NIKE, Inc.
CONSOLIDATED STATEMENTS OF INCOME

(Dollars in millions, except per share data)	THREE MONTHS ENDED 5/31/2017	THREE MONTHS ENDED 5/31/2016	% Change	TWELVE MONTHS ENDED 5/31/2017	TWELVE MONTHS ENDED 5/31/2016	% Change
Revenues	$ 8,677	$ 8,244	5%	$ 34,350	$ 32,376	6%
Cost of sales	4,854	4,458	9%	19,038	17,405	9%
Gross profit	3,823	3,786	1%	15,312	14,971	2%
Gross margin	*44.1%*	*45.9%*		*44.6%*	*46.2%*	
Demand creation expense	789	873	-10%	3,341	3,278	2%
Operating overhead expense	1,876	1,893	-1%	7,222	7,191	0%
Total selling and administrative expense	2,665	2,766	-4%	10,563	10,469	1%
% of revenues	*30.7%*	*33.6%*		*30.8%*	*32.3%*	
Interest expense (income), net	18	5	—	59	19	—
Other (income) expense, net	(28)	(58)	—	(196)	(140)	—
Income before income taxes	1,168	1,073	9%	4,886	4,623	6%
Income tax expense	160	227	-30%	646	863	-25%
Effective tax rate	*13.7%*	*21.2%*		*13.2%*	*18.7%*	
NET INCOME	**$ 1,008**	**$ 846**	**19%**	**$ 4,240**	**$ 3,760**	**13%**
Earnings per common share:						
Basic	$ 0.61	$ 0.50	22%	$ 2.56	$ 2.21	16%
Diluted	$ 0.60	$ 0.49	22%	$ 2.51	$ 2.16	16%
Weighted average common shares outstanding:						
Basic	1,646.9	1,682.4		1,657.8	1,697.9	
Diluted	1,678.6	1,723.1		1,692.0	1,742.5	
Dividends declared per common share	$ 0.18	$ 0.16		$ 0.70	$ 0.62	

NIKE, Inc.
CONSOLIDATED BALANCE SHEETS

(Dollars in millions)	May 31, 2017	May 31, 2016	% Change
ASSETS			
Current assets:			
Cash and equivalents	$ 3,808	$ 3,138	21%
Short-term investments	2,371	2,319	2%
Accounts receivable, net	3,677	3,241	13%
Inventories	5,055	4,838	4%
Prepaid expenses and other current assets	1,150	1,489	-23%
Total current assets	16,061	15,025	7%
Property, plant and equipment, net	3,989	3,520	13%
Identifiable intangible assets, net	283	281	1%
Goodwill	139	131	6%
Deferred income taxes and other assets	2,787	2,422	15%
TOTAL ASSETS	**$ 23,259**	**$ 21,379**	**9%**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Current portion of long-term debt	$ 6	$ 44	-86%
Notes payable	325	1	—
Accounts payable	2,048	2,191	-7%
Accrued liabilities	3,011	3,037	-1%
Income taxes payable	84	85	-1%
Total current liabilities	5,474	5,358	2%
Long-term debt	3,471	1,993	74%
Deferred income taxes and other liabilities	1,907	1,770	8%
Redeemable preferred stock	—	—	—
Shareholders' equity	12,407	12,258	1%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$ 23,259**	**$ 21,379**	**9%**

NIKE, Inc.
DIVISIONAL REVENUES

(Dollars in millions)	THREE MONTHS ENDED 5/31/2017	5/31/2016	% Change	% Change Excluding Currency Changes[1]	TWELVE MONTHS ENDED 5/31/2017	5/31/2016	% Change	% Change Excluding Currency Changes[1]
North America								
Footwear	$ 2,457	$ 2,367	4%	4%	$ 9,684	$ 9,299	4%	4%
Apparel	1,142	1,163	-2%	-2%	4,886	4,746	3%	3%
Equipment	154	205	-25%	-25%	646	719	-10%	-10%
Total	3,753	3,735	0%	1%	15,216	14,764	3%	3%
Western Europe								
Footwear	1,066	1,027	4%	11%	4,068	3,985	2%	7%
Apparel	438	411	7%	15%	1,868	1,628	15%	21%
Equipment	60	64	-6%	1%	275	271	1%	7%
Total	1,564	1,502	4%	12%	6,211	5,884	6%	11%
Central & Eastern Europe								
Footwear	233	224	4%	9%	927	882	5%	9%
Apparel	103	102	1%	2%	471	463	2%	4%
Equipment	21	19	11%	11%	89	86	3%	6%
Total	357	345	3%	6%	1,487	1,431	4%	7%
Greater China								
Footwear	765	681	12%	18%	2,920	2,599	12%	18%
Apparel	293	268	9%	14%	1,188	1,055	13%	18%
Equipment	29	30	-3%	-3%	129	131	-2%	3%
Total	1,087	979	11%	16%	4,237	3,785	12%	17%
Japan								
Footwear	196	187	5%	4%	666	570	17%	7%
Apparel	78	70	11%	11%	275	228	21%	10%
Equipment	21	23	-9%	-10%	73	71	3%	-6%
Total	295	280	5%	5%	1,014	869	17%	7%
Emerging Markets								
Footwear	756	596	27%	24%	2,816	2,536	11%	17%
Apparel	247	226	9%	6%	966	947	2%	8%
Equipment	50	50	0%	-3%	213	218	-2%	2%
Total	1,053	872	21%	18%	3,995	3,701	8%	14%
Global Brand Divisions[2]	18	12	50%	68%	73	73	0%	2%
TOTAL NIKE BRAND	8,127	7,725	5%	7%	32,233	30,507	6%	8%
Converse	554	513	8%	10%	2,042	1,955	4%	6%
Corporate[3]	(4)	6	—	—	75	(86)	—	—
TOTAL NIKE, INC. REVENUES	$ 8,677	$ 8,244	5%	7%	$ 34,350	$ 32,376	6%	8%
TOTAL NIKE BRAND								
Footwear	$ 5,473	$ 5,082	8%	10%	$ 21,081	$ 19,871	6%	8%
Apparel	2,301	2,240	3%	4%	9,654	9,067	6%	9%
Equipment	335	391	-14%	-14%	1,425	1,496	-5%	-3%
Global Brand Divisions[2]	18	12	50%	68%	73	73	0%	2%

[1] Fiscal 2017 results have been restated using fiscal 2016 exchange rates for the comparative period to enhance the visibility of the underlying business trends excluding the impact of translation arising from foreign currency exchange rate fluctuations, which is considered a non-GAAP financial measure.

[2] Global Brand Divisions revenues are primarily attributable to NIKE Brand licensing businesses 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 our central foreign exchange risk management program.

NIKE, Inc.
SUPPLEMENTAL NIKE BRAND REVENUE DETAILS

(Dollars in millions)	TWELVE MONTHS ENDED 5/31/2017	5/31/2016[1]	% Change	% Change Excluding Currency Changes[2]
NIKE Brand Revenues by:				
Sales to Wholesale Customers	$ 23,078	$ 22,577	2%	5%
Sales Direct to Consumer	9,082	7,857	16%	18%
Global Brand Divisions[3]	73	73	0%	2%
TOTAL NIKE BRAND REVENUES	**$ 32,233**	**$ 30,507**	**6%**	**8%**
NIKE Brand Revenues on a Wholesale Equivalent Basis:[4]				
Sales to Wholesale Customers	$ 23,078	$ 22,577	2%	5%
Sales from our Wholesale Operations to Direct to Consumer Operations	5,616	4,672	20%	22%
TOTAL NIKE BRAND WHOLESALE EQUIVALENT REVENUES	**$ 28,694**	**$ 27,249**	**5%**	**8%**
NIKE Brand Wholesale Equivalent Revenues by:[4]				
Men's	$ 16,041	$ 15,410	4%	6%
Women’s	6,644	6,296	6%	8%
Young Athletes'	4,838	4,560	6%	8%
Others[5]	1,171	983	19%	21%
TOTAL NIKE BRAND WHOLESALE EQUIVALENT REVENUES	**$ 28,694**	**$ 27,249**	**5%**	**8%**
NIKE Brand Wholesale Equivalent Revenues by:[4]				
Running	$ 5,278	$ 5,017	5%	8%
NIKE Basketball	1,292	1,378	-6%	-5%
Jordan Brand	3,099	2,753	13%	13%
Football (Soccer)	1,987	2,143	-7%	-4%
Men’s Training	2,617	2,611	0%	1%
Women’s Training	1,265	1,344	-6%	-4%
Action Sports	596	655	-9%	-7%
Sportswear	8,587	7,513	14%	17%
Golf	579	706	-18%	-18%
Others[6]	3,394	3,129	8%	11%
TOTAL NIKE BRAND WHOLESALE EQUIVALENT REVENUES	**$ 28,694**	**$ 27,249**	**5%**	**8%**

[1] Certain prior year amounts have been reclassified to conform to fiscal 2017 presentation. These changes had no impact on previously reported results of operations or shareholders' equity.

[2] Fiscal 2017 results have been restated using fiscal 2016 exchange rates for the comparative period to enhance the visibility of the underlying business trends excluding the impact of translation arising from foreign currency exchange rate fluctuations, which is considered a non-GAAP financial measure.

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

[4] References to NIKE Brand wholesale equivalent revenues, which are considered non-GAAP financial measures, are intended to provide context as to the total size of our NIKE Brand market footprint if we had no Direct to Consumer operations. NIKE Brand wholesale equivalent revenues consist of 1) sales to external wholesale customers and 2) internal sales from our wholesale operations to our Direct to Consumer operations which are charged at prices that are comparable to prices charged to external wholesale customers.

[5] Others include all unisex products, equipment and other products not allocated to Men's, Women's and Young Athletes', as well as certain adjustments that are not allocated to products designated by gender or age.

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

NIKE, Inc.

EARNINGS BEFORE INTEREST AND TAXES[1]

(Dollars in millions)	THREE MONTHS ENDED 5/31/2017	5/31/2016	% Change	TWELVE MONTHS ENDED 5/31/2017	5/31/2016	% Change
North America	$ 979	$ 936	5%	$ 3,875	$ 3,763	3%
Western Europe	285	308	-7%	1,203	1,434	-16%
Central & Eastern Europe	48	46	4%	244	289	-16%
Greater China	380	357	6%	1,507	1,372	10%
Japan	77	55	40%	224	174	29%
Emerging Markets	215	191	13%	816	892	-9%
Global Brand Divisions[2]	(689)	(722)	5%	(2,677)	(2,596)	-3%
TOTAL NIKE BRAND	**1,295**	**1,171**	**11%**	**5,192**	**5,328**	**-3%**
Converse	137	128	7%	477	487	-2%
Corporate[3]	(246)	(221)	-11%	(724)	(1,173)	38%
TOTAL NIKE, INC. EARNINGS BEFORE INTEREST AND TAXES	**1,186**	**1,078**	**10%**	**4,945**	**4,642**	**7%**
Interest expense (income), net	18	5	—	59	19	—
TOTAL NIKE, INC. INCOME BEFORE INCOME TAXES	**$ 1,168**	**$ 1,073**	**9%**	**$ 4,886**	**$ 4,623**	**6%**

[1] The Company evaluates 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.

[2] Global Brand Divisions primarily represent demand creation, operating overhead and product creation and design expenses that are centrally managed for the NIKE Brand. Revenues for Global Brand Divisions are primarily attributable to NIKE Brand licensing businesses that are not part of a geographic operating segment.

[3] Corporate consists largely 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.

NIKE, Inc.

NIKE BRAND FUTURES ORDERS BY GEOGRAPHY[1]

As of May 31, 2017

	Reported Futures Orders	Excluding Currency Changes[2]
North America	-10%	-10%
Western Europe	1%	3%
Central & Eastern Europe	-3%	-1%
Greater China	7%	12%
Japan	-7%	3%
Emerging Markets	9%	12%
TOTAL NIKE BRAND FUTURES ORDERS	-2%	0%

[1] Futures orders for NIKE Brand footwear and apparel scheduled for delivery from June 2017 through November 2017. NIKE Brand futures orders include (1) orders from external wholesale customers and (2) internal orders from our DTC in-line stores and digital commerce operations, which are reflected at prices that are comparable to prices charged to external wholesale customers. The U.S. Dollar futures orders amount is calculated based upon our internal forecast of the currency exchange rates under which our revenues will be translated during this period.

Reported futures orders are not necessarily indicative of our expectation of revenue growth during this period. This is due to year-over-year changes in shipment timing, changes in the mix of orders between futures and at-once orders, and because 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 futures orders and actual revenues. Moreover, a portion of our revenue is not derived from futures orders, including sales of at-once and closeout NIKE Brand footwear and apparel, all sales of NIKE Brand equipment, the difference between retail sales and internal orders from our DTC in-line stores and digital commerce operations, and sales from Converse, NIKE Golf and Hurley.

[2] Futures orders have been calculated using prior year 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. Return on Invested Capital Calculation

(Dollars in millions)	Q1'13	Q2'13	Q3'13	Q4'13	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17
Continuing operations:																				
Revenues	6,669	5,955	6,187	6,697	6,971	6,431	6,972	7,425	7,982	7,380	7,460	7,779	8,414	7,686	8,032	8,244	9,061	8,180	8,432	8,677
Operating expenses:																				
Cost of sales	3,766	3,425	3,451	3,757	3,839	3,605	3,869	4,040	4,261	4,053	4,034	4,186	4,419	4,185	4,343	4,458	4,938	4,564	4,682	4,854
Selling and administrative expense	2,156	1,839	1,866	2,029	2,058	2,091	2,169	2,448	2,480	2,438	2,379	2,595	2,577	2,560	2,566	2,766	2,897	2,505	2,496	2,665
Restructuring charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Goodwill impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible and other asset impairment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net operating profit	747	691	870	911	1,074	735	934	937	1,241	889	1,047	998	1,418	941	1,123	1,020	1,226	1,111	1,254	1,158
Other (income) expense, net	(29)	(17)	17	13	28	13	45	17	3	2	(5)	(58)	(31)	(34)	(17)	(58)	(62)	(18)	(88)	(28)
Earnings before interest and taxes	776	708	853	898	1,046	722	889	920	1,238	887	1,052	1,056	1,449	975	1,140	1,078	1,288	1,129	1,342	1,186
Tax rate	27.6%	26.8%	22.8%	22.9%	25.0%	25.2%	22.5%	23.5%	21.7%	25.4%	24.4%	17.8%	18.4%	19.1%	16.3%	21.2%	2.5%	24.4%	13.8%	13.7%
Taxes calculated	214	190	195	206	262	182	200	216	269	225	256	188	267	186	186	228	32	276	185	162
Trailing 4 quarters taxes*	766	806	792	805	853	845	850	860	867	910	966	938	936	897	827	867	632	722	721	655
Earnings before interest and after taxes from continuing operations	562	518	658	692	784	540	689	704	969	662	796	868	1,182	789	954	850	1,256	853	1,157	1,024
Earnings before interest and after taxes from discontinued operations	-	(137)	204	(28)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Earnings before interest and after taxes	562	381	862	664	784	540	689	704	969	662	796	868	1,182	789	954	850	1,256	853	1,157	1,024
Trailing 4 quarters earnings before interest and after taxes*	**2,133**	**2,045**	**2,350**	**2,469**	**2,691**	**2,850**	**2,677**	**2,717**	**2,902**	**3,024**	**3,131**	**3,295**	**3,508**	**3,635**	**3,793**	**3,775**	**3,849**	**3,913**	**4,116**	**4,290**

	Q1'13	Q2'13	Q3'13	Q4'13	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17
Total NIKE Inc. assets	15,035	15,090	15,530	17,545	17,582	17,724	17,703	18,594	18,521	19,167	20,541	21,600	20,766	22,583	20,987	21,396	21,156	22,652	23,152	23,259
Less:																				
Cash and equivalents and short-term investments	3,267	3,525	4,042	5,965	5,578	5,187	5,029	5,142	4,579	4,713	5,361	5,924	5,408	6,116	5,106	5,457	4,787	5,943	6,160	6,179
Accounts payable	1,551	1,519	1,241	1,646	1,559	1,612	1,480	1,930	1,970	2,074	1,821	2,131	1,933	1,915	1,714	2,191	2,088	2,033	1,938	2,048
Accrued liabilities	1,974	1,879	1,899	2,036	1,913	2,005	2,303	2,491	2,441	2,622	3,563	3,951	3,139	3,451	3,224	3,037	3,147	3,076	3,228	3,011
Income taxes payable	99	31	122	84	195	30	27	432	250	38	33	71	75	41	35	85	62	52	76	84
Deferred income taxes and other liabilities	1,065	1,188	1,287	1,292	1,322	1,424	1,515	1,544	1,408	1,446	1,505	1,480	1,517	1,600	1,659	1,770	1,635	1,631	1,687	1,907
Liabilities of discontinued operations	-	198	62	18	12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Plus:																				
Net debt adjustment****	2,903	3,197	3,721	4,577	4,203	3,799	3,702	3,769	3,232	3,426	4,110	4,664	4,200	3,945	3,051	3,402	2,728	2,406	2,659	2,377
Invested capital	9,982	9,947	10,598	11,081	11,206	11,265	11,051	10,824	11,105	11,700	12,368	12,707	12,894	13,405	12,300	12,258	12,165	12,323	12,722	12,407
Trailing 5 quarters invested capital**	**10,011**	**10,031**	**10,193**	**10,385**	**10,563**	**10,819**	**11,040**	**11,085**	**11,090**	**11,189**	**11,410**	**11,741**	**12,155**	**12,615**	**12,735**	**12,713**	**12,604**	**12,490**	**12,354**	**12,375**
Return on invested capital***	**21.3%**	**20.4%**	**23.1%**	**23.8%**	**25.5%**	**26.3%**	**24.2%**	**24.5%**	**26.2%**	**27.0%**	**27.4%**	**28.1%**	**28.9%**	**28.8%**	**29.8%**	**29.7%**	**30.5%**	**31.3%**	**33.3%**	**34.7%**

* Equals the sum of the current quarter and previous 3 quarters
** Equals the simple average of the current and previous 4 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

	Q1'13	Q2'13	Q3'13	Q4'13	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17
Cash and equivalents and short-term investments	3,267	3,525	4,042	5,965	5,578	5,187	5,029	5,142	4,579	4,713	5,361	5,924	5,408	6,116	5,106	5,457	4,787	5,943	6,160	6,179
Less:																				
Long-term debt	226	170	161	1,210	1,207	1,201	1,201	1,199	1,195	1,084	1,082	1,079	1,079	2,067	2,048	2,010	1,993	3,473	3,472	3,471
Notes payable	129	100	103	121	111	180	119	167	146	93	61	74	23	99	-	1	22	20	23	325
Current portion of long-term debt	9	58	57	57	57	7	7	7	6	110	108	107	106	5	7	44	44	44	6	6
Net debt adjustment	2,903	3,197	3,721	4,577	4,203	3,799	3,702	3,769	3,232	3,426	4,110	4,664	4,200	3,945	3,051	3,402	2,728	2,406	2,659	2,377