



Costco Wholesale Corporation Reports August Sales Results and Upcoming Plans for Membership Fee Increase

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ISSAQUAH, Wash.--(BUSINESS WIRE)--Aug. 31, 2000--Costco Wholesale Corporation ("Costco" or the "Company") (Nasdaq:COST) today reported net sales of \$2.46 billion for the four weeks ended August 27, an increase of 12 percent from \$2.19 billion in the same four-week period of the prior fiscal year.

On a comparable warehouse basis, that is warehouses open at least a year, sales increased 8 percent. Excluding the impact of particularly strong tobacco sales last August, due to a then-pending price increase that had been announced by the major tobacco companies, the Company estimates that this year's total and comparable sales increases would have been 13 percent and 9 percent, respectively.

For the first fifty-two weeks of its fiscal year 2000 (which is a 53-week year, ending September 3, 2000), the Company reported net sales of \$30.98 billion, an increase of 15 percent from \$26.98 billion during the fifty-two weeks of the prior fiscal year. Comparable warehouse sales for this year-to-date period increased 11 percent over the prior year's level.

In addition, the Company announced its plan to increase annual membership fees for its Gold Star (individual), Business, and Business Add-on Members effective September 1, 2000. These fee increases, averaging approximately \$5 per member across all member categories, will allow the Company to be even more competitive in the future, and pass on additional savings to its more than 18 million members worldwide. The Company's Executive Membership Program, which offers U.S. members access to additional services as well as participation in a 2% annual reward program of up to \$500 per year, will continue to be offered at \$100 per year. As of August 28, 2000, more than 400,000 of Costco's members were Executive Members.

Finally, the Company announced that David B. Loge, Executive Vice President, Manufacturing and Ancillary Businesses, is retiring from Costco effective with the September 3rd fiscal year end. Taking over responsibility for these activities is Franz E. Lazarus, Executive Vice President - COO of the Company's Europe and Asia operations.

Costco currently operates 331 warehouses, which includes 237 in the United States, 59 in Canada, 10 in the United Kingdom, three in Korea, three in Taiwan, and one warehouse in Japan; and also 18 warehouses in Mexico with a joint venture partner. The Company also operates Costco Online, an electronic commerce web site, at www.costco.com. The Company plans to open an additional 22 to 24 warehouses (including the relocation of three existing warehouses to larger and better-located facilities) prior to the end of the calendar year.

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