



Costco Supports Initiative 1100, Privatizing Liquor Sales in Washington State

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Company Will Gather Signatures in Its Warehouses to Place Measure on November Ballot

ISSAQUAH, WA, May 24, 2010 (MARKETWIRE via COMTEX) --Costco Wholesale Corporation ("Costco") (NASDAQ: COST) announced today that it supports Initiative 1100, concerning the privatization of liquor sales in the State of Washington, and that it will work to have the measure placed on the ballot and passed by the voters.

Virtually since its inception, Costco has sought to reform the patchwork of outmoded laws that govern distribution and sale of liquor, wine and beer in the State of Washington. Earlier this year, it briefly appeared that bringing private enterprise and competition to the sale of liquor in Washington might get serious attention in the legislature. It did not. In April and May, various initiatives, none initially sponsored by Costco, were filed.

After careful review of the options, Costco decided to support Initiative 1100 because the Company believes it best serves the interests of its members (and consumers generally) -- providing them greater choices in their purchasing options and allowing them to benefit from efficiencies that the private sector and competition can bring to the sale of liquor, wine and beer.

"We serve our members in many states and around the world by selling them spirits, beer and wine at competitive prices," said Jim Sinegal, chief executive officer of Costco. "We should be able to do so in Washington State too, and other retailers should be able to similarly serve their customers. We are excited that Washington voters will be able to have a direct voice in determining these important policies."

Costco will support Initiative 1100 through signature gathering efforts in its Costco warehouses in Washington State and the provision of financial assistance.

The group Modernize Washington is sponsoring the initiative, and additional information, including the full text of Initiative 1100, is available on its website at www.modernizewa.com.

Costco currently operates 567 warehouses, including 414 in the United States and Puerto Rico, 77 in Canada, 21 in the United Kingdom, seven in Korea, six in Taiwan, nine in Japan, one in Australia and 32 in Mexico. The Company also operates Costco Online, an electronic commerce web site, at www.costco.com and at www.costco.ca in Canada. The Company plans to open up to six additional new warehouses prior to the end of its fiscal year on August 29, 2010.

Certain statements contained in this document 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, uncertainties in the financial markets, consumer and small business spending patterns and debt levels, conditions affecting the acquisition, development, ownership or use of real estate, actions of vendors, rising costs associated with employees (including health care costs), geopolitical conditions and other risks identified from time to time in the Company's public statements and reports filed with the Securities and Exchange Commission.

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SOURCE: Costco