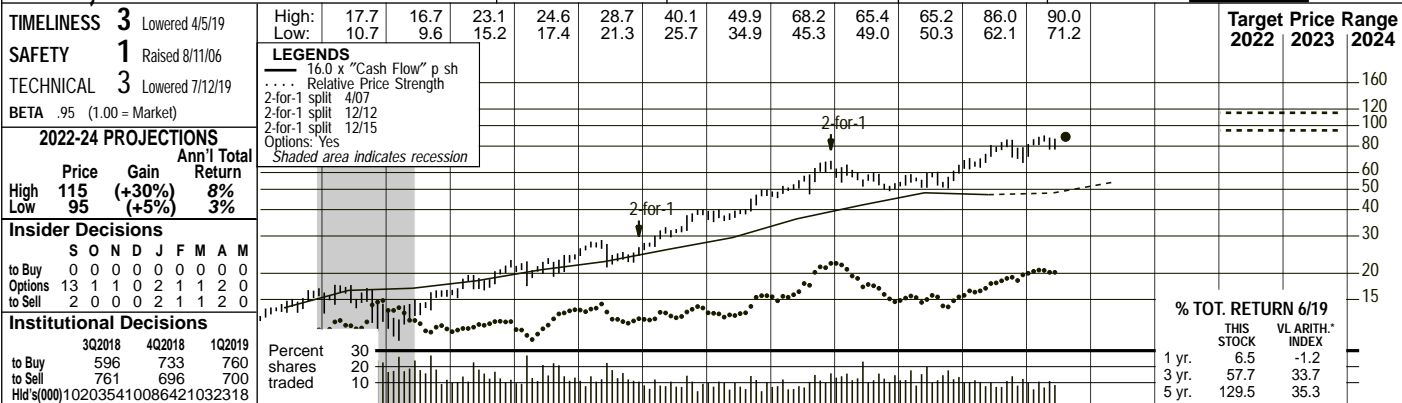


NIKE, INC. 'B' NYSE-NKE

RECENT PRICE **88.60** P/E RATIO **33.8** (Trailing: 35.6; Median: 21.0) RELATIVE P/E RATIO **1.98** DIV'D YLD **1.0%** **VALUE LINE**



2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	© VALUE LINE PUB. LLC	22-24
5.07	5.82	6.54	7.22	8.10	9.48	9.87	9.82	10.97	13.17	14.16	15.98	17.85	19.25	20.91	22.73	24.77	26.95	Sales per sh ^A	35.20
.48	.59	.66	.80	.86	1.04	1.06	1.15	1.30	1.42	1.62	1.85	2.26	2.62	3.01	2.95	3.00	3.40	"Cash Flow" per sh	5.80
.35	.44	.56	.66	.72	.86	.88	.97	1.10	1.18	1.35	1.49	1.85	2.16	2.51	2.40	2.49	2.90	Earnings per sh ^{AB}	5.20
.07	.09	.12	.15	.18	.22	.25	.27	.30	.35	.41	.47	.54	.62	.70	.78	.86	.94	Div'ds Decl'd per sh ^{CD}	1.34
.09	.10	.12	.16	.16	.23	.23	.17	.23	.33	.36	.51	.56	.68	.67	.64	.75	.80	Cap'l Spending per sh	1.05
1.89	2.27	2.69	3.03	3.49	3.98	4.48	5.04	5.18	5.67	6.24	6.22	7.41	7.29	7.55	6.13	6.30	6.30	Book Value per sh	8.45
2108.8	2104.8	2100.8	2072.0	2015.2	1964.4	1942.0	1936.0	1902.0	1832.0	1788.0	1740.0	1714.0	1682.0	1643.0	1601.0	1579.0	1565.0	Common Shs Outst'g ^{EF}	1535.0
17.1	18.4	17.9	16.0	16.5	17.8	15.3	16.4	18.2	20.4	19.4	24.2	24.4	27.5	21.6	25.3			Avg Ann'l P/E Ratio	20.0
.97	.97	.95	.86	.88	1.07	1.02	1.04	1.14	1.30	1.09	1.27	1.23	1.44	1.09	1.35			Relative P/E Ratio	1.10
1.1%	1.1%	1.2%	1.4%	1.5%	1.4%	1.8%	1.7%	1.5%	1.4%	1.5%	1.3%	1.2%	1.0%	1.3%	1.3%			Avg Ann'l Div'd Yield	1.3%

CAPITAL STRUCTURE as of 5/31/19		2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Debt	\$3479 mill.	19176	19014	20862	24128	25313	27799	30601	32376	34350	36397	39117	42210						
LT Debt	\$3464 mill.	14.5%	14.7%	15.1%	14.1%	14.6%	15.1%	15.6%	15.9%	15.9%	14.3%	15.6%	16.2%						
LT Interest	\$190 mill.	335.0	323.7	335.0	373.0	438.0	518.0	606.0	649.0	706.0	747.0	705	750						
	(28% of Capital)	1727.4	1906.7	2133.0	2223.0	2464.0	2693.0	3273.0	3760.0	4240.0	3974.0	4029.0	4540						
Leases, Uncapitalized	Annual rentals \$491 mill.	26.7%	24.2%	25.0%	25.5%	24.7%	24.0%	22.2%	18.7%	13.2%	8.1%	20.0%	20.0%						
No Defined Benefit Pension Plan		9.0%	10.0%	10.2%	9.2%	9.7%	9.7%	10.7%	11.6%	12.3%	10.9%	10.3%	10.8%						
Preferred Stock	None	6457.0	7595.0	7339.0	7666.0	9700.0	8669.0	9642.0	9667.0	10587	9094.0	8659.0	9000						
Common Stock	1,579,749,591 shares	437.2	445.8	276.0	228.0	1210.0	1199.0	1079.0	2010.0	3471.0	3468.0	3464.0	3350						
Class A shares	315,024,752	8693.1	9753.7	9843.0	10381	11156	10824	12707	12258	12407	9812.0	9040.0	9850						
Class B shares	1,264,724,839	19.1%	18.7%	21.1%	21.0%	20.0%	22.6%	23.8%	26.5%	26.9%	30.3%	33.0%	35.0%						
MARKET CAP: \$140.0 billion (Large Cap)		19.9%	19.5%	21.7%	21.4%	22.1%	24.9%	25.8%	30.7%	34.2%	40.5%	44.6%	46.0%						
CURRENT POSITION		14.5%	14.4%	16.0%	15.5%	15.8%	17.5%	18.7%	22.3%	25.0%	27.8%	29.5%	31.0%						
(SMILL.)		27%	27%	26%	28%	29%	30%	27%	27%	27%	31%	35%	32%						
Cash Assets	6179	5245	4663																
Receivables	3677	3498	4272																
Inventory (LIFO)	5055	5261	5622																
Other	1150	1130	1968																
Current Assets	16061	15134	16525																
Accts Payable	2048	2279	2612																
Debt Due	331	342	15																
Other	3095	3419	5239																
Current Liab.	5474	6040	7866																

BUSINESS: NIKE designs, develops, and markets footwear, apparel, equipment, and accessories. Sells products to retail accounts, through NIKE-owned stores and the Internet, and through a mix of independent distributors and licensees in numerous countries. Offerings are focused in six categories: running, basketball, the Jordan brand, football (soccer), training, and sportswear. There is another product line for kids. Has about 73,100 employees (including part-timers). Swoosh, LLC, owns 77.5% Cl. A shares, 16.7% Cl. B; officers/directors, 3.9% of Cl. B; The Vanguard Group, 7.8%; BlackRock, 6.1% (8/18 proxy). Chairman & CEO: Mark G. Parker. Inc.: Oregon. Address: One Bowerman Drive, Beaverton, OR 97005. Telephone: 503-671-6453. Internet: www.nikeinc.com.

ANNUAL RATES		Past 10 Yrs.	Past 5 Yrs.	Est'd '16-'18 to '22-'24
of change (per sh)		10.0%	10.5%	9.0%
Sales		12.5%	14.5%	13.0%
"Cash Flow"		12.0%	14.5%	14.0%
Earnings		14.5%	15.0%	12.0%
Dividends		7.0%	4.0%	3.0%
Book Value				

Fiscal Year Ends	QUARTERLY SALES (\$ mill.) ^A				Full Fiscal Year
	Aug.31	Nov.30	Feb.28	May 31	
2016	8414	7686	8032	8244	32376
2017	9061	8180	8432	8677	34350
2018	9070	8554	8984	9789	36397
2019	9948	9374	9611	10184	39117
2020	10440	10150	10450	11170	42210

Fiscal Year Ends	EARNINGS PER SHARE ^{AB}				Full Fiscal Year
	Aug.31	Nov.30	Feb.28	May 31	
2016	.67	.45	.55	.49	2.16
2017	.73	.50	.68	.60	2.51
2018	.57	.46	.68	.69	2.40
2019	.67	.52	.68	.62	2.49
2020	.71	.61	.75	.83	2.90

Cal-endar	QUARTERLY DIVIDENDS PAID ^{CM}				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2015	.14	.14	.14	.14	.56
2016	.16	.16	.16	.16	.64
2017	.18	.18	.18	.18	.72
2018	.20	.20	.20	.20	.80
2019	.22	.22	.22	.22	.88

NIKE looks poised to post earnings growth north of 15% in fiscal 2020. (Fiscal years end May 31st.) The company closed out fiscal 2019 in fine fashion, and most operating metrics heading into the new campaign looked good. Notably, growth in the vital North American market was handsome, as was operations in China and various other parts of the world. Additionally, sales of women's items were perking up (more color below) and the direct-to-consumer option was growing in popularity. These two areas were ones that management wanted to build out, and successes are visible on both fronts. Finally, in the fiscal fourth-quarter press release, management stated that the tariff situation was not having a noticeable impact on profitability, alleviating a major overhang heading into fiscal 2020. **The 4th of July holiday saw NIKE caught up in some controversy.** The planned release of the *Air Max 1 USA* was scrapped when pitchman Colin Kaepernick opined that the Betsy Ross flag on the heel of the sneaker was offensive because of ties to the time of slavery. As is often the case today, angry rhetoric on whether or not that particular flag is offensive poured out on both sides of the argument and social media and the media in general ran with the topic/debate. NIKE got free publicity it likely could have done without, and the \$120 pair of sneakers quickly sold for \$2,500 online due to their rarity and controversial back story. **The company's investments in women's sports are paying off.** Not all the news surrounding the American flag was negative. The U.S. Women's World Cup wrapped up this month, and the jersey of our national team is now Nike.com's highest-selling soccer jersey of all time (men's or women's). Obviously, NIKE was a sponsor of the successful team, and along with the related press releases, we also learned that the swoosh is now the biggest seller of sports bras in the North America market. **These high-quality shares do not have much investment appeal at recent price points.** The stock is neutrally ranked for year-ahead relative price performance, and longer-term capital appreciation potential is subpar. *Erik M. Manning* July 26, 2019

(A) Fiscal years end May 31st. (B) Diluted earnings. Excludes nonrecurring: '03, (25c); '07, 2c; '08, 8c; '09, (13c); '13, 1c; '18, (\$1.23) due to tax law change. Next egs. report due late September. (C) Dividends historically paid in early January, April, July, and October. ■ Reinvestment plan available. (D) Includes 21¢ dividend paid December 2012. (E) In millions, adjusted for splits. (F) Each share of Class A is convertible to one share of Class B. Company's Financial Strength A++ Stock's Price Stability 80 Price Growth Persistence 95 Earnings Predictability 95 To subscribe call 1-800-VALUELINE