

# Costco Wholesale

**Industry**  
Discount Stores

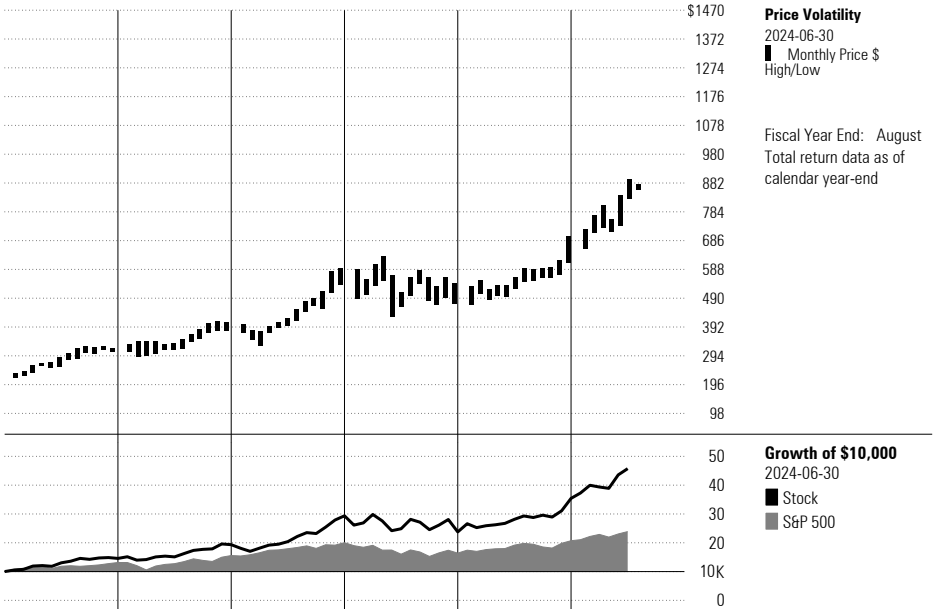
**Sector**  
Consumer Defensive

## Company Profile

Costco operates a membership-based, no-frills retail model, predicated on offering a select product assortment in bulk quantities at bargain prices. The firm avoids maintaining costly product displays by keeping inventory on pallets and limits distribution expenses by storing its inventory at point of sale in the warehouse. Given Costco's frugal cost structure, the firm is able to price its merchandise below competing retailers, driving high sales volume per warehouse and allowing the retailer to generate strong profits on thin margins. Costco operates over 600 warehouses in the United States and enjoys over 60% market share in the domestic warehouse club industry. Internationally, Costco operates another 270 warehouses, primarily in markets such as Canada, Mexico, Japan, and the UK.

## Notes

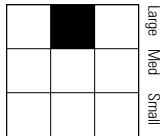
## Performance



2019	2020	2021	2022	2023	YTD	
45.5	32.5	51.5	-19.0	48.7	29.1	Annual Total Return%
2019	2020	2021	2022	2023	TTM	
152,703	166,761	195,929	226,954	242,290	253,695	Revenue (\$mil)
3,659	4,002	5,007	5,844	6,292	7,173	Net Income (\$mil)
4,737	5,435	6,708	7,793	8,114	9,024	Oper Income (\$mil)
442	443	443	444	444	443	Shares Outstand (\$mil)
26.1	23.9	27.9	30.6	27.5	31.6	Return on Equity %
2.4	2.4	2.6	2.6	2.6	2.8	Net Margin %
3.5	3.3	3.4	3.7	3.6	3.8	Asset Turnover
3.0	3.0	3.4	3.1	2.8	—	Financial Leverage

## Stock Profile

Morningstar Style Box™ as of 06-30-24



Value Blend Growth

Valuations	Stock	Rel S&P 500
Price/Earnings Ratio	53.1	2.1
Price/Book Ratio	17.3	3.9
Price/Sales	1.5	0.5
Price/Cash Flow	31.2	1.8
Market Cap (\$mil)	376,830.3	—

## Statistics as of 06-30-24

Growth	2020	2021	2022	2023
Revenue %	9.2	17.5	15.8	6.8
Earning/ Share%	9.2	24.9	16.6	7.8
Bk Val/ Share %	19.5	-4.1	17.3	21.4
Div/ Share %	10.7	10.4	13.4	13.6

Profitability	2021	2022	2023	TTM
Ret on Equity %	27.9	30.6	27.5	31.6
Ret on Assets %	8.7	9.5	9.5	10.7
Oper C/Flow (\$mil)	8,958	7,392	11,068	12,106
Gross Margin %	12.9	12.2	12.3	12.5
Oper Margin %	3.4	3.4	3.4	3.6
Net Margin %	2.6	2.6	2.6	2.8

Financial Health	2021	2022	2023	Cur Qtr
Lng-trm Debt (\$mil)	9,334	8,966	7,803	7,803
Total Equity (\$mil)	17,564	20,642	25,058	25,058
Debt/Equity Ratio	0.5	0.4	0.3	0.3