

KOHL'S CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In Millions, except per share data)
(Unaudited)

| | 13 Weeks Ended | | | |
|-------------------------------------|---------------------------|-------------------------------|---------------------------|-------------------------------|
| | April 29, 2006 | % to Net Sales | April 30, 2005 | % to Net Sales |
| Net sales | \$ 3,184.7 | | \$ 2,742.8 | |
| Cost of merchandise sold | 2,036.5 | 63.9% | 1,759.6 | 64.2% |
| Gross margin | 1,148.2 | 36.1% | 983.2 | 35.8% |
| Operating expenses: | | | | |
| Selling, general and administrative | 761.7 | 23.9% | 672.9 | 24.5% |
| Depreciation and amortization | 93.3 | 2.9% | 80.0 | 2.9% |
| Preopening expenses | 11.0 | 0.4% | 12.6 | 0.5% |
| Operating income | 282.2 | 8.9% | 217.7 | 7.9% |
| Interest expense, net | 14.2 | 0.5% | 17.2 | 0.6% |
| Income before income taxes | 268.0 | 8.4% | 200.5 | 7.3% |
| Provision for income taxes | 100.8 | 3.1% | 75.8 | 2.8% |
| Net income | \$167.2 | 5.3% | \$ 124.7 | 4.5% |
| Basic net income per share | \$ 0.48 | | \$ 0.36 | |
| Avg. number of shares | 345.3 | | 343.5 | |
| Diluted net income per share | \$ 0.48 | | \$ 0.36 | |
| Avg. number of shares | 347.3 | | 345.9 | |

Kohl's Corporation
Condensed Consolidated Statements of Cash Flows
(In Thousands)
(Unaudited)
Subject to Reclassification

| | 13 Weeks Ended | |
|---|---------------------------|---------------------------|
| | April 29, 2006 | April 30, 2005 |
| Operating activities | | |
| Net income | \$ 167,245 | \$ 124,734 |
| Adjustments to reconcile net income to net cash provided by (used in) operating activities: | | |
| Depreciation and amortization | 93,407 | 80,189 |
| Amortization of debt discount | 36 | 53 |
| Deferred income taxes | 19,709 | 47,775 |
| Share-based compensation | 9,918 | 9,608 |
| Excess tax benefits from share-based compensation | (6,952) | (3,564) |
| Changes in operating assets and liabilities: | | |
| Accounts receivable, net | 1,652,065 | 80,329 |
| Merchandise inventories | (110,323) | (165,776) |
| Other current and long-term assets | (95,895) | (58,766) |
| Accounts payable | 38,720 | (17,912) |
| Accrued and other long-term liabilities | 47,453 | (88,068) |
| Income taxes payable | (65,798) | (117,657) |
| Net cash provided by (used in) operating activities | 1,749,585 | (109,055) |
| Investing activities | | |
| Acquisition of property and equipment and favorable lease rights | (280,635) | (176,332) |
| Net (purchases) sales of short-term investments | (1,241,059) | 88,767 |
| Other | (2,576) | (233) |
| Net cash used in investing activities | (1,524,270) | (87,798) |
| Financing activities | | |
| Proceeds from short-term debt | 0 | 175,000 |
| Net borrowing under credit facilities | 0 | 15,000 |
| Repayments of other long-term debt, net | (101,689) | (1,020) |
| Excess tax benefits from share-based compensation | 6,952 | 3,564 |
| Treasury stock purchases | (77,247) | 0 |
| Proceeds from issuances of common shares | 15,032 | 7,321 |
| Net cash (used in) provided by financing activities | (156,952) | 199,865 |
| Net increase in cash and cash equivalents | 68,363 | 3,012 |
| Cash and cash equivalents at beginning of period | 126,839 | 116,717 |
| Cash and cash equivalents at end of period | \$ 195,202 | \$ 119,729 |

Kohl's Corporation
Condensed Consolidated Balance Sheets
(In Thousands)
(Unaudited)
Subject to Reclassification

| | April 29, 2006 | April 30, 2005 |
|--|---------------------------------|---------------------------------|
| | <hr/> | <hr/> |
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 195,202 | \$ 119,729 |
| Short-term investments | 1,401,136 | 0 |
| Accounts receivable trade, net | 0 | 1,309,303 |
| Merchandise inventories | 2,347,891 | 2,112,753 |
| Deferred income taxes | 0 | 3,322 |
| Other current assets | 176,129 | 106,060 |
| Total current assets | <hr/> 4,120,358 | <hr/> 3,651,167 |
| Property and equipment, net | 4,791,447 | 4,179,569 |
| Favorable lease rights, net | 209,225 | 221,775 |
| Goodwill | 9,338 | 9,338 |
| Other assets | 52,500 | 38,729 |
| Total assets | <hr/> <hr/> \$ 9,182,868 | <hr/> <hr/> \$ 8,100,578 |
| Liabilities and Shareholders' Equity | | |
| Current liabilities: | | |
| Accounts payable | \$ 868,691 | \$ 686,743 |
| Accrued liabilities | 662,954 | 477,720 |
| Income taxes payable | 94,158 | 55,961 |
| Deferred income taxes | 3,210 | 0 |
| Short-term debt | 0 | 190,000 |
| Current portion of long-term debt and capital leases | 8,440 | 105,038 |
| Total current liabilities | <hr/> 1,637,453 | <hr/> 1,515,462 |
| Long-term debt and capital leases | 1,043,952 | 1,018,033 |
| Deferred income taxes | 210,623 | 226,428 |
| Other long-term liabilities | 211,457 | 161,490 |
| Shareholders' equity | 6,079,383 | 5,179,165 |
| Total liabilities and shareholders' equity | <hr/> <hr/> \$ 9,182,868 | <hr/> <hr/> \$ 8,100,578 |