

**NIKE, Inc.**  
**CONSOLIDATED STATEMENTS OF INCOME**

(Unaudited)

<i>(In millions, except per share data)</i>	THREE MONTHS ENDED			%	NINE MONTHS ENDED			%	
	2/28/2023	2/28/2022	Change	2/28/2023	2/28/2022	Change	2/28/2023	2/28/2022	Change
Revenues	\$ 12,390	\$ 10,871	14%	\$ 38,392	\$ 34,476	11%			
Cost of sales	7,019	5,804	21%	21,695	18,500	17%			
Gross profit	5,371	5,067	6%	16,697	15,976	5%			
<i>Gross margin</i>	43.3 %	46.6 %		43.5 %	46.3 %				
Demand creation expense	923	854	8%	2,968	2,789	6%			
Operating overhead expense	3,036	2,584	17%	9,035	7,980	13%			
Total selling and administrative expense	3,959	3,438	15%	12,003	10,769	11%			
<i>% of revenues</i>	32.0 %	31.6 %		31.3 %	31.2 %				
Interest expense (income), net	(7)	53	—	22	165	—			
Other (income) expense, net	(58)	(94)	—	(283)	(235)	—			
Income before income taxes	1,477	1,670	-12%	4,955	5,277	-6%			
Income tax expense	237	274	-14%	916	670	37%			
<i>Effective tax rate</i>	16.0 %	16.4 %		18.5 %	12.7 %				
<b>NET INCOME</b>	<b>\$ 1,240</b>	<b>\$ 1,396</b>	<b>-11%</b>	<b>\$ 4,039</b>	<b>\$ 4,607</b>	<b>-12%</b>			
Earnings per common share:									
Basic	\$ 0.80	\$ 0.88	-9%	\$ 2.59	\$ 2.91	-11%			
Diluted	\$ 0.79	\$ 0.87	-9%	\$ 2.57	\$ 2.85	-10%			
Weighted average common shares outstanding:									
Basic	1,543.8	1,579.0		1,556.7	1,581.1				
Diluted	1,564.8	1,610.7		1,574.4	1,615.8				
Dividends declared per common share	\$ 0.340	\$ 0.305		\$ 0.985	\$ 0.885				

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

<i>(Dollars in millions)</i>	February 28, 2023	February 28, 2022	% Change
<b>ASSETS</b>			
Current assets:			
Cash and equivalents	\$ 6,955	\$ 8,704	-20%
Short-term investments	3,847	4,763	-19%
Accounts receivable, net	4,513	3,827	18%
Inventories	8,905	7,700	16%
Prepaid expenses and other current assets	1,815	1,968	-8%
Total current assets	26,035	26,962	-3%
Property, plant and equipment, net	4,939	4,806	3%
Operating lease right-of-use assets, net	2,834	2,959	-4%
Identifiable intangible assets, net	277	291	-5%
Goodwill	281	284	-1%
Deferred income taxes and other assets	3,928	3,275	20%
<b>TOTAL ASSETS</b>	<b>\$ 38,294</b>	<b>\$ 38,577</b>	<b>-1%</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Current liabilities:			
Current portion of long-term debt	\$ 500	\$ —	—
Notes payable	14	—	—
Accounts payable	2,675	2,770	-3%
Current portion of operating lease liabilities	435	455	-4%
Accrued liabilities	5,594	5,391	4%
Income taxes payable	330	202	63%
Total current liabilities	9,548	8,818	8%
Long-term debt	8,925	9,418	-5%
Operating lease liabilities	2,692	2,784	-3%
Deferred income taxes and other liabilities	2,598	2,748	-5%
Redeemable preferred stock	—	—	—
Shareholders' equity	14,531	14,809	-2%
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ 38,294</b>	<b>\$ 38,577</b>	<b>-1%</b>

# NIKE, Inc.

## DIVISIONAL REVENUES

(Unaudited)

<i>(Dollars in millions)</i>	THREE MONTHS ENDED			%	% Change Excluding Currency Changes <sup>1</sup>	NINE MONTHS ENDED			%	% Change Excluding Currency Changes <sup>1</sup>
	2/28/2023	2/28/2022	Change			2/28/2023	2/28/2022	Change		
<b>North America</b>										
Footwear	\$ 3,322	\$ 2,532		31%	31%	\$ 11,090	\$ 8,648		28%	28%
Apparel	1,419	1,207		18%	18%	4,598	4,117		12%	12%
Equipment	172	143		20%	21%	565	473		19%	20%
Total	4,913	3,882		27%	27%	16,253	13,238		23%	23%
<b>Europe, Middle East &amp; Africa</b>										
Footwear	2,011	1,569		28%	39%	6,086	5,358		14%	30%
Apparel	1,094	1,083		1%	10%	3,528	3,444		2%	18%
Equipment	141	127		11%	20%	454	426		7%	22%
Total	3,246	2,779		17%	26%	10,068	9,228		9%	25%
<b>Greater China</b>										
Footwear	1,496	1,554		-4%	5%	4,099	4,238		-3%	4%
Apparel	461	548		-16%	-8%	1,228	1,588		-23%	-17%
Equipment	37	58		-36%	-31%	111	160		-31%	-26%
Total	1,994	2,160		-8%	1%	5,438	5,986		-9%	-2%
<b>Asia Pacific &amp; Latin America</b>										
Footwear	1,141	1,005		14%	20%	3,313	2,914		14%	24%
Apparel	407	394		3%	9%	1,255	1,181		6%	18%
Equipment	53	62		-15%	-12%	167	178		-6%	3%
Total	1,601	1,461		10%	15%	4,735	4,273		11%	22%
<b>Global Brand Divisions<sup>2</sup></b>	12	41		-71%	-69%	44	54		-19%	-17%
<b>TOTAL NIKE BRAND</b>	<b>11,766</b>	<b>10,323</b>		<b>14%</b>	<b>19%</b>	<b>36,538</b>	<b>32,779</b>		<b>11%</b>	<b>19%</b>
Converse	612	567		8%	12%	1,841	1,753		5%	10%
Corporate <sup>3</sup>	12	(19)		—	—	13	(56)		—	—
<b>TOTAL NIKE, INC. REVENUES</b>	<b>\$ 12,390</b>	<b>\$ 10,871</b>		<b>14%</b>	<b>19%</b>	<b>\$ 38,392</b>	<b>\$ 34,476</b>		<b>11%</b>	<b>19%</b>
<b>TOTAL NIKE BRAND</b>										
Footwear	\$ 7,970	\$ 6,660		20%	25%	\$ 24,588	\$ 21,158		16%	24%
Apparel	3,381	3,232		5%	10%	10,609	10,330		3%	10%
Equipment	403	390		3%	8%	1,297	1,237		5%	12%
Global Brand Divisions <sup>2</sup>	12	41		-71%	-69%	44	54		-19%	-17%
<b>TOTAL NIKE BRAND REVENUES</b>	<b>\$ 11,766</b>	<b>\$ 10,323</b>		<b>14%</b>	<b>19%</b>	<b>\$ 36,538</b>	<b>\$ 32,779</b>		<b>11%</b>	<b>19%</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)

(Dollars in millions)	THREE MONTHS ENDED			NINE MONTHS ENDED		
	2/28/2023	2/28/2022	%	2/28/2023	2/28/2022	%
			Change			Change
North America	\$ 1,190	\$ 967	23%	\$ 4,064	\$ 3,636	12%
Europe, Middle East & Africa	785	713	10%	2,750	2,394	15%
Greater China	702	784	-10%	1,754	2,054	-15%
Asia Pacific & Latin America	485	478	1%	1,470	1,347	9%
Global Brand Divisions <sup>2</sup>	(1,160)	(975)	-19%	(3,573)	(3,033)	-18%
<b>TOTAL NIKE BRAND<sup>1</sup></b>	<b>2,002</b>	<b>1,967</b>	<b>2%</b>	<b>6,465</b>	<b>6,398</b>	<b>1%</b>
Converse	164	168	-2%	526	504	4%
Corporate <sup>3</sup>	(696)	(412)	-69%	(2,014)	(1,460)	-38%
<b>TOTAL NIKE, INC. EARNINGS BEFORE INTEREST AND TAXES<sup>1</sup></b>	<b>1,470</b>	<b>1,723</b>	<b>-15%</b>	<b>4,977</b>	<b>5,442</b>	<b>-9%</b>
<i>EBIT margin<sup>1</sup></i>	11.9 %	15.8 %		13.0 %	15.8 %	
Interest expense (income), net	(7)	53	—	22	165	—
<b>TOTAL NIKE, INC. INCOME BEFORE INCOME TAXES</b>	<b>\$ 1,477</b>	<b>\$ 1,670</b>	<b>-12%</b>	<b>\$ 4,955</b>	<b>\$ 5,277</b>	<b>-6%</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.