



Costco Wholesale Corporation Reports First Quarter Fiscal 2002 Operating Results

December 13, 2001

ISSAQUAH, Wash., Dec 13, 2001 (BUSINESS WIRE) -- Costco Wholesale Corporation ("Costco" or the "Company") (Nasdaq: COST) announced today its operating results for the first quarter of fiscal 2002, the 12 weeks ended November 25, 2001.

Sales for the first quarter of fiscal 2002 increased 11% to \$8.30 billion from \$7.50 billion during the first quarter of fiscal 2001. 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 2002 was \$129.7 million, or \$.28 per diluted share, compared to \$129.5 million, or \$.28 per diluted share, during the first quarter of fiscal 2001. Net income in the first quarter of fiscal 2002 was impacted by an \$8.6 million (\$5.1 million after-tax, or \$.01 per diluted share) provision for closing costs primarily related to the Company's reorganization and consolidation of its administrative operations in Canada.

Costco currently operates 385 warehouses, including 284 in the United States, 60 in Canada, 11 in the United Kingdom, five in Korea, three in Taiwan, two in Japan and 20 in Mexico. The Company also operates Costco Online, an electronic commerce web site, at www.costco.com.

A conference call to discuss these first quarter results is scheduled for 8:00 a.m. (PST), 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 25, 2001	November 26, 2000
REVENUE		
Net sales	\$8,297,076	\$7,498,979
Membership fees and other	169,477	138,299
Total revenue	8,466,553	7,637,278
OPERATING EXPENSES		
Merchandise costs	7,434,397	6,713,644
Selling, general and administrative	786,118	691,127
Preopening expenses	22,134	19,680
Provision for impaired assets and closing costs	8,550	1,000
Operating income	215,354	211,827
OTHER INCOME (EXPENSE)		
Interest expense	(6,238)	(6,964)
Interest income and other	6,977	11,005
INCOME BEFORE INCOME TAXES	216,093	215,868
Provision for income taxes	86,437	86,347
NET INCOME	\$129,656	\$129,521
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	451,990	447,676
Diluted	477,395	473,920

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