

NIKE, Inc.
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	THREE MONTHS ENDED			%	SIX MONTHS ENDED			%
(In millions, except per share data)	11/30/2023	11/30/2022	Change		11/30/2023	11/30/2022	Change	
Revenues	\$ 13,388	\$ 13,315	1%		\$ 26,327	\$ 26,002	1%	
Cost of sales	7,417	7,604	-2%		14,636	14,676	0%	
Gross profit	5,971	5,711	5%		11,691	11,326	3%	
Gross margin	44.6 %	42.9 %			44.4 %	43.6 %		
Demand creation expense	1,114	1,102	1%		2,183	2,045	7%	
Operating overhead expense	3,032	3,022	0%		6,079	5,999	1%	
Total selling and administrative expense	4,146	4,124	1%		8,262	8,044	3%	
% of revenues	31.0 %	31.0 %			31.4 %	30.9 %		
Interest expense (income), net	(22)	16	—		(56)	29	—	
Other (income) expense, net	(75)	(79)	—		(85)	(225)	—	
Income before income taxes	1,922	1,650	16%		3,570	3,478	3%	
Income tax expense	344	319	8%		542	679	-20%	
Effective tax rate	17.9 %	19.3 %			15.2 %	19.5 %		
NET INCOME	\$ 1,578	\$ 1,331	19%		\$ 3,028	\$ 2,799	8%	
Earnings per common share:								
Basic	\$ 1.04	\$ 0.85	22%		\$ 1.99	\$ 1.79	11%	
Diluted	\$ 1.03	\$ 0.85	21%		\$ 1.97	\$ 1.77	11%	
Weighted average common shares outstanding:								
Basic	1,520.8	1,559.0			1,524.6	1,563.1		
Diluted	1,532.1	1,572.4			1,537.7	1,579.1		
Dividends declared per common share	\$ 0.370	\$ 0.340			\$ 0.710	\$ 0.645		

NIKE, Inc.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

<i>(Dollars in millions)</i>	November 30, 2023	November 30, 2022	% Change
ASSETS			
Current assets:			
Cash and equivalents	\$ 7,919	\$ 6,490	22%
Short-term investments	2,008	4,131	-51%
Accounts receivable, net	4,782	5,437	-12%
Inventories	7,979	9,326	-14%
Prepaid expenses and other current assets	1,943	2,063	-6%
Total current assets	24,631	27,447	-10%
Property, plant and equipment, net	5,153	4,854	6%
Operating lease right-of-use assets, net	2,943	2,809	5%
Identifiable intangible assets, net	269	280	-4%
Goodwill	281	281	0%
Deferred income taxes and other assets	3,926	3,976	-1%
TOTAL ASSETS	\$ 37,203	\$ 39,647	-6%
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Current portion of long-term debt	\$ —	\$ 500	-100%
Notes payable	6	7	-14%
Accounts payable	2,709	2,810	-4%
Current portion of operating lease liabilities	456	426	7%
Accrued liabilities	5,470	6,020	-9%
Income taxes payable	358	436	-18%
Total current liabilities	8,999	10,199	-12%
Long-term debt	8,930	8,924	0%
Operating lease liabilities	2,785	2,668	4%
Deferred income taxes and other liabilities	2,343	2,584	-9%
Redeemable preferred stock	—	—	—
Shareholders' equity	14,146	15,272	-7%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 37,203	\$ 39,647	-6%

NIKE, Inc.
DIVISIONAL REVENUES
(Unaudited)

	THREE MONTHS ENDED		%	% Change Excluding Currency Changes ¹	SIX MONTHS ENDED		%	% Change Excluding Currency Changes ¹
(Dollars in millions)	11/30/2023	11/30/2022	Change		11/30/2023	11/30/2022	Change	
North America								
Footwear	\$ 3,757	\$ 3,963	-5%	-5%	\$ 7,490	\$ 7,768	-4%	-3%
Apparel	1,668	1,685	-1%	-1%	3,147	3,179	-1%	-1%
Equipment	200	182	10%	10%	411	393	5%	5%
Total	5,625	5,830	-4%	-3%	11,048	11,340	-3%	-2%
Europe, Middle East & Africa								
Footwear	2,186	2,063	6%	1%	4,446	4,075	9%	6%
Apparel	1,200	1,281	-6%	-10%	2,337	2,434	-4%	-7%
Equipment	181	145	25%	18%	394	313	26%	21%
Total	3,567	3,489	2%	-3%	7,177	6,822	5%	2%
Greater China								
Footwear	1,361	1,370	-1%	3%	2,648	2,603	2%	7%
Apparel	469	393	19%	24%	870	767	13%	19%
Equipment	33	25	32%	36%	80	74	8%	12%
Total	1,863	1,788	4%	8%	3,598	3,444	4%	10%
Asia Pacific & Latin America								
Footwear	1,303	1,108	18%	15%	2,444	2,172	13%	11%
Apparel	437	435	0%	-2%	808	848	-5%	-5%
Equipment	65	56	16%	15%	125	114	10%	9%
Total	1,805	1,599	13%	10%	3,377	3,134	8%	7%
Global Brand Divisions ²	12	18	-33%	-41%	25	32	-22%	-25%
TOTAL NIKE BRAND	12,872	12,724	1%	0%	25,225	24,772	2%	2%
Converse	519	586	-11%	-13%	1,107	1,229	-10%	-11%
Corporate ³	(3)	5	—	—	(5)	1	—	—
TOTAL NIKE, INC. REVENUES	\$ 13,388	\$ 13,315	1%	-1%	\$ 26,327	\$ 26,002	1%	1%
TOTAL NIKE BRAND								
Footwear	\$ 8,607	\$ 8,504	1%	0%	\$ 17,028	\$ 16,618	2%	2%
Apparel	3,774	3,794	-1%	-2%	7,162	7,228	-1%	-1%
Equipment	479	408	17%	15%	1,010	894	13%	12%
Global Brand Divisions ²	12	18	-33%	-41%	25	32	-22%	-25%
TOTAL NIKE BRAND REVENUES	\$ 12,872	\$ 12,724	1%	0%	\$ 25,225	\$ 24,772	2%	2%

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)

<i>(Dollars in millions)</i>	THREE MONTHS ENDED			%	SIX MONTHS ENDED			%
	11/30/2023	11/30/2022	Change		11/30/2023	11/30/2022	Change	
North America	\$ 1,526	\$ 1,497	2%		\$ 2,960	\$ 2,874	3%	
Europe, Middle East & Africa	927	990	-6%		1,857	1,965	-5%	
Greater China	514	511	1%		1,039	1,052	-1%	
Asia Pacific & Latin America	521	485	7%		935	985	-5%	
Global Brand Divisions ²	(1,168)	(1,226)	5%		(2,373)	(2,413)	2%	
TOTAL NIKE BRAND¹	2,320	2,257	3%		4,418	4,463	-1%	
Converse	115	153	-25%		282	362	-22%	
Corporate ³	(535)	(744)	28%		(1,186)	(1,318)	10%	
TOTAL NIKE, INC. EARNINGS BEFORE INTEREST AND TAXES¹	1,900	1,666	14%		3,514	3,507	0%	
<i>EBIT margin¹</i>	<i>14.2 %</i>	<i>12.5 %</i>			<i>13.3 %</i>	<i>13.5 %</i>		
Interest expense (income), net	(22)	16	—		(56)	29	—	
TOTAL NIKE, INC. INCOME BEFORE INCOME TAXES	\$ 1,922	\$ 1,650	16%		\$ 3,570	\$ 3,478	3%	

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. 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 financial information that should be considered when assessing the Company's underlying business performance and trends. EBIT margin is calculated as total NIKE, Inc. EBIT divided by total NIKE, Inc. Revenues. 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.