



FOR IMMEDIATE RELEASE
August 16, 2007

KOHL'S READIES ITS CALIFORNIA ROOFTOPS FOR SOLAR POWER

Retailer's solar debut marks largest in U.S., represents 15 percent of the state's total installations

MENOMONEE FALLS, Wis., April 26, 2007 — Kohl's Corporation (NYSE: KSS) today announced its plans to convert more than 75 percent of its California locations to solar power. Initial construction will begin in May on the Laguna Niguel and Visalia Kohl's locations. In total, 24 of Kohl's 80 California locations will mark the company's immediate entry into solar energy. Within the state, Kohl's also is pursuing permits and approvals for an additional 40 or more locations.

"Kohl's is committed to being environmentally responsible," said Ken Bonning, executive vice president of logistics for Kohl's. "We are actively seeking ways to make a difference as an organization. Our continued commitment to green power is an important way Kohl's can make an immediate and long-term impact."

According to a recent online survey, *88 percent of respondents said global warming is a very significant issue and more than 75 percent think they might be able to change the course of global warming. Kohl's customers nationwide are making changes in their homes to be more environmentally friendly, but Kohl's has the opportunity to do something its customers can't by making a large-scale move to help reduce greenhouse gas emissions associated with conventional electricity use.

Kohl's initial purchase of solar power will generate more than 35 million kWh of renewable energy. In the first year of operation, Kohl's clean energy output will offset more than 28 million pounds of carbon dioxide (CO₂), a greenhouse gas directly linked to global climate change.

"The scope of Kohl's commitment to domestically produced, clean renewable energy is signified by the size and breadth of their solar program — the single largest purchase of solar energy in U.S. history," said Jigar Shah, CEO of SunEdison, North America's largest solar energy service provider. "SunEdison looks forward to the construction and 'solarization' of each of these Kohl's locations in the coming months."

Upon permit approval, construction and activation of each California Kohl's solar conversion will take approximately 12 weeks. The first two stores will be completed by August of this year and all designated solar locations in California will be finalized by the end of 2008. In addition to California, Kohl's is investigating solar options in six other states.

Kohl's is working closely with the state of California to help meet the goals set by the governor and Public Utility Commission. Through the California Solar Initiative (CSI) program, launched in 2007, the state expects to generate 3,000 MW of solar power by 2017. Kohl's solar deployment represents approximately 15 percent of the state's installations to date. When complete, Kohl's solar deployment alone will represent approximately 1 percent of California's 10-year objective.

In January, Kohl's was ranked fifth by the EPA as a Top 10 Retail Partner, which recognizes the nation's largest green power purchasers within the retail category. EPA also released its updated Top 25 list, which highlights the largest national purchasers in the Green Power Partnership. Kohl's is currently ranked No. 22. Both lists highlight EPA Green Power Partners** that have completed the largest annual voluntary purchases through December 31, 2006. The top partner lists are updated quarterly.

Kohl's is also participating in EPA's Fortune 500 Green Power Challenge and currently ranks No. 11 on EPA's Fortune 500*** list of Green Power Partners. The goal of EPA's 13-month campaign is roughly to double the existing green power purchases among participating Fortune 500 Green Power Partners to exceed 5 billion kWh of collective green power purchasing annually. There are more than 40 Fortune 500 Partners in EPA's Green Power Partnership.

According to the EPA, solar power is one of many green sources of power which also include wind, geothermal and biogas. These sources of power are partially or entirely generated from clean resources and are considered cleaner than conventional sources of electricity in part because of lower carbon dioxide emissions.

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About Kohl's

Based in Menomonee Falls, Wis., Kohl's is a family-focused, value-oriented specialty department store offering moderately priced, exclusive and national brand apparel, shoes, accessories, beauty and home products in an exciting shopping environment. Kohl's operates 834 stores in 46 states. For a full list of store locations and information, or for the added convenience of shopping online, visit www.kohls.com.

* Survey by Care2, a six-million member, online network dedicated to environmental conservation and human rights.

**For a full listing of EPA's Green Power Partners and information about buying green power, visit the Partnership's Web site at <http://www.epa.gov/greenpower/>.

***For more information about EPA's Fortune 500 Green Power Challenge, visit <http://www.epa.gov/greenpower/partners/fortune500.htm>.

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Kohl's Corporation
Condensed Consolidated Statements of Income
(In Millions, except per share data)
(Unaudited)
Subject to Reclassification

	<u>Three Months</u> <u>(13 Weeks) Ended</u>				<u>Six Months</u> <u>(26 Weeks) Ended</u>			
	<u>August 4,</u> <u>2007</u>	<u>% to</u> <u>Net</u> <u>Sales</u>	<u>July 29,</u> <u>2006</u>	<u>% to</u> <u>Net</u> <u>Sales</u>	<u>August 4,</u> <u>2007</u>	<u>% to</u> <u>Net</u> <u>Sales</u>	<u>July 29,</u> <u>2006</u>	<u>% to</u> <u>Net</u> <u>Sales</u>
Net sales	\$ 3,589.2		\$ 3,301.5		\$ 7,161.3		\$ 6,497.8	
Cost of merchandise sold	<u>2,192.8</u>	61.1%	<u>2,062.2</u>	62.5%	<u>4,447.1</u>	62.1%	<u>4,103.1</u>	63.1%
Gross margin	1,396.4	38.9%	1,239.3	37.5%	2,714.2	37.9%	2,394.7	36.9%
Operating expenses:								
Selling, general, and administrative	837.8	23.3%	759.8	23.0%	1,696.3	23.7%	1,528.6	23.5%
Depreciation and amortization	106.2	3.0%	96.1	2.9%	210.8	3.0%	189.4	3.0%
Preopening expenses	<u>8.7</u>	0.2%	<u>8.0</u>	0.2%	<u>17.3</u>	0.2%	<u>19.1</u>	0.3%
Operating income	443.7	12.4%	375.4	11.4%	789.8	11.0%	657.6	10.1%
Interest expense, net	<u>10.5</u>	0.3%	<u>6.0</u>	0.2%	<u>20.7</u>	0.3%	<u>20.2</u>	0.3%
Income before income taxes	433.2	12.1%	369.4	11.2%	769.1	10.7%	637.4	9.8%
Provision for income taxes	<u>164.0</u>	4.6%	<u>137.0</u>	4.2%	<u>290.9</u>	4.0%	<u>237.8</u>	3.7%
Net income	<u>\$ 269.2</u>	7.5%	<u>\$ 232.4</u>	7.0%	<u>\$ 478.2</u>	6.7%	<u>\$ 399.6</u>	6.1%
Basic net income per share	\$ 0.84		\$ 0.70		\$ 1.49		\$ 1.18	
Average number of shares	320.5		333.4		321.1		339.3	
Diluted net income per share	\$ 0.83		\$ 0.69		\$ 1.48		\$ 1.17	
Average number of shares	323.2		335.7		324.2		341.6	

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

	<u>26 Weeks Ended</u>	
	<u>August 4,</u> <u>2007</u>	<u>July 29,</u> <u>2006</u>
Operating activities		
Net income	\$ 478,177	\$ 399,602
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	211,100	189,645
Amortization of debt discount	108	108
Share-based compensation	25,005	21,086
Excess tax benefits from share-based compensation	(6,857)	(13,548)
Deferred income taxes	(3,589)	9,279
Changes in operating assets and liabilities:		
Accounts receivable, net	-	1,652,065
Merchandise inventories	(229,781)	(170,581)
Other current and long-term assets	(35,393)	(74,830)
Accounts payable	140,852	182,203
Accrued and other long-term liabilities	160,930	122,775
Income taxes	(93,184)	(49,131)
Net cash provided by operating activities	<u>647,368</u>	<u>2,268,673</u>
Investing activities		
Acquisition of property and equipment and favorable lease rights	(1,035,007)	(706,489)
Purchases of short-term investments	(2,933,527)	(6,595,769)
Sales of short-term investments	3,329,201	6,236,570
Proceeds from sale of property, plant and equipment	28,700	-
Other	(1,905)	(2,566)
Net cash used in investing activities	<u>(612,538)</u>	<u>(1,068,254)</u>
Financing activities		
Net borrowings under credit facilities	295,000	-
Payments of other long-term debt	(13,961)	(104,596)
Treasury stock purchases	(374,362)	(1,100,809)
Excess tax benefits from share-based compensation	6,857	13,548
Proceeds from stock option exercises	92,387	27,406
Net cash provided by (used in) financing activities	5,921	(1,164,451)
Net increase in cash and cash equivalents	40,751	35,968
Cash and cash equivalents at beginning of period	<u>189,170</u>	<u>126,839</u>
Cash and cash equivalents at end of period	<u>\$ 229,921</u>	<u>\$ 162,807</u>

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

	August 4, 2007	July 29, 2006
Assets		
Current assets:		
Cash and cash equivalents	\$ 229,921	\$ 162,807
Short-term investments	35,556	519,276
Merchandise inventories	2,817,880	2,408,149
Deferred income taxes	46,733	10,591
Other current assets	159,123	156,372
Total current assets	3,289,213	3,257,195
Property and equipment, net	6,190,119	5,104,521
Favorable lease rights, net	213,554	226,108
Goodwill	9,338	9,338
Other assets	60,978	51,504
Total assets	\$ 9,763,202	\$ 8,648,666
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 1,075,228	\$ 1,012,174
Accrued liabilities	870,703	731,008
Income taxes payable	133,223	104,229
Short-term debt	295,000	-
Current portion of long-term debt and capital leases	10,866	8,243
Total current liabilities	2,385,020	1,855,654
Long-term debt and capital leases	1,040,847	1,041,314
Deferred income taxes	246,484	213,994
Other long-term liabilities	258,388	219,199
Shareholders' equity	5,832,463	5,318,505
Total liabilities and shareholders' equity	\$ 9,763,202	\$ 8,648,666