

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

	53 Weeks Ended September 3, 2023	52 Weeks Ended August 28, 2022	52 Weeks Ended August 29, 2021
<b>REVENUE</b>			
Net sales	\$ 237,710	\$ 222,730	\$ 192,052
Membership fees	4,580	4,224	3,877
Total revenue	242,290	226,954	195,929
<b>OPERATING EXPENSES</b>			
Merchandise costs	212,586	199,382	170,684
Selling, general and administrative	21,590	19,779	18,537
Operating income	8,114	7,793	6,708
<b>OTHER INCOME (EXPENSE)</b>			
Interest expense	(160)	(158)	(171)
Interest income and other, net	533	205	143
<b>INCOME BEFORE INCOME TAXES</b>	8,487	7,840	6,680
Provision for income taxes	2,195	1,925	1,601
Net income including noncontrolling interests	6,292	5,915	5,079
Net income attributable to noncontrolling interests	—	(71)	(72)
<b>NET INCOME ATTRIBUTABLE TO COSTCO</b>	\$ 6,292	\$ 5,844	\$ 5,007
<b>NET INCOME PER COMMON SHARE ATTRIBUTABLE TO COSTCO:</b>			
Basic	\$ 14.18	\$ 13.17	\$ 11.30
Diluted	\$ 14.16	\$ 13.14	\$ 11.27
Shares used in calculation (000's)			
Basic	443,854	443,651	443,089
Diluted	444,452	444,757	444,346

The accompanying notes are an integral part of these consolidated financial statements.

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

	September 3, 2023	August 28, 2022
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 13,700	\$ 10,203
Short-term investments	1,534	846
Receivables, net	2,285	2,241
Merchandise inventories	16,651	17,907
Other current assets	1,709	1,499
Total current assets	35,879	32,696
<b>OTHER ASSETS</b>		
Property and equipment, net	26,684	24,646
Operating lease right-of-use assets	2,713	2,774
Other long-term assets	3,718	4,050
<b>TOTAL ASSETS</b>	<b>\$ 68,994</b>	<b>\$ 64,166</b>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 17,483	\$ 17,848
Accrued salaries and benefits	4,278	4,381
Accrued member rewards	2,150	1,911
Deferred membership fees	2,337	2,174
Current portion of long-term debt	1,081	73
Other current liabilities	6,254	5,611
Total current liabilities	33,583	31,998
<b>OTHER LIABILITIES</b>		
Long-term debt, excluding current portion	5,377	6,484
Long-term operating lease liabilities	2,426	2,482
Other long-term liabilities	2,550	2,555
<b>TOTAL LIABILITIES</b>	<b>43,936</b>	<b>43,519</b>
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>EQUITY</b>		
Preferred stock \$0.005 par value; 100,000,000 shares authorized; no shares issued and outstanding	—	—
Common stock \$0.005 par value; 900,000,000 shares authorized; 442,793,000 and 442,664,000 shares issued and outstanding	2	2
Additional paid-in capital	7,340	6,884
Accumulated other comprehensive loss	(1,805)	(1,829)
Retained earnings	19,521	15,585
Total Costco stockholders' equity	25,058	20,642
Noncontrolling interests	—	5
<b>TOTAL EQUITY</b>	<b>25,058</b>	<b>20,647</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 68,994</b>	<b>\$ 64,166</b>

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**COSTCO WHOLESALE CORPORATION**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(amounts in millions)

	53 Weeks Ended September 3, 2023	52 Weeks Ended August 28, 2022	52 Weeks Ended August 29, 2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income including noncontrolling interests	\$ 6,292	\$ 5,915	\$ 5,079
Adjustments to reconcile net income including noncontrolling interests to net cash provided by operating activities:			
Depreciation and amortization	2,077	1,900	1,781
Non-cash lease expense	412	377	286
Stock-based compensation	774	724	665
Impairment of assets and other non-cash operating activities, net	495	39	144
Changes in operating assets and liabilities:			
Merchandise inventories	1,228	(4,003)	(1,892)
Accounts payable	(382)	1,891	1,838
Other operating assets and liabilities, net	172	549	1,057
Net cash provided by operating activities	11,068	7,392	8,958
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchases of short-term investments	(1,622)	(1,121)	(1,331)
Maturities and sales of short-term investments	937	1,145	1,446
Additions to property and equipment	(4,323)	(3,891)	(3,588)
Other investing activities, net	36	(48)	(62)
Net cash used in investing activities	(4,972)	(3,915)	(3,535)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Repayments of short-term borrowings	(935)	(6)	—
Proceeds from short-term borrowings	917	53	41
Repayments of long-term debt	(75)	(800)	(94)
Tax withholdings on stock-based awards	(303)	(363)	(312)
Repurchases of common stock	(676)	(439)	(496)
Cash dividend payments	(1,251)	(1,498)	(5,748)
Financing lease payments	(291)	(176)	(67)
Dividend to noncontrolling interest	—	(208)	—
Acquisition of noncontrolling interest	—	(842)	—
Other financing activities, net	—	(4)	188
Net cash used in financing activities	(2,614)	(4,283)	(6,488)
<b>EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS</b>	15	(249)	46
Net change in cash and cash equivalents	3,497	(1,055)	(1,019)
<b>CASH AND CASH EQUIVALENTS BEGINNING OF YEAR</b>	10,203	11,258	12,277
<b>CASH AND CASH EQUIVALENTS END OF YEAR</b>	\$ 13,700	\$ 10,203	\$ 11,258
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>			
Cash paid during the year for:			
Interest	\$ 125	\$ 145	\$ 149
Income taxes, net	\$ 2,234	\$ 1,940	\$ 1,527
<b>SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES:</b>			
Cash dividend declared, but not yet paid	\$ 452	\$ —	\$ —
Capital expenditures included in liabilities	\$ 170	\$ 156	\$ 184

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