NIKE, Inc.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MAY 31, 2012

(Dollars in millions, except per share data)

	QUARTER ENDED			YEAR TO DATE ENDED		
INCOME STATEMENT	**5/31/2012**	**5/31/2011**	**% Chg**	**5/31/2012**	**5/31/2011**	**% Chg**
Revenues	$ 6,470	$ 5,766	*12%*	$ 24,128	$ 20,862	*16%*
Cost of sales	3,703	3,212	*15%*	13,657	11,354	*20%*
Gross profit	2,767	2,554	*8%*	10,471	9,508	*10%*
Gross margin	***42.8%***	***44.3%***		***43.4%***	***45.6%***	
Demand creation expense	760	617	*23%*	2,711	2,448	*11%*
Operating overhead expense	1,226	1,155	*6%*	4,720	4,245	*11%*
Total selling and administrative expense	1,986	1,772	*12%*	7,431	6,693	*11%*
% of revenue	***30.7%***	***30.7%***		***30.8%***	***32.1%***	
Other expense (income), net	38	5	-	54	(33)	-
Interest expense, net	-	4	-	3	4	*-25%*
Income before income taxes	743	773	*-4%*	2,983	2,844	*5%*
Income taxes	194	179	*8%*	760	711	*7%*
Effective tax rate	***26.1%***	***23.2%***		***25.5%***	***25.0%***	
Net income	$ 549	$ 594	*-8%*	$ 2,223	$ 2,133	*4%*
Diluted EPS	$ 1.17	$1.24	*-6%*	$ 4.73	$4.39	*8%*
Basic EPS	$ 1.20	$1.27	*-6%*	$ 4.83	$4.48	*8%*
Weighted Average Common Shares Outstanding:						
Diluted	468.1	478.7		469.8	485.7	
Basic	458.1	469.3		460.0	475.5	
Dividends declared	$0.36	$0.31		$1.39	$1.20	

NIKE, Inc.

BALANCE SHEET	5/31/2012	5/31/2011	% Change
		(Dollars in millions)	
ASSETS			
Current assets:			
Cash and equivalents	$ 2,317	$ 1,955	19%
Short-term investments	1,440	2,583	-44%
Accounts receivable, net	3,280	3,138	5%
Inventories	3,350	2,715	23%
Deferred income taxes	274	312	-12%
Prepaid expenses and other current assets	870	594	46%
Total current assets	**11,531**	**11,297**	2%
Property, plant and equipment	5,244	4,906	7%
Less accumulated depreciation	2,965	2,791	6%
Property, plant and equipment, net	2,279	2,115	8%
Identifiable intangible assets, net	535	487	10%
Goodwill	201	205	-2%
Deferred income taxes and other assets	919	894	3%
Total assets	**$ 15,465**	**$ 14,998**	3%
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Current portion of long-term debt	$ 49	$ 200	-76%
Notes payable	108	187	-42%
Accounts payable	1,588	1,469	8%
Accrued liabilities	2,053	1,985	3%
Income taxes payable	67	117	-43%
Total current liabilities	**3,865**	**3,958**	-2%
Long-term debt	228	276	-17%
Deferred income taxes and other liabilities	991	921	8%
Redeemable preferred stock	-	-	-
Shareholders' equity	10,381	9,843	5%
Total liabilities and shareholders' equity	**$ 15,465**	**$ 14,998**	3%

NIKE, Inc.

DIVISIONAL REVENUES[1]	QUARTER ENDED 5/31/2012	QUARTER ENDED 5/31/2011	% Change	% Change Excluding Currency Changes[2]	YEAR TO DATE ENDED 5/31/2012	YEAR TO DATE ENDED 5/31/2011	% Change	% Change Excluding Currency Changes[2]
	(Dollars in millions)							
North America								
Footwear	$ 1,668	$ 1,464	14%	14%	$ 5,887	$ 5,111	15%	15%
Apparel	616	570	8%	8%	2,482	2,103	18%	18%
Equipment	140	105	33%	34%	470	365	29%	29%
Total	2,424	2,139	13%	13%	8,839	7,579	17%	17%
Western Europe								
Footwear	651	643	1%	7%	2,526	2,345	8%	5%
Apparel	332	319	4%	9%	1,377	1,303	6%	2%
Equipment	56	55	2%	4%	241	220	10%	5%
Total	1,039	1,017	2%	7%	4,144	3,868	7%	4%
Central & Eastern Europe								
Footwear	195	191	2%	10%	671	605	11%	13%
Apparel	111	84	32%	40%	441	359	23%	24%
Equipment	24	19	26%	33%	88	76	16%	17%
Total	330	294	12%	20%	1,200	1,040	15%	17%
Greater China								
Footwear	402	321	25%	21%	1,518	1,164	30%	25%
Apparel	230	215	7%	3%	896	789	14%	9%
Equipment	35	28	25%	24%	125	107	17%	12%
Total	667	564	18%	14%	2,539	2,060	23%	18%
Japan								
Footwear	128	117	9%	8%	438	396	11%	3%
Apparel	91	79	15%	13%	322	302	7%	-1%
Equipment	21	20	5%	5%	69	68	1%	-4%
Total	240	216	11%	9%	829	766	8%	1%
Emerging Markets								
Footwear	606	524	16%	23%	2,386	1,897	26%	27%
Apparel	213	177	20%	27%	815	657	24%	25%
Equipment	51	46	11%	13%	209	182	15%	15%
Total	870	747	16%	23%	3,410	2,736	25%	26%
Global Brand Divisions[3]	26	29	-10%	-5%	111	96	16%	13%
Total NIKE Brand	5,596	5,006	12%	14%	21,072	18,145	16%	15%
Other Businesses[4]	896	773	16%	16%	3,095	2,786	11%	11%
Corporate[5]	(22)	(13)	-69%	3%	(39)	(69)	43%	32%
Total NIKE, Inc. Revenues	$ 6,470	$ 5,766	12%	14%	$ 24,128	$ 20,862	16%	14%
Total NIKE Brand								
Footwear	$ 3,650	$ 3,260	12%	14%	$ 13,426	$ 11,518	17%	15%
Apparel	1,593	1,444	10%	12%	6,333	5,513	15%	13%
Equipment	327	273	20%	21%	1,202	1,018	18%	16%
Global Brand Divisions[3]	26	29	-10%	-5%	111	96	16%	13%

[1] Certain prior year amounts have been reclassified to conform to fiscal year 2012 presentation. These changes had no impact on previously reported results of operations or shareholders' equity.

[2] Fiscal 2012 results have been restated using fiscal 2011 exchange rates for the comparative period to enhance the visibility of the underlying business trends excluding the impact of foreign currency exchange rate fluctuations.

[3] Global Brand Divisions primarily represent NIKE Brand licensing businesses that are not part of a geographic operating segment.

[4] Other businesses represent activities of Cole Haan, Converse, Hurley, NIKE Golf and Umbro.

[5] Corporate revenues primarily consist of intercompany revenue eliminations and foreign currency revenue-related hedge gains and losses generated by entities within the NIKE Brand geographic operating segments and certain Other Businesses through our centrally managed foreign exchange risk management program.

NIKE, Inc.

SUPPLEMENTAL NIKE BRAND REVENUE DETAILS	FISCAL YEAR ENDED 5/31/2012	5/31/2011	% Change	% Change Excluding Currency Changes [1]
	(Dollars in millions)			
NIKE Brand Revenues by:				
Sales to Wholesale Customers	$ 17,431	$ 15,173	15%	14%
Sales Direct to Consumers	3,530	2,876	23%	21%
Global Brand Divisions	111	96	16%	13%
Total NIKE Brand Revenues as Reported	$ 21,072	$ 18,145	16%	15%
NIKE Brand Revenues on a Wholesale Equivalent Basis:[2]				
Sales to Wholesale Customers	$ 17,431	$ 15,173	15%	14%
Sales from our Wholesale Operations to Direct to Consumer Operations	1,978	1,598	24%	22%
NIKE Brand Wholesale Equivalent Revenues	$ 19,409	$ 16,771	16%	14%
NIKE Brand Wholesale Equivalent Revenues by Category:[3]				
Running	$ 3,702	$ 2,795	32%	31%
Basketball	2,230	1,908	17%	16%
Football (Soccer)	2,006	1,765	14%	12%
Men's Training	2,007	1,698	18%	17%
Women's Training	1,015	842	21%	19%
Action Sports	499	470	6%	5%
Sportswear	5,560	5,150	8%	6%
Others[4]	2,390	2,143	12%	10%
Total NIKE Brand Wholesale Equivalent Revenues	$ 19,409	$ 16,771	16%	14%

[1] Fiscal 2012 results have been restated using fiscal 2011 exchange rates for the comparative period to enhance the visibility of the underlying business trends excluding the impact of foreign currency exchange rate fluctuations.

[2] References to NIKE Brand wholesale equivalent revenues are intended to provide context as to the overall current NIKE Brand market footprint on a wholesale revenue basis by excluding the revenue mark-up provided by our Direct to Consumer Operations. NIKE Brand wholesale equivalent revenues do not include estimation of sales made by NIKE Brand licensees as the amounts are not material.

[3] NIKE Brand wholesale equivalent revenues for categories are inclusive of intercompany sales from the Company's Wholesale Operations to its Direct to Consumer Operations. Amounts do not include sales made directly to consumers. References to NIKE Brand wholesale equivalent revenues are intended to provide context as to the overall current NIKE Brand market footprint on a wholesale revenue basis. NIKE Brand wholesale equivalent revenues do not include estimation of sales made by NIKE Brand licensees as the amounts are not material.

[4] Others include all other categories and certain adjustments that are not allocated at the category level.

NIKE, Inc.

SUPPLEMENTAL OTHER BUSINESSES REVENUE DETAILS[1]	FISCAL YEAR ENDED 5/31/2012	5/31/2011	% Change	% Change Excluding Currency Changes [2]
	(Dollars in millions)			
Other Businesses:				
Converse	$ 1,324	$ 1,131	17%	17%
NIKE Golf	726	658	10%	9%
Cole Haan	535	521	3%	3%
Hurley	248	252	-2%	-1%
Umbro	262	224	17%	14%
Total Revenues for Other Businesses	$ 3,095	$ 2,786	11%	11%

[1] Certain prior year amounts have been reclassified to conform to fiscal year 2012 presentation. These changes had no impact on previously reported results of operations or shareholders' equity.

[2] Fiscal 2012 results have been restated using fiscal 2011 exchange rates for the comparative period to enhance the visibility of the underlying business trends excluding the impact of foreign currency exchange rate fluctuations.

NIKE, Inc.

EARNINGS BEFORE INTEREST AND TAXES[1,2]	QUARTER ENDED 5/31/2012	QUARTER ENDED 5/31/2011	% Chg	YEAR TO DATE ENDED 5/31/2012	YEAR TO DATE ENDED 5/31/2011	% Chg
	(Dollars in millions)					
North America	$ 559	$ 518	8%	$ 2,007	$ 1,736	16%
Western Europe	133	142	-6%	597	730	-18%
Central & Eastern Europe	71	67	6%	234	244	-4%
Greater China	247	226	9%	911	777	17%
Japan	43	20	115%	136	114	19%
Emerging Markets	201	197	2%	853	688	24%
Global Brand Divisions[3]	(351)	(268)	-31%	(1,177)	(971)	-21%
Total NIKE Brand	903	902	0%	3,561	3,318	7%
Other Businesses[4]	111	82	35%	341	335	2%
Corporate[5]	(271)	(207)	-31%	(916)	(805)	-14%
Total earnings before interest and taxes[1,2]	$ 743	$ 777	-4%	$ 2,986	$ 2,848	5%

[1] The Company evaluates performance of individual operating segments based on earnings before interest and taxes (also commonly referred to as “EBIT”), which represents net income before interest expense, net, and income taxes.

[2] Certain prior year amounts have been reclassified to conform to fiscal year 2012 presentation. These changes had no impact on previously reported results of operations or shareholders' equity.

[3] Global Brand Divisions primarily represent NIKE Brand licensing businesses that are not part of a geographic operating segment and general and administrative expenses that are centrally managed for the Nike Brand.

[4] Other businesses represent activities of Cole Haan, Converse, Hurley, NIKE Golf and Umbro.

[5] Corporate consists of unallocated general and administrative expenses, which includes expenses associated with centrally managed departments, depreciation and amortization related to the Company’s corporate headquarters, unallocated insurance and benefit programs, certain foreign currency gains and losses, including certain hedge gains and losses, corporate eliminations and other items.

NIKE, Inc.

NIKE BRAND REPORTED FUTURES GROWTH BY GEOGRAPHY[1]	Reported Futures Orders	Excluding Currency Changes [2]
North America	15%	15%
Western Europe	-2%	8%
Central & Eastern Europe	5%	11%
Greater China	5%	2%
Japan	-6%	1%
Emerging Markets	10%	20%
Total NIKE Brand Reported Futures	7%	12%

[1] Futures orders by geography and in total for NIKE Brand athletic footwear and apparel scheduled for delivery from June through November 2012.

The reported futures and advance orders growth is not necessarily indicative of our expectation of revenue growth during this period. This is due to year-over-year changes in shipment timing and because the mix of orders can shift between advance/futures and at-once orders and the fulfillment of certain orders may fall outside of the schedule noted above. In addition, exchange rate fluctuations as well as differing levels of order cancellations and discounts can cause differences in the comparisons between advance/futures orders and actual revenues. Moreover, a significant portion of our revenue is not derived from futures and advance orders, including at-once and close-out sales of NIKE Brand footwear and apparel, sales of NIKE Brand equipment, sales from certain of our Direct to Consumer operations, and sales from our Other Businesses.

[2] Reported futures restated using prior year exchange rates to enhance the visibility of the underlying business trends excluding the impact of foreign currency exchange rate fluctuations.

Nike, Inc. Return on Invested Capital Calculation

(Dollars in millions)	Q1'07	Q2'07	Q3'07	Q4'07	Q1'08	Q2'08	Q3'08	Q4'08	Q1'09	Q2'09	Q3'09	Q4'09	Q1'10	Q2'10	Q3'10	Q4'10	Q1'11	Q2'11	Q3'11	Q4'11	Q1'12	Q2'12	Q3'12	Q4'12
Sales	4,194	3,822	3,927	4,383	4,655	4,340	4,544	5,088	5,432	4,590	4,441	4,713	4,799	4,405	4,733	5,077	5,175	4,842	5,079	5,766	6,081	5,731	5,846	6,470
Operating Expenses																								
Cost of Sales	2,345	2,165	2,192	2,464	2,568	2,418	2,497	2,757	2,870	2,540	2,492	2,669	2,583	2,445	2,515	2,671	2,741	2,649	2,752	3,212	3,388	3,281	3,285	3,703
SG&A*	1,290	1,224	1,243	1,272	1,435	1,430	1,403	1,686	1,856	1,547	1,352	1,394	1,546	1,479	1,563	1,738	1,673	1,611	1,637	1,772	1,823	1,820	1,802	1,986
Restructuring charges	-	-	-	-	-	-	-	-	-	-	-	195	-	-	-	-	-	-	-	-	-	-	-	-
Goodwill Impairment	-	-	-	-	-	-	-	-	-	-	199	-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible and Other Asset Impairment	-	-	-	-	-	-	-	-	-	-	202	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Operating Profit	559	433	492	647	652	492	644	645	706	503	196	455	670	481	655	668	761	582	690	782	870	630	759	781
Other Income (Expense), net*	3	-	10	(12)	(7)	1	5	(8)	(2)	12	43	34	12	12	8	17	(7)	28	17	(5)	(18)	(9)	11	(38)
Earnings before Interest and Taxes	562	433	502	635	645	493	649	637	704	515	239	489	682	493	663	685	754	610	707	777	852	621	770	743
Tax Rate	34.5%	27.2%	32.3%	33.5%	15.0%	30.3%	30.6%	24.3%	28.5%	24.9%	-3.6%	29.8%	24.7%	23.5%	25.0%	23.6%	26.0%	25.0%	26.0%	23.2%	24.3%	24.1%	27.3%	26.1%
Taxes Calculated	194	118	162	213	97	149	199	155	201	128	(9)	146	168	116	166	162	196	153	184	180	207	150	210	194
Trailing 4 Quarters Taxes**	706	663	647	687	590	621	658	600	704	683	475	466	433	421	596	612	640	677	695	713	724	721	747	761
Earnings before Interest and after Taxes	368	315	340	422	548	344	450	482	503	387	248	343	514	377	497	523	558	457	523	597	645	471	560	549
Trailing 4 Quarters Earnings before Interest and after Taxes**	**1,307**	**1,325**	**1,345**	**1,445**	**1,625**	**1,654**	**1,764**	**1,824**	**1,779**	**1,822**	**1,620**	**1,481**	**1,492**	**1,482**	**1,731**	**1,911**	**1,955**	**2,035**	**2,061**	**2,135**	**2,222**	**2,236**	**2,273**	**2,225**

	Q1'07	Q2'07	Q3'07	Q4'07	Q1'08	Q2'08	Q3'08	Q4'08	Q1'09	Q2'09	Q3'09	Q4'09	Q1'10	Q2'10	Q3'10	Q4'10	Q1'11	Q2'11	Q3'11	Q4'11	Q1'12	Q2'12	Q3'12	Q4'12
Total Assets	9,571	9,822	10,219	10,688	11,014	11,455	11,788	12,443	12,595	12,810	12,733	13,250	13,191	13,358	13,576	14,419	14,051	14,464	14,478	14,998	14,803	14,565	14,794	15,465
Less:																								
Cash and Short-term Investments	1,725	1,907	2,270	2,847	2,791	3,072	2,927	2,776	2,592	2,730	2,604	3,455	3,630	4,010	4,039	5,146	4,688	4,789	4,465	4,538	3,700	3,365	3,197	3,757
Accounts Payable	868	880	801	1,040	972	1,054	1,005	1,288	1,206	1,124	952	1,032	962	1,008	994	1,255	1,101	1,225	1,147	1,469	1,421	1,411	1,298	1,588
Accrued Liabilities	1,293	1,239	1,306	1,303	1,314	1,501	1,630	1,762	1,640	1,500	1,536	1,784	1,643	1,598	1,648	1,904	1,696	1,685	1,745	1,985	1,968	1,834	1,913	2,053
Income Tax Payable	153	71	75	109	184	108	96	88	214	117	112	86	146	81	88	59	104	78	113	117	91	81	59	67
Deferred Income Taxes and other Liabilities	564	620	643	669	622	737	785	855	843	870	775	842	804	876	848	855	907	929	958	921	906	925	979	991
Plus																								
Net Debt adjustment*****	1,253	1,433	1,724	2,305	2,224	2,510	2,268	2,151	1,933	1,936	1,803	2,643	3,085	3,439	3,470	4,554	4,105	4,191	3,852	3,875	3,182	2,894	2,828	3,372
Invested Capital	6,221	6,538	6,848	7,025	7,355	7,493	7,613	7,825	8,033	8,405	8,557	8,694	9,091	9,224	9,429	9,754	9,660	9,949	9,902	9,843	9,899	9,843	10,176	10,381
Trailing 5 Quarters Invested Capital***	**6,163**	**6,278**	**6,431**	**6,584**	**6,797**	**7,052**	**7,267**	**7,462**	**7,664**	**7,874**	**8,087**	**8,303**	**8,556**	**8,794**	**8,999**	**9,238**	**9,432**	**9,603**	**9,739**	**9,822**	**9,851**	**9,887**	**9,933**	**10,028**
Return on Invested Capital****	**21.2%**	**21.1%**	**20.9%**	**21.9%**	**23.9%**	**23.5%**	**24.3%**	**24.4%**	**23.2%**	**23.1%**	**20.0%**	**17.8%**	**17.4%**	**16.9%**	**19.2%**	**20.7%**	**20.7%**	**21.2%**	**21.2%**	**21.7%**	**22.6%**	**22.6%**	**22.9%**	**22.2%**

* Reclassifications have been made to conform to current-year presentation
** Equals the sum of the current quarter and previous three quarters
*** Equals the simple average of the current and previous four quarters
**** Equals the trailing 4 quarters earnings before interest and after taxes divided by trailing 5 quarters average invested capital
***** See calculation of Net Debt adjustment below

	Q1'07	Q2'07	Q3'07	Q4'07	Q1'08	Q2'08	Q3'08	Q4'08	Q1'09	Q2'09	Q3'09	Q4'09	Q1'10	Q2'10	Q3'10	Q4'10	Q1'11	Q2'11	Q3'11	Q4'11	Q1'12	Q2'12	Q3'12	Q4'12
Cash and Short-term Investments	1,725	1,907	2,270	2,847	2,791	3,072	2,927	2,776	2,592	2,730	2,604	3,455	3,630	4,010	4,039	5,146	4,688	4,789	4,465	4,538	3,700	3,365	3,197	3,757
Less:																								
Long-Term Debt	380	384	419	410	421	436	447	441	407	446	438	437	443	460	452	446	342	338	276	276	238	234	229	228
Notes Payable	61	59	96	101	140	120	206	178	220	316	331	343	95	103	109	139	109	128	139	187	164	123	91	108
Current Portion of Long-Term Debt	31	31	31	31	6	6	6	6	32	32	32	32	7	8	8	7	132	132	198	200	116	114	49	49
Net Debt Adjustment	1,253	1,433	1,724	2,305	2,224	2,510	2,268	2,151	1,933	1,936	1,803	2,643	3,085	3,439	3,470	4,554	4,105	4,191	3,852	3,875	3,182	2,894	2,828	3,372

Nike, Inc. Free Cash Flow Calculation

(Dollars in millions)	YEAR ENDED MAY 31, 2012	2011
Cash provided by operations	$ 1,899	$ 1,812
Cash provided (used) by investing activities	514	(1,021)
Excluding: Purchases of investments	2,705	7,616
Sales and maturities of investments	(3,829)	(7,079)
Settlement of net investment hedges	(22)	23
Less: Adjusted cash used by investing activities	(632)	(461)
Free cash flow	**$ 1,267**	**$ 1,351**

Note: Cash used by financing activities was $2,118 million and $1,972 million during the years ended May 31, 2012 and May 31, 2011, respectively. The effect of exchange rate changes on cash was a source of cash of $67 million and $57 million for years ended May 31, 2012 and May 31, 2011, respectively. The total net change in cash and equivalents was an increase of $362 million and a decrease of $1,124 million during the years ended May 31, 2012 and May 31, 2011, respectively.