



Costco Wholesale Corporation Reports July Sales Results

August 5, 2004

ISSAQUAH, Wash.--(BUSINESS WIRE)--Aug. 5, 2004--Costco Wholesale Corporation (Nasdaq: COST) today reported net sales of \$3.72 billion for the four weeks ended August 1, 2004, an increase of 12 percent from \$3.32 billion in the same four-week period of the prior fiscal year.

For the first 48 weeks of its 2004 fiscal year ended August 1, 2004, the Company reported net sales of \$43.51 billion, an increase of 14 percent from \$38.27 billion during the similar 48-week period of the prior fiscal year.

Comparable sales for the 4-week and 48-week periods ended August 1, 2004, were as follows:

	4 Weeks	48 Weeks
US	9%	10%
International	7%	15%
Total Company	9%	11%

Reported net sales were reduced by the implementation of Emerging Issues Task Force Issue No. 03-10 ("EITF 03-10"), "Application of Issue No. 02-16 by Resellers to Sales Incentives Offered to Consumers by Manufacturers," which was effective at the beginning of the Company's fiscal third quarter, February 16, 2004. Had sales for the 4-week and 48-week periods last year been reported under EITF 03-10, total Company reported net sales increases would have been 13 percent and 14 percent, respectively, and total Company comparable sales increases would have been 10 percent and 11 percent, respectively.

Additional discussion of these sales results is available on a pre-recorded telephone message. You can access the recording by dialing 1-800-642-1687 (conference ID# 9240284). This recorded message will be available today through 5:00 PM (PDT) on Friday, August 6, 2004.

Costco currently operates 438 warehouses, including 324 in the United States and Puerto Rico, 63 in Canada, 15 in the United Kingdom, five in Korea, three in Taiwan, four in Japan and 24 in Mexico. The Company also operates Costco Online, an electronic commerce web site, at www.costco.com. The Company plans to open an additional three new warehouses prior to the end of its fiscal year 2004 on August 29, 2004.

Certain statements contained in this release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. For these purposes, forward-looking statements are statements that address activities, events, conditions or developments that the Company expects, or anticipates may occur in the future. Such forward-looking statements involve risks and uncertainties that may cause actual events, results or performance to differ materially from those indicated by such statements. These risks and uncertainties include, but are not limited to, domestic and international economic conditions including exchange rates, the effects of competition and regulation, consumer and small business spending patterns and debt levels, rising costs associated with employees (including health care and workers' compensation costs), conditions affecting the acquisition, development, ownership or use of real estate, actions of vendors, and other risks identified from time to time in the Company's public statements and reports filed with the SEC.

CONTACT: Costco Wholesale Corporation
Richard Galanti, 425-313-8203
Bob Nelson, 425-313-8255

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