

NIKE, Inc.
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	THREE MONTHS ENDED			%	TWELVE MONTHS ENDED			%
<i>(In millions, except per share data)</i>	5/31/2021	5/31/2020	Change		5/31/2021	5/31/2020	Change	
Revenues	\$ 12,344	\$ 6,313	96%		\$ 44,538	\$ 37,403	19%	
Cost of sales	6,689	3,960	69%		24,576	21,162	16%	
Gross profit	5,655	2,353	140%		19,962	16,241	23%	
<i>Gross margin</i>	45.8 %	37.3 %			44.8 %	43.4 %		
Demand creation expense	997	823	21%		3,114	3,592	-13%	
Operating overhead expense	2,745	2,368	16%		9,911	9,534	4%	
Total selling and administrative expense	3,742	3,191	17%		13,025	13,126	-1%	
<i>% of revenues</i>	30.3 %	50.5 %			29.2 %	35.1 %		
Interest expense (income), net	63	50	—		262	89	—	
Other (income) expense, net	(4)	(84)	—		14	139	—	
Income (loss) before income taxes	1,854	(804)	331%		6,661	2,887	131%	
Income tax expense (benefit)	345	(14)	2,564%		934	348	168%	
<i>Effective tax rate</i>	18.6 %	1.7 %			14.0 %	12.1 %		
NET INCOME (LOSS)	\$ 1,509	\$ (790)	291%		\$ 5,727	\$ 2,539	126%	
Earnings (loss) per common share:								
Basic	\$ 0.96	\$ (0.51)	288%		\$ 3.64	\$ 1.63	123%	
Diluted	\$ 0.93	\$ (0.51)	282%		\$ 3.56	\$ 1.60	123%	
Weighted average common shares outstanding:								
Basic	1,579.0	1,555.7			1,573.0	1,558.8		
Diluted	1,614.9	1,555.7			1,609.4	1,591.6		
Dividends declared per common share	\$ 0.275	\$ 0.245			\$ 1.070	\$ 0.955		

NIKE, Inc.
CONSOLIDATED BALANCE SHEETS
(Unaudited)

<i>(Dollars in millions)</i>	May 31, 2021	May 31, 2020	% Change
ASSETS			
Current assets:			
Cash and equivalents	\$ 9,889	\$ 8,348	18%
Short-term investments	3,587	439	717%
Accounts receivable, net	4,463	2,749	62%
Inventories	6,854	7,367	-7%
Prepaid expenses and other current assets	1,498	1,653	-9%
Total current assets	26,291	20,556	28%
Property, plant and equipment, net	4,904	4,866	1%
Operating lease right-of-use assets, net	3,113	3,097	1%
Identifiable intangible assets, net	269	274	-2%
Goodwill	242	223	9%
Deferred income taxes and other assets	2,921	2,326	26%
TOTAL ASSETS	\$ 37,740	\$ 31,342	20%
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities:			
Current portion of long-term debt	\$ —	\$ 3	-100%
Notes payable	2	248	-99%
Accounts payable	2,836	2,248	26%
Current portion of operating lease liabilities	467	445	5%
Accrued liabilities	6,063	5,184	17%
Income taxes payable	306	156	96%
Total current liabilities	9,674	8,284	17%
Long-term debt	9,413	9,406	0%
Operating lease liabilities	2,931	2,913	1%
Deferred income taxes and other liabilities	2,955	2,684	10%
Redeemable preferred stock	—	—	—
Shareholders' equity	12,767	8,055	58%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 37,740	\$ 31,342	20%

NIKE, Inc.
DIVISIONAL REVENUES
(Unaudited)

	THREE MONTHS ENDED		%	% Change Excluding Currency Changes ¹	TWELVE MONTHS ENDED		%	% Change Excluding Currency Changes ¹
(Dollars in millions)	5/31/2021	5/31/2020	Change		5/31/2021	5/31/2020	Change	
North America								
Footwear	\$ 3,793	\$ 1,606	136%	136%	\$ 11,644	\$ 9,329	25%	25%
Apparel	1,448	563	157%	156%	5,028	4,639	8%	8%
Equipment	143	61	134%	132%	507	516	-2%	-2%
Total	5,384	2,230	141%	141%	17,179	14,484	19%	19%
Europe, Middle East & Africa								
Footwear	1,831	887	106%	90%	6,970	5,892	18%	13%
Apparel	1,023	398	157%	137%	3,996	3,053	31%	25%
Equipment	125	43	191%	172%	490	402	22%	19%
Total	2,979	1,328	124%	107%	11,456	9,347	23%	17%
Greater China								
Footwear	1,316	1,149	15%	6%	5,748	4,635	24%	19%
Apparel	572	468	22%	13%	2,347	1,896	24%	19%
Equipment	45	30	50%	34%	195	148	32%	26%
Total	1,933	1,647	17%	9%	8,290	6,679	24%	19%
Asia Pacific & Latin America								
Footwear	1,007	559	80%	75%	3,659	3,449	6%	8%
Apparel	396	211	88%	80%	1,494	1,365	9%	10%
Equipment	55	31	77%	74%	190	214	-11%	-9%
Total	1,458	801	82%	76%	5,343	5,028	6%	8%
Global Brand Divisions ²	7	6	17%	24%	25	30	-17%	-17%
TOTAL NIKE BRAND	11,761	6,012	96%	88%	42,293	35,568	19%	17%
Converse	596	305	95%	85%	2,205	1,846	19%	16%
Corporate ³	(13)	(4)	—	—	40	(11)	—	—
TOTAL NIKE, INC. REVENUES	\$ 12,344	\$ 6,313	96%	88%	\$ 44,538	\$ 37,403	19%	17%
TOTAL NIKE BRAND								
Footwear	\$ 7,947	\$ 4,201	89%	83%	\$ 28,021	\$ 23,305	20%	18%
Apparel	3,439	1,640	110%	101%	12,865	10,953	17%	15%
Equipment	368	165	123%	113%	1,382	1,280	8%	7%
Global Brand Divisions ²	7	6	17%	24%	25	30	-17%	-17%
TOTAL NIKE BRAND REVENUES	\$ 11,761	\$ 6,012	96%	88%	\$ 42,293	\$ 35,568	19%	17%

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.

SUPPLEMENTAL NIKE BRAND REVENUE DETAILS

(Unaudited)

(Dollars in millions)	TWELVE MONTHS ENDED		%	% Change
	5/31/2021	5/31/2020	Change	Excluding Currency Changes ¹
NIKE Brand Revenues by:				
Sales to Wholesale Customers	\$ 25,898	\$ 23,156	12%	10%
Sales through NIKE Direct	16,370	12,382	32%	30%
Global Brand Divisions ²	25	30	-17%	-17%
TOTAL NIKE BRAND REVENUES	\$ 42,293	\$ 35,568	19%	17%
NIKE Brand Revenues on a Wholesale Equivalent Basis:³				
Sales to Wholesale Customers	\$ 25,898	\$ 23,156	12%	10%
Sales from our Wholesale Operations to NIKE Direct Operations	9,872	7,452	32%	30%
TOTAL NIKE BRAND WHOLESALE EQUIVALENT REVENUES	\$ 35,770	\$ 30,608	17%	15%
NIKE Brand Wholesale Equivalent Revenues by:³				
Men's	\$ 18,883	\$ 16,694	13%	11%
Women's	8,555	6,999	22%	20%
NIKE Kids'	5,884	5,033	17%	15%
Others ⁴	2,448	1,882	30%	26%
TOTAL NIKE BRAND WHOLESALE EQUIVALENT REVENUES	\$ 35,770	\$ 30,608	17%	15%
NIKE Brand Wholesale Equivalent Revenues by:³				
Running	\$ 3,987	\$ 3,830	4%	3%
NIKE Basketball	1,692	1,508	12%	10%
Jordan Brand	4,711	3,609	31%	28%
Football (Soccer)	1,682	1,575	7%	4%
Training	2,907	2,688	8%	7%
Sportswear	15,053	12,285	23%	20%
Others ⁵	5,738	5,113	12%	11%
TOTAL NIKE BRAND WHOLESALE EQUIVALENT REVENUES	\$ 35,770	\$ 30,608	17%	15%

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 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 the Company's NIKE Brand market footprint if it had no NIKE Direct operations. NIKE Brand wholesale equivalent revenues consist of 1) sales to external wholesale customers and 2) internal sales from the Company's wholesale operations to its NIKE Direct operations which are charged at prices that are comparable to prices charged to external wholesale customers.

⁴ Others include all unisex products, equipment and other products not allocated to Men's, Women's and NIKE Kids', as well as certain adjustments that are not allocated to products designated by gender or age.

⁵ Others include all other categories and certain adjustments that are not allocated at the category level.

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

	THREE MONTHS ENDED			%	TWELVE MONTHS ENDED			%
<i>(Dollars in millions)</i>	5/31/2021	5/31/2020		Change	5/31/2021	5/31/2020		Change
North America	\$ 1,794	\$ (13)		13,900%	\$ 5,089	\$ 2,899		76%
Europe, Middle East & Africa	550	(153)		459%	2,435	1,541		58%
Greater China	691	571		21%	3,243	2,490		30%
Asia Pacific & Latin America	418	79		429%	1,530	1,184		29%
Global Brand Divisions ²	(1,110)	(844)		-32%	(3,656)	(3,468)		-5%
TOTAL NIKE BRAND¹	2,343	(360)		751%	8,641	4,646		86%
Converse	138	(27)		611%	543	297		83%
Corporate ³	(564)	(367)		-54%	(2,261)	(1,967)		-15%
TOTAL NIKE, INC. EARNINGS (LOSS) BEFORE INTEREST AND TAXES¹	1,917	(754)		354%	6,923	2,976		133%
% of revenues	15.5 %	(11.9)%			15.5 %	8.0 %		
Interest expense (income), net	63	50		—	262	89		—
TOTAL NIKE, INC. INCOME (LOSS) BEFORE INCOME TAXES	\$ 1,854	\$ (804)		331%	\$ 6,661	\$ 2,887		131%

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 and Total NIKE, Inc. EBIT are considered non-GAAP financial measures and are being provided as management believes this additional information should be considered when assessing the Company's underlying business performance and trends. References to EBIT 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. For the three and twelve months ended May 31, 2021, Corporate included non-recurring employee termination and related costs associated with the previously announced leadership and operating model changes.

NIKE, Inc.
RETURN ON INVESTED CAPITAL¹
(Unaudited)

	FOR THE TRAILING FOUR QUARTERS ENDED	
<i>(Dollars in millions)</i>	5/31/2021	5/31/2020
Numerator		
Net income	\$ 5,727	\$ 2,539
Add: Interest expense (income), net	262	89
Add: Income tax expense	934	348
Earnings before interest and taxes	6,923	2,976
Income tax adjustment ²	(970)	(352)
Earnings before interest and after taxes	\$ 5,953	\$ 2,624

	AVERAGE FOR THE TRAILING FIVE QUARTERS ENDED	
	5/31/2021	5/31/2020
Denominator		
Total debt ^{3,4}	\$ 12,890	\$ 8,022
Add: Shareholders' equity	10,523	8,938
Less: Cash and equivalents and Short-term investments	11,217	4,756
Total invested capital	\$ 12,196	\$ 12,204

RETURN ON INVESTED CAPITAL	48.8 %	21.5 %
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¹ Return on invested capital ("ROIC") represents a performance measure that management believes is useful information in understanding the Company's ability to effectively manage invested capital. ROIC is considered a non-GAAP financial measure and 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 Equals Earnings before interest and taxes multiplied by the effective tax rate as of the respective quarter end.

³ Total debt includes the following: 1) Current portion of long-term debt, 2) Notes Payable, 3) Current portion of operating lease liabilities, 4) Long-term debt and 5) Operating lease liabilities.

⁴ The Company adopted Accounting Standards Codification No. 842, Leases, on June 1, 2019. For comparability, total debt for each quarter prior to adoption includes approximately \$3.2 billion, which represents the current and long-term portion of the Company's operating lease liabilities as of June 1, 2019.