



Lambex - August , 2010



Costco Today

- **3rd Largest retailer in U.S.**
Stores Magazine, July '09
- **8th Largest retailer in the world**
Stores Magazine, January '10
- **24th Largest in Fortune 500**
Fortune Magazine, April '09
- **\$26+ Billion market cap**



Costco Today

- **567 Warehouses Worldwide**

414 - US

7 - Korea

77- CN

6- Taiwan

21 - UK

9 - Japan

32 - Mexico

1 - Australia



Costco Strengths

- 56.9M loyal cardholders
- Strong member renewals
- Absolute Pricing Authority
- Fantastic employees
- Great merchandise
- Treasure hunt atmosphere
- Quality image



Docklands, AU

8/17/09



7PM Report



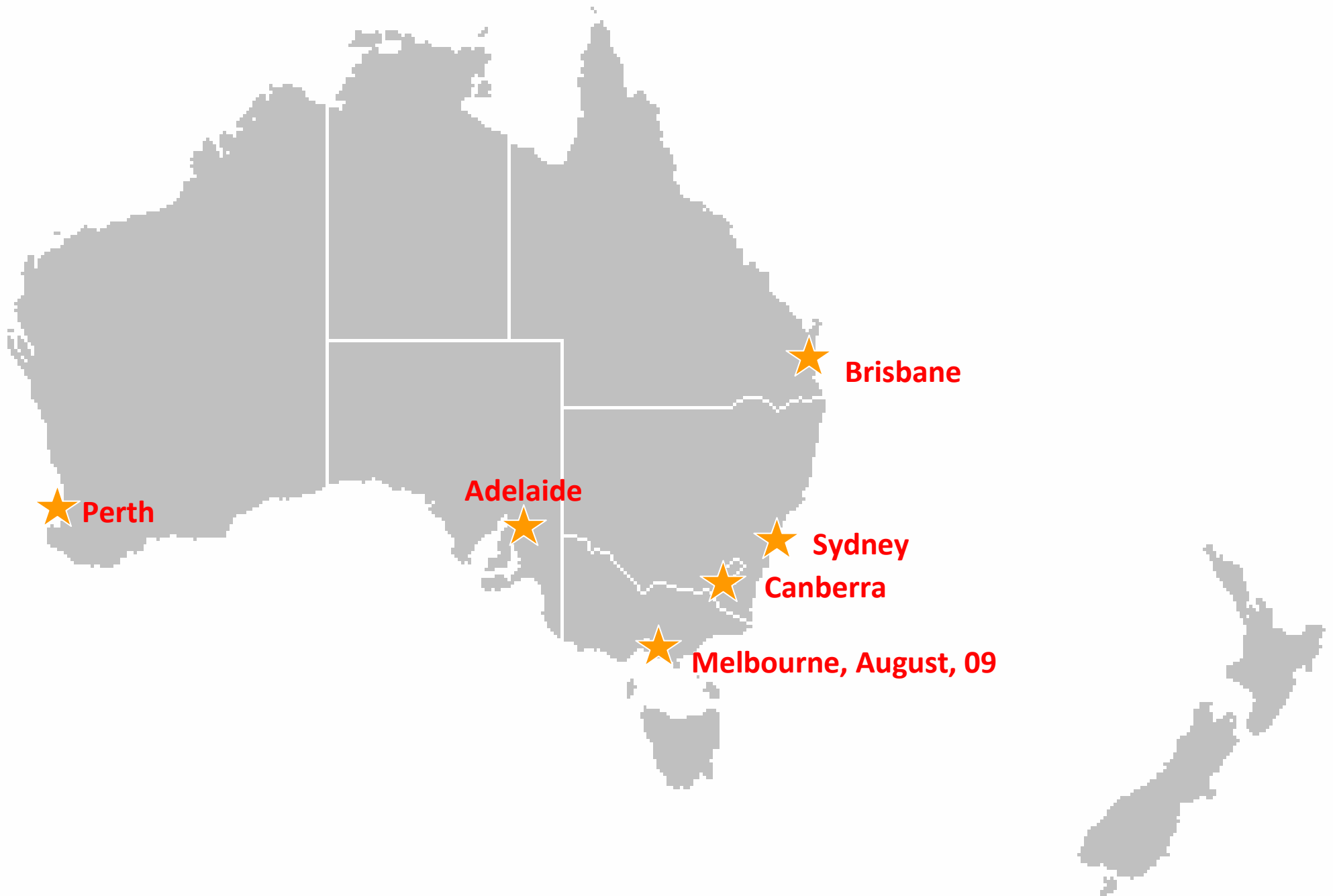
Sydney, Australia





Auburn, NSW





★ Perth

Adelaide



Melbourne, August, 09



Canberra



Sydney



Brisbane

COSTCO
WHOLESALE

Tyson
Tyson Foods, Inc.

Sunkist

Cargill

Sara Lee

ConAgra Foods

All Natural[®]
GOLD KIST FARMS
Young'n Tender[®]
Chicken

Kimberly-Clark Corporation

Dole

Ocean Spray

Foster Farms

MasterFoods

Kellogg's

Earthbound Farm.
ORGANIC
Food to live by.

Swift

General Mills

Campbell's

Nestlé

Frito Lay

HERSHEY'S

Kleenex
BRAND TISSUE

PEPSICO

COSTCO
WHOLESALE

HUNTER
SINCE 1886

BORGHESE

SONY
PICTURES
HOME
ENTERTAINMENT

Canon

WAGNER®

SONY

BRAUN

adidas®

LUCKY
BRAND JEANS

FUJIFILM

Hallmark

hp

SHARP.



LE CREUSET®

VIZIO

Procter & Gamble

MICHELIN

DURACELL®

JONES NEW YORK
SPORT

LIZ CLAIBORNE
L I Z W E A P

THE ORIGINAL
maGic
BULLET™

Nikon

SHARP.

WALT DISNEY STUDIOS
HOME ENTERTAINMENT



Kirkland Signature Boneless Leg of Lamb





Kirkland Signature Frenched Lamb Racks





Kirkland Signature Lamb Hind Shanks





Kirkland Signature Frenched Lamb Racks





Lamb Facts (International)

- **Costco purchases 8 million kg of lamb out of Australia per year (Loins, Legs & Racks).**
- **It requires 1.9 million head of lamb to meet the Loin requirements per year.**
- **Australian Lamb Company acts on behalf Costco in the US and Canada.**
- **Costco US & Canada currently purchases from a minimum of 4 lamb suppliers in Australia.**



Lamb Facts (International)

- Costco cutting specification for lamb is unique and is the same globally.
- The impact of higher lamb prices on the Costco business.



Lamb Facts (Domestic)

- **Costco Australia ranges 3 additional sku's compared to the US**
- **Costco Australia currently purchases from 2 domestic lamb suppliers.**
- **The lamb penetration in the domestic market is higher than the US.**