



**2<sup>nd</sup> Quarter**

**FY 2023**



**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, inflation or deflation, 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 and the Ukraine conflict), the ability to maintain effective internal control over financial reporting, regulatory and other impacts related to climate change, public-health related factors, 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.**



# Redding, CA (Relo)





# Lake Stevens, WA





# Casuarina (S Perth), AU





# Queen Creek, AZ





# Costco Today

Q2-end (February 12, 2023)

- **3<sup>rd</sup> Largest Global retailer**
- **11<sup>th</sup> Largest in Fortune 500**
- **\$222 Billion market cap**



# Costco Today

Q2-end (February 12, 2023)

- Sales \$230.1B (LTM)
- 124M Sq. Ft. (147K / whse.)
- 304K employees worldwide





# Costco Today

Q2-end (February 12, 2023)

## 848 Warehouses Worldwide

584 - U.S.

107 - CN

40 - Mexico

31 - Japan

29 - UK

18 - Korea

14 - Taiwan

14 - Australia

4 - Spain

2 - France

2 - China

1 - Iceland

1 - New Zealand

1 - Sweden



# Costco Today

## Members:

- 68.1M households
- 123.0M total cardholders
- 92.6% renewal rate (U.S. & CN)
- \$4.3B in membership fees (LTM)





# Fiscal Year (MM's)

	<u>2021</u>	<u>2022</u>
Sales	\$192,052	\$222,730
Gross Margin	11.13%	10.48%
Membership	2.02%	1.90%
SG&A	<u>9.65%</u>	<u>8.88%</u>
Operating Inc.	\$6,708	\$7,793
Net Income	<u>\$5,007</u>	<u>\$5,844</u>
Diluted E.P.S.	<u>\$11.27</u>	<u>\$13.14</u>



## 2<sup>nd</sup> Quarter (MM's)

	<u>2022</u>	<u>2023</u>	
<b>Sales</b>	<b>\$50,937</b>	<b>\$54,240</b>	<b>+6%</b>
<b>Operating Income</b>	<b>\$1,812</b>	<b>\$1,904</b>	<b>+5%</b>
<b>Net Income</b>	<b><u>\$1,299</u></b>	<b><u>\$1,466</u></b>	<b>+13%</b>
<b>Diluted E.P.S.</b>	<b><u>\$2.92</u></b>	<b><u>\$3.30</u></b>	<b>+13%</b>





## 2<sup>nd</sup> Quarter (MM's)

	<u>US</u>	<u>Canada</u>	<u>INTL</u>	<u>Total</u>
<b>Comp Sales</b>	<b>+5.7%</b>	<b>+3.5%</b>	<b>+3.8%</b>	<b>+5.2%</b>
<b>W/O Gas &amp; FX</b>	<b>+5.8%</b>	<b>+9.6%</b>	<b>+9.5%</b>	<b>+6.8%</b>
<b>Traffic</b>	<b>+3.7%</b>	<b>+7.9%</b>	<b>+7.1%</b>	<b>+5.0%</b>
<b>Ticket*</b>	<b>+1.9%</b>	<b>-4.1%</b>	<b>-3.1%</b>	<b>+0.2%</b>

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



# Financial Position (MM's)

## Q2, FY'23

Cash, Equiv, & STI	\$13,705
Property & Equipment (net)	\$25,724
L.T. Debt	\$6,582
Stockholders' Equity	\$22,799





# Dividends

- Initiated May 2004 at \$0.40
- Currently at \$3.60 annually
- Compound Annual Growth Rate 13%
- \$1.6B Annually



# **Stock Repurchase & Capital Expenditure FY23 Q2**

- **\$143M repurchased in Q2**
- **293k shares repurchased**
- **Capital Expenditure \$900M in Q2**



# New Brands



FLEXSTEEL®



BATH REMODEL



DIAMONDBACK  
BICYCLES



PENDLETON®  
PENDLETON WOOLEN MILLS  
SINCE 1863



IMPOSSIBLE™



Hurley)(









**2<sup>nd</sup> Quarter**

**FY 2023**