



Costco Wholesale Corporation Reports First Quarter Fiscal 2001 Operating Results

December 14, 2000

ISSAQUAH, Wash.--(BUSINESS WIRE)--Dec. 14, 2000--Costco Wholesale Corporation ("Costco" or the "Company") (Nasdaq: COST) announced today its operating results for the first quarter of fiscal 2001, the 12 weeks ended November 26, 2000.

Sales for the first quarter of fiscal 2001 increased 10% to \$7.50 billion from \$6.82 billion during the first quarter of fiscal 2000. On a comparable warehouse basis, that is warehouses open at least a year, net sales increased by 5%.

Net income for the first quarter of fiscal 2001 was \$129.5 million, or \$.28 per diluted share, compared to \$129.3 million, or \$.28 per diluted share, during the first quarter of fiscal 2000.

Costco currently operates 349 warehouses, including 251 in the United States, 59 in Canada, 11 in the United Kingdom, four in Korea, three in Taiwan, two in Japan and 19 in Mexico. The Company also operates Costco Online, an electronic commerce web site, at www.costco.com.

As previously announced, a conference call to discuss these first quarter results is scheduled for 8:00 a.m. (PST), December 14, 2000, and is available via a webcast on www.costco.com (go to Customer Service, Investor Relations, Financial Releases and click on the "Live Webcast" icon).

COSTCO WHOLESALE CORPORATION

CONDENSED CONSOLIDATED STATEMENTS OF INCOME (dollars in thousands, except per share data) (unaudited)

	12 Weeks Ended	
	November 26, 2000	November 21, 1999
REVENUE		
Net sales	\$ 7,498,979	\$ 6,824,197
Membership fees and other	138,299	119,315
Total revenue	7,637,278	6,943,512
OPERATING EXPENSES		
Merchandise costs	6,713,644	6,120,201
Selling, general and administrative	691,127	596,717
Preopening expenses	19,680	10,334
Provision for impaired assets and warehouse closing costs	1,000	1,000
Operating income	211,827	215,260
OTHER INCOME (EXPENSE)		
Interest expense	(6,964)	(10,397)
Interest income and other	11,005	10,667
INCOME BEFORE INCOME TAXES	215,868	215,530
Provision for income taxes	86,347	86,212
NET INCOME	\$ 129,521	\$ 129,318
NET INCOME PER COMMON AND COMMON EQUIVALENT SHARE:		
Basic	\$ 0.29	\$ 0.29
Diluted	\$ 0.28	\$ 0.28

Shares used in calculation (000's)		
Basic	447,676	443,300
Diluted	473,920	473,414

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