

Contact: Kmart Media Relations
248-463-1021

Debra Lambert
Encore Associates, Inc.
925-698-6114
dlambert@eaimail.com

Kmart Appoints Food and Consumables Expert

TROY, Mich., August 2, 2002 - Kmart Corporation (NYSE: KM) today announced that Richard L. (Dick) King of Encore Associates, Inc., joined the company as a food industry expert overseeing the food and consumables merchandising functions.

King will be responsible for merchandise assortment and sales for the food and consumables business. He will report to Julian Day, Kmart President and Chief Operating Officer.

"Dick is a seasoned grocery veteran and we are pleased he is bringing his expertise to Kmart," said Day. "As we look closely at each of our businesses as we reorganize, it is imperative we have the right leadership in place to guide each division toward efficiency and profitability. We feel Dick will help us to do that for our food business."

King is a member of Encore Associates, a full-service company providing business solutions, subject matter experts and in-depth resources to meet the changing needs of the food industry. He spent 36 years at Albertsons, Inc., one of the world's largest food and drug retailers operating approximately 2,300 retail stores in 31 states. He joined Albertsons in 1963 and held various positions within the company leading up to his appointment as President and Chief Operating Officer, a position he held from February 1996 through June of 1999.

Kmart Corporation is a \$36 billion company that serves America with more than 1,800 Kmart and Kmart SuperCenter retail outlets and through its e-commerce shopping site, www.kmart.com.

###