



2nd Quarter, FY 2009



Medicine Hat, AB

11/30/07

**Warehouse # 593
Medicine Hat AB
November 30, 2007**

Colorado Springs, CO

2/20/08



Puerto Vallarta, MX

3/5/08



Iruma, JP

4/4/08



Brick Township, NJ

8/01/08





Ilsan, KO

1/24/08

Sapporo, JP

1/25/08



Cardiff, UK

7/31/08



Manteca, CA

08/14/08



Maplewood, MN

8/28/08



Houston, TX

10/22/08



Covington, WA

10/25/08



Lakewood, CA

02/26/09



Kapolei, HI

02/27/09





Costco Today

- **5th Largest retailer in U.S.**
Stores Magazine, July '08
- **8th Largest retailer in the world**
Stores Magazine, January '08
- **29th Largest in Fortune 500**
Fortune Magazine, April '08
- **\$17+ Billion market cap**



Costco Today

(March 2009)

- Sales of \$71.4B (LTM)
- 553 warehouses - 40 states & PR
- 9 countries
- \$137M average sales / whse. – FY'08
- 73.7M Sq. Ft. (141K / whse.)
- 143,000 employees worldwide
- >1.4M transactions / day



Costco Today

- **553 Warehouses Worldwide**

406 – US

6 – Korea

76 – CN

5 – Taiwan

21 – UK

8 – Japan

31 – Mexico



Costco Today

- **Members**
 - 29.7M hh's
 - 54.5M total
 - 87% renewal rate
 - \$1.6B in cash fees LTM



2nd Quarter

	<u>2008</u>	<u>2009</u>
Sales	\$16,617	\$16,489
% Increase	12%	-1%
% Comps	1%	-3%
Gross Margin	10.73%	10.42%
Memb. & Other	2.06%	2.16%
SG&A	9.72%	10.11%



2nd Quarter

	<u>2008</u>	<u>2009</u>
Operating Income	\$504.3	\$399.1
Net Interest	<u>+17.2</u>	<u>-17.3</u>
Pretax Income	\$521.5	\$381.9
Net Income	<u>\$327.9</u>	<u>\$239.7</u>
E.P.S.	\$.74	\$.55



Year-To-Date

	<u>2008*</u>	<u>2009*</u>
Sales	\$32,088	\$32,524
% Increase	12%	1%
% Comps	7%	-1%
Gross Margin	10.69%	10.69%
Memb. & Other	2.12%	2.20%
SG&A	9.93%	10.28%

*Excludes extraordinary accounting adjustments.



Year-To-Date

	<u>2008*</u>	<u>2009*</u>
Operating Income	\$899.2	\$820.1
Net Interest	<u>+27.4</u>	<u>-23.8</u>
Pretax Income	\$926.6	\$796.3
Net Income	<u>\$589.8</u>	<u>\$502.2</u>
E.P.S.	\$1.33	\$1.14

*Excludes extraordinary accounting adjustments.



Costco Strengths

- 54.5M loyal cardholders
- Strong member renewals
- Absolute Pricing Authority
- Fantastic employees
- Great merchandise
- Treasure hunt atmosphere
- Nimbleness
- Quality image

COSTCO
WHOLESALE



COSTCO
WHOLESALE



BORGHESE



Canon

Pioneer *sound.vision.soul*

WAGNER®

Cuisinart®

SONY

dyson

adidas

LUCKY
BRAND JEANS

FUJIFILM



Panasonic
ideas for life



DURACELL®

VIZIO

Procter & Gamble



KitchenAid®

JONES NEW YORK
SPORT



LIZ CLAIBORNE
L I Z W E A R



SHARP®





FY'08

Fine Wine Sales \$515M

Total Wine Sales \$1,088M



\$1.9B T.V's Sold in FY'08









79.99

22.99

29.99



Costco Diamonds



FY'08 Sales

106,432 Carats

8.55 CTW Diamond Oval Ring	\$213,200
10.04 CTW Diamond Earrings	\$201,000
7.06 CTW Cushion Cut Diamond	\$193,800

KIRKLAND
Signature

Couches
Suprême
Diapers

6

35-45 LB
16 kg ET-PLUS

COMFORT SHAPE
FORME CONFORMABLE

135
DIAPERS • COUCHES

Advanced shaping and wrap-around stretch - for snug, comfortable fit.

Contour extensible et mouvant pour un ajustement confortable.

KIRKLAND
Signature

SALTED SWEET CREAM
BUTTER
FOUR 4 OZ STICKS

ALL NATURAL
U.S. GRADE AA
FIRST QUALITY

NET WT 36 OZ (1 LB 8 OZ)

KEEP REFRIGERATED



KIRKLAND
Signature

COOKED SHRIMP
TAIL - ON

Peeled Deveined

31-40
Shrimp per pound

NET WT. 2 lbs. (908g)

KIRKLAND
Signature

Italian Style Beef Meatballs

Great for Entrees, Appetizers and Concessions
Approximately 140 Meatballs
Freezer and Thawing Cleaner

Heat n' Serve
MICROWAVABLE

KEEP FROZEN

NET. WT. 96 OZ. (6LBS) 2.72 Kg.

KIRKLAND
Signature

Smoked Salmon

KIRKLAND
Signature

SUPER PREMIUM VANILLA ICE CREAM

TWO
1/2 GALLON
CARTONS

All Natural
Pure Vanilla

Produced without Artificial Growth Hormones

TWO 1/2 GAL (64 OZ.) 1.89 L. CARTONS

KIRKLAND SIGNATURE BEER VARIETY PACK

24 Pack - \$17.99

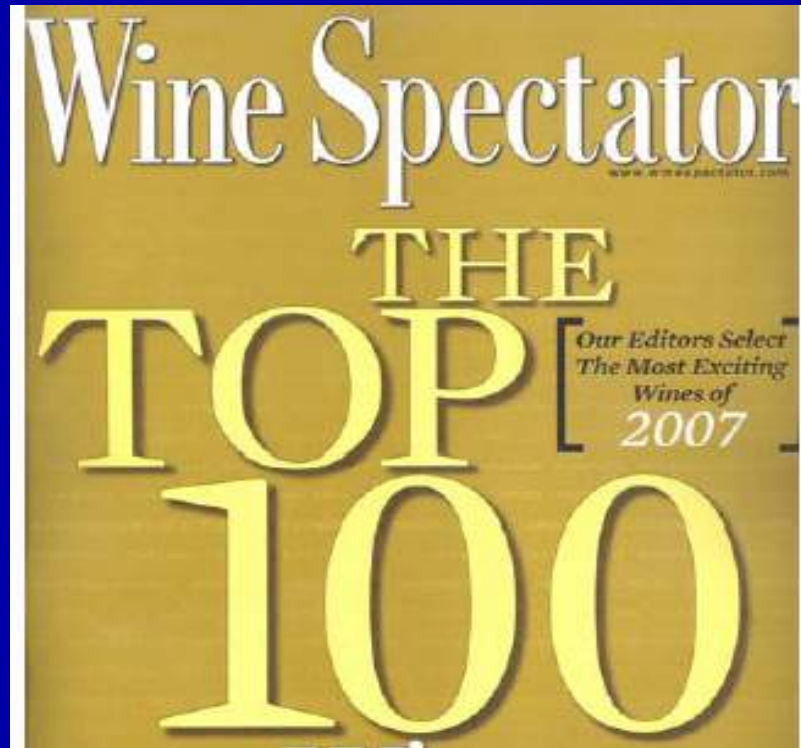




Kirkland Signature Olive Oil

- EVO
- Tuscan





Kirkland Signature NON VINTAGE BRUT CHAMPAGNE



WINE SPECTATOR 90 POINTS

90 Janisson & Fils Brut Champagne Kirkland Signature NV \$22 Firm and tight, but with a nice range of flavors within a compact frame. Peach, orange and gingerbread notes thread the moderately rich texture, and this lingers nicely on the finish. Drink now through 2009. 19,000 cases made.—B.S.

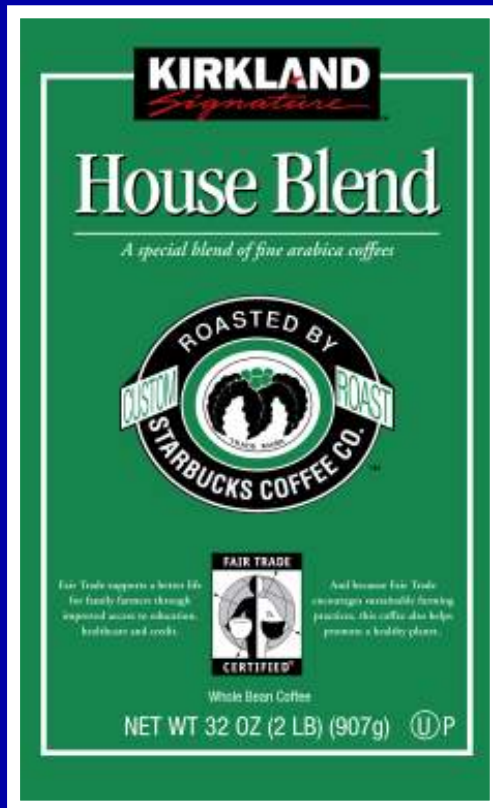


Co-Brands

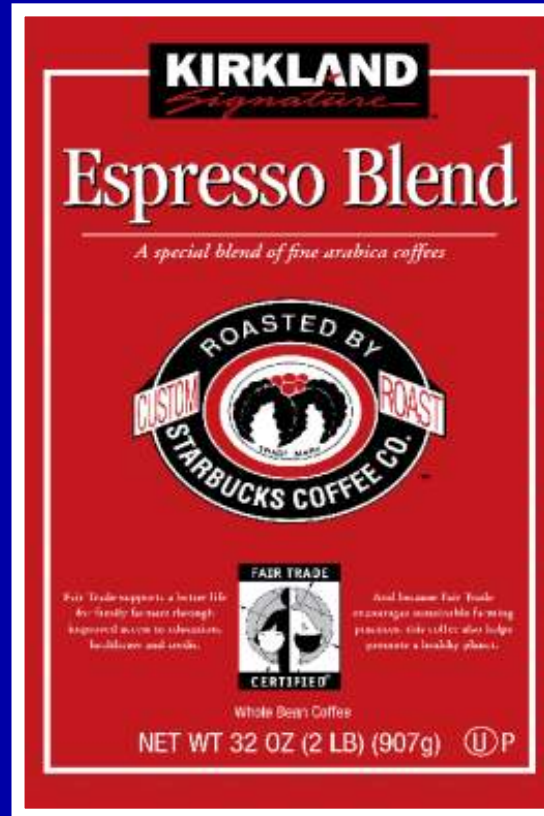
- Jelly Bellies
- Starbucks
- Borghese
- Foster Farms
- Disney
- Martha Stewart
- Tyson
- Newman's
- Hansen's
- Carnegie



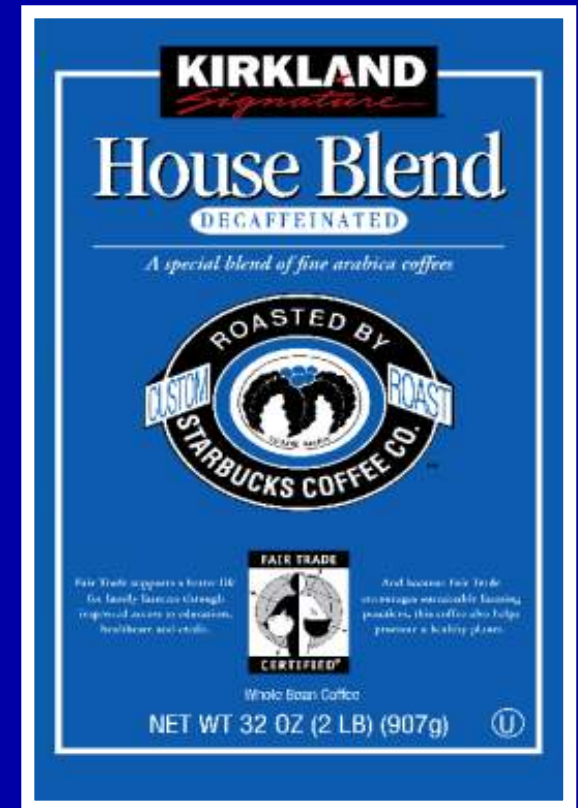
KS by STARBUCKS Fair Trade Coffee



Sell - \$9.99



Sell - \$9.99



Sell - \$10.99



FY'08 Meat Sales \$3.7B



FY'08 Seafood Sales \$653M





November 26, 2008

Costco has pumpkin pies down to a science

Costco stores nationwide bake around the clock Thanksgiving week, churning out more than 1.1 million pumpkin pies in military precision. The big question: Did they make enough?



FY'08 Produce Sales \$3.0B
Sourcing from 39 countries





FY'08 Sales \$244M
46M Chickens





30.0M Prescriptions filled in FY'08



2.8M Pairs of glasses sold in FY'08





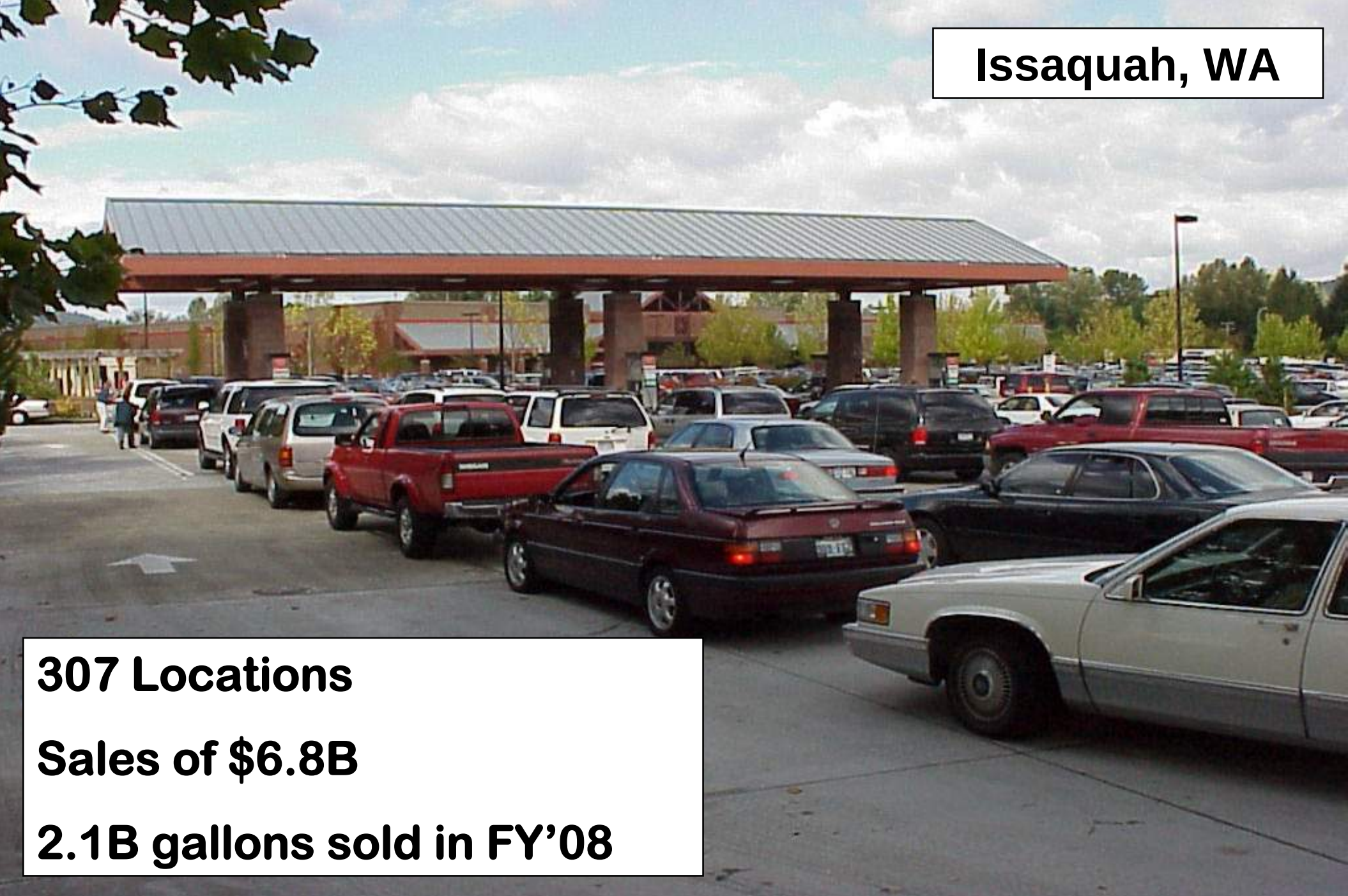
**82.5M Hot dog & Soda
Combinations in FY'08**

Issaquah, WA

307 Locations

Sales of \$6.8B

2.1B gallons sold in FY'08



Costco Car Wash
#01 Seattle
Opened April 27, 2006



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in All

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Online
Instant
Savings

Offers Valid
3/02-3/22/2009
CLICK HERE



MARCH
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NEW COUPON
OFFERS

As featured in the
Costco Connection
CLICK HERE



BLACKLINE 6' X 8'
GREENHOUSE

\$699.99
DELIVERED AFTER
\$150 OFF



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your email address

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when you buy gas.

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Terms, conditions and restrictions apply

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& 2 Bonus
Book Lights

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TV

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Delivered



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\$220 OFF



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& SCHIFF®
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HEALTH



Q-See 4CH Security System
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Proscan 32" LCD HDTV
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Adelaide 5pc Queen Bedroom
\$1,499.99 After \$350 OFF



Nikon S600 10MP 2.7" LCD
\$169.99 After \$50 OFF



HP G60t 16" & D4360 Printer
\$579.99 After \$70 OFF



Portofino Lounger 2 Pack
\$699.99 After \$100 OFF



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and Mexico
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The value you expect.*



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COSTCO
HOME





Tempe, AZ Home



Financial Position (MM's)

February 15, 2009

Cash & Equivalents	\$3,282
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Short Term Debt	173
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Long Term Debt	<u>2,196</u>
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Total Debt	\$2,369
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Stockholders' Equity	\$9,121
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Property & Equipment (net)	\$10,354
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Dividend

- Initiated 5/04
- \$.40 - \$.46 - \$.52 - \$.58 - \$.64
- \$280M+ Annually



Expansion

FY'03	24
FY'04	23
FY'05	19
FY'06	27
FY'07	31
FY'08	25
FY'09(E)	21



Capital Expenditures

- FY'03 \$0.8B
- FY'04 \$0.7B
- FY'05 \$1.0B
- FY'06 \$1.2B
- FY'07 \$1.4B
- FY'08 \$1.6B
- FY'09(E) \$1.5B - \$1.6B

A high-angle, wide shot of a massive indoor shopping event, likely a charity fair or a large-scale warehouse sale. The space is filled with hundreds of people of various ages and ethnicities. They are navigating through aisles that are cluttered with tall stacks of cardboard boxes, some labeled with brands like 'TITAN' and 'WELLS'. Many people are pushing metal shopping carts, some of which are overflowing with goods. The lighting is bright and even, typical of a large commercial or industrial building. The overall atmosphere is one of busy, organized chaos. In the upper right corner, there is a white rectangular box containing the text 'Watford, UK'.

Watford, UK



Cabo San Lucas, MX



Kawasaki, Japan Warehouse Opening

7/12/2007



Iruma, JP

4/4/08





Taichung, TW

11/9/07

蘋果日報



2nd Quarter, FY 2009