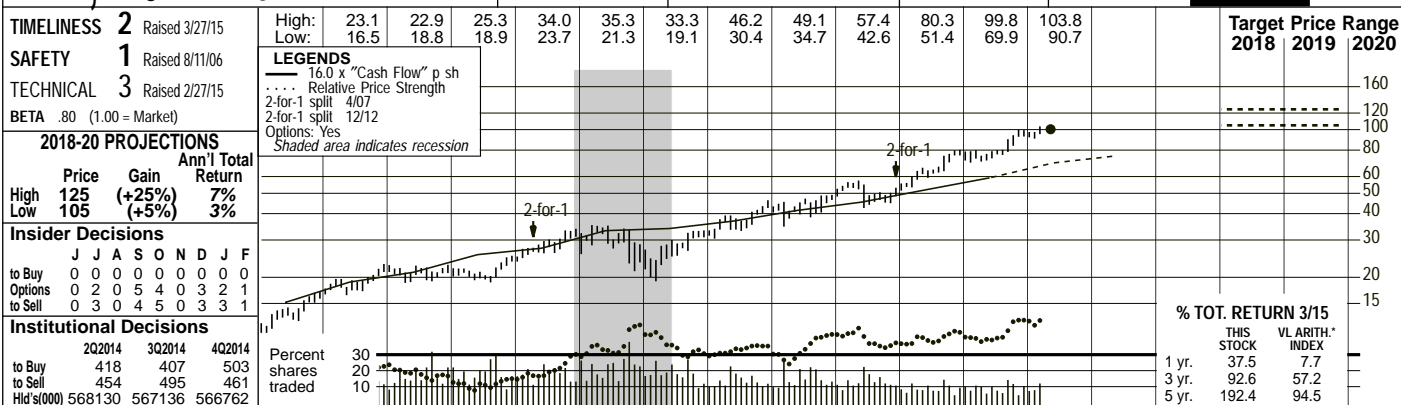


NIKE, INC. 'B' NYSE-NKE

RECENT PRICE **100.29** P/E RATIO **28.2** (Trailing: 28.7 Median: 18.0) RELATIVE P/E RATIO **1.45** DIV'D YLD **1.1%** **VALUE LINE**



1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	© VALUE LINE PUB. LLC	18-20
7.77	8.34	8.83	9.29	10.15	11.64	13.08	14.44	16.20	18.96	19.75	19.64	21.94	26.34	28.31	31.95	35.60	38.05	Sales per sh ^A	51.75
.63	.74	.75	.89	.95	1.18	1.32	1.60	1.72	2.07	2.12	2.30	2.60	2.83	3.25	3.69	4.35	4.70	"Cash Flow" per sh	7.00
.42	.53	.54	.62	.69	.88	1.12	1.32	1.43	1.72	1.76	1.93	2.20	2.37	2.69	2.97	3.55	3.85	Earnings per sh ^{AB}	6.00
.12	.12	.12	.12	.14	.19	.24	.30	.36	.44	.49	.53	.60	.70	.81	.93	1.04	1.18	Div'ds Decl'd per sh ^{CA}	1.80
.34	.39	.30	.27	.18	.20	.24	.32	.31	.46	.47	.35	.45	.65	.71	1.01	1.15	1.05	Cap'l Spending per sh	1.25
2.95	2.91	3.25	3.61	3.78	4.54	5.37	6.07	6.97	7.97	8.95	10.08	10.35	11.33	12.48	12.44	14.90	16.90	Book Value per sh	23.95
1129.2	1078.4	1074.4	1064.4	1054.4	1052.4	1050.4	1036.0	1007.6	982.20	971.00	968.00	951.00	916.00	894.00	870.00	858.00	850.00	Common Shs Outst'g ^{FG}	810.00
28.1	22.7	20.2	21.2	17.1	18.4	17.9	16.0	16.4	17.8	15.3	16.4	18.2	20.4	19.4	24.2	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	19.0
1.60	1.48	1.04	1.16	.97	.97	.95	.86	.87	1.07	1.02	1.04	1.14	1.30	1.09	1.27			Relative P/E Ratio	1.20
1.0%	1.0%	1.1%	.9%	1.1%	1.1%	1.2%	1.4%	1.5%	1.4%	1.8%	1.7%	1.5%	1.4%	1.5%	1.3%			Avg Ann'l Div'd Yield	1.6%

CAPITAL STRUCTURE as of 2/28/15
 Total Debt \$1251 mill. Due in 5 Yrs \$237 mill.
 LT Debt \$1082 mill. LT Interest \$35.0
 (8% of Capital)

Leases, Uncapitalized Annual rentals \$427 mill.
No Defined Benefit Pension Plan

Preferred Stock None

Common Stock 859,747,555 shares
 (178 mill. Class A shares; 682 mill. Class B shares.) as of 4/2/15
MARKET CAP: \$86.2 billion (Large Cap)

CURRENT POSITION	2013	2014	2/28/15
Cash Assets	5965	5142	5361
Receivables	3117	3434	3294
Inventory (LIFO)	3434	3947	4246
Other	1110	1173	2306
Current Assets	13626	13696	15207
Accts Payable	1646	1930	1821
Debt Due	178	174	169
Other	2102	2923	3596
Current Liab.	3926	5027	5586

ANNUAL RATES	Past 10 Yrs.	Past 5 Yrs.	Est'd '12-'14
of change (per sh)			
Sales	11.0%	9.5%	12.5%
"Cash Flow"	12.5%	10.5%	16.5%
Earnings	14.0%	10.5%	17.5%
Dividends	18.5%	13.5%	17.5%
Book Value	12.0%	8.5%	14.5%

Fiscal Year Ends	Aug.31	Nov.30	Feb.28	May 31	Full Fiscal Year
2012	6081	5731	5846	6470	24128
2013	6474	5955	6187	6697	25313
2014	6971	6431	6972	7425	27799
2015	7982	7380	7460	7738	30560
2016	8190	7620	7995	8545	32350

Fiscal Year Ends	Aug.31	Nov.30	Feb.28	May 31	Full Fiscal Year
2012	.68	.50	.60	.59	2.37
2013	.63	.57	.73	.76	2.69
2014	.86	.59	.75	.78	2.97
2015	1.09	.74	.89	.83	3.55
2016	1.10	.80	1.00	.95	3.85

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2011	..0	.155	.155	.155	.47
2012	.18	.18	.19	.39 ^E	.93
2013	..	.21	.21	.21	.63
2014	.24	.24	.24	.24	.96
2015	.28	.28			

BUSINESS: NIKE designs, develops, and markets footwear, apparel, equipment, accessories, and services. It sells products to retail accounts, through NIKE-owned retail stores and the Internet, and through a mix of independent distributors and licensees in approximately 190 countries. Has 322 domestic and 536 international locations (including factory stores) as of 5/31/14. Has about 56,500 employees (including retail and part-time employees). Officers & directors own 75.1% of Class A and 17.2% of Class B shares; The Vanguard Group, 6.0% of Class B; BlackRock, 5.8% of Class B (7/14 proxy). Chairman: Philip H. Knight. President & CEO: Mark G. Parker. Incorporated: OR. Address: One Bowerman Dr., Beaverton, OR 97005. Telephone: 503-671-6453. Internet: www.nikeinc.com.

Underlying demand for NIKE's products is much stronger than recent reported sales suggest. Weaker-than-expected top-line growth in the fiscal third quarter (ended February 28th) was largely the result of a stronger dollar against most other currencies. On a currency-neutral basis, sales grew 13%, year to year, versus the reported gain of 7%. Excluding changes in currency, sales in Western Europe jumped an impressive 21% as NIKE continues to win market share. Greater China is clearly back into growth mode, with a 17% gain, after retail operations there underwent a strategic resetting. Revenue in North America rose a more modest 6%, hindered by port congestion on the U.S. West Coast, a problem which will linger through the May quarter. Performance in Mexico, Russia, and Brazil will likely remain soft. Reported futures orders were up only 2%, but in constant currency increased a solid 11%, including 15% in North America. NIKE expects currency translation to shave 8% and 5% from sales in the May quarter and fiscal 2016, respectively, as reflected in our estimates. **A stronger dollar will also dampen**

gross margins in the near term. Fiscal third-quarter gross margin expanded 140 basis points, which drove better-than-expected earnings. However, negative currency translation effects should be more intense over the next several months. We're looking for margin improvement as fiscal 2016 progresses, though, based on pricing power of the brand, an ongoing shift toward more-profitable products, and lean manufacturing processes. **The company is investing heavily to support future growth.** A top priority is developing and expanding the digital platform, including e-commerce, where February-period sales jumped 42%. Sites are now offered in 18 languages. Women are also purchasing more workout and "athleisure" apparel and footwear, and NIKE is on top of this trend. And, as always, the company continues to roll out innovative new products. **Momentum investors may find interest in this timely issue.** But we think the valuation is too high for longer-term accounts, even given the top mark for Safety and NIKE's stellar balance sheet. *Craig Sirois* *May 1, 2015*