder until arrangements satisfactory to Kohl's have been made for such tax obligations.

10. Governing Law.

This Agreement and all questions arising hereunder or in connection herewith shall be determined in accordance with the laws of the State of Wisconsin without giving effect to its conflicts of law provisions.

Kohl's has caused this Agreement to be executed and Director has executed the same as evidence of Director's acceptance hereof and upon the terms and conditions herein set forth as of the grant date shown above.

KOHL'S CORPORATION

By: _____
Kevin Mansell
Chairman, President, Chief Executive Officer

Director: _____

**RESTRICTED STOCK AGREEMENT
(Non-Employee Directors)**

<u>Director's Name</u> Shares	<u>Grant Date</u>	<u>Number of Restricted</u>
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RECITALS:

The Board of Directors of Kohl's Corporation (the "Board") has approved granting to the director named above ("Director") shares of the common stock of the Company ("Common Stock"), subject to the restrictions contained herein, pursuant to the Company's 2010 Long-Term Compensation Plan (the "Plan"). All terms used herein and not otherwise defined shall have the same meaning as set forth in the Plan.

NOW, THEREFORE, for good and valuable consideration, including the mutual promises set forth in this agreement and the benefits that the Company expects to derive in connection with the services to be hereafter rendered to it or its subsidiaries by the Director, the Company and the Director hereby agree as follows:

ARTICLE I

Restricted Shares

1.1 Award of Restricted Shares. The Company hereby awards to the Director the number of shares of Common Stock listed above under the heading "Number of Restricted Shares" (the "Restricted Shares"), subject to the restrictions contained herein and the provisions of the Plan.

1.2 Vesting of the Restricted Shares.

(a) Subject to the terms of this Agreement, the Restricted Shares shall vest in accordance with the following schedule:

Anniversary Date	Shares Vesting
1 st Anniversary Date	100% of Shares Granted

(b) Termination. If Director ceases to be a member of the Board for any reason, the vesting of the Restricted Shares shall immediately cease and any unvested Restricted Shares shall be forfeited by Director and revert to the Company.

The period during which the Restricted Shares are unvested is referred to herein as the Restricted Period.

1.3 Shareholder Status. Prior to the vesting of the Restricted Shares, Director shall have the right to vote the Restricted Shares, the right to receive and retain all regular cash dividends paid or distributed in respect of the Restricted Shares, and except as expressly provided otherwise herein, all other rights as a holder of outstanding shares of Common Stock. Notwithstanding the foregoing, the Director shall not have the right to vote or to receive dividends with respect to the Restricted Shares with respect to record dates occurring after any of the Restricted Shares revert to the Company pursuant to Section 1.2 hereof. Until the Restricted Shares vest pursuant to Section 1.2 hereof, the Company shall retain custody of the stock certificates representing the Restricted Shares. As soon as practicable after the lapse of the restrictions, the Company shall issue or release or cause to be issued or released certificate(s) representing the vested shares.

1.4 Prohibition Against Transfer. During the Restricted Period, the Restricted Shares may not be transferred, assigned, pledged or hypothecated in any way (whether by operation of law or otherwise) by the Director, or be subject to execution, attachment or similar process. Any transfer in violation of this Section 1.4 shall be void and of no further effect.

ARTICLE II

Miscellaneous

2.1 Provisions of the Plan Control. This Agreement shall be governed by the provisions of the Plan, the terms and conditions of which are incorporated herein by reference. The Plan empowers the Board's Compensation Committee to make interpretations, rules and regulations thereunder, and, in general, provides that determinations of such Committee with respect to the Plan shall be binding upon the Director. A copy of the Plan will be delivered to the Director upon reasonable request.

2.2 Taxes. The Company may require payment of or withhold any income or employment tax which it believes is payable as a result of the grant or vesting of the Restricted Shares or any payments thereon or in connection therewith, and the Company may defer making delivery with respect to the shares until arrangements satisfactory to the Company have been made with regard to any such withholding obligation. In accordance with the Plan, the Company may withhold shares of Common Stock to satisfy such withholding obligations.

2.3 Notices. Any notice to be given to the Company under the terms of this Agreement shall be given in writing to the Company in care of its General Counsel at Kohl's Department Stores, Inc., N56 W17000 Ridgewood Drive, Menomonee Falls, Wisconsin, 53051. Any notice to be given to the Director may be addressed to him/her at the address as it appears on the records of the Company or any subsidiary thereof. Any such notice shall be deemed to have been duly given if and when actually received by the party to whom it is addressed, as evidenced by a written receipt to that effect.

2.4 Governing Law. This Agreement and all questions arising hereunder or in connection herewith shall be determined in accordance with the laws of the State of Wisconsin without giving effect to its conflicts of law provisions.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have caused this Agreement to be effective as of the date first written above.

KOHL'S CORPORATION

By: _____
Kevin Mansell
Chairman, President, Chief Executive Officer

DIRECTOR

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

I, Kevin Mansell, 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

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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: June 4, 2010

/s/ Kevin Mansell
Chairman, President and Chief Executive Officer (Principal
Executive Officer)

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

I, Wesley S. McDonald, 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

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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: June 4, 2010

/s/ Wesley S. McDonald
Wesley S. McDonald
Executive Vice President, Chief Financial Officer
(Principal Financial and Accounting Officer)

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

I, Kevin Mansell, 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. the Quarterly Report on Form 10-Q of the Company for the quarterly period ended May 1, 2010 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: June 4, 2010

/s/ Kevin Mansell
Kevin Mansell
Chairman, President and Chief Executive Officer
(Principal Executive Officer)

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

I, Wesley S. McDonald, 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. the Quarterly Report on Form 10-Q of the Company for the quarterly period ended May 1, 2010 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: June 4, 2010

/s/ Wesley S. McDonald
Wesley S. McDonald
Executive Vice President, Chief Financial Officer
(Principal Financial and Accounting Officer)