

NIKE, Inc.
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

(In millions, except per share data)	THREE MONTHS ENDED			% Change	SIX MONTHS ENDED			% Change
	11/30/2022	11/30/2021			11/30/2022	11/30/2021		
Revenues	\$ 13,315	\$ 11,357		17%	\$ 26,002	\$ 23,605		10%
Cost of sales	7,604	6,144		24%	14,676	12,696		16%
Gross profit	5,711	5,213		10%	11,326	10,909		4%
Gross margin	42.9 %	45.9 %			43.6 %	46.2 %		
Demand creation expense	1,102	1,017		8%	2,045	1,935		6%
Operating overhead expense	3,022	2,742		10%	5,999	5,396		11%
Total selling and administrative expense	4,124	3,759		10%	8,044	7,331		10%
% of revenues	31.0 %	33.1 %			30.9 %	31.1 %		
Interest expense (income), net	16	55		—	29	112		—
Other (income) expense, net	(79)	(102)		—	(225)	(141)		—
Income before income taxes	1,650	1,501		10%	3,478	3,607		-4%
Income tax expense	319	164		95%	679	396		71%
Effective tax rate	19.3 %	10.9 %			19.5 %	11.0 %		
NET INCOME	\$ 1,331	\$ 1,337		0%	\$ 2,799	\$ 3,211		-13%
Earnings per common share:								
Basic	\$ 0.85	\$ 0.84		1%	\$ 1.79	\$ 2.03		-12%
Diluted	\$ 0.85	\$ 0.83		2%	\$ 1.77	\$ 1.98		-11%
Weighted average common shares outstanding:								
Basic	1,559.0	1,582.4			1,563.1	1,582.2		
Diluted	1,572.4	1,617.4			1,579.1	1,618.5		
Dividends declared per common share	\$ 0.340	\$ 0.305			\$ 0.645	\$ 0.580		

NIKE, Inc.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

<i>(Dollars in millions)</i>	November 30, 2022	November 30, 2021	% Change
ASSETS			
Current assets:			
Cash and equivalents	\$ 6,490	\$ 10,751	-40%
Short-term investments	4,131	4,352	-5%
Accounts receivable, net	5,437	3,746	45%
Inventories	9,326	6,506	43%
Prepaid expenses and other current assets	2,063	1,822	13%
Total current assets	27,447	27,177	1%
Property, plant and equipment, net	4,854	4,812	1%
Operating lease right-of-use assets, net	2,809	3,017	-7%
Identifiable intangible assets, net	280	265	6%
Goodwill	281	242	16%
Deferred income taxes and other assets	3,976	3,404	17%
TOTAL ASSETS	\$ 39,647	\$ 38,917	2%
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Current portion of long-term debt	\$ 500	\$ —	—
Notes payable	7	9	-22%
Accounts payable	2,810	2,795	1%
Current portion of operating lease liabilities	426	462	-8%
Accrued liabilities	6,020	5,431	11%
Income taxes payable	436	160	173%
Total current liabilities	10,199	8,857	15%
Long-term debt	8,924	9,417	-5%
Operating lease liabilities	2,668	2,835	-6%
Deferred income taxes and other liabilities	2,584	2,884	-10%
Redeemable preferred stock	—	—	—
Shareholders' equity	15,272	14,924	2%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 39,647	\$ 38,917	2%

NIKE, Inc.
DIVISIONAL REVENUES
(Unaudited)

	THREE MONTHS ENDED		%	% Change Excluding Currency Changes ¹	SIX MONTHS ENDED		%	% Change Excluding Currency Changes ¹
(Dollars in millions)	11/30/2022	11/30/2021	Change		11/30/2022	11/30/2021	Change	
North America								
Footwear	\$ 3,963	\$ 2,852	39%	39%	\$ 7,768	\$ 6,116	27%	27%
Apparel	1,685	1,480	14%	14%	3,179	2,910	9%	10%
Equipment	182	145	26%	26%	393	330	19%	19%
Total	5,830	4,477	30%	31%	11,340	9,356	21%	21%
Europe, Middle East & Africa								
Footwear	2,063	1,806	14%	37%	4,075	3,789	8%	27%
Apparel	1,281	1,202	7%	28%	2,434	2,361	3%	22%
Equipment	145	134	8%	30%	313	299	5%	23%
Total	3,489	3,142	11%	33%	6,822	6,449	6%	25%
Greater China								
Footwear	1,370	1,235	11%	21%	2,603	2,684	-3%	4%
Apparel	393	564	-30%	-24%	767	1,040	-26%	-21%
Equipment	25	45	-44%	-39%	74	102	-27%	-23%
Total	1,788	1,844	-3%	6%	3,444	3,826	-10%	-4%
Asia Pacific & Latin America								
Footwear	1,108	887	25%	40%	2,172	1,909	14%	27%
Apparel	435	402	8%	24%	848	787	8%	22%
Equipment	56	58	-3%	8%	114	116	-2%	10%
Total	1,599	1,347	19%	34%	3,134	2,812	11%	25%
Global Brand Divisions ²	18	6	200%	200%	32	13	146%	149%
TOTAL NIKE BRAND	12,724	10,816	18%	28%	24,772	22,456	10%	19%
Converse	586	557	5%	12%	1,229	1,186	4%	10%
Corporate ³	5	(16)	—	—	1	(37)	—	—
TOTAL NIKE, INC. REVENUES	\$ 13,315	\$ 11,357	17%	27%	\$ 26,002	\$ 23,605	10%	18%
TOTAL NIKE BRAND								
Footwear	\$ 8,504	\$ 6,780	25%	36%	\$ 16,618	\$ 14,498	15%	23%
Apparel	3,794	3,648	4%	14%	7,228	7,098	2%	10%
Equipment	408	382	7%	17%	894	847	6%	14%
Global Brand Divisions ²	18	6	200%	200%	32	13	146%	149%
TOTAL NIKE BRAND REVENUES	\$ 12,724	\$ 10,816	18%	28%	\$ 24,772	\$ 22,456	10%	19%

¹ The percent change has been calculated using actual exchange rates in use during the comparative prior year period and is provided to enhance the visibility of the underlying business trends by excluding the impact of translation arising from foreign currency exchange rate fluctuations, which is considered a non-GAAP financial measure. Management uses this non-GAAP financial measure when evaluating the Company's performance, including when making financial and operating decisions. Additionally, management believes this non-GAAP financial measure provides investors with additional financial information that should be considered when assessing the Company's underlying business performance and trends. References to this measure should not be considered in isolation or as a substitute for other financial measures calculated and presented in accordance with U.S. GAAP and may not be comparable to similarly titled non-GAAP measures used by other companies.

² Global Brand Divisions revenues include NIKE Brand licensing and other miscellaneous revenues that are not part of a geographic operating segment.

³ Corporate revenues primarily consist of foreign currency hedge gains and losses related to revenues generated by entities within the NIKE Brand geographic operating segments and Converse, but managed through the Company's central foreign exchange risk management program.

NIKE, Inc.
EARNINGS BEFORE INTEREST AND TAXES¹
(Unaudited)

	THREE MONTHS ENDED			%	SIX MONTHS ENDED			%
<i>(Dollars in millions)</i>	11/30/2022	11/30/2021		Change	11/30/2022	11/30/2021		Change
North America	\$ 1,497	\$ 1,235		21%	\$ 2,874	\$ 2,669		8%
Europe, Middle East & Africa	990	806		23%	1,965	1,681		17%
Greater China	511	569		-10%	1,052	1,270		-17%
Asia Pacific & Latin America	485	388		25%	985	869		13%
Global Brand Divisions ²	(1,226)	(1,071)		-14%	(2,413)	(2,058)		-17%
TOTAL NIKE BRAND¹	2,257	1,927		17%	4,463	4,431		1%
Converse	153	132		16%	362	336		8%
Corporate ³	(744)	(503)		-48%	(1,318)	(1,048)		-26%
TOTAL NIKE, INC. EARNINGS BEFORE INTEREST AND TAXES¹	1,666	1,556		7%	3,507	3,719		-6%
<i>EBIT margin¹</i>	12.5 %	13.7 %			13.5 %	15.8 %		
Interest expense (income), net	16	55		—	29	112		—
TOTAL NIKE, INC. INCOME BEFORE INCOME TAXES	\$ 1,650	\$ 1,501		10%	\$ 3,478	\$ 3,607		-4%

¹ The Company evaluates the performance of individual operating segments based on earnings before interest and taxes (commonly referred to as “EBIT”), which represents Net income before Interest expense (income), net and Income tax expense. EBIT margin is calculated as EBIT divided by total NIKE, Inc. Revenues. Total NIKE Brand EBIT, Total NIKE, Inc. EBIT and EBIT margin are considered non-GAAP financial measures. Management uses these non-GAAP financial measures when evaluating the Company's performance, including when making financial and operating decisions. Additionally, management believes these non-GAAP financial measures provide investors with additional information that should be considered when assessing the Company's underlying business performance and trends. References to EBIT and EBIT margin should not be considered in isolation or as a substitute for other financial measures calculated and presented in accordance with U.S. GAAP and may not be comparable to similarly titled non-GAAP measures used by other companies.

² Global Brand Divisions primarily represent demand creation and operating overhead expense, including product creation and design expenses that are centrally managed for the NIKE Brand, as well as costs associated with NIKE Direct global digital operations and enterprise technology. Global Brand Divisions revenues include NIKE Brand licensing and other miscellaneous revenues that are not part of a geographic operating segment.

³ Corporate consists primarily of unallocated general and administrative expenses, including expenses associated with centrally managed departments; depreciation and amortization related to the Company's corporate headquarters; unallocated insurance, benefit and compensation programs, including stock-based compensation; and certain foreign currency gains and losses, including certain hedge gains and losses.