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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934**

**Date of Report (Date of Earliest Event Reported): March 4, 2021**

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**COSTCO WHOLESALE CORPORATION**

(Exact name of registrant as specified in its charter)

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**Washington**  
(State or other jurisdiction  
of incorporation)

**0-20355**  
(Commission  
File No.)

**91-1223280**  
(I.R.S. Employer  
Identification No.)

**999 Lake Drive  
Issaquah, WA 98027**  
(Address of principal executive offices and zip code)

**Registrant's telephone number, including area code: 425-313-8100**

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$.01 per share	COST	NASDAQ

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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Item 2.02. Results of Operations and Financial Condition

On March 4, 2021, the Company issued a press release containing its operating results for the second quarter (twelve weeks) and the first 24 weeks of fiscal 2021, ended February 14, 2021. A copy of the press release is included in Item 9.01.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits. The following exhibit is included in this report:

99.1. [Press release dated March 4, 2021.](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized, on March 4, 2021.

COSTCO WHOLESALE CORPORATION

By: /s/ Richard A. Galanti

Richard A. Galanti

Executive Vice President and Chief Financial Officer

# Press Release



## COSTCO WHOLESALE CORPORATION REPORTS SECOND QUARTER AND YEAR-TO-DATE OPERATING RESULTS FOR FISCAL 2021 AND FEBRUARY SALES RESULTS

ISSAQUAH, Wash., March 4, 2021—Costco Wholesale Corporation (“Costco” or the “Company”) (Nasdaq: COST) today announced its operating results for the second quarter (twelve weeks) and the first 24 weeks of fiscal 2021, ended February 14, 2021.

Net sales for the quarter increased 14.7 percent, to \$43.89 billion, from \$38.26 billion last year. Net sales for the first 24 weeks increased 15.8 percent, to \$86.23 billion, from \$74.49 billion last year.

Comparable sales for the second quarter fiscal 2021 were as follows:

	<u>12 Weeks</u>	<u>12 Weeks Adjusted*</u>	<u>24 Weeks</u>	<u>24 Weeks Adjusted*</u>
U.S.	11.4%	12.6%	13.0%	14.7%
Canada	13.4%	10.6%	14.8%	13.6%
Other International	21.5%	17.7%	20.2%	17.7%
Total Company	13.0%	12.9%	14.2%	15.0%
E-commerce	<u>75.8%</u>	<u>74.8%</u>	<u>80.4%</u>	<u>79.7%</u>

\* Excluding the impacts from changes in gasoline prices and foreign exchange.

Net income for the quarter was \$951 million, or \$2.14 per diluted share, which includes \$246 million pretax, or \$0.41 per diluted share, in costs incurred primarily from COVID-19 premium wages. Last year’s second quarter net income was \$931 million, or \$2.10 per diluted share. Net income for the first 24 weeks was \$2.12 billion, or \$4.76 per diluted share, compared to \$1.77 billion, or \$4.00 per diluted share, last year.

For the four-week reporting month of February, ended February 28, 2021, the Company reported net sales of \$14.05 billion, an increase of 15.2 percent from \$12.20 billion last year. For the twenty-six week period ended February 28, 2021, net sales were \$93.16 billion, an increase of 15.4 percent from \$80.76 billion last year.

Comparable sales for the February and year-to-date periods ended February 28, 2021, were as follows:

	<u>4 Weeks</u>	<u>4 Weeks Adjusted*</u>	<u>26 Weeks</u>	<u>26 Weeks Adjusted*</u>
U.S.	10.3%	10.3%	12.4%	14.0%
Canada	21.6%	15.7%	15.0%	13.5%
Other International	25.7%	20.6%	20.0%	17.2%
Total Company	13.8%	12.3%	13.8%	14.3%
E-commerce	<u>91.1%</u>	<u>89.4%</u>	<u>81.0%</u>	<u>80.3%</u>

\* Excluding the impacts from changes in gasoline prices and foreign exchange.

# Press Release



Costco currently operates 804 warehouses, including 558 in the United States and Puerto Rico, 103 in Canada, 39 in Mexico, 29 in the United Kingdom, 27 in Japan, 16 in Korea, 14 in Taiwan, 12 in Australia, three in Spain, and one each in Iceland, France, and China. Costco also operates e-commerce sites in the U.S., Canada, the United Kingdom, Mexico, Korea, Taiwan, Japan, and Australia.

A conference call to discuss these results is scheduled for 2:00 p.m. (PT) today, March 4, 2021, and is available via a webcast on [www.costco.com](http://www.costco.com) (click on Investor Relations and "Play Webcast").

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. In some cases forward-looking statements can be identified because they contain words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "likely," "may," "might," "plan," "potential," "predict," "project," "seek," "should," "target," "will," "would," or similar expressions and the negatives of those terms. 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, breaches of security or privacy of member or business information, conditions affecting the acquisition, development, ownership or use of real estate, capital spending, actions of vendors, rising costs associated with employees (generally including health-care costs), energy and certain commodities, geopolitical conditions (including tariffs), the ability to maintain effective internal control over financial reporting, COVID-19 related factors and challenges, including (among others) the duration of the pandemic, the unknown long-term economic impact, reduced shopping due to illness, travel restrictions or financial hardship, shifts in demand away from discretionary or higher-priced products, reduced workforces due to illness, quarantine, or government mandates, temporary store closures due to reduced workforces or government mandates, or supply-chain disruptions, capacity constraints of third-party logistics suppliers, and other risks identified from time to time in the Company's public statements and reports filed with the Securities and Exchange Commission. Forward-looking statements speak only as of the date they are made, and the Company does not undertake to update these statements, except as required by law.

**CONTACTS: Costco Wholesale Corporation**

Richard Galanti, 425/313-8203

Bob Nelson, 425/313-8255

David Sherwood, 425/313-8239

Josh Dahmen, 425/313-8254

# Press Release



**COSTCO WHOLESALE CORPORATION**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(dollars in millions, except per share data)  
(unaudited)

	12 Weeks Ended		24 Weeks Ended	
	February 14, 2021	February 16, 2020	February 14, 2021	February 16, 2020
<b>REVENUE</b>				
Net sales	\$ 43,888	\$ 38,256	\$ 86,235	\$ 74,492
Membership fees	881	816	1,742	1,620
Total revenue	44,769	39,072	87,977	76,112
<b>OPERATING EXPENSES</b>				
Merchandise costs	39,078	34,056	76,536	66,289
Selling, general and administrative	4,342	3,743	8,640	7,475
Preopening expenses	9	7	31	21
Operating income	1,340	1,266	2,770	2,327
<b>OTHER INCOME (EXPENSE)</b>				
Interest expense	(40)	(34)	(79)	(72)
Interest income and other, net	19	45	48	80
<b>INCOME BEFORE INCOME TAXES</b>	1,319	1,277	2,739	2,335
Provision for income taxes	348	330	587	532
Net income including noncontrolling interests	971	947	2,152	1,803
Net income attributable to noncontrolling interests	(20)	(16)	(35)	(28)
<b>NET INCOME ATTRIBUTABLE TO COSTCO</b>	<u>\$ 951</u>	<u>\$ 931</u>	<u>\$ 2,117</u>	<u>\$ 1,775</u>
<b>NET INCOME PER COMMON SHARE</b>				
<b>ATTRIBUTABLE TO COSTCO:</b>				
Basic	<u>\$ 2.15</u>	<u>\$ 2.10</u>	<u>\$ 4.78</u>	<u>\$ 4.02</u>
Diluted	<u>\$ 2.14</u>	<u>\$ 2.10</u>	<u>\$ 4.76</u>	<u>\$ 4.00</u>
Shares used in calculation (000s):				
Basic	443,134	442,021	443,043	441,920
Diluted	444,494	443,727	444,440	443,704

# Press Release



**COSTCO WHOLESALE CORPORATION**  
**CONSOLIDATED BALANCE SHEETS**  
(amounts in millions, except par value and share data)  
(unaudited)

Subject to Reclassification

	February 14, 2021	August 30, 2020
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 8,637	\$ 12,277
Short-term investments	617	1,028
Receivables, net	1,934	1,550
Merchandise inventories	13,865	12,242
Other current assets	1,255	1,023
Total current assets	26,308	28,120
<b>OTHER ASSETS</b>		
Property and equipment, net	22,531	21,807
Operating lease right-of-use assets	2,887	2,788
Other long-term assets	3,192	2,841
<b>TOTAL ASSETS</b>	<b>\$ 54,918</b>	<b>\$ 55,556</b>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 14,383	\$ 14,172
Accrued salaries and benefits	4,132	3,605
Accrued member rewards	1,541	1,393
Deferred membership fees	2,048	1,851
Current portion of long-term debt	95	95
Other current liabilities	4,365	3,728
Total current liabilities	26,564	24,844
<b>OTHER LIABILITIES</b>		
Long-term debt, excluding current portion	7,522	7,514
Long-term operating lease liabilities	2,651	2,558
Other long-term liabilities	2,052	1,935
<b>TOTAL LIABILITIES</b>	<b>38,789</b>	<b>36,851</b>
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>EQUITY</b>		
Preferred stock \$0.01 par value; 100,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock \$0.01 par value; 900,000,000 shares authorized; 442,654,000 and 441,255,000 shares issued and outstanding	4	4
Additional paid-in capital	6,843	6,698
Accumulated other comprehensive loss	(961)	(1,297)
Retained earnings	9,766	12,879
Total Costco stockholders' equity	15,652	18,284
Noncontrolling interests	477	421
<b>TOTAL EQUITY</b>	<b>16,129</b>	<b>18,705</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 54,918</b>	<b>\$ 55,556</b>