convenient shopping in your neighborhood

Kohl's
That's more like it
FINANCIAL HIGHLIGHTS

Net Sales
1999 $4,557.1 up 24%
1998 $3,681.8

Operating Income
1999 $448.3 up 33%
1998 $337.9

Net Income
1999 $258.1 up 34%
1998 $192.3

Diluted Net Income Per Share
1999 $1.55 up 31%
1998 $1.18

Number of Stores
1999 259 up 22%
1998 213

Total Square Feet of Selling Space
1999 18,757 up 24%
1998 15,111

A RECORD YEAR
We continued our fast-paced growth in 1999, once again achieving record results. For the fiscal year, net sales increased 24 percent to $4.6 billion. Net income rose 34 percent to $258.1 million. Selling, general and administrative (SG&A) expenses declined 0.6 percent to 21.4 percent of net sales. We had a strong holiday season, resulting in a 25 percent increase in fourth quarter sales and a 28.2 percent increase in net income. In recognition of our continuing success, we announced a two-for-one stock split payable to shareholders on or about April 24, 2000, to shareholders of record as of April 7, 2000.

Comparator store sales rose 7.9 percent in 1999 and have averaged 8.6 percent over the past five years. This average dramatically exceeds the performance of our direct competitors as well as the discount store industry. Our comparable store sales increase reflects the performance of both our new and mature stores. Our fast-paced growth is one of the factors behind these impressive numbers, as new stores typically experience 10–15 percent annual increases in sales in their second through fourth years of operation. Currently, about 40 percent of our stores fall into this category. At the same time, our mature stores (stores older than five years) continue to perform well, delivering a five percent increase in their sales in 1999.

STRONG PERFORMANCE
Since our initial public offering in 1992, Kohl’s sales have increased from $1.1 billion to $4.6 billion, the number of stores has grown from 79 to 259, we’ve expanded from six states to 24, and our stock price has increased from $1.75 to $34.41 at the end of the fiscal year, as adjusted for all stock splits through April 2000.

Profile
As of April 2000, Kohl’s Corporation operates 298 family-oriented, specialty department stores in 25 states that feature quality, national brand merchandise priced to provide exceptional value to customers. The company’s stores sell moderately priced apparel, shoes, accessories and home products targeted to middle income customers shopping for their families and homes.
Kohl's success is based on providing exactly what it says on the cover of this report, "Convenient shopping in your neighborhood." What does that mean? It means our stores are located close to where our customers live. There's ample parking and easy access to the store. Customers can take a shopping cart and fill it up with merchandise throughout the store and then check out at one central location. We offer quality, department store national brands in a selection of colors and sizes, always in stock. And without question, we have the best Associates in the business. For all these reasons, and because our customers recognize a good value, they keep coming back to Kohl's.

FUTURE GROWTH
We remain committed to the neighborhood department store concept that has made Kohl's the success it is today. To continue our growth and expansion, we successfully completed a secondary stock offering last March which generated net proceeds of approximately $200 million and in May, issued 30-year debentures generating an additional $200 million.

We added 46 new stores in 1999 and in spring 2000 opened 39 more stores, including a major entry into the New York market with 32 stores. Our strategy is to grow by adding stores in new markets that are contiguous to where we operate and fill-ins to existing markets. We enter each market with a critical mass of stores that enables us to quickly establish a solid presence and leverage expenses.

We plan to open approximately 21 new stores this fall, primarily in existing markets. In 2001, we plan to open another 55–60 new stores, continuing to aggressively expand our department store base with our entry into the Atlanta market. Our future plans also include e-commerce as an additional service for those customers who enjoy shopping from home using the Internet.

GREAT PEOPLE
When we talk about the people behind Kohl's success, first and foremost are our Associates. They truly are exceptional. From the teams who do a fantastic job of opening new stores to the Associates who work in our existing stores, distribution centers and corporate office, everyone contributed to make 1999 the best year ever.

In 1999, we welcomed 9,000 new Associates to Kohl's, increasing our total to 43,000 outstanding Associates. To each and every one of our Associates, thank you for a successful 1999.

In March 2000, we welcomed two new members to our Board of Directors: Wayne Emby, team division president and chief operating officer of the Cleveland Cavaliers, and Arlene Meer, our chief financial officer. In 1999, Jay Baker retired as president of Kohl's and John Herma retired as chief operating officer. We thank them for their many contributions to Kohl's and look forward to their continued counsel as members of the Board.

To everyone who is a part of Kohl's—our Associates, customers, vendors, suppliers and shareholders, thank you for a great year. Together, we have taken a small Midwestern department store chain and turned it into one of the best performing retailers in the country. We look forward to continuing growth as we bring Kohl's into many more new communities in the years ahead.
At Kohl's, convenience means locating our stores in the neighborhoods where our customers live, easy access and department store national brand merchandise at moderate prices. Wide aisles and specially designed stroller carts make shopping at Kohl's fast and easy.

**EASY SHOPPING**

From their location to the merchandise on the shelves, Kohl's stores are designed around our customers. That's why you'll find Kohl's stores conveniently located near the neighborhoods where our customers live. The majority of our stores are in stand-alone locations or in power strip centers where spacious, well-lit parking close to the entrance provides easy in and out. Specially designed stroller carts make shopping with young children and carrying purchases a breeze. Wide aisles, an open and functional store layout and attractively arranged merchandise let customers quickly find the department and the items they are seeking. And our fast, efficient check-out speeds customers on their way.
Plano, Texas customer tries Kohl’s and loves it

It didn’t take long for Jean Jones to become a loyal Kohl’s customer. When a new Kohl’s store opened in November 1999 just a few miles from her home in Plano, Texas, Jean gave it a try. Now, in her words, she’s “addicted” to Kohl’s.

“I used to go to the mall, but I haven’t been there since Kohl’s opened two months ago. I’ve shopped Kohl’s in every department, from women’s to junior’s, shoes, lingerie and housewares. I can always find what I’m looking for, it’s easy to check out and Kohl’s Associates are extremely helpful. At Kohl’s, the quality is great, the prices are great and the people are great,” says Jean. “I go to Kohl’s about once a week. I may go in for sunglasses, but I always come out with more!”

Knowing Our Customers

While men, women and children of all ages shop at Kohl’s, our typical customer is a woman age 25-54 shopping for herself and her family. She’s a busy person, juggling work, home, family and outside activities. We’ve designed the entire Kohl’s experience around her need for fast, efficient shopping.

We’re always looking for new ways to make shopping at Kohl’s even better. We get feedback and ideas directly from customers through the tens of thousands of comment cards we receive each year. Ongoing research in key markets enables us to keep a pulse on the marketplace and learn how our customers feel about us by tracking advertising, brand awareness and store attributes. Research is also important in evaluating and entering new markets. Prior to entering a new market, extensive research is conducted to obtain information on the customer’s point of view about shopping, merchandise preferences and the competitive environment. Using this information, we tailor our marketing strategies and merchandise selection to each geographic area. When new stores open, additional research is conducted to measure awareness and monitor performance. Focus groups are also used on a selective basis to test customer reactions to new concepts or programs prior to their introduction.

Kohl’s Means Value

The foundation of the Kohl’s concept is offering popular department store national brands at moderate prices, readily available in the size and color the customer wants. Our low cost structure is what enables us to offer exceptional value to our customers. Many of the features that attract customers to Kohl’s also enhance the value we provide. Our newspaper inserts and broadcast advertising give customers a preview of our featured merchandise and pricing for a quick comparison with our competitors. This makes shopping at Kohl’s fast and efficient, saving our customers’ valuable time.

Credit Card Benefits

Kohl’s says thank you to our customers with special benefits for credit card holders. All credit card holders receive advance notification of major sales and can save additional money during our eight special savings events each year. In addition, loyal customers who spend $600 or more on their Kohl’s charge card in a 12 month period receive special “Most Valued Customer” (MVC) privileges. MVC benefits include additional discounts four times each year on days selected by the customer and the quarterly MVC NOW newsletter that includes fashion tips, lifestyle information and valuable exclusive offers.
NEW VISUAL PRESENTATION

Frequent Kohl’s shoppers noticed something new during the 1999 holiday season—in-aisle tower and table displays with special merchandise and promotions. The new tower and table presentations were a hit with shoppers, adding incremental sales to what was already an outstanding fourth quarter. Based on this success and recognizing that Kohl’s is also a gift store, the new presentations will be used at various times throughout the year to showcase seasonal and holiday merchandise.

The typical Kohl’s customer is a woman age 25-54 shopping for herself and her family. Building on this base, in 2000 we will intensify our efforts to attract Generation Y customers to Kohl’s. This growing population segment of 10-24-year olds is both brand and cost conscious.
POPULAR BRANDS

Kohl's is committed to maintaining the dominance of national brands in our merchandise mix. Currently about 80 percent of our merchandise is national brands, a strategy that keeps customers returning again and again. Here are just a few of the brands we feature. Villager by Liz Clairborne, Norton McNaughton and Sag Harbor for women. Dockers and Haggar for men. HealthTex and Carter's for children. Mudd, Ice and Unionbay for juniors. Lee Dungaree and Levi's L2 for young men. For the home it's Fieldcrest, KitchenAid, Circulon and Pfaltzgraff. Skechers, Nike, Reebok and Adidas for shoes. For lingerie it's Jockey, Bali, Maidenform and Warner. And in many departments throughout the store, you'll find our own Sonoma and Croft & Barrow brands.

In 2000, we are introducing two additional national brands. The popular Columbia sportswear line for men and women will be introduced in the spring and expand to kids in the fall. With the opening of the 32 stores in the New York region in March and April, we will add the Arrow label in dress and sport shirts as well as casual pants. We expect to roll out this well known brand to the rest of our stores in June.

FOCUS ON WOMEN AND TEENS

In addition to purchasing for their families and homes, Kohl's customers are increasingly shopping for themselves. Our efforts to strengthen our line of women's apparel with more contemporary career and casual clothes has generated significantly higher sales in these departments. In 2000, we will intensify our efforts to attract the Generation Y customer. This population segment of 10-24 year olds is growing dramatically and is very brand and cost conscious. We will focus on making Kohl's their favorite store.

SIZES AND SELECTION

Kohl's customers count on us to have the name brand merchandise they want in the sizes and colors they need. We use technology as a competitive advantage, linking merchandising, planning and allocation, buying, distribution and point-of-sale to keep our stores well stocked while maximizing operating efficiency. That's just one more aspect of convenient shopping close to home.
1999 store openings

Kohl’s entered three new markets in 1999, opening six stores in the Denver area, six stores in St. Louis and 13 stores in the Dallas/Ft. Worth market. In addition, 21 fill-in stores opened in existing markets including Washington DC, Chicago, Detroit, Philadelphia, Minneapolis, Omaha, Richmond and Indianapolis. Other stores were updated as part of our ongoing remodeling program to keep them fresh and current.

Kohl’s is in your neighborhood

- Denver
- Arapahoe Crossings
- Aurora East
- Lone Tree
- Louisville
- Thornton
- Westminster
- Dallas/Ft. Worth
- Carrollton
- Cedar Hill
- Flower Mound
- Garland
- Keller
- Lewisville
- North Richland Hills
- Plano East
- Plano North
- Plano West
- Rockwall
- South Arlington
- Valley Ranch
- St. Louis
- Bridgeton
- Creve Coeur
- Fairview Heights
- Manchester
- O’Fallon
- St. Peters

46 NEW NEIGHBORHOODS IN 1999

Entering a new market with a critical mass of stores is a key component of Kohl’s growth strategy. We did just that in 1999 when we entered the new markets of Denver, Dallas and St. Louis. We were able to build awareness of what the customer should expect at Kohl’s through extensive television, radio and print advertising ahead of the store openings. As a result, we are extremely pleased with the sales performance of each of these new markets. In addition, we successfully opened 21 stores in existing markets. The sales volume of these 46 stores, on average, outperformed the stores opened in any other year in Kohl’s history.

60 NEW NEIGHBORHOODS IN 2000

Kohl’s came to 39 new communities in March and April with the opening of four new stores in Dallas/Ft. Worth, a store in Rochester, Minnesota, an additional store in St. Louis and the conversion of 33 stores previously operated by Caldor Corp. to the Kohl’s format. The new stores increase Kohl’s total to 298 stores in 25 states.

With the conversion of the Caldor stores, we are excited to introduce the Kohl’s concept to the New York and Connecticut markets and to expand Kohl’s presence in New Jersey and Maryland. While the former Caldor locations are converted buildings, the stores themselves are completely new. From the distinctive exterior design to the inside layout, merchandise selection, and friendly Associates, our new tri-state stores are uniquely Kohl’s.

In fall, we will open 21 additional stores, bringing the total new stores for 2000 to 60. We will enter Oklahoma for the first time with three stores in the Tulsa market and will expand in a number of existing markets including Chicago, Denver, Dallas and New York.
A SUCCESSFUL ENTRY
Opening 32 new stores within a four week period requires extensive planning, experienced Associates and attention to the thousands of details that go into creating the Kohl's shopping experience. In the tri-state market, the process began more than a year before the opening with market research that helped us to understand our future customers and what they're looking for in a department store. Existing buildings were remodeled to fit Kohl's prototype design and inside space was configured to our layout. We tailored our merchandise selection to the community and region. We transferred 42 experienced managers from our existing stores to bring the Kohl's culture into this new market. In addition, we hired 87 experienced managers from the local market who bring their knowledge of the customer and the community to Kohl's. Teams of Associates from existing stores came to assist the new market in the hiring and training of our 5,000 new Associates. Together, these activities resulted in Kohl's successful entry into one of the most attractive retail markets in the country.
COMING TO ATLANTA IN 2001

Kohl’s expansion plan for 2001 is to open 55–60 new stores, including entering the Atlanta market with approximately 12 stores. Our ability to successfully enter new markets is well established. Atlanta is a fast-growing, dynamic market. We look forward to bringing Kohl’s to new neighborhoods in this major population center of the Southeast.
FOCUSED GROWTH
Kohl's aggressive growth is recognized throughout the industry. But we don’t believe in growth for growth’s sake. We have a disciplined growth strategy that focuses on balancing expansion into markets contiguous to where we currently operate and adding new stores in our existing markets. In addition to finding the right locations, all proposed new stores and markets are carefully evaluated to ensure they will meet our long-term financial performance objectives.

NEIGHBORHOOD LOCATION
A key part of Kohl’s growth strategy is locating our stores in the neighborhoods where our customers live. We tend to be in the suburbs surrounding metropolitan areas, positioning our stores in the future growth areas of our markets. Because convenience is so important to our customers, the majority of Kohl’s future new stores will be in free-standing locations or power strip malls with ample parking and easy access.

SUPPORTING OUR GROWTH
Kohl’s distribution centers are strategically located to support our existing stores as well as future expansion.

Our fourth distribution center opened in Blue Springs, Missouri, in December 1999, with the capacity to serve approximately 100 stores. Plans are underway for our fifth distribution center in New York, which will have the capacity to serve another 100 stores when it opens in 2001. Other distribution centers are located in Menomonee Falls, Wisconsin; Findlay, Ohio; and Winchester, Virginia.

In 1999, Kohl’s opened a new distribution center in Blue Springs, Missouri. This 540,000-square-foot facility has the capacity to serve approximately 100 stores.

expansion — into contiguous states

Career with Kohl’s brings store manager home to New York
Jessica Wilson’s career with Kohl’s has taken her around the country, but today she’s happy to be back where she grew up on New York’s Long Island.

Jessica joined Kohl’s in 1992 as an assistant store manager at the Westland, Michigan store. During the next seven years she moved up the ladder and around the country, assuming more responsibility in increasingly larger stores with higher volumes. After Michigan, Castleton, Indiana was next. Then a promotion to store manager brought her opportunities to manage the store in Canton, Ohio, open new stores in Mentor and Strongsville, Ohio, and direct a major expansion of the Grand Rapids, Michigan store. In March, she opened her biggest store yet, the new store in Levittown, New York that is part of Kohl’s expansion into the tri-state market.

“I’m a terrific example of the growth potential our Associates have with Kohl’s. I’ve been given every opportunity to gain new experience and to assume an increasing amount of responsibility. I’m especially excited to have a role in bringing Kohl’s dynamic retailing concept to Long Island, where I was born and raised. There’s nothing like Kohl’s in this market. With our unique concept, I think we will be a great success,” says Jessica.
NEIGHBORS WORKING TOGETHER

In all of the feedback we receive from customers, one aspect stands high above the rest: our Associates. Kohl’s is a great place to shop because of our Associates — those on the sales floor as well as those working in the distribution centers and corporate office.

Kohl’s added approximately 9,000 new Associates in 1999, increasing our total to 43,000. While the numbers are impressive, what is most significant is the fact that Kohl’s Associates are local people who often work at stores close to their neighborhood. The opportunity to work close to home helps in attracting Associates to Kohl’s. It also enhances customer service, as Associates and customers work and shop together at their local Kohl’s store. Current Associates are encouraged to refer others to Kohl’s—a program that is a major source of new Associates for the company.

Working with friends and neighbors also helps in retention. In today’s competitive job market, keeping experienced Associates is a top priority. Kohl’s company-wide focus on retention is producing excellent results. Retention improved 13 percent in 1999, the fourth consecutive year of increase.

CAREERS AT KOHL’S

Because of how important our Associates are to our success, we work hard to provide a work environment that encourages them to stay and grow with Kohl’s.

With our fast-paced expansion, Kohl’s is a great place for people who want to gain experience and advance their career. As part of the Kohl’s team, our Associates have opportunities to grow both personally and professionally. For example, in 1999 approximately 80 store Associates were promoted to store executive positions within Kohl’s. In addition to internal promotions, many Associates in our management training program come to Kohl’s as a result of our active college hiring program, which was expanded to 35 colleges and universities in 1999.

Kohl’s training programs provide great opportunities for growth. In 1999, over 30,000 Associates participated in these programs. Our Associate training has been updated and enhanced to support our continuing focus on customer service, productivity and retention. In addition, we have taken advantage of technology and utilize custom-designed, computer-based training in our stores. This approach has several benefits. It enables us to provide high quality, consistent training at a lower cost and allows our Associates to learn at their own pace and on flexible time schedules.

ESOP GROWTH

Kohl’s offers competitive benefits that help to attract and retain quality Associates. At the corporate office, demand for the company’s day care center, the Learning Lodge, was so great that the center doubled in size in 1999. Insurance, paid vacations and a 401(k) program are just a few of the other benefits Kohl’s provides. The Employee Stock Ownership Plan (ESOP) is a significant benefit that recognizes how important Associates are to our growth by providing the opportunity to own shares of Kohl’s stock. In 1999, Kohl’s contributed approximately $4.4 million to the ESOP. At fiscal year end, the ESOP had a market value of about $51 million.
Giving back to the community

Kohl’s Associates are involved in their communities, volunteering their time and financial support for a range of charities. In 1999, our Associates participated in events including Lee Denim Day for breast cancer, the Children’s Miracle Network and the Juvenile Diabetes Foundation Walk for the Cure.

NEW SCHOLARSHIP PROGRAM INTRODUCED

Kohl’s recently enhanced its benefit program with a new scholarship program for Associates. Beginning in 2000, 34 scholarships will be awarded each year to assist Associates in funding higher education for their children. Each year, two scholarships will go to children of Associates from the corporate office, two to the distribution centers and one to each of Kohl’s 30 districts. With the high cost of education today, this benefit will be a welcome addition for Associates with children attending a college or technical school.
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<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>$4,557,112</td>
<td>$3,681,763</td>
<td>$3,060,065</td>
<td>$2,388,221</td>
<td>$1,925,669</td>
<td>$1,554,100</td>
<td>$1,305,746</td>
<td>$1,096,856</td>
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<td><strong>Gross margin</strong></td>
<td>1,543,039</td>
<td>1,234,462</td>
<td>1,013,597</td>
<td>779,533</td>
<td>631,016</td>
<td>516,360</td>
<td>436,510</td>
<td>374,246</td>
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<td><strong>Selling, general &amp; administrative expenses</strong></td>
<td>975,269</td>
<td>810,162</td>
<td>678,793</td>
<td>536,226</td>
<td>436,442</td>
<td>356,893</td>
<td>305,547</td>
<td>269,158</td>
</tr>
<tr>
<td><strong>Non-recurring charges</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>14,052(b)</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td><strong>Preopening expenses</strong></td>
<td>30,972</td>
<td>16,388</td>
<td>18,589</td>
<td>10,302</td>
<td>10,712</td>
<td>8,190</td>
<td>5,360</td>
<td>2,992</td>
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<tr>
<td><strong>Depreciation and amortization</strong></td>
<td>88,523</td>
<td>70,049</td>
<td>57,380</td>
<td>44,015</td>
<td>33,931</td>
<td>27,402</td>
<td>23,201</td>
<td>19,834</td>
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<tr>
<td><strong>Operating income</strong></td>
<td>448,275</td>
<td>337,863</td>
<td>258,835</td>
<td>188,990</td>
<td>135,879(b)</td>
<td>123,875</td>
<td>102,402</td>
<td>64,527(a)</td>
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<tr>
<td><strong>Interest expense, net</strong></td>
<td>27,163</td>
<td>21,114</td>
<td>23,772</td>
<td>17,622</td>
<td>13,150</td>
<td>6,424</td>
<td>5,711</td>
<td>14,393</td>
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<tr>
<td><strong>Income before income taxes</strong></td>
<td>421,112</td>
<td>316,749</td>
<td>235,063</td>
<td>171,368</td>
<td>122,729(b)</td>
<td>117,451</td>
<td>96,691</td>
<td>50,134(a)</td>
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<td><strong>Income before extraordinary items</strong></td>
<td>258,142</td>
<td>192,266</td>
<td>141,273</td>
<td>102,478</td>
<td>72,652(b)</td>
<td>68,512</td>
<td>55,662</td>
<td>28,692(a)</td>
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<tr>
<th><strong>EARNINGS PER SHARE PRE 4/24/00 SPLIT</strong></th>
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<tbody>
<tr>
<td>Income before extraordinary items, basic</td>
</tr>
<tr>
<td>Income before extraordinary items, diluted</td>
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<tr>
<th><strong>EARNINGS PER SHARE POST 4/24/00 SPLIT</strong></th>
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<tbody>
<tr>
<td>Income before extraordinary items, basic</td>
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<td>Income before extraordinary items, diluted</td>
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<tr>
<th><strong>FINANCIAL POSITION DATA (in thousands)</strong></th>
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<tbody>
<tr>
<td>Working capital</td>
</tr>
<tr>
<td>Property and equipment, net</td>
</tr>
<tr>
<td>Total assets</td>
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<tr>
<td>Long-term debt</td>
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<tr>
<td>Shareholders' equity</td>
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<th><strong>OTHER DATA</strong></th>
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<tbody>
<tr>
<td>Comparable store sales growth</td>
</tr>
<tr>
<td>Net sales per selling square foot</td>
</tr>
<tr>
<td>Stores open at year end</td>
</tr>
<tr>
<td>Total square feet of selling space at year end (in thousands)</td>
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<tr>
<td>Market price (c): High</td>
</tr>
<tr>
<td>Low</td>
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(a) The year ended January 30, 1993, includes a non-recurring incentive compensation charge of $17.7 million ($10.6 million after-tax) or $0.08 per share pre stock split/$0.04 per share post stock split.
(b) The year ended February 3, 1996, includes a non-recurring credit operations charge of $14.1 million ($8.3 million after-tax) or $0.06 per share pre stock split/$0.03 per share post stock split.
DIRECTORS
Jay H. Baker—Retired President, Kohl's Corporation
Wayne Embry—Team Division President/Chief Operating Officer, Cleveland Cavaliers (b)
James D. Ericson—Chairman and Chief Executive Officer, Northwestern Mutual Life Insurance Company (b)
John F. Herma—Retired Chief Operating Officer, Kohl's Corporation
William S. Kellogg—Chairman, Kohl's Corporation
Kevin Mansell—President, Kohl's Corporation
Arlene Meier—Executive Vice President—Chief Financial Officer, Kohl's Corporation
R. Lawrence Montgomery—Vice Chairman and Chief Executive Officer, Kohl's Corporation
Frank V. Sica—Managing Director, Soros Fund Management LLC (a)(b)
Herbert Simon—Co-Chairman, Simon Property Group, Inc., a real estate investment trust, and Co-Chairman, Melvin Simon & Associates, a real estate developer (a)
Peter M. Sommerhauser—Shareholder in the law firm of Godfrey & Kahn, S.C.
R. Elton White—Director, Keithley Instruments, Inc. (a)

EXECUTIVE OFFICERS
Caryn A. Blanc—Executive Vice President—Merchandise Planning and Logistics
William S. Kellogg—Chairman
John J. Lesko—Executive Vice President—Chief Information Officer
Rick LeTo—Executive Vice President—General Merchandise and Product Development Manager
Kevin Mansell—President
Arlene Meier—Executive Vice President—Chief Financial Officer
R. Lawrence Montgomery—Vice Chairman and Chief Executive Officer
Jack E. Moore, Jr.—Executive Vice President—General Merchandise Manager
Jeff Rusinow—Executive Vice President—Regional Director of Stores and Store Administration
Don Sharpin—Executive Vice President—Human Resources
Gary Vasques—Executive Vice President—Marketing

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Kohl's Corporation
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Website: www.kohls.com

Transfer Agent and Registrar
The Bank of New York
Shareholder Relations Dept. 11-E
FO. Box 1125
Church Street Station
New York, New York 10286
(800) 524-4458

Independent Auditors
Ernst & Young LLP
Milwaukee, Wisconsin

Corporate Counsel
Godfrey & Kahn, S.C.
Milwaukee, Wisconsin

Annual Meeting
The 2000 Kohl's Annual Meeting of Shareholders will be held on Tuesday, May 23, at 10:00 a.m. at the Four Points Sheraton Hotel, Milwaukee, Wisconsin.

Investor Information/Quarterly Reports
For quarterly earnings reports and other investor information, please visit our website at www.kohls.com or direct your inquiries to the company, Attention: Shareholder Relations.

Form 10-K
Parts I-III of Kohl's Annual Report on Form 10-K, as filed with the Securities and Exchange Commission, are included with this report for all shareholders.

Common Stock
Kohl's common stock is listed on the New York Stock Exchange under the symbol KSS.

Common Stock Price Range
Pre 4/24/00 Stock Split
Fiscal 1999  High  Low
First Quarter  $78.00  $62.75
Second Quarter  81.25  63.50
Third Quarter  79.94  61.50
Fourth Quarter  78.44  62.94
Fiscal 1998  High  Low
First Quarter  $43.47  $34.69
Second Quarter  57.63  40.50
Third Quarter  58.94  34.06
Fourth Quarter  67.75  45.13

Common Stock Price Range
Post 4/24/00 Stock Split
Fiscal 1999  High  Low
First Quarter  $39.00  $31.38
Second Quarter  40.63  31.75
Third Quarter  39.97  30.75
Fourth Quarter  39.22  31.47
Fiscal 1998  High  Low
First Quarter  $21.73  $17.34
Second Quarter  28.81  20.25
Third Quarter  29.47  17.03
Fourth Quarter  33.88  22.56

Shareholders
As of March 21, 2000, there were 5,824 holders of record of Kohl's common stock.

Dividends
Kohl's has never paid a cash dividend, has no current plans to pay dividends on its common stock and intends to retain all earnings for investment in and growth of its business.

Thank You
Thank you to the following Wisconsin Associates and their families who are pictured in this report.
DelafIELD store: Karen Milligan, Matt Schick and Dale Schumann.
Oak Creek store: Jeff McAtammon and Donna Philipp.
Waukesha store: Sue Knutson, Gloria Snell and Leslie Tate.
West Allis store: John Manske and Rose Marie Valarta.
West Bend store: Lila Johnson, Kathy Leiber, Kathy Schneider, Carolyn Smoins and Linda Wandelza.
Corporate office: Fredia Jones and Nicole Williams.