



Costco Wholesale Opens Two Warehouses in the State of Texas

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FORT WORTH & EAST PLANO, Texas--(BUSINESS WIRE)--Sept. 20, 2000--Costco (Nasdaq:COST) will open two membership warehouses in Texas on Thursday, Sept. 21 at 8 a.m.

The 152,000-square-foot Fort Worth warehouse is located at 5300 Overton Ridge Blvd. and the 148,000-square-foot East Plano warehouse is located at 3800 N. Central Expressway. Both will employ approximately 200 people, mostly from the Fort Worth and East Plano areas, according to Warehouse Managers Jesse Sanchez and Rob Barnes.

Like Costco's other locations, both the Fort Worth and East Plano warehouses will offer quality name-brand and private-label merchandise at substantially lower prices than can be found through conventional wholesale and retail sources. In addition to providing a wide range of products and services for personal use, Costco's warehouses also help small-to-medium-size businesses reduce costs on purchasing for resale.

These warehouses will be Costco's first and second in Texas, 240th in the U.S. and 335th worldwide. The company plans to open three more locations in the Dallas/Fort Worth area: one in Arlington, West Plano and Southlake, plus three other Texas locations: two in Houston and one in Austin in the spring of 2001.

"We have one mission," Costco President and CEO Jim Sinegal said, "to sell top-quality merchandise to our members at the best possible prices." The company is able to do this by eliminating many of the costly overhead expenses faced by traditional retailers and wholesalers, like fancy display cases, salespeople, advertising and billing.

"We run a tight operation with extremely low overhead and a focus on first-quality products and services," Sinegal noted. "That allows us to pass on dramatic savings and values to our members."

Costco is a pioneer and leader in the \$70-billion warehouse industry. After paying a nominal fee to join, Costco members can shop at low warehouse prices for national name-brand merchandise -- brands such as Kodak, Fort James, Kraft, Calvin Klein, Coca-Cola, 3M, Ray-Ban, Michelin, Makita, Disney, Compaq, Microsoft and hundreds more.

Featured departments will include Fresh Bakery, Fresh Meat, Fresh Produce, Full Service Gourmet Deli, Optical Department with Optometrist, 1 Hour Photo, Pharmacy, Tire Center, Food Court, Coffee Roasting, Rotisserie Chicken, and Gas Station. Additionally, the Fort Worth location features a Hearing Aid Center and a Print & Copy Center.

Members can also shop for Kirkland Signature products designed to be of equal or better quality than national brands, including diapers, photographic film, frozen foods, coffee, batteries, luggage, tires, clothing, detergent, health and beauty aids, housewares and more.

Costco is open to Costco members only. All businesses, licensed professionals, members of qualified groups and others are eligible to join. The annual membership is \$45 for business or individual members. All types of membership include a free spouse card. Costco Wholesale membership cards are accepted at all Costco locations around the world. For a limited time the company is offering a special free membership offer to introduce themselves to the Texas market.

The company offers an enhanced category of membership called the Executive Membership. In addition to all of the usual benefits, Executive Members receive additional savings and values on services such as long-distance telephone plans, check printing, travel, mortgage and real estate services and exclusive services such as credit card processing and business financing. Executive Members in the U.S. now get a 2% reward on most of their annual Costco purchases.

In addition to the Executive Member reward program, all Costco members may receive up to 2% back through the American Express Platinum card exclusively for qualified Costco members. While Costco accepts all American Express cards as a payment option, this special card is offered for no additional credit card fee and may be used everywhere American Express is accepted. In addition this card offers many member benefits such as low annual percentage rate, no annual credit card fee, flexibility to carry balances or to pay in full each month and more.

Costco began its online presence in 1995 with an informational Web site and in November 1998 began conducting e-commerce at costco.com. The Web site offers a wide selection of name-brand merchandise and services. Some of the product categories include computers, electronics, floral delivery, jewelry, books, CDs, DVDs, travel and pharmacy.

Costco's membership and pricing approaches helped it to become one of the fastest-growing companies in the history of American business. Costco has 335 locations and more than 30 million cardholders throughout the U.S., Canada, Mexico, the United Kingdom, South Korea, Taiwan and Japan.

Costco Wholesale's home office is located in Issaquah, Washington. The company is publicly traded on the NASDAQ under the symbol (COST).

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