



DATE: May 28, 2009
 TO: INTERESTED PARTIES
 FROM: Richard Galanti, EVP/CFO
 RE: **Additional Third Quarter Fiscal 2009 Information**

The attached information is provided to address questions about Costco Wholesale's Third Quarter Fiscal 2009 results (dollars in thousands):

1. **Calculation of Diluted Earnings Per Share – see attached.**
2. **3rd Qtr FY 2009 Condensed Balance Sheet - see attached.**
3. **What was the effect of the Canadian and UK exchange rates for FY 2009? FY 2008? FY 2007?**

Exchange Rates	CANADA (CN vs. U.S.)			UK (UK vs. U.S.)		
	FY 2009	FY 2008	FY 2007	FY 2009	FY 2008	FY 2007
1st Quarter	.8794	1.0142	.8875	1.6929	2.0444	1.8861
2nd Quarter	.8122	.9959	.8584	1.4667	1.9923	1.9596
3rd Quarter	.8074	.9930	.8725	1.4494	1.9859	1.9693
4th Quarter	-	.9801	.9410	-	1.9516	2.0050
Total/YTD	.8330	.9941	.8925	1.5363	1.9903	1.9577

4. **What was the impact of LIFO in FY 2009? FY 2008? FY 2007?**

	<u>LIFO Charge/(Benefit) (Pre-tax)</u> <u>(000's/% to Sales)</u>		
	Fiscal 2009	Fiscal 2008	Fiscal 2007
1st Quarter	(\$2,200)/(.01%)	\$0/0%	\$0/0%
2nd Quarter	(\$7,000)/(.04%)	\$0/0%	\$0/0%
3rd Quarter	(\$6,500)/(.04%)	\$0/0%	\$0/0%
4th Quarter	-	\$32,316/.14%	\$0/0%
Total/YTD	(\$15,700)/(.03%)	\$32,316/.05%	\$0/0%

5. **What was the impact of income tax rates in FY 2009? FY 2008? FY 2007?**

	Fiscal 2009	Fiscal 2008	Fiscal 2007
1st Quarter	36.66%	35.34%	37.35%
2nd Quarter	37.22%	37.13%	36.72%
3rd Quarter	38.01%	36.59%	37.06%
4th Quarter	-	34.46%	35.98%
Total/YTD	37.25%	35.83%	36.68%

- 6.

Breakdown of Total and Comparable Warehouse Sales Increases:

	<u>FY 2009</u>		<u>FY 2008</u>		<u>FY 2007**</u>	
	<u>Total Sales</u>	<u>Comp. Sales</u>	<u>Total Sales</u>	<u>Comp. Sales</u>	<u>Total Sales</u>	<u>Comp. Sales</u>
1st Quarter	4%	1%	12%	8%	9%	4%
2nd Quarter	-1%	-3%	12%	7%	9%	5%
3rd Quarter	-5%	-7%	13%	8%	12%	7%
4th Quarter	-	-	13%	9%	3%/9%*	5%
Total/YTD	-1%	-3%	13%	8%	7%/9%*	6%

*Reflects 53-week fiscal year 2006

**Excludes 2nd and 3rd Qtr Sales Returns Reserve Adjustments

7. Warehouse Openings for FY 2009:

At the end of the Third Quarter of Fiscal 2009, the Company operated 554 warehouses, including 407 in the United States and Puerto Rico, 76 in Canada, 21 in the United Kingdom, six in Korea, five in Taiwan, eight in Japan and 31 in Mexico. Eight warehouses were opened in the First Quarter of Fiscal 2009; one closed. There were no warehouse openings or closings in the Second Quarter. Five warehouses were opened in the Third Quarter; one closed.

Date

First Qtr '09

Location

Third Qtr '09

Location

10/02/08	Peterborough, Ontario	2/19/09	Las Vegas, NV (Re-opened as a Business Center)
10/05/08	Las Vegas, NV (Closed)	2/26/09	Lakewood, CA
10/22/08	Houston (Galleria), TX	2/27/09	Kapolei, HI
10/23/08	Pocatello, ID	3/20/09	Hawthorne, CA (Business Center)
10/25/08	Covington, WA	4/08/09	Rockwall, TX
11/12/08	Brandywine, MD	4/11/09	Redwood City, CA (Closed for Oct '09 Relocation)
11/13/08	Bloomfield, MI (Re-opened)		
11/14/08	St. Charles, IL		
11/22/08	Croydon, UK		

Second Qtr '09

Location

Fourth Qtr '09

Location

No warehouse openings or closings		5/13/09	Dartmouth, Nova Scotia
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COSTCO WHOLESALE CORPORATION
ADDITIONAL Q3 FY 2009 QUARTER INFORMATION
CALCULATION OF DILUTED EARNINGS PER SHARE

DILUTED EPS	<u>Q1</u> (12 weeks)	<u>Q2</u> (12 weeks)	<u>Q3</u> (12 weeks)	<u>Q4</u> (16 weeks)	<u>YTD</u> (52 weeks)
Net Income	\$ 262,500	\$ 239,740	\$ 209,592	\$	\$ 711,832
Add back Interest on subordinated convertible notes less related taxes (3-1/2% Zero Coupons)	<u>248</u>	<u>233</u>	<u>238</u>	<u></u>	<u>719</u>
Net income, adjusted	<u>\$ 262,748</u>	<u>\$ 239,973</u>	<u>\$ 209,830</u>	<u>\$</u>	<u>\$ 712,551</u>
SHARES					
Weighted average shares used in basic EPS	432,451	433,476	434,354		433,426
Stock Options and restricted stock units	6,562	4,763	4,200		5,099
Conversion of subordinated notes (3-1/2% Zero Coupons)	<u>1,520</u>	<u>1,449</u>	<u>1,443</u>	<u></u>	<u>1,470</u>
Total Shares	<u>440,533</u>	<u>439,688</u>	<u>439,997</u>	<u>-</u>	<u>439,995</u>
EPS - Diluted	\$ 0.5964	\$ 0.5458	\$ 0.4769	\$	\$ 1.6195
Earnings Per Share - Rounded	<u>\$ 0.60</u>	<u>\$ 0.55</u>	<u>\$ 0.48</u>	<u>\$</u>	<u>\$ 1.62</u>

COSTCO WHOLESALE CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(dollars in millions)
(unaudited)

Subject to Reclassifications

	May 10, 2009	August 31, 2008
ASSETS		
Cash and cash equivalents	\$ 3,083	\$ 2,619
Short-term investments	585	656
Receivables, net	747	748
Merchandise inventories	5,277	5,039
Deferred income taxes and other current assets	395	400
Total current assets	10,087	9,462
Property and equipment, net	10,498	10,355
Other assets	719	865
	\$ 21,304	\$ 20,682
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable	\$ 5,370	\$ 5,225
Short-term borrowings and current portion of long-term debt	92	140
Other current liabilities	3,797	3,509
Total current liabilities	9,259	8,874
Long-term debt, excluding current portion	2,145	2,206
Deferred income taxes and other liabilities	336	328
Total liabilities	11,740	11,408
Minority Interest	91	82
Total stockholders' equity	9,473	9,192
	\$ 21,304	\$ 20,682