



DATE: October 5, 2011

TO: INTERESTED PARTIES

FROM: Richard Galanti, EVP/CFO

RE: **Additional Fourth Quarter Fiscal 2011 Information**

The attached information is provided to address questions about Costco Wholesale's Fourth Quarter and Fiscal Year 2011 results (dollars in millions). Mexico's results are included where noted.

1. Calculation of Diluted Earnings Per Share – see attached.

2. What was the effect of the Canadian, UK and Asian exchange rates for FY 2011? FY 2010? FY 2009?

Exchange Rates	CANADA (CN vs. US)			UK (UK vs. US)		
	FY 2011	FY 2010	FY 2009	FY 2011	FY 2010	FY 2009
1st Quarter	.9776	.9370	.8794	1.5795	1.6353	1.6929
2nd Quarter	.9982	.9507	.8122	1.5743	1.6159	1.4667
3rd Quarter	1.0312	.9794	.8074	1.6261	1.5223	1.4494
4th Quarter	1.0294	.9606	.8942	1.6245	1.5091	1.6256
Total/YTD	1.0107	.9572	.8518	1.6029	1.5659	1.5638

Exchange Rates	JAPAN (YEN vs. US)			KOREA (WON vs. US)		
	FY 2011	FY 2010	FY 2009	FY 2011	FY 2010	FY 2009
1st Quarter	.01206	.01104	.00985	.00088	.00084	.00080
2nd Quarter	.01206	.01109	.01099	.00088	.00087	.00073
3rd Quarter	.01214	.01088	.01022	.00091	.00088	.00072
4th Quarter	.01259	.01128	.01048	.00093	.00084	.00080
Total/YTD	.01224	.01109	.01039	.00090	.00086	.00076

Exchange Rates	TAIWAN (TI vs. US)			MEXICO (PESO vs. US)		
	FY 2011	FY 2010	FY 2009	FY 2011	FY 2010	FY 2009
1st Quarter	.03222	.03086	.03076	.0797	.0753	.0840
2nd Quarter	.03387	.03118	.02999	.0817	.0777	.0728
3rd Quarter	.03419	.03153	.02940	.0842	.0800	.0711
4th Quarter	.03467	.03122	.03047	.0845	.0784	.0756
Total/YTD	.03381	.03120	.03018	.0826	.0779	.0759

3. What was the impact of LIFO in FY 2011? FY 2010? FY 2009?

LIFO Charge/(Benefit) (Pre-tax)
(Dollars in Millions/% to Sales)

	Fiscal 2011	Fiscal 2010	Fiscal 2009
1st Quarter	\$0/0%	\$0/0%	(\$2)/(.01%)
2nd Quarter	\$6/.03%	\$0/0%	(\$7)/(.04%)
3rd Quarter	\$49/.24%	\$0/0%	(\$6)/(.04%)
4th Quarter	\$32/.12%	\$0/0%	(\$17)/(.08%)
Total/YTD	\$87/.10%	\$0/0%	(\$32)/(.05%)

4. **What was the impact of income tax rates in FY 2011? FY 2010? FY 2009?**

	<u>Fiscal 2011*</u>	<u>Fiscal 2010</u>	<u>Fiscal 2009</u>
1st Quarter	34.21%	36.06%	36.66%
2nd Quarter	35.49%	35.63%	37.22%
3rd Quarter	36.11%	34.48%	37.75%
4th Quarter	35.27%	36.10%	35.19%
Total/YTD	35.29%	35.61%	36.36%

*Includes Mexico

5. **Breakdown of Total and Comparable Warehouse Sales Increases:**

	<u>FY 2011*</u>		<u>FY 2010</u>		<u>FY 2009</u>	
	<u>Total Sales</u>	<u>Comp. Sales</u>	<u>Total Sales</u>	<u>Comp. Sales</u>	<u>Total Sales</u>	<u>Comp. Sales</u>
1st Quarter	11%	7%	6%	3%	4%	1%
2nd Quarter	11%	7%	11%	9%	-1%	-3%
3rd Quarter	16%	12%	12%	10%	-5%	-7%
4th Quarter	17%	12%	8%	6%	-3%	-5%
Total YTD	14%	10%	9%	7%	-2%	-4%

*Includes Mexico

6. **Warehouse Openings for FY 2011:**

At the end of Fiscal 2011, the Company operated 592 warehouses, including 429 in the United States and Puerto Rico, 82 in Canada, 32 in Mexico, 22 in the United Kingdom, nine in Japan, eight in Taiwan, seven in Korea, and three in Australia. Up to seven additional warehouses (including one relocation) are planned to open prior to the end of calendar 2011.

Date

First Qtr '11

<u>Date</u>	<u>Location</u>
09/15/10	San Diego, CA - Business Ctr.
10/21/10	Rocky View, AB
10/26/10	Woodmore Twn Ctr., MD
10/27/10	Ft. Oglethorpe, GA
10/28/10	Brookhaven, GA
11/17/10	Melrose Park, IL
11/18/10	Bolingbrook, IL
11/20/10	Mettawa, IL

Second Qtr '11

<u>Date</u>	<u>Location</u>
11/23/10	Burnsville, MN
11/24/10	E. Vancouver, WA
01/09/11	San Marcus, CA (closed for relo)

Third Qtr '11

<u>Date</u>	<u>Location</u>
03/11/11	Tamasakai, JP (closed for repair)
04/14/11	Tucson III, AZ
04/29/11	Makuhari, JP (closed for repair)

Fourth Qtr '11

<u>Date</u>	<u>Location</u>
05/12/11	Chesterfield, VA (relo)
05/20/11	Makuhari, JP (reopen)
06/02/11	Courtenay, BC
06/09/11	Lodi, CA
07/06/11	Marlboro, NJ
07/08/11	San Marcos, CA (reopen/relo)
07/21/11	Auburn, AUS
07/22/11	Canberra, AUS
08/17/11	Sanatoga, PA
08/19/11	Fredericton, NB
08/23/11	Tainan, TW
08/24/11	North Kaohsiung, TW
08/26/11	Maebashi Gunma, JP

Fiscal 2012*

<u>Date</u>	<u>Location</u>
10/21/11	Bucks County, PA
10/22/11	Frisco, TX
10/27/11	Pewaukee, WI
11/16/11	Augusta, GA
11/17/11	Ancaster, ON (relo)
12/09/11	Yawata Kyoto, JP
12/10/11	Zama, JP

*Planned openings before calendar 2011 year end

COSTCO WHOLESALE CORPORATION
ADDITIONAL Q4 FY 2011 QUARTER INFORMATION
CALCULATION OF DILUTED EARNINGS PER SHARE
(dollars in thousands, per share data)

DILUTED EPS*	<u>Q1</u> (12 weeks)	<u>Q2</u> (12 weeks)	<u>Q3</u> (12 weeks)	<u>Q4</u> (16 weeks)	<u>YTD</u> (52 weeks)
Net Income attributable to Costco	\$ 311,595	\$ 348,349	\$ 324,341	\$ 477,554	\$ 1,461,839
Add back Interest on subordinated convertible notes less related taxes (3-1/2% Zero Coupons)	<u>171</u>	<u>166</u>	<u>164</u>	<u>215</u>	<u>716</u>
Net income attributable to Costco, adjusted	<u>\$ 311,766</u>	<u>\$ 348,515</u>	<u>\$ 324,505</u>	<u>\$ 477,769</u>	<u>\$ 1,462,555</u>
SHARES (000)					
Weighted average shares used in basic EPS	434,099	436,682	436,977	436,596	436,119
Stock Options and restricted stock units	6,320	5,565	5,693	6,045	6,063
Conversion of subordinated notes (3-1/2% Zero Coupons)	<u>941</u>	<u>939</u>	<u>900</u>	<u>877</u>	<u>912</u>
Total Shares	<u>441,360</u>	<u>443,186</u>	<u>443,570</u>	<u>443,518</u>	<u>443,094</u>
EPS - Diluted	\$ 0.7064	\$ 0.7864	\$ 0.7316	\$ 1.0772	\$ 3.3008
Earnings Per Share - Rounded	<u>\$ 0.71</u>	<u>\$ 0.79</u>	<u>\$ 0.73</u>	<u>\$ 1.08</u>	<u>\$ 3.30</u>

*Includes Mexico