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

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

For the quarterly period ended November 2, 1996

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 (414) 703-7000

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

Yes X No ______

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: December 11, 1996 Common Stock, Par Value $.01 per Share, 73,914,752 Shares Outstanding.

KOHL'S CORPORATION
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PART I. FINANCIAL INFORMATION

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

	November 2, 1996	February 3, 1996	October 28, 1995
	(Unaudited)	(Audited)	(Unaudited)
Assets			
Current assets:			
Cash and cash equivalents	$1,950	$2,819	$3,265
Merchandise inventories	587,090	320,325	469,007
Other	8,264	7,020	9,983
Total current assets	597,304	330,164	482,255
Property and equipment, at cost	670,622	502,406	474,304
Less accumulated depreciation	119,314	93,238	85,542
	551,308	409,168	388,762
Other assets	6,523	4,564	5,262
Favorable lease rights	18,543	20,491	20,796
Goodwill	36,638	40,538	41,838

Total assets	$1,210,316	$804,925	$938,913

Liabilities and Shareholders' Equity			
Current liabilities:			
Accounts payable	$208,495	$68,810	$189,312
Accrued liabilities	68,908	57,259	58,045
Income taxes payable	7,468	21,628	6,523
Deferred income taxes	6,783	5,674	8,200
Current portion of long-term debt	1,425	1,425	1,345
Total current liabilities	293,079	154,796	263,425
Long-term debt	395,686	187,699	260,250
Deferred income taxes	35,139	30,731	25,738
Other long-term liabilities	22,357	21,061	23,846
Shareholders' equity			
Common stock-$.01 par value, 400,000,000 shares authorized, 73,907,226, 73,736,670 and 73,589,578 issued at November 2, 1996, February 3, 1996 and October 28, 1995 respectively.	739	737	736
Paid-in capital	191,907	188,998	186,102
Retained earnings	271,409	220,903	178,816
Total shareholders' equity	464,055	410,638	365,654
Total liabilities and shareholders' equity	$1,210,316	$804,925	$938,913

See accompanying Notes to Condensed Consolidated Financial Statements

KOHL'S CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	3 Months (13 Weeks) Ended November 2, 1996	3 Months (13 Weeks) Ended October 28, 1995	9 Months (39 Weeks) Ended November 2, 1996	9 Months (39 Weeks) Ended October 28, 1995
	(In thousands except per share data)			
Sales	$598,052	$486,750	$1,541,288	$1,218,651
Cost of merchandise sold	399,572	326,145	1,029,448	812,411
Gross margin	198,480	160,605	511,840	406,240
Operating expenses:				
Selling, general, and administrative	138,324	113,534	371,653	297,474
Depreciation and amortization	10,334	7,459	28,063	20,622
Goodwill amortization	1,300	1,300	3,900	3,900
Credit operations non-recurring	-	14,052	-	14,052
Preopening expenses	6,552	7,452	10,302	8,944
Operating income	41,970	16,808	97,922	61,248
Interest expense, net	5,347	3,924	13,089	9,614
Income before income taxes	36,623	12,884	84,833	51,634
Provision for income taxes	14,706	5,258	34,327	21,069
Net income	$21,917	$7,626	$50,506	$30,565
Earnings per share:				
Net income	$0.30	$0.10	$0.68	$0.42
Weighted average number of common shares	73,897	73,580	73,831	73,544

See accompanying Notes to Condensed Consolidated Financial Statements

KOHL'S CORPORATION
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Common Stock Shares	Common Stock Amount	Paid-In Capital	Retained Earnings	Total
	(In thousands, except share data)				
Balance at February 3, 1996	73,736,670	$737	$188,998	$220,903	$410,638
Net income	-	-	-	50,506	50,506
Exercise of stock options	170,556	2	2,909	-	2,911
Balance at November 2, 1996	73,907,226	$739	$191,907	$271,409	$464,055

See Accompanying Notes to Condensed Consolidated Financial Statements

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

	9 Months (39 Weeks) Ended November 2, 1996	9 Months (39 Weeks) Ended October 28, 1995
	(In thousands)	
Operating activities		
Net income	$50,506	$30,565
Adjustments to reconcile net income to net cash used in operating activities		
Depreciation and amortization	32,102	24,522
Deferred income taxes	5,517	8,183
Other noncash charges	1,213	912
Changes in operating assets and liabilities	(130,917)	(131,989)
Net cash used in operating activities	(41,579)	(67,807)
Investing activities		
Acquisition of property and equipment, net	(168,236)	(104,248)
Other	10	(1,094)
Net cash used in investing activities	(168,226)	(105,342)
Financing activities		
Net borrowings under working capital loan	9,000	146,000
Proceeds from public debt offering	200,000	-
Repayments of long-term debt	(1,013)	(832)
Payment of financing fees on debt	(1,962)	-
Net proceeds from issuance of common shares (including stock options)	2,911	840
Net cash provided by financing activities	208,936	146,008

Net decrease in cash and cash equivalents	(869)	(27,141)
Cash and cash equivalents at beginning of period	2,819	30,406
Cash and cash equivalents at end of period	$1,950	$3,265

See accompanying Notes to Condensed Consolidated Financial Statements

KOHL'S CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation

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

Shareholders' equity, share and per share amounts for all periods presented have been adjusted for the 2 for 1 stock split declared by the Company's Board of Directors on March 11, 1996 effected in the form of a stock dividend. The dilutive effect of stock options on earnings per share is immaterial.

2. Inventories

The Company uses the last-in, first out (LIFO) method of accounting for merchandise inventory because it results in a better matching of cost and revenues. The following information is provided to show the effects of the LIFO provision on the quarter, as well as to provide users with the information to compare to other companies not on LIFO.

LIFO Expense	9 Months Ended	
Quarter	November 2, 1996	October 28, 1995
	(In Thousands)	
First	$1,171	$1,104
Second	1,184	1,090
Third	1,495	1,464
Total	$3,850	$3,658

Inventories would have been $3,511,000 higher at November 2, 1996, $339,000 lower at February 3, 1996 and $4,717,000 higher at October 28, 1995 if they had been valued using the first-in, first-out (FIFO) method.

3. Contingencies

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

The Internal Revenue Service (the "IRS") is currently auditing the Company's federal income tax returns for fiscal years ended August 1986, 1987 and 1988. In January 1994, the IRS proposed approximately $20 million of tax consisting primarily of an adjustment to the LIFO inventory method used by the Company. The impact of the proposed adjustments before interest had previously been reflected in the Company's deferred income tax accounts. The Company is contesting the proposed adjustments vigorously within the administrative appeals process of the IRS and has reached a tentative resolution of the matter which, if finalized, would not have a material adverse impact on the Company's results of operations or liquidity.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS
THREE MONTHS AND NINE MONTHS ENDED NOVEMBER 2, 1996

Results of Operations

At November 2, 1996, the Company operated 150 stores compared with 128 stores at the same time last year. The Company successfully opened twelve new stores during the three months ended November 2, 1996. Seven new stores opened in September: three stores in the Charlotte, North Carolina market; the seventh store in Cleveland, Ohio and stores in Lancaster, Pennsylvania; Moline, Illinois and Omaha, Nebraska. In October, the Company opened five new stores: the 25th store in the Chicago market, the 11th store in the Twin Cities; Lincoln, Nebraska; Mishawaka, Indiana and Huntington, West Virginia. In addition, the Company relocated one of its Indianapolis stores to a larger location.

Net sales increased $111.3 million or 22.9% to $598.1 million for the three months ended November 2, 1996 from $486.8 million for the three months ended October 28, 1995. Of the increase, $71.2 million is attributable to the inclusion of 22 new stores opened in 1995 and 22 new stores opened in 1996. The remaining $40.1 million is attributable to comparable store sales growth of 10.8% (excluding the discontinued electronics business).

Net sales increased $322.6 million or 26.5% to $1,541.3 million for the nine months ended November 2, 1996 from $1,218.7 million for the nine months ended October 28, 1995. Of the increase, $213.9 million is attributable to the inclusion of 22 new stores opened in 1995 (net of the sales of two underperforming stores closed in 1995) and 22 new stores opened in 1996. The remaining $108.7 million is attributable to comparable store sales growth of 11.1% (excluding the discontinued electronics business).

Due to a shift in the fiscal accounting calendar, the fiscal quarter ending dates are one week later this year than a year ago. On a calendar basis, matching the thirteen weeks ended November 2, 1996 with the thirteen weeks ended November 4, 1995, total sales increased 18.4%. Comparable store sales increased 7.6% (excluding the discontinued electronics business). Matching the 39 weeks ended November 2, 1996 with the 39 weeks ended November 4, 1995, total sales increased 22.9% and comparable sales increased 8.6% (excluding the discontinued electronics business) on this basis.

Gross margin for the three months ended November 2, 1996 was 33.2% compared to 33.0% in the three months ended October 28, 1995. Gross margin for the nine months ended November 2, 1996 was 33.2% compared to 33.3% in the nine months ended October 28, 1995. A low-cost operating environment and continued focus on expense control allows the Company to profitably offer value to its customers.

Operating income for the three months ended November 2, 1996 increased $25.2 million over the three months ended October 28, 1995. Operating income for the nine months ended November 2, 1996, increased $36.7 million over the nine months ended October 28, 1995. Last year, the Company incurred a non-recurring charge related to bringing the credit card operation in-house. Excluding the non-recurring credit charge, operating income increased $11.1 million or 36.0% over the three months ended October 28, 1995. Excluding the non-recurring credit charge, operating income increased $22.6 million or 30.0% over the nine months ended October 28, 1995. These increases resulted primarily from the increased sales and the Company's ability to leverage its selling, general and administrative expenses as net sales increased. Selling, general and administrative expenses declined to 23.1% of net sales for the three months ended November 2, 1996 from 23.3% of net sales for the three months ended October 28, 1995. Selling, general and administrative expenses declined to 24.1% of net sales for the nine months ended November 2, 1996 from 24.4% of net sales for the nine months ended October 28, 1995.

Costs associated with the opening of new stores are accumulated for the 6-8 weeks prior to opening and expensed over the two week grand opening period. The Company expensed $6.6 million of preopening expenses in the three months ended November 2, 1996. The expenses relate to the balance of the preopening expense for two stores which opened in the last week of the three month period ended August 3, 1996 and the expenses of 12 new stores and one relocated store opened during the three months ended November 2, 1996. The Company expensed $7.5 million in the three months ended October 28, 1995 in opening 19 new stores and relocating one store. In the nine months ended November 2, 1996, the Company expensed $10.3 million of preopening expenses associated with the opening of 22 new stores and the relocation of one store. The Company expensed $8.9 million of preopening expenses for 22 new stores and the relocation of one store in the nine months ended October 28, 1995. The expenses relate to the costs associated with new store openings, including hiring and training costs for new employees, Kohl's charge account solicitation and processing and transporting initial merchandise.

Net interest expense for the three months ended November 2, 1996 increased $1.4 million from the three months ended October 28, 1995. Net interest expense for the nine months ended November 2, 1996 increased $3.5 million from the nine months ended October 28, 1995. The increase was due to higher interest rates associated with the $100 million non-callable 6.7% unsecured senior notes issued in February 1996 and increased spending on capital and working capital requirements of new stores. The Company expects interest expense to continue to increase during the remainder of fiscal 1996 based on increased borrowings for new store's capital and working capital requirements and higher interest rates on its fixed rate debt.

For the three months ended November 2, 1996, net income increased to $21.9 million or $.30 per share from $7.6 million or $.10 per share in the three months ended October 28, 1995. Excluding the non-recurring charge related to bringing the credit card operation in-house last year, net income was $15.9 million or $.22 per share for the three months ended October 28, 1995. For the nine months ended November 2, 1996, net income increased to $50.5 million or $.68 per share from $30.6 million or $.42 per share. Excluding the non-recurring credit charge, net income was $38.9 million or $.53 per share for the nine months ended October 28, 1995.

Seasonality & Inflation

The Company's business is seasonal, reflecting increased consumer buying in the "back-to-school" and Christmas seasons. The Company's financial position and operations are also affected by the timing of new store openings. Inflation did not materially affect the Company's net income during the periods presented.

Financial Condition and Liquidity

The Company's primary ongoing cash requirements are for inventory purchases, capital expenditures in connection with the Company's expansion and remodeling programs and preopening expenses. The Company's primary sources of funds for its business activities are cash flow from operations, borrowings under its revolving credit facility, the availability of the debt securities under the Company's shelf registration statement and short-term trade credit. Short-term trade credit, in the form of extended payment terms for inventory purchases or third party factor financing, represents a significant source of financing for merchandise inventories. The Company's working capital and inventory levels typically build throughout the fall, peaking during the Christmas selling season.

At November 2, 1996, the Company's merchandise inventories had increased $266.8 million over the February 3, 1996 balance and $118.1 million over the October 28, 1995 balance. These increases reflect the purchase of fall inventory as well as inventory for new stores. The Company's working capital increased to $304.2 million at November 2, 1996 from $175.4 million at February 3, 1996 and $218.8 million at October 28, 1995. The increase is due primarily to higher inventory levels offset in part by increased accounts payable. The Company expects working capital levels to continue to grow as new stores are opened.

Cash used in operating activities was $41.6 million for the nine months ended November 2, 1996 compared to cash used of $67.8 million for the nine months ended October 28, 1995. Excluding changes in operating assets and liabilities, cash provided by operating activities was $89.3 million for the nine months ended November 2, 1996 compared to $64.2 million for the nine months ended October 28, 1995.

Capital expenditures for the nine months ended November 2, 1996 were $168.2 million (no additional assets under capital lease) compared to $110.6 million (including $6.4 million of assets under capital leases) for the same period a year ago. The increase in expenditures in 1996 is primarily attributable to the 1997 new stores program, and the relocation of the Company's corporate headquarters within Menomonee Falls, Wisconsin in July 1996 to an owned facility.

Total capital expenditures for fiscal 1996 are currently expected to be approximately $220.0 million (excluding assets under capital leases). The actual amount of the Company's future annual capital expenditures will depend primarily on the number of new stores opened, whether such stores are owned or leased by the Company and the number of existing stores remodeled or refurbished.

The Company's long-term debt increased from $187.7 million at February 3, 1996 to $395.7 million at November 2, 1996. On February 6, 1996 the Company issued $100 million non-callable 6.70% unsecured senior notes under the Company's $250 million shelf registration statement. The notes mature on February 1, 2006. On October 15, 1996, the Company issued $100 million non-callable 7.375% unsecured senior notes under the Company's $250 million shelf registration statement. The notes mature on October 15, 2011. The proceeds were used to paydown borrowings under its $200 million unsecured revolving credit facility and will support future Company growth.

The Company anticipates that it will be able to satisfy its current operating needs, planned capital expenditures and debt service requirements with current working capital, cash flows from operations, seasonal borrowings under its revolving credit facility, offerings of debt securities, short-term trade credit and other lending facilities.

Information in this document contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, such as statements relating to debt service requirements and planned capital expenditures. Forward-looking statements can be identified by the use of forward-looking terminology such as "believes", "expects", "may", "will", "should" or "anticipates" or the negative thereof or other variations thereon. No assurance can be given that the future results covered by the forward-looking statements will be achieved.

Item 6. Exhibits and Reports on Form 8-K

a) Exhibits

10.10 Amendment No. 4 dated September 16, 1996 and Waiver and Amendment No. 5 dated November 3, 1996 to the Receivables Purchase Agreement dated as of September 1, 1995 by and among Kohl's Department Stores, Inc., Preferred Receivables Funding Corporation and the First National Bank of Chicago as agent, incorporated herein by reference.

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

27 Financial Data Schedule - Article 5 of Regulation S-X

b) Reports on Form 8-K

There were no reports on Form 8-K filed for three months ended November 2, 1996

SIGNATURES

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

Kohl's Corporation
(Registrant)

Date: December 13, 1996

/s/ William Kellogg
William Kellogg
Chairman, Chief Executive Officer

Date: December 13, 1996

/s/ Arlene Meier
Arlene Meier
Senior Vice President - Finance
Chief Financial Officer

AMENDMENT NO. 4 TO RECEIVABLES PURCHASE AGREEMENT

EXHIBIT 10.10

THIS AMENDMENT NO. 4 (this "Amendment"), is entered into as of September 16, 1996, by and among KOHL'S DEPARTMENT STORES, INC., a Delaware corporation (the "Seller"), the INVESTORS, PREFERRED RECEIVABLES FUNDING CORPORATION ("PREFCO"), and THE FIRST NATIONAL BANK OF CHICAGO, as Agent (in such capacity, the "Agent"), with respect to the RECEIVABLES PURCHASE AGREEMENT, dated as of September 1, 1995, by and among the Seller, the Investors, PREFCO and the Agent (the "Receivables Purchase Agreement"). Unless defined elsewhere herein, capitalized terms used in this Amendment shall have the meaning assigned to such terms in the Receivables Purchase Agreement.

PRELIMINARY STATEMENT

The parties desire to amend the Receivables Purchase Agreement to increase the Purchase Limit thereunder to $200,000,000.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree to as follows:

SECTION 1. AMENDMENTS. Subject to the terms and conditions hereinafter set forth, and in reliance on the representations and warranties set forth in Section 2 hereof, each of the parties hereby agrees to amend the Receivables Purchase Agreement as follows:

1.1. The cover page of the Receivables Purchase Agreement is hereby amended by deleting "$175,000,000" where it appears therein and by inserting "$200,000,000" in lieu thereof.

1.2. Each of (a) the Commitment of First Chicago and (b) the Purchase Limit is hereby increased to $200,000,000.

SECTION 2. REPRESENTATION AND WARRANTIES.

2.1. Seller Representations. As of the date hereof, the Seller represents and warrants to the Agent and the Investors that:

(a) Corporate Existence and Power. The Seller is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation, and has all corporate power and all governmental licenses, authorizations, consents and approvals required to carry on its business in each jurisdiction in which its business is conducted, except for such failures which will not, individually or in the aggregate, have a Material Adverse Effect.

(b) No Conflict. The execution, delivery and performance by the Seller of this Amendment, and the Seller's use of the proceeds of purchases made under the Receivables Purchase Agreement, as amended hereby, are within its corporate powers, have been duly authorized by all necessary corporate action, do not contravene or violate (i) its certificate of incorporation or by-laws, (ii) any law, rule or regulation applicable to it, (iii) any restrictions under any agreement, contract or instrument to which it is a party or by which it or any of its property is bound, or (iv) any order, writ, judgment, award, injunction or decree binding on or affecting it or its property, and do not result in the creation or imposition of any Adverse Claim on assets of the Seller (except created under the Receivables Purchase Agreement); and no transaction contemplated by the Receivables Purchase Agreement, as amended hereby, requires compliance with any bulk sales act or similar law. This Amendment, and each of the Transaction Documents to which the Seller is a party, have been duly executed and delivered by the Seller.

(c) Governmental Authorization. Other than the filing of the financing statements required under the Receivables Purchase Agreement, all of which filings have previously been made, no authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Seller of the Receivables Purchase Agreement, as amended hereby.

(d) Binding Effect. The Receivables Purchase Agreement, as amended hereby, constitute the legal, valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws relating to or limiting creditors; rights generally or general equitable principles.

(e) Absence of Certain Events. No Servicer Default, Potential Servicer Default, Termination Event or Potential Termination Event exists and is continuing as of the date hereof.

2.2. Investors Representation. As of the date hereof, each of the Investors represents and warrants to the other parties hereto that:

(a) Due Execution. This Amendment has been duly executed and delivered by such Investor.

(b) Binding Effect. The Receivables Purchase Agreement, as amended hereby, constitutes the legal, valid and binding obligation of such Investor, enforceable against it in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws relating to or limiting creditors' rights generally or general equitable principles.

SECTION 3. CONDITIONS PRECEDENT. This Amendment shall become effective as of the date first above written when the Agent receives counterparts of this Amendment duly executed by each of the parties hereto.

SECTION 4. MISCELLANEOUS.

4.1. Choice of Law. This Amendment shall be construed in accordance with the internal laws (and not the law of conflicts) of the State of Illinois.

4.2. Counterparts; Severability. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same Agreement. Any provisions of this Amendment which are prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction.

4.3. Ratification. Except as expressly amended hereby, each of the Transaction Documents shall remain unaltered and in full force and effect and is hereby ratified and confirmed.

[signature pages to follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered by their duly authorized officers as of the date hereof.

KOHL'S DEPARTMENT STORES, INC.

By: /s/ Arlene Meier

Name: Arlene Meier

Title: Vice President/Chief Financial Officer

PREFERRED RECEIVABLES FUNDING CORPORATION

By: /s/ Mark R. Matthews

Authorized Signatory

INVESTORS:

Commitment	
$200,000,000	THE FIRST NATIONAL BANK OF CHICAGO as an Investor and as Agent

By: /s/ Mark R. Matthews

Title: Authorized Signatory

EXHIBIT 10.10

WAIVER AND AMENDMENT NO. 5 TO RECEIVABLES PURCHASE AGREEMENT

THIS WAIVER AND AMENDMENT NO. 5 (this "Amendment"), is entered into as of November 3, 1996, by and among KOHL'S DEPARTMENT STORES, INC., a Delaware corporation (the "Seller"), the INVESTORS, PREFERRED RECEIVABLES FUNDING CORPORATION ("PREFCO"), and THE FIRST NATIONAL BANK OF CHICAGO, as Agent (in such capacity, the "Agent"), with respect to the RECEIVABLES PURCHASE AGREEMENT, dated as of September 1, 1995, by and among the Seller, the Investors, PREFCO and the Agent (as heretofore amended from time to time, the "Receivables Purchase Agreement"). Unless defined elsewhere herein, capitalized terms used in this Amendment shall have the meanings assigned to such terms in the Receivables Purchase Agreement.

PRELIMINARY STATEMENT

The parties desire to amend the Receivables Purchase Agreement to reflect the formation by the Seller of one or more wholly-owned subsidiaries for whose customers the Seller will provide credit card services, and to permit the sale of Receivable Interests in the receivables arising thereunder.

In addition, the Seller has requested that the Agent and the Purchasers waive a breach of Section 1.10 of the Receivables Purchase Agreement for the periods ended July 6, 1996 and October 5, 1996.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree to as follows:

SECTION 1. AMENDMENTS. Subject to the terms and conditions hereinafter set forth, and in reliance on the representations and warranties set forth in Section 3 hereof, each of the parties hereby agrees to amend the Receivables Purchase Agreement as follows:

1.1. Exhibit I to the Agreement is hereby amended to add the following new definition in its appropriate alphabetical order:

"Wholly-Owned Subsidiary" means each existing and future Subsidiary of the Seller in which the Seller owns, directly or indirectly, 100% of the outstanding capital stock.

1.2. Clause (g) of the definition of "Eligible Receivable" set forth in Exhibit I to the Agreement is hereby amended and restated in its entirety to read as follows:

(g) which was generated in the ordinary course of the Seller's business and relates to the retail sale of goods or services by one of the Seller's or a Wholly-Owned Subsidiary's stores,

1.3. The definition of "Receivable" set forth in Exhibit I to the Agreement is hereby amended and restated in its entirety to read as follows:

"Receivable" means the indebtedness and other obligations owed to the Seller (without giving effect to any transfer or conveyance hereunder) whether constituting an account, chattel paper, instrument or general intangible, arising in connection with the sale of goods or the rendering of services by the Seller or by a Wholly-Owned Subsidiary, and includes, without limitation, the obligation to pay any Finance Charges with respect thereto. Indebtedness and other rights and obligations arising from any one transaction, including, without limitation, indebtedness and other rights and obligations represented by an individual invoice, shall constitute a Receivable separate from a Receivable consisting of the indebtedness and other rights and obligations arising from any other transaction.

1.4. Clauses (a) and (i) of Article III of the Agreement are hereby amended and restated in their entirety to read, respectively, as follows:

(a) Corporate Existence and Power. Each of the Seller and its Subsidiaries is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation, and has all corporate power and all governmental licenses, authorizations, consents and approvals required to carry on its business in each jurisdiction in which its business is conducted, except for such failures which will not, individually or in the aggregate, have a Material Adverse Effect.

(i) Collection Banks; etc. Except as otherwise notified to the Agent in accordance with Section 5.2(b), (i) the Seller has instructed all Obligors to pay all Collections directly to a lock-box listed on Exhibit III or at one of the Seller's or a Wholly-Owned Subsidiary's stores, (ii) all proceeds from such lock-boxes are deposited directly by a Collection Bank into one of the depository accounts listed on Exhibit III, (iii) the names and addresses of all Collection Banks, together with the account numbers of the Collection Accounts of the Seller at each Collection Bank, are listed on Exhibit III. The Seller has not granted any Person, other than the Agent as contemplated by this Agreement, dominion and control of any Collection Account, or the right to take

dominion and control of any Collection Account at a future time or upon the occurrence of a future event.

SECTION 2. WAIVER. Subject to the terms and conditions hereinafter set forth, and in reliance on the representations and warranties set forth in Section 3 hereof, each of the parties hereby agrees that any Servicer Default or Termination Event that may have arisen under the Receivables Purchase Agreement by virtue of the aggregate Receivable Interests of the Purchasers exceeding 100% for the periods ended July 6, 1996 and October 5, 1996, is hereby waived.

SECTION 3. REPRESENTATIONS AND WARRANTIES.

3.1. Seller Representations. As of the date hereof, the Seller represents and warrants to the Agent and the Purchasers that:

(a) Corporate Existence and Power. Each of the Seller and its Subsidiaries is a corporation duly organized, validly existing and in good standing under the laws of its state of incorporation, and has all corporate power and all governmental licenses, authorizations, consents and approvals required to carry on its business in each jurisdiction in which its business is conducted, except for such failures which will not, individually or in the aggregate, have a Material Adverse Effect.

(b) No Conflict. The execution, delivery and performance by the Seller of this Amendment, and the Seller's use of the proceeds of purchases made under the Receivables Purchase Agreement, as amended hereby, are within its corporate powers, have been duly authorized by all necessary corporate action, do not contravene or violate (i) its certificate of incorporation or by-laws, (ii) any law, rule or regulation applicable to it, (iii) any restrictions under any agreement, contract or instrument to which it is a party or by which it or any of its property is bound, or (iv) any order, writ, judgment, award, injunction or decree binding on or affecting it or its property, and do not result in the creation or imposition of any Adverse Claim on assets of the Seller (except created under the Receivables Purchase Agreement); and no transaction contemplated by the Receivables Purchase Agreement, as amended hereby, requires compliance with any bulk sales act or similar law. This Amendment, and each of the Transaction Documents to which the Seller is a party, have been duly executed and delivered by the Seller.

(c) Governmental Authorization. Other than the filing of the financing statements required under the Receivables Purchase

Agreement and the financing statement amendments contemplated by Section 4 of this Amendment, all of which filings have previously been made, no authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Seller of the Receivables Purchase Agreement, as amended hereby.

(d) Binding Effect. The Receivables Purchase Agreement, as amended hereby, constitutes the legal, valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws relating to or limiting creditors' rights generally or general equitable principles.

(e) Absence of Certain Events. After giving effect to the waiver and amendments contained herein, no Servicer Default, Potential Servicer Default, Termination Event or Potential Termination Event exists and is continuing as of the date hereof.

3.2. Investor Representations. As of the date hereof, each of the Investors represents and warrants to the other parties hereto that:

(a) Due Execution. This Amendment has been duly executed and delivered by such Investor.

(b) Binding Effect. The Receivables Purchase Agreement, as amended hereby, constitutes the legal, valid and binding obligation of such Investor, enforceable against it in accordance with its terms, except as such enforcement may be limited by applicable bankruptcy, insolvency, reorganization or other similar laws relating to or limiting creditors' rights generally or general equitable principles.

SECTION 4. CONDITIONS PRECEDENT. This Amendment shall become effective as of the date first above written only when each of the following conditions precedent has been satisfied:

(a) the Agent receives counterparts of this Amendment duly executed by each of the parties hereto; and

(b) the Agent receives an amendment, duly executed by the Seller and in form suitable for filing, to Uniform Commercial Code financing statement no. 1531086 filed by the Agent against the Seller on August 30, 1995 with the Secretary of State of the State of Wisconsin, reflecting an amendment to the definition of "Receivables" set forth on Exhibit A thereto consistent with the amended to such defined term set forth in Section 1.3 above.

SECTION 5. MISCELLANEOUS.

5.1. Choice of Law. This Amendment shall be construed in accordance with the internal laws (and not the law of conflicts) of the State of Illinois.

5.2. Counterparts; Severability. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same Agreement. Any provisions of this Amendment which are prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

5.3. Ratification. Except as expressly amended hereby, each of the Transaction Documents shall remain unaltered and in full force and effect and is hereby ratified and confirmed.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed and delivered by their duly authorized officers as of the date hereof.

KOHL'S DEPARTMENT STORES, INC.

By: /s/ Arlene Meier

Name: Arlene Meier

Title: Chief Financial Officer

PREFERRED RECEIVABLES FUNDING CORPORATION

By: /s/ Mark R. Matthews

Authorized Signatory

THE FIRST NATIONAL BANK OF CHICAGO,
as an Investor and as Agent

By: /s/ Mark R. Matthews

Authorized Signatory

Exhibit 12.1

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

	39 Weeks Ended November 2, 1996	39 Weeks Ended September 30, 1995	Fiscal Year (1) 1995	Fiscal Year (1) 1994	Fiscal Year (1) 1993	Fiscal Year (1) 1992	Fiscal Year (1) 1991
Earnings							
Income before income taxes and extraordinary items	$84,833	$51,634	$122,729	$117,451	$96,691	$50,134	$33,413
Fixed charges	31,104	22,398	30,770	19,758	16,144	21,503	30,922
Less interest capitalized during period	(1,882)	(968)	(1,287)	(603)	(376)	0	0
	$114,055	$73,064	$152,212	$136,606	$112,459	$71,637	$64,335
Fixed Charges							
Interest (expensed or capitalized)	$15,076	$10,867	$14,895	$7,911	$6,253	$13,648	$24,797
Portion of rent expense representative of interest	15,889	11,474	15,798	11,777	9,113	6,794	4,531
Amortization of deferred financing fees	139	57	77	70	778	1,061	1,594
	$31,104	$22,398	$30,770	$19,758	$16,144	$21,503	$30,922
Ratio of earnings to fixed charges	3.67	3.26	4.95 (2)	6.91	6.97	3.33	2.08

(1) Fiscal 1994, 1993 and 1992 are 52 week years and fiscal 1995 and 1991 are 53 week years.
(2) Excluding the credit operations non-recurring expense of $14,052, the ratio of earnings to fixed charges would be 5.40.

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