NIKE, Inc.
CONSOLIDATED STATEMENTS OF INCOME
For the period ended August 31, 2013

(Dollars in millions, except per share data)	THREE MONTHS ENDED 8/31/2013	8/31/2012	% Change
Income from continuing operations:			
Revenues	$ 6,971	$ 6,474	*8%*
Cost of sales	3,839	3,646	*5%*
Gross profit	3,132	2,828	*11%*
Gross margin	*44.9%*	*43.7%*	
Demand creation expense	731	871	*-16%*
Operating overhead expense	1,325	1,188	*12%*
Total selling and administrative expense	2,056	2,059	*0%*
% of revenue	*29.5%*	*31.8%*	
Interest expense (income), net	8	(3)	-
Other expense (income), net	28	(28)	-
Income before income taxes	1,040	800	*30%*
Income taxes	260	215	*21%*
Effective tax rate	*25.0%*	*26.9%*	
NET INCOME FROM CONTINUING OPERATIONS	**780**	**585**	***33%***
NET (LOSS) INCOME FROM DISCONTINUED OPERATIONS	**-**	**(18)**	***-***
NET INCOME	**$ 780**	**$ 567**	***38%***
Earnings per share from continuing operations:			
Basic earnings per common share	$ 0.88	$ 0.65	*35%*
Diluted earnings per common share	$ 0.86	$ 0.63	*37%*
Earnings per share from discontinued operations:			
Basic earnings per common share	$ -	$ (0.03)	-
Diluted earnings per common share	$ -	$ (0.02)	-
Weighted average common shares outstanding:			
Basic	889.4	905.6	
Diluted	910.7	922.8	
Dividends declared per common share	$ 0.21	$ 0.18	

NIKE, Inc.
CONSOLIDATED BALANCE SHEETS
As of August 31, 2013

(Dollars in millions)	August 31, 2013	August 31, 2012	% Change
ASSETS			
Current assets:			
Cash and equivalents	$ 2,936	$ 2,165	36%
Short-term investments	2,642	1,102	140%
Accounts receivable, net	3,207	3,291	-3%
Inventories	3,472	3,263	6%
Deferred income taxes	308	270	14%
Prepaid expenses and other current assets	1,053	720	46%
Assets of discontinued operations	-	636	-
Total current assets	13,618	11,447	19%
Property, plant and equipment	5,684	5,175	10%
Less accumulated depreciation	3,127	2,951	6%
Property, plant and equipment, net	2,557	2,224	15%
Identifiable intangible assets, net	383	372	3%
Goodwill	131	131	0%
Deferred income taxes and other assets	985	940	5%
TOTAL ASSETS	**$ 17,674**	**$ 15,114**	**17%**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Current portion of long-term debt	$ 57	$ 9	533%
Notes payable	111	129	-14%
Accounts payable	1,559	1,492	4%
Accrued liabilities	1,913	1,864	3%
Income taxes payable	211	114	85%
Liabilities of discontinued operations	12	151	-92%
Total current liabilities	3,863	3,759	3%
Long-term debt	1,207	226	434%
Deferred income taxes and other liabilities	1,322	1,082	22%
Redeemable preferred stock	-	-	-
Shareholders' equity	11,282	10,047	12%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$ 17,674**	**$ 15,114**	**17%**

NIKE, Inc.

DIVISIONAL REVENUES[1]

For the period ended August 31, 2013

(Dollars in millions)	THREE MONTHS ENDED 8/31/2013	8/31/2012	% Change	% Change Excluding Currency Changes [2]
North America				
Footwear	$ 1,904	$ 1,745	9%	9%
Apparel	1,009	924	9%	9%
Equipment	222	197	13%	13%
Total	3,135	2,866	9%	9%
Western Europe				
Footwear	829	716	16%	12%
Apparel	399	388	3%	1%
Equipment	73	72	1%	-3%
Total	1,301	1,176	11%	8%
Central & Eastern Europe				
Footwear	193	168	15%	13%
Apparel	139	129	8%	6%
Equipment	34	30	13%	14%
Total	366	327	12%	10%
Greater China				
Footwear	341	357	-4%	-7%
Apparel	197	181	9%	6%
Equipment	36	39	-8%	-11%
Total	574	577	-1%	-3%
Japan				
Footwear	88	108	-19%	2%
Apparel	53	67	-21%	-1%
Equipment	17	22	-23%	1%
Total	158	197	-20%	1%
Emerging Markets				
Footwear	624	617	1%	5%
Apparel	226	223	1%	6%
Equipment	52	57	-9%	-6%
Total	902	897	1%	5%
Global Brand Divisions[3]	32	27	19%	12%
Total NIKE Brand	6,468	6,067	7%	7%
Converse	494	418	18%	16%
Corporate[4]	9	(11)	-	-
Total NIKE, Inc. Revenues From Continuing Operations	$ 6,971	$ 6,474	8%	8%
Total NIKE Brand				
Footwear	$ 3,979	$ 3,711	7%	8%
Apparel	2,023	1,912	6%	6%
Equipment	434	417	4%	5%
Global Brand Divisions[3]	32	27	19%	12%

[1] Certain prior year amounts have been reclassified to conform to fiscal year 2014 presentation. These changes had no impact on previously reported results of operations or shareholders' equity.

[2] Fiscal 2014 results have been restated using fiscal 2013 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] 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 Converse through our centrally managed foreign exchange risk management program.

NIKE, Inc.

EARNINGS BEFORE INTEREST AND TAXES[1,2]

For the period ended August 31, 2013

(Dollars in millions)	THREE MONTHS ENDED 8/31/2013	8/31/2012	% Change
North America	$ 813	$ 645	26%
Western Europe	265	212	25%
Central & Eastern Europe	81	54	50%
Greater China	170	165	3%
Japan	24	23	4%
Emerging Markets	210	221	-5%
Global Brand Divisions[3]	(466)	(456)	-2%
TOTAL NIKE BRAND	**1,097**	**864**	**27%**
Converse	169	124	36%
Corporate[4]	(218)	(191)	-14%
TOTAL EARNINGS BEFORE INTEREST AND TAXES	**$ 1,048**	**$ 797**	**31%**

[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 (income), net, and income taxes.

[2] Certain prior year amounts have been reclassified to conform to fiscal year 2014 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 selling general and administrative expenses that are centrally managed for the NIKE Brand.

[4] 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]

As of August 31, 2013

	Reported Futures Orders	Excluding Currency Changes [2]
North America	11%	12%
Western Europe	12%	12%
Central & Eastern Europe	25%	27%
Greater China	3%	2%
Japan	-19%	1%
Emerging Markets	1%	7%
Total NIKE Brand Reported Futures	8%	10%

[1] Futures orders by geography and in total for NIKE Brand athletic footwear and apparel scheduled for delivery from September 2013 through January 2014, excluding NIKE Golf and Hurley.

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, discounts and returns 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 Converse, NIKE Golf and Hurley.

[2] Reported futures have been 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.

FREE CASH FLOW CALCULATION

For the period ended August 31, 2013

(Dollars in millions)		THREE MONTHS ENDED 8/31/2013	8/31/2012
Cash provided by operations		$ 597	$ 535
Cash (used) provided by investing activities		(392)	221
Excluding:	Purchases of investments	1,328	654
	Sales and maturities of investments	(1,254)	(987)
	Investments in reverse repurchase agreements	100	-
Less: Adjusted cash used by investing activities		(218)	(112)
FREE CASH FLOW		**$ 379**	**$ 423**

Note: Cash used by financing activities was $598 million and $907 million during the three months ended August 31, 2013 and August 31, 2012, respectively. The effect of exchange rate changes on cash was a use of cash of $8 million and $1 million for the three months ended August 31, 2013 and August 31, 2012, respectively. The total net change in cash and equivalents was a decrease of $401 million and $152 million during the three months ended August 31, 2013 and August 31, 2012, respectively.

Nike, Inc. Return on Invested Capital Calculation

(Dollars in millions)	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	Q1'13	Q2'13	Q3'13	Q4'13	Q1'14
Continuing Operations:																									
Sales	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	6,669	5,955	6,187	6,697	6,971
Operating Expenses:																									
Cost of Sales	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	3,766	3,425	3,451	3,757	3,839
SG&A*	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	2,153	1,836	1,863	2,022	2,056
Restructuring charges	-	-	-	-	-	-	-	195	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Goodwill Impairment	-	-	-	-	-	-	199	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible and Other Asset Impairment	-	-	-	-	-	-	202	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Operating Profit	652	492	644	645	706	503	196	455	670	481	655	668	761	582	690	782	870	630	759	781	750	694	873	918	1,076
Other Income (Expense), net*	(7)	1	5	(8)	(2)	12	43	34	12	12	8	17	(7)	28	17	(5)	(18)	(9)	11	(38)	29	17	(17)	(13)	(28)
Earnings before Interest and Taxes	645	493	649	637	704	515	239	489	682	493	663	685	754	610	707	777	852	621	770	743	779	711	856	905	1,048
Tax Rate	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%	27.5%	26.8%	22.8%	22.8%	25.0%
Taxes Calculated	97	149	199	155	201	128	(9)	146	168	116	166	162	196	153	184	180	207	150	210	194	214	191	196	206	262
Trailing 4 Quarters Taxes**	590	621	658	600	704	683	475	466	433	421	596	612	640	677	695	713	724	721	747	761	768	809	795	807	855
Earnings before Interest and after Taxes From Continuing Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	520	660	699	786
Earnings before Interest and after Taxes From Discontinued Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(137)	204	(28)	-
Earnings before Interest and after Taxes	548	344	450	482	503	387	248	343	514	377	497	523	558	457	523	597	645	471	560	549	565	383	864	671	786
Trailing 4 Quarters Earnings before Interest and after Taxes**	**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**	**2,145**	**2,057**	**2,361**	**2,483**	**2,704**

	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	Q1'13	Q2'13	Q3'13	Q4'13	Q1'14
Total NIKE Inc. Assets	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	15,114	15,171	15,615	17,584	17,674
Less:																									
Cash and Short-term Investments	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	3,267	3,525	4,042	5,965	5,578
Accounts Payable	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	1,551	1,519	1,241	1,646	1,559
Accrued Liabilities	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	1,974	1,879	1,899	1,986	1,913
Income Tax Payable	184	108	96	88	214	117	112	86	146	81	88	59	104	78	113	117	91	81	59	67	113	45	138	98	211
Deferred Income Taxes and other Liabilities	622	737	785	855	843	870	775	842	804	876	848	855	907	929	958	921	906	925	979	991	1,065	1,188	1,287	1,292	1,322
Liabilities of discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	198	62	18	12
Plus:																									
Net Debt adjustment*****	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	2,903	3,197	3,721	4,577	4,203
Invested Capital	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	10,047	10,014	10,667	11,156	11,282
Trailing 5 Quarters Invested Capital***	**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**	**10,069**	**10,092**	**10,257**	**10,453**	**10,633**
Return on Invested Capital****	**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%**	**21.3%**	**20.4%**	**23.0%**	**23.8%**	**25.4%**

* 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

	Q1'08	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	Q1'13	Q2'13	Q3'13	Q4'13	Q1'14
Cash and Short-term Investments	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	3,267	3,525	4,042	5,965	5,578
Less:																									
Long-Term Debt	421	436	447	441	407	446	438	437	443	460	452	446	342	338	276	276	238	234	229	228	226	170	161	1,210	1,207
Notes Payable	140	120	206	178	220	316	331	343	95	103	109	139	109	128	139	187	164	123	91	108	129	100	103	121	111
Current Portion of Long-Term Debt	6	6	6	6	32	32	32	32	7	8	8	7	132	132	198	200	116	114	49	49	9	58	57	57	57
Net Debt Adjustment	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	2,903	3,197	3,721	4,577	4,203