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For Immediate Release

***Costco Installs 200th Fuel Site
With Retalix StoreLine Fuel Solution***

Dallas, TX, June 3rd, 2004 - Retalix USA (NASDAQ: RTLX), today announced that Costco Wholesale Corp. recently installed the chain's 200th Fuel site with the Retalix StoreLine Fuel Solution. Costco Wholesale Corporation operates an international chain of 433 Membership Warehouses and 200 Fuel Sites, installed in the Warehouse parking lots, with annual sales in excess of \$40 Billion. Costco "member only", self service Fuel sites offer their members both convenience and lower prices on gasoline.

Retalix was selected as the preferred fuel application provider by Costco after extensive comparison and performance testing and is currently operating with the Retalix StoreLine solution in all of its North American fuel stations. StoreLine fuel provides high throughput and solid reliability in an unattended environment that includes some of the busiest fuel sites in the country (measured on a "per dispenser" basis). The application ensures that only Costco members can purchase gasoline and accepts debit, credit and cash cards for payment.

"For our station size, Costco has some of the busiest gasoline sites in the country. As such, our primary focus is on throughput and reliability. The Retalix Fuel solution excels in both these critical areas" said Paul Latham, Costco's Vice President of Gasoline. "Our partnership with Retalix, both as vendor and a technology partner, has provided us with improved functionality and the flexibility to adjust to an ever-evolving model".

"The Retalix Fuel solution is operational in over 2,000 sites here in North America and proves itself every day in terms of its performance, reliability and operational flexibility" said Jeff Yelton, CEO of Retalix USA. "Retalix is proud to provide Costco Wholesale Corporation with a Fuel solution that supports their need for a highly stable, high performance system, thus offering superior customer service within a unique operation model of unattended fuel sites."

About Costco Wholesale Corporation

Headquartered in Issaquah, Washington, Costco currently operates 433 warehouses, including 320 in the United States and Puerto Rico, 63 in Canada, 15 in the United Kingdom, five in Korea, three in Taiwan, four in Japan and 23 in Mexico. The Company also operates Costco Online, an electronic commerce web site, at www.costco.com.

About Retalix Ltd.

Retalix Ltd., with North American headquarters in Dallas, TX, provides integrated enterprise-wide software solutions for the global retail fuel and food industries, including supermarkets, convenience stores, fuel stations and restaurants. The Company offers a full suite of software applications that support a food retailer's essential retailing operations and enable retailers to increase their operating efficiencies while improving customer acquisition, retention and profitability. With installations in more than 30,000 stores and across 44 countries, the Company markets its software solutions through direct sales, distributors, local dealers and its various subsidiaries. For further information, please visit the Company's web site at www.retalix.com

Safe Harbor for Forward-Looking Statements: Except for statements of historical fact, the information presented herein constitutes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, including revenues, income and expenses, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include risks relating to the Company's anticipated future financial performance, continued roll-outs with existing customers, the market reception of its new e-marketplace and ASP services, the potential benefits to food and fuel retailers and suppliers, expansion into new geographic markets, the conversion of sales leads into customers and the ramp-up of ASP users, the integration of the Company's acquisition of OMI and other factors over which Retalix may have little or no control. This list is intended to identify only certain of the principal factors that could cause actual results to differ. Readers are referred to the reports and documents filed by Retalix with the Securities and Exchange Commission, including the Company's Annual Report on Form 20-F for the year ended December 31, 2002, for a discussion of these and other important risk factors. The Company undertakes no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof, or to reflect the occurrence of unanticipated events.

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