

**NIKE, Inc.**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(Unaudited)

(In millions, except per share data)	THREE MONTHS ENDED		%
	8/31/2022	8/31/2021	Change
Revenues	\$ 12,687	\$ 12,248	4%
Cost of sales	7,072	6,552	8%
Gross profit	5,615	5,696	-1%
Gross margin	44.3 %	46.5 %	
Demand creation expense	943	918	3%
Operating overhead expense	2,977	2,654	12%
Total selling and administrative expense	3,920	3,572	10%
% of revenues	30.9 %	29.2 %	
Interest expense (income), net	13	57	—
Other (income) expense, net	(146)	(39)	—
Income before income taxes	1,828	2,106	-13%
Income tax expense	360	232	55%
Effective tax rate	19.7 %	11.0 %	
<b>NET INCOME</b>	<b>\$ 1,468</b>	<b>\$ 1,874</b>	<b>-22%</b>
Earnings per common share:			
Basic	\$ 0.94	\$ 1.18	-20%
Diluted	\$ 0.93	\$ 1.16	-20%
Weighted average common shares outstanding:			
Basic	1,567.1	1,581.9	
Diluted	1,585.8	1,619.6	
Dividends declared per common share	\$ 0.305	\$ 0.275	

**NIKE, Inc.**  
**CONSOLIDATED BALANCE SHEETS**  
(Unaudited)

<i>(Dollars in millions)</i>	August 31, 2022	August 31, 2021	% Change
<b>ASSETS</b>			
Current assets:			
Cash and equivalents	\$ 7,226	\$ 10,720	-33%
Short-term investments	4,650	2,975	56%
Accounts receivable, net	4,960	4,341	14%
Inventories	9,662	6,699	44%
Prepaid expenses and other current assets	2,379	1,655	44%
Total current assets	28,877	26,390	9%
Property, plant and equipment, net	4,778	4,869	-2%
Operating lease right-of-use assets, net	2,880	3,078	-6%
Identifiable intangible assets, net	283	267	6%
Goodwill	282	242	17%
Deferred income taxes and other assets	3,988	3,071	30%
<b>TOTAL ASSETS</b>	<b>\$ 41,088</b>	<b>\$ 37,917</b>	<b>8%</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Current liabilities:			
Current portion of long-term debt	\$ 500	\$ —	—
Notes payable	9	15	-40%
Accounts payable	3,371	2,135	58%
Current portion of operating lease liabilities	424	462	-8%
Accrued liabilities	6,277	5,296	19%
Income taxes payable	338	361	-6%
Total current liabilities	10,919	8,269	32%
Long-term debt	8,922	9,415	-5%
Operating lease liabilities	2,736	2,898	-6%
Deferred income taxes and other liabilities	2,689	2,992	-10%
Redeemable preferred stock	—	—	—
Shareholders' equity	15,822	14,343	10%
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ 41,088</b>	<b>\$ 37,917</b>	<b>8%</b>

**NIKE, Inc.**  
**DIVISIONAL REVENUES**  
(Unaudited)

<i>(Dollars in millions)</i>	<b>THREE MONTHS ENDED</b>		<b>%</b>	<b>% Change</b>
	<b>8/31/2022</b>	<b>8/31/2021</b>	<b>Change</b>	<b>Excluding Currency Changes<sup>1</sup></b>
<b>North America</b>				
Footwear	\$ 3,805	\$ 3,264	17%	17%
Apparel	1,494	1,430	4%	5%
Equipment	211	185	14%	14%
Total	5,510	4,879	13%	13%
<b>Europe, Middle East &amp; Africa</b>				
Footwear	2,012	1,983	1%	18%
Apparel	1,153	1,159	-1%	15%
Equipment	168	165	2%	18%
Total	3,333	3,307	1%	17%
<b>Greater China</b>				
Footwear	1,233	1,449	-15%	-11%
Apparel	374	476	-21%	-18%
Equipment	49	57	-14%	-10%
Total	1,656	1,982	-16%	-13%
<b>Asia Pacific &amp; Latin America</b>				
Footwear	1,064	1,022	4%	15%
Apparel	413	385	7%	19%
Equipment	58	58	0%	12%
Total	1,535	1,465	5%	16%
<b>Global Brand Divisions<sup>2</sup></b>	14	7	100%	96%
<b>TOTAL NIKE BRAND</b>	<b>12,048</b>	<b>11,640</b>	<b>4%</b>	<b>10%</b>
Converse	643	629	2%	8%
Corporate <sup>3</sup>	(4)	(21)	—	—
<b>TOTAL NIKE, INC. REVENUES</b>	<b>\$ 12,687</b>	<b>\$ 12,248</b>	<b>4%</b>	<b>10%</b>
<b>TOTAL NIKE BRAND</b>				
Footwear	\$ 8,114	\$ 7,718	5%	12%
Apparel	3,434	3,450	0%	7%
Equipment	486	465	5%	12%
Global Brand Divisions <sup>2</sup>	14	7	100%	96%
<b>TOTAL NIKE BRAND REVENUES</b>	<b>\$ 12,048</b>	<b>\$ 11,640</b>	<b>4%</b>	<b>10%</b>

<sup>1</sup> 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.

<sup>2</sup> Global Brand Divisions revenues include NIKE Brand licensing and other miscellaneous revenues that are not part of a geographic operating segment.

<sup>3</sup> 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 TAXES<sup>1</sup>**  
*(Unaudited)*

<i>(Dollars in millions)</i>	THREE MONTHS ENDED		%
	8/31/2022	8/31/2021	Change
North America	\$ 1,377	\$ 1,434	-4%
Europe, Middle East & Africa	975	875	11%
Greater China	541	701	-23%
Asia Pacific & Latin America	500	481	4%
Global Brand Divisions <sup>2</sup>	(1,187)	(987)	-20%
<b>TOTAL NIKE BRAND<sup>1</sup></b>	<b>2,206</b>	<b>2,504</b>	<b>-12%</b>
Converse	209	204	2%
Corporate <sup>3</sup>	(574)	(545)	-5%
<b>TOTAL NIKE, INC. EARNINGS BEFORE INTEREST AND TAXES<sup>1</sup></b>	<b>1,841</b>	<b>2,163</b>	<b>-15%</b>
<i>EBIT margin<sup>1</sup></i>	14.5 %	17.7 %	
Interest expense (income), net	13	57	—
<b>TOTAL NIKE, INC. INCOME BEFORE INCOME TAXES</b>	<b>\$ 1,828</b>	<b>\$ 2,106</b>	<b>-13%</b>

<sup>1</sup> 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. EBIT margin is calculated as EBIT divided by total NIKE, Inc. Revenues. 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 information that should be considered when assessing the Company's underlying business performance and trends. 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.

<sup>2</sup> 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.

<sup>3</sup> 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.