July 23, 2019

To Our Shareholders,

This past March, I traveled to Paris to join Nike athletes and teammates for an unforgettable moment leading up to the summer’s World Cup. Together, with more than two dozen of the world’s best female footballers and other athletes, we unveiled 14 national team kits — a tournament record for Nike.

As the lights came up on the incredible assembly of athletes, it was clear to me that the impact of the moment would be felt far beyond the tournament. This was an opportunity to create generational change — to bring more energy and participation to all women’s sports. That same day, we announced new grassroots partnerships that will expand opportunities for girls through sport for years to come. And powerful new chapters of our “Dream Crazy” campaign invited millions across the globe to join us in honoring the trailblazers of women’s sport — past, present and future.

All of this captured a simple truth: FY19 was a year that moved Nike closer than ever before to our ultimate mission, to bring inspiration and innovation to every athlete* in the world.

Alex Morgan and Megan Rapinoe, who led an unwavering U.S. Women’s National Team to one of the most-watched Women’s World Cup finals in history, were not alone in their triumphs in FY19. Shining moments across the Nike roster of athletes made this a year to behold. Eliud Kipchoge shattered the marathon world record. Simone Biles redefined the limits of her sport as the first four-time women’s gymnastics World Champion. Sue Bird continued her reign in basketball as the first player, male or female, to earn four FIBA World Cup titles. Rafael Nadal sealed his legacy in tennis history with his 12th French Open championship. Tiger Woods stamped an unbelievable comeback with another Masters title, 22 years after transforming the sport with his first.

This past year, Nike athletes rewrote the history books. And in the process, they inspired us to think even bigger about the future that Nike can create.

Fiscal 2019
A WINNING LONG-TERM STRATEGY

That brighter future came into greater focus in FY19, as we executed the first full year of our Consumer Direct Offense. The company-wide strategy has focused our teams on a simple, yet powerful goal: serving consumers faster and more personally, at scale.

To do that, we’ve channeled our resources into the “Triple Double” — the high-impact capabilities of innovation, speed and direct connections with consumers. And we’re putting heightened attention on 12 key cities and 10 key countries, because they will catalyze growth for the rest of the globe. Over the long term, we know these are the areas that are creating the most separation for Nike. We’re sensing and serving demand with greater agility through keener analytics and insights. We’re editing product lines while providing more choice across our top-selling styles. And we’re serving NikePlus members through unique digital apps and retail experiences that distinguish our brand in the marketplace.

We’re already seeing immediate return on those investments. In FY19, new innovation platforms drove roughly 100% of our total incremental growth. Digital revenue grew 35% on a currency-neutral basis, as we expanded our NikePlus membership base to 170 million members. Overall, our speed initiatives are making us even more relevant in people’s lives as we leverage capabilities such as Express Lane, digital demand sensing and connected inventory, with much more to come.

FISCAL 2019

The Air Max 270 React merges two of Nike’s most celebrated platforms into one striking silhouette.
Across our portfolio this year, we channeled these successes into strong, balanced results.

In FY19:

- NIKE, Inc. revenues rose 7 percent on a reported basis to $39.1 billion, and up 11 percent on a currency-neutral basis.
- Gross Margin expanded by 90 basis points to 44.7%.
- Net income increased to $4.0 billion and diluted earnings per share was $2.49.
- Adjusted ROIC expanded over 400 basis points to 37.0%.

What’s particularly encouraging is that our growth is broad-based across categories and geographies. Added up, we see an inflection point in our transformation — proof across the board that our performance, focused execution and potential are aligned to ignite Nike’s next phase of growth, expanding profitability and high return on capital.

At the same time, we are of course mindful of the environment in which we operate. Geopolitical dynamics, trade tensions and foreign exchange volatility continue to fuel a complex landscape. This year, we accelerated our growth by staying focused on the conditions that are under our control — delivering great product, serving the consumer and building our brand.

As we look across the globe, it’s clear that sport continues to thrive. The broader movement of health and wellness continues to grow and digital is allowing our teams to fuel that demand in more inspiring ways. Nike is better positioned than ever before to capitalize on that energy — while creating new lanes of opportunity.

**INNOVATION WITH IMPACT**

From breakthrough technologies to industry-defining products, FY19 was a monumental year for Nike innovation. As our teams pushed the limits of human potential, we also increased the return on innovation investments by scaling and dimensionalizing our top platforms faster. Air Max and React fueled growth across the spectrum of performance and lifestyle, with top sellers such as Vapormax, Air Max 270 and the
React Element 87 shining through high-energy storytelling and a fast pace of fresh options. The Air Jordan 1’s global success was just one of many bright spots underscoring the acceleration of Jordan’s growth. ZoomX continued to power the world’s fastest runners, with the NEXT% poised to deliver greater measurable benefits to more athletes. And across categories, Air, Flyleather and Flyknit extended our competitive advantage in sustainable innovation, boosting growth potential while lowering environmental impact.

From footwear to apparel, part of what sets Nike apart is our focus on delivering innovation for everyone — from the world’s elite to everyday athletes. For the first time, we claimed the No. 1 position in market share for bras in North America. And expansion of our inclusive sizing collections enabled us to serve more women with over 90 styles across Running, Training and Sportswear. Other apparel standouts, such as Tech Fleece, fueled Sportswear growth with compelling new silhouettes. And in Basketball, the second year of our NBA partnership drove strong momentum, as we captured the excitement of free agency moves this year and led with the creative energy of our City Edition jerseys.

As we look to the next fiscal year, we’re more confident than ever with the surge of new innovation — from Joyride, a new personalized cushioning platform, to advancements in Adaptive Technology to an incredibly exciting Olympics lineup heading into Tokyo.

**ACCELERATING THROUGH DIGITAL AND SPEED**

Across the board, we’re not just transforming the products we create; we’re also reshaping the consumer experience we enable — led by digital.

To power our Nike Direct strategy, we obsessed our digital advantage — opening up even greater connection to the Nike brand, all directly in the path of customers. That included further differentiating Nike’s digital ecosystem, as we bring the best of Nike to life through a more engaging and responsive business model for our members.
The SNKRS app has become an incredible asset to our brand, with users checking in daily, and has acquired more new members than any other Nike digital channel. For the fiscal year, SNKRS more than doubled its business and doubled its number of monthly active users.

The Nike App — our most comprehensive platform for Nike product — is expanding quickly. Just as promising is how digital and physical environments are intersecting and amplifying one another. Through the Nike App at Retail — which links features of the Nike App to our physical retail experiences — we’re discovering completely new ways to engage with members. This year, we invested in new store concepts that leverage digital, including two new Houses of Innovation in New York and Shanghai, and the smaller, digitally-enhanced format Nike Live. Customers are craving distinctive experiences and to meet that demand, we will continue to test, learn and scale our most innovative concepts.

Delivering products with ease and speed is also critical to a meaningful consumer experience. We’re well on our way to better serving people across geographies, as we streamline our product creation cycle and invest in responsive manufacturing to meet growing demand.

ELEVATING THE BIGGER MEANING OF SPORT

We couldn’t be prouder of how our brand showed up in the world this year. For 30 years, “Just Do It” has been an iconic rallying cry, challenging athletes worldwide to chase their crazy dreams. This year, our “Dream Crazy” campaign took the world on a year long journey, igniting conversation and inspiring millions with a uniquely Nike campaign that showcased the power of sport to unleash potential.

We’ve also focused our attention on ensuring that future generations have the opportunity to experience the life-changing impact of sport and play. At the most fundamental level, that begins with protecting our planet, because for sport to thrive, we need clean air and open
spaces. That’s why we set a bold target to source 100% renewable energy globally by 2025, and it’s why we have given our voice to support action against climate change. In addition, through grassroots partnerships, our teams are working with communities to get kids moving, because we know firsthand that sport and play can change lives. I’m incredibly proud that we’re reaching over 17 million kids worldwide through our Made to Play community program.

We know that in many ways, our journey is just beginning. We’ll continue to learn, grow and invest in the future of our people, our communities and our world. And we’ll continue to listen to the voices of our athletes — including champions like LeBron James and Serena Williams who have shown, time and again, how influential sport can be.

All year, we connected with consumers more powerfully than ever — through amazing products, our iconic brand and digital experiences. As I look ahead, I’m confident that Nike is investing in the right areas, at the right time. We’re deepening our competitive advantage and setting the foundation for sustained, profitable growth. FY19 was a defining year for Nike — one that will continue to shape our company for many years to come.

Cheers,

MARK PARKER
Chairman, President and
Chief Executive Officer
NIKE, Inc.
NIKE, Inc. Revenue Performance
Fiscal Years 2015-2019
Revenue in millions

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (in millions)</th>
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<tbody>
<tr>
<td>2015</td>
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<tr>
<td>2016</td>
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<tr>
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NIKE, Inc. Return on Invested Capital*
Fiscal Years 2015-2019

* Return on Invested Capital calculation is included in the quarterly earnings section of our investor relations website, http://investors.nike.com, as one of our key financial metrics. Please refer to this site for more detail on this calculation.

** Includes the impact of the U.S. Tax Cuts and Jobs Act, primarily the transition tax and remeasurement of deferred income tax assets and liabilities. Excluding the impact of the U.S. Tax Cuts and Jobs Act, our Adjusted Return on Invested Capital would have been approximately 37% and 33% as of Q4 FY19 and Q4 FY18, respectively, which is a non-GAAP financial measure. Refer to Note 9 — Income Taxes in the Company's FY19 Annual Report on Form 10-K for additional information on the impact of the U.S. Tax Cuts and Jobs Act.

NIKE, Inc. Earnings Per Share Performance
Fiscal Years 2015-2019

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<thead>
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<th>Year</th>
<th>EPS (in dollars)</th>
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<tr>
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<tr>
<td>2018</td>
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<tr>
<td>2019</td>
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NIKE, Inc. Stock Performance vs. S&P 500*
Fiscal Years 2015-2019

* Performance of the S&P 500 and NIKE stock is calculated by comparing the total returns of each assuming the reinvestment of dividends over the time period of 5/31/2014 to 5/31/2019.

<table>
<thead>
<tr>
<th>Year</th>
<th>S&amp;P 500 Return</th>
<th>NIKE Return</th>
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<tbody>
<tr>
<td>2015</td>
<td>59%</td>
<td>NKE</td>
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<tr>
<td>2016</td>
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<tr>
<td>2019</td>
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SHAREHOLDER INFORMATION

NIKE, Inc. common stock is listed on the New York Stock Exchange under the trading symbol ‘NKE.’ Copies of the Company’s Form 10-K and Form 10-Q reports filed with the Securities and Exchange Commission are available from the Company without charge. Copies are available on the investor relations website, http://investors.nike.com. To request a hard copy, please call 800-640-8007 or write to NIKE’s Investor Relations Department at:

NIKE World Headquarters
One Bowerman Drive
Beaverton, Oregon 97005-6453

Quarterly dividends on NIKE common stock, when declared by the Board of Directors, are paid on or about July 5, October 5, January 5, and April 5. Additional financial information is available at http://investors.nike.com.

INDEPENDENT ACCOUNTANTS

PricewaterhouseCoopers LLP
805 SW Broadway, Suite 800
Portland, Oregon 97205

REGISTRAR AND STOCK TRANSFER AGENT

Communications concerning shareholder address changes, stock transfers, changes of ownership, lost stock certificates, payment of dividends, dividend check replacements, duplicate mailings, or other account services should be directed to the Company’s Registrar and Stock Transfer Agent at the following address:

Computershare Trust Company N.A.
P.O. Box 505000
Louisville, KY 40233
800-756-8200
800-952-9245 (Hearing Impaired)
www.computershare.com