

SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF  
1934 [FEE REQUIRED]

For the fiscal year ended December 31, 1993  
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OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE  
ACT OF 1934 [NO FEE REQUIRED]

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 0-20355  
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A. Full title of the plan and the address of the plan, if different from  
that of the issuer named below:

Costco Wholesale Corporation  
Employees' Savings/Retirement Plan [401(k)]  
10809 - 120th Avenue NE  
Kirkland, WA 98033

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

Price/Costco, Inc.  
10809 - 120th Avenue NE  
Kirkland, WA 98033

COSTCO WHOLESALE  
EMPLOYEES' SAVINGS/RETIREMENT PLAN [401(k)]

FINANCIAL STATEMENTS  
AS OF DECEMBER 31, 1993 AND 1992  
TOGETHER WITH AUDITORS' REPORT

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

To the Administrative Committee of the  
Costco Wholesale Corporation  
Employees' Savings/Retirement Plan [401(k)]:

We have audited the accompanying statements of net assets available for plan benefits of the Costco Wholesale Corporation Employees' Savings/Retirement Plan [401(k)] as of December 31, 1993 and 1992, and the related statements of changes in net assets available for plan benefits for the years then ended. These financial statements and the schedules referred to below are the responsibility of the Plan Administrator. Our responsibility is to express an opinion on these financial statements and schedules based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to

obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Plan Administrator, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for plan benefits of the Costco Wholesale Corporation Employees' Savings/Retirement Plan [401(k)] as of December 31, 1993 and 1992, and the changes in its net assets available for plan benefits for the years then ended in conformity with generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets held for investment purposes and reportable transactions are presented for purposes of complying with the Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and are not a required part of the basic financial statements. Such schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Seattle, Washington,  
 March 9, 1994

COSTCO WHOLESALE CORPORATION  
 EMPLOYEES' SAVINGS/RETIREMENT PLAN [401(k)]

STATEMENTS OF NET ASSETS AVAILABLE FOR PLAN BENEFITS

AS OF DECEMBER 31, 1993 AND 1992

	Price/Costco Common Stock Fund		Fixed Income Fund		Growth Fund	
	1993	1992	1993	1992	1993	1992
CASH AND CASH EQUIVALENTS	\$ 289,980	\$ 74,180	\$ 241,302	\$ 68,213	\$1,340,011	\$ 280,650
INVESTMENTS:						
Government securities	-	-	-	-	3,134,687	3,026,397
Common stock	-	-	-	-	7,037,164	5,806,315
Price/Costco common stock	19,857,761	17,977,047				
Investment contracts	-	-	10,367,823	6,480,310		
Mutual funds	-	-	-	-	-	-
ACCRUED INTEREST	-	-	48,538	55,988	-	-
CONTRIBUTIONS RECEIVABLE	862	-	573	-	486	243
INTERFUND TRANSFERS AND OTHER	(12,880)	22,478	118,812	(17,683)	99,434	(4,795)
Net assets available for plan benefits	\$20,135,723	\$18,073,705	\$13,911,735	\$9,613,225	\$8,477,095	\$6,082,413

	Balanced Fund		Total	
	1993	1992	1993	1992
CASH AND CASH EQUIVALENTS	\$ 251,393	-	\$ 2,122,686	\$ 423,043
INVESTMENTS:				
Government securities	-	-	3,134,687	3,026,397
Common stock	-	-	7,037,164	5,806,315



COSTCO WHOLESALE CORPORATION  
EMPLOYEES' SAVINGS/RETIREMENT PLAN [401(k)]

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1993

1. DESCRIPTION OF THE PLAN:

The Costco Wholesale Corporation (the "Corporation") Employees' Savings/Retirement Plan [401(k)] (the "Plan"), began on January 1, 1987. Employees of the Corporation are eligible to participate in the Plan if they have been employed by the Corporation for a minimum of 12 months, and are at least 18 years of age.

The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Under the Plan, participants are able to contribute annually a maximum of 18% of their annual base compensation up to a specified amount which was \$8,994 in calendar year 1993. The Corporation will contribute out of its current or accumulated net profits an additional amount equal to \$.10 for every \$1.00 the participant elects to defer. After the participant reaches his or her five-year anniversary of service the Corporation will match \$.25 for every \$1.00 contributed. Maximum participant deferrals are 16% of base salary when the Corporation's 25% match is applicable.

Employee contributions shall be at all times 100% vested and will be paid upon termination of employment, death or attainment of age 59-1/2. In addition, benefits may be distributed to a participant in the event of financial hardship. Employer contributions are fully vested after five years, according to the following schedule.

<u>Years of Service</u>	<u>Percentage Vested</u>
Under 3	0%
3	25%
4	50%
5	100%

All contributions to the Plan are invested at the direction of the participants in any of the following funds: the Price/Costco Common Stock Fund, the Fixed Income Fund, the Growth Fund and the Balanced Fund. The number of active participants in each fund at December 31, 1993 was 6,647, 5,499, 3,977 and 1,480, respectively. The total number of participants in the Plan at December 31, 1993 was 7,313.

The Price/Costco stock fund invests solely in Price/Costco common stock. On October 21, 1993, the shareholders of both The Price Company (Price) and Costco Wholesale Corporation approved an agreement that provided for the mergers of Price and Costco into Price/Costco, Inc. (Price/Costco). Pursuant to the Transaction, Price and Costco became subsidiaries of Price/Costco. Shareholders of Costco received one share of Price/Costco common stock for each share of Costco.

The fixed fund is designed to provide a secure principal and stable current income. The funds are invested in of U.S. Government Treasury or agency bonds and guaranteed investment contracts.

- 2 -

The growth fund is designed to provide capital appreciation, with a secondary objective of providing current income. The funds are invested in U.S. common stocks.

The balanced fund is designed to mix current income with capital appreciation. The funds are invested in a diverse portfolio of stocks and fixed-income securities.

In the event of employee termination other than by reason of retirement, death or disability, nonvested employer contributions are forfeited and the employer contribution is reduced by the amount forfeited.

All administrative and custodial fees of the Plan are paid by the Corporation. All investment management and transaction fees directly related to the plan investments are shown as a reduction of net investment results.

## 2. SIGNIFICANT ACCOUNTING POLICIES:

The financial statements are presented on the accrual basis of accounting.

Investments are valued using the closing price of the investments on the last day of business of the plan year.

## 3. UNREALIZED APPRECIATION (DEPRECIATION) IN PLAN INVESTMENTS:

Unrealized appreciation (depreciation) and realized losses have been determined by the market value of an investment at the beginning of the plan year or its acquisition cost if acquired during the plan year, consistent with Employee Retirement Income Security Act (ERISA) requirements.

## 4. FEDERAL INCOME TAXES:

The Plan has received a favorable determination letter from the IRS under Section 401(a) and is exempt from taxes under Section 501(a).

## 5. PLAN TERMINATION:

Although it has not expressed any intent to do so, the Corporation has the right under the Plan to discontinue its contributions at any time and to terminate the Plan, subject to the provisions of ERISA. In the event of plan termination or partial termination, participants will have a nonforfeitable interest in the vested portion of their account balance.

## 6. BENEFITS PAYABLE:

The Plan classifies all benefits owed to vested, terminated participants as a component of net assets available for plan benefits rather than as a liability. These amounts were \$71,444 and \$189,906 as of December 31, 1993 and 1992, respectively.

## ITEM 27a

## SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES

AS OF DECEMBER 31, 1993

Issuer/Description -----	Number of Shares/Units or Principal Amount -----	Total	
		Cost	Current Value
PRICE/COSTCO COMMON STOCK FUND			
Price/Costco Common Stock	1,031,572	\$22,983,506	\$19,857,761
		-----	-----
Total Price/Costco Common Stock Fund		22,983,506	19,857,761
		-----	-----
FIXED INCOME FUND			
Federal Home Loan Bank Due 01/25/94, 7.3%	50,000	50,537	50,141
Federal National Mortgage Assoc. Debentures, due 01/10/97, 7.6%	150,000	147,661	161,720
U.S. Treasury Notes:			
Due 09/30/94, 8.5%	25,000	25,742	25,899
Due 06/30/94, 8.5%	50,000	53,117	51,250
Due 04/30/96, 7.625%	250,000	251,890	267,735
Due 08/15/95, 8.5%	100,000	103,063	106,875
Due 10/15/98, 7.125%	300,000	318,185	324,564
Due 01/15/99, 6.375%	500,000	501,807	525,155
Due 12/31/96, 6.125%	175,000	174,903	182,929
Due 04/15/98, 7.875%	150,000	161,507	166,078
Due 05/31/97, 6.75%	215,000	276,549	228,371
Due 08/31/97, 5.625%	125,000	127,341	128,204
Due 08/31/94, 4.25%	125,000	126,624	125,586
Due 11/30/98, 6%	250,000	250,152	259,453
Due 02/28/98, 5.125%	100,000	100,438	100,438
Due 03/31/98, 5.125%	250,000	250,850	250,860
Due 05/15/95, 5.875%	175,000	179,429	179,429

Issuer/Description -----	Number of Shares/Units or Principal Amount -----	Total	
		Cost	Current Value
FIXED INCOME FUND (Continued)			
INVESCO Retirement GIC Fund, 1993 annual yield 5.83%	10,367,823	10,367,823	10,367,823
		-----	-----

Total Fixed Income Fund  
Investments

13,467,618      13,502,510  
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GROWTH FUND

Common Stock:

Adobe Systems	2,600	96,200	57,850
Aetna Life & Casualty	2,200	114,425	132,825
A H Belco Corp.	2,000	58,795	106,000
American Express Company	3,450	77,974	106,519
American Home Products Corp.	1,200	60,000	77,700
American International	900	55,641	78,975
American Power Conversion	2,400	39,694	57,000
Amgen	2,000	73,896	99,000
Arnolds Industries, Inc.	2,000	18,375	42,000
Autodesk	1,600	74,397	72,000
Banc One Corp Ohio	2,000	85,600	78,250
BankAmerica Corp	2,000	77,680	92,750
Bankers Trust NY Corp.	1,625	123,500	128,578
Boeing Co.	3,150	122,047	136,238
Brinker International	2,662	45,588	122,452
Brown-Forman Corp. Class B	1,000	70,875	87,250
Capital Cities/ABC, Inc.	120	54,442	74,340
Capital Holding	2,000	56,796	74,250
Charles Schwab Corp	3,450	56,300	111,694
Cisco Sys Inc.	1,400	71,975	90,475
Coastal Corp.	4,100	109,513	115,825
Digital Equipment Corp.	4,800	220,450	164,400
Dreyfus Corp.	2,675	103,844	120,375
Electronic Arts	2,500	85,150	75,000
Equifax Inc.	4,000	78,724	109,500

Total

Number of Shares/Units or Principal Amount	-----	
	Cost	Current Value
-----	-----	-----

Federal Home Loan Mortgage	2,425	66,083	120,947
Federal National Mtg Assoc	1,100	58,238	86,350
First Financial Mgmt Corp	2,000	82,910	113,500
FMC Corp.	1,425	69,469	67,153
Ford Motor	1,150	30,170	74,175
Fruit of the Loom	2,800	110,011	67,550
Geico Corp.	1,300	37,495	66,788
General Electric	800	62,400	83,900
Genzyme Corp.	2,400	107,513	66,000
Great Lakes Chem	1,200	55,775	89,550
Guinness Plc	3,925	159,922	136,394
Hanson Plc	6,000	109,713	120,000
Hewlett Packard	900	54,312	71,100
Home Depot	1,900	36,017	75,050
Intel Corp.	1,400	41,675	86,800
Limited Inc.	3,300	74,752	56,100
Liz Claiborne	2,100	86,751	47,512
McClatchy Newspapers, Inc.	2,200	43,313	51,975
Merrill Lynch	2,200	49,788	92,400
Microsoft	1,150	64,700	92,719
Motorola Incorporated	1,000	45,958	92,250
National Service Ind.	3,200	81,325	82,000
Nestle S A Spsnd Adr	3,450	124,856	148,350



New York Times, Class A	6,100	144,959	160,125
Nike	1,700	85,838	78,625
Norwest Corp	3,300	87,450	80,437
Novell	3,000	52,243	62,250
Office Depot	3,750	54,488	126,094
Old Republic International Corp.	5,075	93,581	114,822
Paramount Communications	1,600	75,443	147,200
Philip Morris Companies	3,875	208,863	215,547
RJR Nabisco Holdings Corp.	39,100	270,906	249,263

	Number of Shares/Units or Principal Amount	Total	
		Cost	Current Value
Silicon Graphics	4,400	50,903	108,900
Staples Inc.	4,200	88,456	107,100
Stratus Computer	2,600	74,563	81,575
Stride Rite Corp	4,800	99,700	78,600
Student Loan Market Assn	1,700	91,550	76,287
Sun Microsystems	2,700	76,491	78,637
Sybase Inc.	2,200	74,454	92,400
Tecumseh Prods Co. Class A	1,800	68,175	83,250
Teledyne Inc.	3,750	73,125	97,500
Toys R Us Inc.	2,500	73,783	85,837
United Healthcare Corp	1,600	72,177	121,400
United Technologies Corp.	1,900	90,379	117,800
U S Healthcare Inc.	1,950	75,068	112,369
Waste Management	2,400	90,882	63,300
Walt Disney Company	2,300	84,911	98,037
		-----	-----
Total Growth Fund		5,943,415	7,037,164
		-----	-----

BALANCED FUND

Fidelity Advisor			
Series II - Income & Growth Fund	124,289	1,893,718	1,922,754
		-----	-----
Total Balanced Fund		1,893,718	1,922,754
		-----	-----
Total Investments		\$44,288,257	\$42,320,189
		-----	-----

COSTCO WHOLESALE CORPORATION  
EMPLOYEES' SAVINGS/RETIREMENT PLAN [401(k)]

EIN 91-1223280

ITEM 27d

SCHEDULE OF REPORTABLE TRANSACTIONS

FOR THE YEAR ENDED DECEMBER 31, 1993

Issuer/Description	Purchases		Total	Sales		Total Cost	Total Sale Price	Net Gain (Loss)
	Number of Purchases	Number of Shares/Units or Principal Amount		Number of Sales	Number of Shares/Units or Principal Amount			
CATEGORY (iii) - SERIES OF TRANSACTIONS IN EXCESS OF 5 PERCENT OF PLAN ASSETS AT JANUARY 1, 1993								
PRICE/COSTCO COMMON STOCK FUND								
Price/Costco Common Stock	52	365,272	6,795,427	4	61,466	\$1,344,569	\$1,214,906	\$(129,663)
FIXED FUND								
Invesco Retirement GIC Fund	31	4,169,800	4,169,800	13	659,206	659,206	659,206	-
BALANCED FUND								
Fidelity Advisor Series II - Income and Growth Fund	13	124,289	1,893,718	-	-	-	-	-

There were no category (i), (ii) or (iv) reportable transactions during 1993.

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation of our report included in this Form 11-K, into Price/Costco, Inc.'s previously filed Registration Statement File No. 33-50799.

/s/ Arthur Andersen

Seattle, Washington,  
March 30, 1994