



Investor Contact:
Kelley Hall
(503) 532-3793

Media Contact:
Kellie Leonard
(503) 671-6171

NIKE, INC. ANNOUNCES TARGET OF \$50 BILLION IN REVENUES BY END OF FY20*

BEAVERTON, Ore., October 14, 2015 – NIKE, Inc. (NYSE: NKE) today provided an overview of its progress on key strategic initiatives to achieve sustainable, profitable long-term growth. During an investor meeting at its world headquarters near Beaverton, Ore., the Company announced a revenue target of \$50 billion by the end of fiscal year 2020. Additionally the Company shared its long-term financial model of high single-digit to low double-digit revenue growth, mid-teens earnings per share growth and expanding returns on invested capital.

“NIKE is built for growth,” said Mark Parker, President and CEO of NIKE, Inc. “We see tremendous growth potential in our key categories and geographies, as we connect with athletes through personal service, inspirational experiences and innovative product. When we look across our entire business, there has never been more opportunity.”

Geographic Opportunities

The Company updated its projected long-term growth plans in the NIKE Brand geographies through fiscal 2020. For its more developed geographies (North America, Western Europe and Japan), NIKE now expects to generate average annual growth at a high single-digit rate over the next five years. The Company expects North America to reach \$20 billion in revenue by the end of fiscal year 2020.

For its developing geographies (Emerging Markets, Greater China, and Central & Eastern Europe), the Company stated it expects to grow at a low double-digit average annual growth rate for the next five years. The Company expects its Emerging Markets geography to grow at a low double-digit average annual growth rate and for Greater China to grow at a mid-teens growth rate over the next five years, reaching \$6.5 billion in revenue by the end of fiscal year 2020.

Integrated Marketplace

The Company provided an overview of its plans to drive growth in its NIKE Brand Direct to Consumer (DTC) operations. Driven by its digital business as well as inline and factory stores, the Company now anticipates achieving \$16 billion in revenue by the end of fiscal year 2020. Over the next five years incremental growth in DTC revenues is expected to be driven by e-commerce sales, which are projected to grow to \$7 billion. The Company also expects to drive wholesale growth in the mid-to-high single-digit range over the next 5 years.

Businesses and Categories

The Company expects its Women’s business to reach \$11 billion in revenue by the end of fiscal year 2020**. It expects the Running category to grow to \$7.5 billion by the end of fiscal year 2020**. The Jordan Brand, which will be reported separately from the NIKE Basketball category going forward, is expected to nearly double in size, to \$4.5 billion, by the end of fiscal year 2020**.

Long-term Financial Objectives

Reviewing performance against the Company’s long-term financial model, Andy Campion, Executive Vice President and Chief Financial Officer, highlighted the Company’s strong returns to shareholders, “Our strong and consistent financial performance over the past 10 years has fueled

Total Shareholder Returns in the high-teens on average, significantly outperforming the broader market and placing us in the top quartile of the S&P 500.”

The Company stated its primary financial objectives through the end of fiscal 2020:

- Revenue growth: average annual growth in the high-single to low-double digit range
- Gross Margin: expansion of 30 to 50 basis points per year, on average
- SG&A: Slight leverage, on average
- Earnings Per Share growth: average annual growth in the mid-teens range
- Return on Invested Capital: in the high-twenties to low-thirties percentage rate
- Free Cash Flow: growing faster than Net Income
- Capital expenditures: approximately 4% of revenues
- Dividend payout ratio: 25-35% over the next five years
- Total Returns to Shareholders: in the top quartile of the S&P 500

Additional Presenters and Replay

Additional presenters from NIKE, Inc.’s senior management included: Trevor Edwards, President, NIKE Brand; Jeanne Jackson, President, Product and Merchandising; Jayme Martin, Vice President & GM Global Categories; Elliott Hill, President, Geographies and Sales; Christiana Shi, President, Direct to Consumer; and Eric Sprunk, Chief Operating Officer.

Investors and media are invited to view the replay of the webcast and slides from the event at <http://investors.nike.com>. The transcript and other event materials will also be available approximately 24 hours after the event and accessible for approximately a year after the event.

About NIKE, Inc.

NIKE, Inc., based near Beaverton, Oregon, is the world's leading designer, marketer and distributor of authentic athletic footwear, apparel, equipment and accessories for a wide variety of sports and fitness activities. Wholly-owned NIKE, Inc. subsidiary brands include Converse, which designs, distributes and licenses casual sneakers, apparel and accessories; and Hurley, which designs and distributes a line of action sports and youth lifestyle apparel and accessories. For more information, NIKE, Inc.’s earnings releases and other financial information are available on the Internet at <http://investors.nike.com> and individuals can follow @Nike.

* *This press release contains forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially. These risks and uncertainties are detailed from time to time in reports filed by NIKE, Inc. with the Securities and Exchange Commission., including Forms 8-K, 10-Q, and 10-K*

** *Expressed as wholesale equivalent revenues, a non-GAAP financial measure. 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 Direct to Consumer operations, which are charged at prices that are comparable to prices charged to external wholesale customers. NIKE Brand wholesale equivalent revenues are intended to provide context as to the total size of the market footprints of the Company’s NIKE Brand Running and Jordan Brand categories and Women’s business if the Company had no Direct to Consumer operations and should not be relied upon as financial measures of actual results.*