



## Costco Wholesale Corporation Comments on Suppliers' Humane Treatment of Animals

August 31, 2010

ISSAQUAH, WA, Aug 31, 2010 (MARKETWIRE via COMTEX) -- Costco Wholesale Corporation ("Costco" or the "Company") (NASDAQ: COST) In connection with its sale of veal items in some regions, the Company has been made aware of a video showing some young animals being mistreated. Jim Sinegal, Costco's CEO, stated: "The Company had not been aware of the issue before we saw the video. We are extremely disappointed, not only with the performance of our supplier in this instance, but with our own performance as well. We hold ourselves to a high standard, and in this case, we plainly did not perform to that standard."

Costco is in the process of developing a more definitive written policy to make clear its long-standing position that any type of cruel treatment of animals is unacceptable. All of Costco's suppliers are aware that Costco insists upon ethical treatment of all animals involved in producing products for sale in its warehouses, without exception. The Company has an inspection program to ensure that its suppliers are in compliance with its standards, but in this case that inspection program did not uncover the problem. Costco takes full responsibility for this error. It will increase its vigilance in the future to see that its policies are adhered to by all of Costco's suppliers.

Costco currently operates 572 warehouses, including 416 in the United States and Puerto Rico, 79 in Canada, 22 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](http://www.costco.com) and at [www.costco.ca](http://www.costco.ca) in Canada.

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 and workers' compensation costs), rising costs associated with the acquisition of merchandise (including the direct and indirect effects of the rising cost of petroleum-based products and fuel and energy 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.

### CONTACTS:

Costco Wholesale Corporation  
Jeff Lyons  
425/313-6364

SOURCE: Costco