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A Special Dearborn Partners Core Rising Dividend SMA Portfolio Dividend Announcement: Costco Wholesale Corporation

On November 16, 2020, Costco Wholesale Corporation (COST) announced that its Board of Directors has declared a special cash dividend of \$10 per share, payable December 11, 2020 to shareholders of record as of December 2, 2020. Costco started paying quarterly dividends in year 2004 and has increased its dividend for 17 consecutive years. Occasionally the company has paid a special dividend: in 2012 it paid \$7 per share, in 2015 \$5 per share, and in 2017 \$7 per share. In other words, this is a big one!

From the press release:

The aggregate payment will be approximately \$4.4 billion. The special dividend will be funded through existing cash.

Richard Galanti, Executive Vice President and Chief Financial Officer, commented: "This special dividend, our fourth in eight years, is our latest step to reward shareholders. Our strong balance sheet allows us to pay this dividend, while preserving financial and operational flexibility to continue to grow our business globally. Costco will continue to be in a financial position to take care of our employees, enhance the value of the Costco membership, and create shareholder value over the long term."

Costco currently operates 802 warehouses, including 558 in the United States and Puerto Rico, 102 in Canada, 39 in Mexico, 29 in the United Kingdom, 27 in Japan, 16 in Korea, 13 in Taiwan, 12 in Australia, three in Spain, and one each in Iceland, France, and China. Costco also operates e-commerce sites in the U.S., Canada, the United Kingdom, Mexico, Korea, Taiwan, Japan, and Australia.

Costco Wholesale Corporation is included in the Consumer Staples sector of our Dearborn Partners Core Rising Dividend separately managed account (SMA) portfolio.

Thank you for your continued interest in our Dearborn Partners Rising Dividend Strategy.

This dividend increase announcement is not a complete description of, nor a recommendation to invest in, any investment strategy (the "Strategy") mentioned herein. It is for informational purposes only and does not constitute an offer to sell nor a solicitation to buy, is not a recommendation regarding any securities transaction, nor is it an offer to provide advisory or other services by Dearborn Partners, L.L.C. The information contained in this writing should not be construed as financial or investment advice on any subject matter. Past performance is no guarantee of future results. There is no assurance the Strategy will be profitable, achieve its objectives, be suitable for you, or not incur losses. Some of the information herein has been obtained from third party sources. We believe such information is reliable, but we have not in each case verified its accuracy or completeness. Any opinions herein are as of the date of this report and are subject to change without notice. Dividends are not guaranteed and must be authorized by the company's board of directors. There is no assurance that any Rising Dividend portfolio company will increase its dividend, or not reduce its dividend, or not have a significant decrease in its stock price. Dividend yield is one component of performance and should not be the only consideration for investment. Dearborn Partners L.L.C. is an investment adviser registered under the Investment Advisers Act of 1940, as amended. Registration does not imply a certain level of skill or training. For a complete list of all Dearborn Rising Dividend holdings that in the past year - increased their dividends, had no dividend increases, or had

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a dividend decrease, please contact the Dearborn Rising Dividend Team at RD@dearbornpartners.com. It should not be assumed that portfolio trades made in the future will be profitable, or will increase their dividends, or will equal the performance of the securities in this announcement.