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 3, 2001

OR

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

For the transition period from _______________ to _______________

Commission file number 1-11084

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

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

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

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

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 4, 2001 Common Stock, Par Value $.01 per Share, 334,955,061 shares Outstanding.

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Item 1 Financial Statements:

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

KOHL'S CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS

	November 3, 2001	February 3, 2001	October 28, 2000
	(Unaudited)	(Audited)	(Unaudited)
	(In thousands, except share amounts)		
Assets			
Current assets:			
Cash and cash equivalents	$ 8,306	$ 123,621	$ 4,149
Short-term investments	-	48,600	-
Accounts receivable, net	804,966	681,256	629,971
Merchandise inventories	1,701,856	1,003,290	1,325,172
Deferred income taxes	43,439	39,531	22,839
Other	44,860	25,398	35,136
Total current assets	2,603,427	1,921,696	2,017,267
Property and equipment, net	2,027,466	1,726,450	1,625,679
Other assets	78,103	65,634	59,939
Favorable lease rights	172,953	126,635	130,575
Goodwill	10,638	14,538	15,838
Total assets	$ 4,892,587	$ 3,854,953	$ 3,849,298

Liabilities and Shareholders' Equity

Current liabilities:			
Accounts payable	$ 678,257	$ 399,939	$ 485,618
Accrued liabilities	201,580	188,662	154,841
Income taxes payable	47,153	112,927	14,296
Short-term debt	165,000	5,000	225,000
Current portion of long-term debt	16,358	16,568	16,589
Total current liabilities	1,108,348	723,096	896,344
Long-term debt	1,093,507	803,081	825,112
Deferred income taxes	104,662	84,256	79,839
Other long-term liabilities	43,469	41,881	39,188
Shareholders' equity:			
Common stock-$.01 par value, 800,000,000 shares authorized, 334,692,977, 332,167,129 and 331,680,294 issued at November 3, 2001, February 3, 2001 and October 28, 2000, respectively.	3,347	3,322	3,317
Paid-in capital	990,190	912,107	896,782
Retained earnings	1,549,064	1,287,210	1,108,716
Total shareholders' equity	2,542,601	2,202,639	2,008,815
Total liabilities and shareholders' equity	$ 4,892,587	$ 3,854,953	$ 3,849,298

See accompanying Notes to Condensed Consolidated Financial Statements

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

	3 Months (13 Weeks) Ended		9 Months (39 Weeks) Ended	
	November 3, 2001	October 28, 2000	November 3, 2001	October 28, 2000
	(In thousands, except per share data)			
Net sales	$ 1,760,346	$ 1,444,929	$ 4,764,429	$ 3,928,955
Cost of merchandise sold	1,152,038	949,609	3,098,488	2,569,762
Gross margin	608,308	495,320	1,665,941	1,359,193
Operating expenses:				
Selling, general, and administrative	381,002	315,959	1,063,143	885,448
Depreciation and amortization	38,963	31,887	111,552	89,030
Goodwill amortization	1,300	1,300	3,900	3,900
Preopening expenses	11,208	8,365	26,651	30,315
Operating income	175,835	137,809	460,695	350,500
Interest expense, net	13,651	12,812	36,983	35,104
Income before income taxes	162,184	124,997	423,712	315,396
Provision for income taxes	61,954	48,251	161,858	121,742
Net income	$ 100,230	$ 76,746	$ 261,854	$ 193,654
Earnings per share:				
Basic				
Net income	$ 0.30	$ 0.23	$ 0.78	$ 0.59
Average number of shares	334,616	331,196	333,853	329,616
Diluted				
Net income	$ 0.29	$ 0.23	$ 0.77	$ 0.57
Average number of shares	342,292	339,693	341,848	337,587

See accompanying Notes to Condensed Consolidated Financial Statements

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

	Common Stock		Paid-In	Retained	
	Shares	Amount	Capital	Earnings	Total
	(In thousands, except share amounts)				
Balance at February 3, 2001	332,167,129	$ 3,322	$ 912,107	$ 1,287,210	$ 2,202,639
Exercise of stock options	2,525,848	25	29,941	-	29,966
Income tax benefit from exercise of stock options	-	-	48,142	-	48,142
Net income	-	-	-	261,854	261,854
Balance at November 3, 2001	334,692,977	$ 3,347	$ 990,190	$ 1,549,064	$ 2,542,601

See accompanying Notes to Condensed Consolidated Financial Statements

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

	9 Months (39 Weeks) Ended	
	November 3, 2001	October 28, 2000
	(In thousands)	
Operating activities		
Net income	$ 261,854	$ 193,654
Adjustments to reconcile net income to net cash (used in) provided by operating activities		
Depreciation and amortization	116,039	93,267
Amortization of debt discount	6,797	3,382
Deferred income taxes	16,498	12,702
Other noncash charges	3,459	3,371
Income tax benefit from exercise of stock options	48,142	89,191
Changes in operating assets and liabilities:		
Accounts receivable	(123,710)	(124,961)
Merchandise inventories	(698,566)	(530,733)
Other current assets	(19,462)	(1,754)
Accounts payable	278,318	149,186
Accrued and other long-term liabilities	12,470	(8,227)
Income taxes	(65,774)	(49,659)
Net cash used in operating activities	(163,935)	(170,581)
Investing activities		
Acquisition of property and equipment and favorable lease rights, net	(451,106)	(353,926)
Sale of short-term investments	48,600	27,500
Other	(20,644)	(16,543)
Net cash used in investing activities	(423,150)	(342,969)
Financing activities		
Proceeds from short-term debt	160,000	140,000
Net borrowings under working capital loan	-	24,000
Proceeds from public debt offering, net	299,503	319,379
Repayments of long-term debt and capital lease obligations	(16,084)	(11,642)
Payments of financing fees on debt	(1,615)	(7,113)
Proceeds from stock option exercises	29,966	40,467
Net cash provided by financing activities	471,770	505,091
Net decrease in cash and cash equivalents	(115,315)	(8,459)
Cash and cash equivalents at beginning of period	123,621	12,608

Cash and cash equivalents at end of period	$ 8,306	$ 4,149

See accompanying Notes to Condensed Consolidated Financial Statements

KOHL'S CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation

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

2. Reclassifications

Certain reclassifications have been made to the prior periods financial statements to conform to the fiscal 2001 presentation.

3. New Accounting Pronouncements

During June 2001, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards ("SFAS") No. 142, "Goodwill and Other Intangible Assets," effective for fiscal years beginning after December 15, 2001. Under SFAS No. 142, goodwill and intangible assets deemed to have indefinite lives will no longer be amortized. Full year amortization expense of goodwill for fiscal year 2001 is projected to be $5.2 million. The remaining balance of goodwill at the end of fiscal year 2001 is projected to be $9.3 million. In accordance with SFAS No. 142, the Company will cease amortization of its remaining goodwill balance beginning in fiscal year 2002. The Company will perform the required impairment tests of goodwill and has not yet determined the extent of any impairment losses on its existing goodwill. However, such losses, if any, are not expected to be material to the consolidated financial statements.

4. Merchandise 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 each quarter, as well as to provide users with the information to compare to other companies not on LIFO.

	LIFO Expense	
Quarter	Fiscal 2001	Fiscal 2000
	(In Thousands)	
First	$1,786	$1,844
Second	1,819	1,884
Third	2,112	2,168
Total	$5,717	$5,896

Inventories would have been $10,568,000 $4,851,000 and $8,879,000 higher at November 3, 2001, February 3, 2001 and October 28, 2000, respectively, if they had been valued using the first-in, first-out (FIFO) method.

5. Debt

On March 8, 2001, the Company issued $300 million aggregate principle amount of non-callable 6.30% unsecured senior notes due March 1, 2011. Net proceeds were $297.4 million and have been used for general corporate purposes, including continued store growth.

6. 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.

7. Net Income Per Share

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

	9 Months Ended	
	November 3, 2001	October 28, 2000
	(In Thousands)	
Denominator for basic earnings per share - weighted average shares	333,853	329,616
The impact of dilutive employee stock options	7,995	7,971
Denominator for diluted earnings per share	341,848	337,587

Item 2 MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

THREE MONTHS AND NINE MONTHS ENDED NOVEMBER 3, 2001

Results of Operations

At November 3, 2001, the Company operated 382 stores compared with 320 stores at the same time last year. During the quarter, the Company continued to execute its growth strategy by opening 28 new stores. In August, the Company opened two stores in El Paso, TX and two additional stores in the Chicago, IL market. In October, the Company opened 24 stores including entering the Oklahoma City, OK market with four stores and the Austin, TX market with three stores. At the same time, the Company opened additional stores in the following markets: three stores in Atlanta, GA; two stores in Louisville, KY; two stores in Baltimore, MD and one store each in the Dallas, TX; Kansas City, MO; Philadelphia, PA; Minneapolis, MN markets. The remaining stores opened in October were in the following cities: Howell, NJ; Midland, MI; Greenville, SC; Coralville, IA; Cedar Falls, IA and Bloomington, IN. The 28 store openings during the quarter brings the total new stores opened during fiscal 2001 to 62.

In fiscal 2002, the Company plans to open approximately 70 new stores, including 37 in the first quarter. Key plans for the first quarter of fiscal 2002 include entering the Houston market with 12 stores, the Boston market with 13 stores and the Nashville market with four stores. In addition, the Company will open two additional stores in Dallas, TX; and stores in Rocky Point, NY;

Walkill, NY; Clifton, NJ; Ramsey, NJ; Huntsville, AL and Indianapolis, IN.

Net sales increased $315.4 million or 21.8% to $1,760.3 million for the three months ended November 3, 2001 from $1,444.9 million for the three months ended October 28, 2000. Of the increase, $217.3 million is attributable to the inclusion of 22 new stores opened in 2000, 62 new stores opened in 2001. The remaining $98.1 million is attributable to comparable store sales growth of 7.1%.

Net sales increased $835.4 million or 21.3% to $4,764.4 million for the nine months ended November 3, 2001 from $3,929.0 million for the nine months ended October 28, 2000. Of the increase, $632.9 million is attributable to the inclusion of 61 new stores opened in 2000, 62 new stores opened in 2001. The remaining $202.5 million is attributable to comparable stores sales growth of 5.9%.

Gross margin for the three months ended November 3, 2001 was $608.3 or 34.6% compared to $495.3 or 34.3% for the three months ended October 28, 2000. Gross margin for the nine months ended November 3, 2001 was $1,665.9 or 35.0% compared to $1,359.2 or 34.6% for the nine months ended October 28, 2000. These increases are primarily attributable to the mix of merchandise sold and continued improvements related to inventory management.

Selling, general and administrative expenses declined to 21.6% of net sales for the three months ended November 3, 2001 from 21.9% of net sales for the three months ended October 28, 2000. Selling, general and administrative expenses for the nine months ended November 3, 2001 declined to 22.3% of net sales from 22.5% for the nine months ended October 28, 2000. These decreases are a result of leverage achieved on the increase in net sales.

Depreciation and amortization for the three months ended November 3, 2001 was $40.3 million compared to $33.2 million for the three months ended October 28, 2000. Depreciation and amortization for the nine months ended November 3, 2001 was $115.5 million compared to $92.9 million for the nine months ended October 28, 2000. These increases are primarily attributable to capital spending related to new store openings.

Preopening expense for the three months ended November 3, 2001 was $11.2 million compared to $8.4 million for the three months ended October 28, 2000. Preopening expense for the nine months ended November 3, 2001 was $26.7 million compared to $30.3 million for the nine months ended October 28, 2000. The three month increase is primarily due to an increase in the number of new stores opened. The nine month decrease is primarily due to the mix of new market and fill-in locations versus the prior year. Preopening expenses relate to the costs associated with new store openings, including advertising, hiring and training costs for new employees, and processing and transporting initial merchandise.

As a result of the above factors, operating income for the three months ended November 3, 2001 increased $38.0 million or 27.6% over the three months ended October 28, 2000. Operating income for the nine months ended November 3, 2001 increased $110.2 million or 31.4% over the nine months ended October 28, 2000.

Net interest expense for the three months ended November 3, 2001 was $13.7 million compared to $12.8 million for the three months ended October 28, 2000. Net interest expense for the nine months ended November 3, 2001 was $37.0 million compared to $35.1 million for the nine months ended October 28, 2000. These increases are a result of increased net borrowings offset by lower interest rates.

Net income for the three months ended November 3, 2001 increased 30.6% to $100.2 million from $76.7 million in the three months ended October 28, 2000. Earnings were $0.29 per diluted share for the three months ended November 3, 2001 compared to $0.23 per diluted share for the three months ended October 28, 2000. Net income for the nine months ended November 3, 2001 increased 35.2% to $261.9 million or $0.77 per diluted share from $193.7 million or $0.57 per diluted share for the nine months ended October 28, 2000.

Seasonality & Inflation

The Company's business, like that of most retailers, is subject to seasonal influences, with the major portion of sales and income typically realized during the last half of each fiscal year, which includes the back-to-school and holiday seasons. Approximately 16% and 30% of sales occur during the back-to-school and holiday seasons, respectively. Because of the seasonality of the Company's business, results for any quarter are not necessarily indicative of the results that may be achieved for a full fiscal year. In addition, quarterly results of operations depend significantly upon the timing and amount of revenues and costs associated with the opening of new stores.

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

Financial Condition and Liquidity

The Company's primary ongoing cash requirements are for seasonal and new store inventory purchases, growth in credit card accounts receivable and capital expenditures in connection with the expansion and remodeling programs. The Company's primary sources of funds for its business activities are cash flow from operations, financing secured by its proprietary accounts receivable, borrowings under its revolving credit facility 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 holiday selling season. In addition, the Company periodically accesses the capital markets, as needed, to finance its growth.

The Company's working capital increased to $1,495.1 million at November 3, 2001 from $1,198.6 million at February 3, 2001 and from $1,120.9 million at October 28, 2000. Of the $374.2 million increase from October 28, 2000, $175.0 million is attributable to higher credit card receivables and $184.0 million is related to an increase in merchandise inventories required to support existing stores and new store locations offset in part by an increase in accounts payable. These increases are reflective of the Company's store growth and increase in net sales. The remaining increase is primarily related to reduced short-term debt secured by the Company's propriety credit card receivables due primarily to the issuance of $300 million unsecured senior notes.

Cash used in operating activities was $163.9 million for the nine months ended November 3, 2001 compared to $170.6 million for the nine months ended October 28, 2000. Excluding changes in operating assets and liabilities, cash provided by operating activities was $452.8 million for the nine months ended November 3, 2001 compared to $395.6 million for the nine months ended October 28, 2000.

Capital expenditures for the nine months ended November 3, 2001 were $451.1 million compared to $353.9 million for the same period a year ago. The increase in expenditures is primarily attributable to the timing of spending related to new stores and the mix of leased versus owned locations.

Total capital expenditures for fiscal 2001 are expected to be approximately $700 million. This estimate includes the purchase of favorable lease rights for 15 stores from Bradlees Inc., the renovation and refixturing of the properties, the capital required to open distribution facilities, new store spending as well as base capital needs. The actual amount of the Company's future annual capital expenditures will depend primarily on the number of new stores opened, whether such stores are owned or leased by the Company and the number of existing stores remodeled or refurbished.

The Company opened 34 new stores during the first half of the year, four stores in August and 24 additional stores in October. At the end of fiscal 2001, a distribution center is scheduled to open in Mamakating, New York to support the northeast expansion, including the entry into the greater Boston market. In addition, Kohl's has acquired the lease rights to a distribution facility in

Corsicana, Texas. This facility is expected to open by the end of the year and will serve existing Texas locations and support further expansion in the region, including the entry into Houston in spring 2002.

Total capital expenditures for fiscal 2002 are expected to be approximately $700 million.

In March 2001, the Company issued $300 million aggregate principle amount of non-callable 6.3% unsecured senior notes due March 2011. The proceeds have been used for general corporate purposes, including continued store growth.

The Company anticipates that it will be able to satisfy its working capital requirements, planned capital expenditures and debt service requirements with short term trade credit, $225 million of available financing secured by its proprietary credit card accounts receivable, seasonal borrowings under its $300 million revolving credit facility and other sources of financing. The Company expects to generate adequate cash flows from operating activities to sustain current levels of operations. The Company maintains favorable banking relations and anticipates that the necessary credit agreements will be extended or new agreements will be entered into in order to provide future borrowing requirements as needed.

Forward Looking Statements

Item 2 of this Form 10-Q contains "forward-looking statements," subject to protections under federal law. The Company intends words such as "believes", "anticipates", "plans", "may", "will", "should", "expects", and similar expressions to identify forward-looking statements. In addition, statements covering the Company's future sales or financial performance and the Company's plans, objectives, expectations or intentions are forward-looking statements, such as statements regarding the Company's liquidity, debt service requirements, planned capital expenditures, future store openings and adequacy and capital resources. Such statements are subject to certain risks and uncertainties that could cause the Company's results to differ materially from those anticipated by the forward-looking statements. These risks and uncertainties include but are not limited to those described in Exhibit 99.1 to the Company's annual report on Form 10-K filed with the SEC on April 17, 2001, which is expressly incorporated herein by reference, and such other factors as may periodically be described in the Company's filings with the SEC.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

a) Exhibits

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

b) Reports on Form 8-K

There were no reports on Form 8-K filed for three months ended November 3, 2001.

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 7, 2001

/s/ R. Lawrence Montgomery
R. Lawrence Montgomery
Chief Executive Officer and Director

Date: December 7, 2001

/s/ Patricia Johnson
Patricia Johnson
Chief Financial Officer

Exhibit 12.1

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

	39 Weeks Ended		Fiscal Year (1)				
	Nov 3, 2001	Oct 28, 2000	2000	1999	1998	1997	1996
Earnings							
Income before income taxes	$423,712	$315,396	$605,114	$421,112	$316,749	$235,063	$171,368
Fixed charges (2)	104,226	75,041	116,753	82,835	63,135	57,446	42,806
Less interest capitalized during period	(4,461)	(2,424)	(3,478)	(4,405)	(1,878)	(2,043)	(2,829)
	$523,477	$388,013	$718,389	$499,542	$378,006	$290,466	$211,345
Fixed Charges							
Interest (expensed or capitalized) (2)	$ 46,419	$ 32,219	$ 52,305	$ 33,813	$ 24,550	$ 26,304	$ 20,574
Portion of rent expense representative of interest	57,220	42,485	63,943	48,769	38,385	30,798	22,031
Amortization of deferred financing fees	587	337	505	253	200	344	201
	$104,226	$ 75,041	$116,753	$ 82,835	$ 63,135	$ 57,446	$ 42,806
Ratio of earnings to fixed charges	5.02	5.17	6.15	6.03	5.99	5.06	4.94

(1) Fiscal 2001, 1999, 1998, 1997 and 1996 were 52 week years and fiscal 2000 was a 53 week year.
(2) Interest expense for fiscal 1997 and 1996 has been restated to properly reflect interest expense included on the Consolidated Statements of Income.