

**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 4, 2003

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

**Wisconsin**  
(State or other jurisdiction  
of incorporation)

**1-11084**  
(Commission file number)

**39-1630919**  
(IRS Employer  
Identification No.)

**N56 W17000 Ridgewood Drive**  
**Menomonee Falls, WI 53051**  
(Address of principal executive offices)

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

**Item 12. Results of Operations and Financial Condition.**

On March 4, 2003, Kohls Corporation issued a press release announcing its fiscal 2002 fourth quarter and annual financial results. A copy of the press release is attached as Exhibit 99.1

(c) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated March 4, 2003.

**SIGNATURE**

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

KOHL'S CORPORATION

Date: March 4, 2003

/s/ Richard D. Schepp  
Richard D. Schepp  
Executive Vice President,  
General Counsel and Secretary

## EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated March 4, 2003 (furnished pursuant to Item 12).

Retail, National Trades & First Call - Release: March 04, 2003 at 4:00 p.m.(EST)

**Kohl's Corporation Reports Fiscal 2002 Earnings Up 29.8%;  
4<sup>th</sup> Quarter Earnings up 19.3%**

MENOMONEE FALLS, WI., Mar. 04/Business Wire/--Kohl's Corporation (NYSE:KSS) reported record sales and earnings for the fourth quarter and year ended February 1, 2003.

**Fiscal Year 2002 Results**

Net income for the fiscal year ended Feb. 1, 2003, increased 29.8% to \$643.4 million, or \$1.87 per diluted share, compared to \$495.7 million, or \$1.45 per diluted share for the fiscal year ended February 2, 2002. Net sales increased 21.8% to \$9,120.3 million from \$7,488.7 million a year ago. Comparable store sales increased 5.3%.

**Fourth Quarter Results**

Net income for the fourth quarter ended Feb. 1, 2003, increased 19.3% to \$279.0 million, or \$0.81 per diluted share, compared to \$233.8 million or \$0.68 per diluted share for the quarter ended February 2, 2002. For the quarter, net sales increased 16.9% to \$3,184.5 million from \$2,724.2 million a year ago. Comparable store sales increased 1.2%.

**Performance**

Chairman & Chief Executive Officer Larry Montgomery said: "In a challenging retail environment, we demonstrated our ability to deliver both top and bottom line results. Total sales increased 21.8% over last year while comparable store sales increased 5.3%.

We increased market share in every region where we operate. At the same time, we increased net income 29.8% over last year. This follows six consecutive years of earnings growth in excess of 30%. The credit for our success goes to over 70,000 hard working and dedicated Associates."

**Expansion Update**

During the year, the company opened 75 new stores including entries into the Boston, Houston, Nashville and Providence markets.

The Company plans to open approximately 80 new stores in 2003. Thirty-five stores will be opened in the first quarter, including the company's entry into the Southern California market. Kohl's will grand open 28 stores in the greater Los Angeles area on March 7th. In April, the Company will enter the San Antonio, TX market with three stores and open stores in Kalamazoo, MI; Springfield, MA; Hookset, NH and Doylestown, PA. At February 1, 2003, the Company operated 457 stores in 33 states compared with 382 stores in 29 states at the same time last year.

In the fall season, Kohl's plans to open approximately 45 new stores, including entering the Phoenix, AZ market with 10 stores, Tucson, AZ with two stores, Flagstaff, AZ with one store and Las Vegas, NV with three stores.

In 2004, the Company plans to open approximately 95-100 new stores. The stores will open in a combination of new and existing markets. The Company will continue to expand its presence in the Southwest region, with additional stores in the greater Los Angeles area and new market entries into Sacramento, San Diego and Fresno. In addition, the company plans to continue to add fill-in locations in selected existing markets across the country.

**Investor Conference Call**

Investors will have the opportunity to listen to the 4th quarter earnings conference call today at 5:00 p.m. (EST) by dialing 847-619-6368 ten minutes prior to the start of the call, or over the Internet through the Company's web site located at <http://www.kohls.com> (see "Home Page"), or through Broadcast Networks' Vcall web site located at <http://www.vcall.com>. To listen to the call, please go to either web site at least fifteen minutes early to register, download and install any necessary audio software. For those who cannot listen to the live broadcast, a replay will be available shortly after the call. To access a 24-hour telephone replay of the call, simply dial 630-652-3018. Pass Code: 6734790.

**Merrill Lynch Conference**

Kohl's President, Kevin Mansell, will be speaking at the Merrill Lynch Global Retail Leaders Conference in New York City on March 19, 2003, at 11:20 a.m. (EST). The presentation will be web cast live (audio-only) over the Internet via ON24, Inc. at [http://webcast.on24.com/clients/merrill/conference\\_030319/index.html?sessionid=11&presenter=kohls](http://webcast.on24.com/clients/merrill/conference_030319/index.html?sessionid=11&presenter=kohls) or through the Company's web site located at [www.kohls.com](http://www.kohls.com) (see "Company News"). For those who cannot listen to the live broadcast, a seven day replay will be available shortly after the call. To access the replay, simply visit the link above.

**Cautionary Statement Regarding Forward-looking Information**

This press release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Kohl's intends forward-looking statements such as "believes", "expects", "may", "will", "should" or "anticipates", "plans" or similar expressions to identify forward-looking statements. Such statements are subject to certain risks and uncertainties, which could cause Kohl's actual results to differ materially from those anticipated by the forward-looking statements. These risks and uncertainties include, but are not limited to those described on Exhibit 99.1 to Kohl's annual report on Form 10-K, which is expressly incorporated herein by reference, and other factors as may periodically be described in Kohl's filings with the SEC.

Investor Relations Contact: Patti Johnson, Chief Financial Officer – Finance - (262) 703-1893

KOHL'S CORPORATION  
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	13 weeks ended February 1, <u>2003</u>	% to <u>Net sales</u>	13 weeks ended February 2, <u>2002</u>	% to <u>Net sales</u>
	(In thousands, except per share data)			
Net sales	\$ 3,184,479		2,724,225	
Cost of merchandise sold	<u>2,133,528</u>	67.0%	<u>1,825,039</u>	67.0%
Gross margin	1,050,951	33.0%	899,186	33.0%
Operating expenses:				
Selling, general, and administrative	527,226	16.6%	464,334	17.0%
Depreciation and amortization	50,979	1.6%	40,414	1.5%
Goodwill amortization	—	0.0%	1,300	0.0%
Preopening expenses	<u>7,663</u>	0.2%	<u>3,857</u>	0.2%
Operating income	465,083	14.6%	389,281	14.3%
Interest expense, net	<u>16,612</u>	0.5%	<u>13,128</u>	0.5%
Income before income taxes	448,471	14.1%	376,153	13.8%
Provision for income taxes	<u>169,520</u>	5.3%	<u>142,331</u>	5.2%
Net income	<u>278,951</u>	8.8%	<u>\$233,822</u>	8.6%
Earnings per share:				
Basic				
Net income per share	\$ 0.83		\$ 0.70	
Average number of shares	337,175		334,999	
Diluted				
Net income per share	\$ 0.81 (a)		\$ 0.68 (a)	
Average number of shares	346,657 (b)		346,121 (b)	
LIFO credit	9,249		3,458	

(a) For both periods presented, the earnings per share is calculated using the "if converted" method. The net income in the calculation is \$280,402 and \$235,233, which includes interest on convertible debt securities, net of tax, of \$1,451 and \$1,411 in 2002 and 2001, respectively.

(b) For both periods presented, the average number of shares includes 3,946 shares related to the assumed conversion of the convertible debt securities.

KOHL'S CORPORATION  
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	52 weeks ended February 1, <u>2003</u>	% to <u>Net sales</u>	52 weeks ended February 2, <u>2002</u>	% to <u>Net sales</u>
	(In thousands, except per share data)			
Net sales	\$ 9,120,287		\$ 7,488,654	
Cost of merchandise sold	<u>5,981,219</u>	65.6%	<u>4,923,527</u>	65.7%
Gross margin	3,139,068	34.4%	2,565,127	34.3%
Operating expenses:				
Selling, general, and administrative	1,817,968	19.9%	1,527,478	20.4%
Depreciation and amortization	191,439	2.1%	151,965	2.0%
Goodwill amortization	—	0.0%	5,200	0.1%
Preopening expenses	<u>39,278</u>	0.4%	<u>30,509</u>	0.4%
Operating income	1,090,383	12.0%	849,975	11.4%
Interest expense, net	<u>56,009</u>	0.6%	<u>50,111</u>	0.7%
Income before income taxes	1,034,374	11.4%	799,864	10.7%
Provision for income taxes	<u>390,993</u>	4.3%	<u>304,188</u>	4.1%

Net income	\$ 643,381 7.1%	\$ 495,676 6.6%
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Earnings per share:

Basic		
Net income per share	\$ 1.91	\$ 1.48
Average number of shares	336,676	334,141
Diluted		
Net income per share	\$ 1.87 (c)	\$ 1.45 (c)
Average number of shares	346,694 (d)	344,944 (d)
LIFO credit / (charge)	2,130	(2,259)

(c) For both periods presented, the earnings per share is calculated using the "if converted" method. The net income in the calculation is \$649,120 and \$501,238, which includes interest on convertible debt securities, net of tax, of \$5,739 and \$5,562 in 2002 and 2001, respectively.

(d) For both periods presented, the average number of shares includes 3,946 shares related to the assumed conversion of the convertible debt securities.

Kohl's Corporation  
Condensed Consolidated Balance Sheet  
Subject to Reclassification

February 1, 2003      February 2, 2002  
(In thousands)

**Assets**

Current assets:

Cash and cash equivalents	\$90,085	\$106,722
Short-term investments	475,991	229,377
Accounts receivable trade, net	990,810	835,946
Merchandise inventories	1,626,996	1,198,307
Deferred income taxes	56,693	52,292
Other current assets	<u>43,519</u>	<u>41,400</u>
Total current assets	3,284,094	2,464,044

Property and equipment, net	2,739,290	2,199,494
Other assets	102,361	81,850
Favorable lease rights, net	180,420	174,860
Goodwill, net	<u>9,338</u>	<u>9,338</u>
Total assets	<u>\$6,315,503</u>	<u>\$4,929,586</u>

**Liabilities and Shareholders' Equity**

Current liabilities:

Accounts payable	\$694,748	\$478,870
Accrued liabilities	315,630	259,598
Income taxes payable	142,150	125,085
Current portion of long-term debt	<u>355,464</u>	<u>16,418</u>
Total current liabilities	1,507,992	879,971

Long-term debt	1,058,784	1,095,420
Deferred income taxes	171,951	114,228
Other long-term liabilities	64,859	48,561
Shareholders' equity	<u>3,511,917</u>	<u>2,791,406</u>
Total liabilities and shareholders' equity	<u>\$6,315,503</u>	<u>\$4,929,586</u>

Kohl's Corporation  
Condensed Consolidated Statements of Cash Flows  
Subject to Reclassification

February 1, 2003                      February 2, 2002  
(In thousands)

Operating Activities		
Net income	\$643,381	\$495,676
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	192,410	157,939
Amortization of debt discount	9,381	9,110
Deferred income taxes	53,322	17,211
Changes in operating assets and liabilities:		
Accounts receivable	(154,864)	(154,690)
Merchandise inventories	(428,689)	(195,017)
Other current assets	(2,119)	(15,801)
Accounts payable	215,878	78,931
Accrued and other long-term liabilities	77,988	79,337
Income taxes payable	<u>62,896</u>	<u>69,121</u>
Net cash provided by operating activities	669,584	541,817
Investing activities		
Acquisition of property and equipment and favorable lease rights, net	(715,968)	(662,011)
Net purchase of short-term investments	(246,614)	(180,777)
Other	<u>(32,473)</u>	<u>(28,520)</u>
Net cash used in investing activities	(995,055)	(871,308)
Financing Activities		
Net repayments of short-term debt	-	(5,000)
Proceeds from public debt offering, net	297,759	299,503
Repayments of other long-term debt, net	(16,772)	(16,424)
Payment of financing fees on debt	(3,452)	(1,615)
Proceeds from stock option exercises	<u>31,299</u>	<u>36,128</u>
Net cash provided by financing activities	308,834	312,592
Net decrease cash and cash equivalents	(16,637)	(16,899)
Cash and cash equivalents at beginning of period	<u>106,722</u>	<u>123,621</u>
Cash and cash equivalents at end of period	<u>\$ 90,085</u>	<u>\$106,722</u>