

NIKE INC
Form 424B2
April 24, 2013
Table of Contents

Filed Pursuant to Rule 424(b)(2)
Registration No. 333-188072

CALCULATION OF REGISTRATION FEE

	Amount to be Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(1)
2.250% Notes due 2023	\$500,000,000	99.830%	\$499,150,000	\$68,084.06
3.625% Notes due 2043	\$500,000,000	99.709%	\$498,545,000	\$68,001.54

(1) Calculated in accordance with Rule 457(r) of the Securities Act.

Table of Contents**Prospectus Supplement**

(To Prospectus Dated April 23, 2013)

\$1,000,000,000**NIKE, Inc.****\$500,000,000 2.250% Notes due 2023****\$500,000,000 3.625% Notes due 2043**

We are offering \$500,000,000 of our 2.250% notes due 2023 (the 2023 notes) and \$500,000,000 of our 3.625% notes due 2043 (the 2043 notes and, together with the 2023 notes, the notes). The 2023 notes will bear interest at the rate of 2.250% per year and will mature on May 1, 2023, and the 2043 notes will bear interest at the rate of 3.625% per year and will mature on May 1, 2043. Interest on the notes will accrue from April 26, 2013 and be payable on May 1 and November 1 of each year, commencing on November 1, 2013. We may redeem the notes in whole or in part at any time or from time to time at the applicable redemption prices described under the heading Description of Notes Optional Redemption in this prospectus supplement. The notes will be our senior unsecured obligations and will rank equally with our other unsecured and unsubordinated indebtedness from time to time outstanding.

Investing in the notes involves risks. See Risk Factors beginning on page S-7 of this prospectus supplement and in Item 1A of our Annual Report on Form 10-K for the fiscal year ended May 31, 2012, which is incorporated by reference herein.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the notes or determined that this prospectus supplement or the accompanying prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

	Public Offering Price(1)	Underwriting Discounts	Proceeds to NIKE(1)
Per 2023 note	99.830%	0.650%	99.180%
Total	\$ 499,150,000	\$ 3,250,000	\$ 495,900,000
Per 2043 note	99.709%	0.875%	98.834%
Total	\$ 498,545,000	\$ 4,375,000	\$ 494,170,000
Total	\$ 997,695,000	\$ 7,625,000	\$ 990,070,000

(1) Plus accrued interest, if any, from April 26, 2013.

The notes will not be listed on any securities exchange. Currently, there are no public trading markets for the notes.

The underwriters expect to deliver the notes to investors through the book-entry delivery system of The Depository Trust Company and its participants, including Clearstream Banking, S.A. and Euroclear Bank, S.A./N.V. on or about April 26, 2013.

Joint Book-Running Managers

BofA Merrill Lynch

Citigroup
Co-Managers

Deutsche Bank Securities

Barclays

Credit Agricole CIB

RBC Capital Markets

RBS

Wells Fargo Securities

The date of this prospectus supplement is April 23, 2013.

Table of Contents**TABLE OF CONTENTS****Prospectus Supplement**

	Page
<u>About This Prospectus Supplement</u>	S-ii
<u>Where You Can Find More Information</u>	S-ii
<u>Forward-Looking Statements</u>	S-iii
<u>Prospectus Supplement Summary</u>	S-1
<u>Risk Factors</u>	S-7
<u>Use of Proceeds</u>	S-10
<u>Capitalization</u>	S-11
<u>Description of Notes</u>	S-12
<u>United States Federal Income Tax Considerations</u>	S-20
<u>Underwriting</u>	S-24
<u>Legal Matters</u>	S-28
<u>Experts</u>	S-28
<u>Incorporation of Certain Documents by Reference</u>	S-28

Prospectus

	Page
<u>About This Prospectus</u>	1
<u>NIKE</u>	1
<u>Where You Can Find More Information</u>	2
<u>Forward-Looking Statements</u>	3
<u>Risk Factors</u>	5
<u>Selected Financial Data</u>	5
<u>Ratio of Earnings to Fixed Charges</u>	6
<u>Use of Proceeds</u>	7
<u>Description of Debt Securities</u>	8
<u>Plan of Distribution</u>	18
<u>Legal Matters</u>	18
<u>Experts</u>	18

We have not, and the underwriters have not, authorized anyone to provide you with information other than that contained in or incorporated by reference into this prospectus supplement, the accompanying prospectus or any free writing prospectus we have provided to you or filed with the SEC in connection with this offering. We and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are not, and the underwriters are not, making an offer of these securities or soliciting an offer to buy these securities in any jurisdiction where the offer is not permitted. You should assume that the information appearing in this prospectus supplement and the accompanying prospectus, including the documents incorporated by reference herein and therein, and any free writing prospectus is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates. The descriptions set forth in this prospectus supplement replace and supplement, where inconsistent, the description of the general terms and provisions set forth in the accompanying prospectus.

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering and the notes and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference into this prospectus supplement and the accompanying prospectus. The second part, the accompanying prospectus, gives more general information about us and the securities we may offer from time to time under our shelf registration statement, some of which may not apply to this offering of notes. If the description of this offering of notes in the accompanying prospectus is different from the description in this prospectus supplement, you should rely on the information contained in this prospectus supplement.

You should read this prospectus supplement, the accompanying prospectus, the documents incorporated by reference into this prospectus supplement and the accompanying prospectus and any free writing prospectus provided in connection with this offering before deciding whether to invest in the notes.

You should not consider any information in this prospectus supplement or the accompanying prospectus to be investment, legal or tax advice. You should consult your own counsel, accountants and other advisers for legal, tax, business, financial and related advice regarding the purchase of any of the notes offered by this prospectus supplement.

Unless otherwise indicated or the context otherwise requires, references in this prospectus supplement, the accompanying prospectus and any free writing prospectus provided in connection with this offering to the Company, NIKE, we, us and our refer to NIKE, Inc. and its consolidated subsidiaries.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the Securities and Exchange Commission, or the SEC. You can inspect and copy, at prescribed rates, these reports, proxy statements and other information at the Public Reference Room of the SEC at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Rooms. Our filings are available over the internet at the SEC's web site at www.sec.gov, as well as our web site at www.nikeinc.com. The information on our web site is not part of this prospectus supplement or the accompanying prospectus. You can inspect reports and other information we file at the office of The New York Stock Exchange, Inc., 11 Wall Street, New York, New York 10005.

We have filed with the SEC a registration statement, of which this prospectus supplement and the accompanying prospectus are a part, and related exhibits with the SEC under the Securities Act of 1933, as amended, or the Securities Act. The registration statement contains additional information about us and the securities. You may inspect the registration statement and exhibits without charge at the office of the SEC at 100 F Street, N.E., Washington, D.C. 20549, and you may obtain copies from the SEC at prescribed rates. The registration statement is also available to you on the SEC's web site, www.sec.gov.

Table of Contents

FORWARD-LOOKING STATEMENTS

Certain statements included or incorporated by reference into this prospectus supplement and the accompanying prospectus, other than purely historical information, including estimates, projections, statements relating to our business plans, objectives, expected operating results and our expected use of proceeds from this offering, and the assumptions upon which those statements are based, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements and may contain the words believe, anticipate, expect, estimate, project, will be, will continue, will likely result or words or phrases of similar meaning. Forward-looking statements involve risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements:

international, national and local general economic and market conditions;

the size and growth of the overall athletic footwear, apparel and equipment markets;

intense competition among designers, marketers, distributors and sellers of athletic footwear, apparel and equipment for consumers and endorsers;

demographic changes;

changes in consumer preferences;

popularity of particular designs, categories of products and sports;

seasonal and geographic demand for our products;

difficulties in anticipating or forecasting changes in consumer preferences, consumer demand for our products and the various market factors described above;

difficulties in implementing, operating and maintaining our increasingly complex information systems and controls, including, without limitation, the systems related to demand and supply planning and inventory control;

interruptions in data and information technology systems;

data security;

fluctuations and difficulty in forecasting operating results, including, without limitation, the fact that advance futures orders may not be indicative of future revenues due to changes in shipment timing, the changing mix of futures and at-once orders, and discounts, order cancellations and returns;

our ability to sustain, manage or forecast our growth and inventories;

the size, timing and mix of purchases of our products;

increases in the cost of materials and energy used to manufacture products, new product development and introduction;

the ability to secure and protect trademarks, patents and other intellectual property;

performance and reliability of products;

customer service;

adverse publicity;

the loss of significant customers or suppliers;

dependence on distributors and licensees;

S-iii

Table of Contents

business disruptions;

increased costs of freight and transportation to meet delivery deadlines;

increases in borrowing costs due to any decline in our debt ratings;

changes in business strategy or development plans;

general risks associated with doing business outside the United States, including without limitation, exchange rate fluctuations, import duties, tariffs, quotas, political and economic instability and terrorism;

changes in government regulations;

the impact of, including business and legal developments relating to climate change;

liability and other claims asserted against us;

the ability to attract and retain qualified personnel; and

the effects of divesting the Cole Haan and Umbro businesses.

For a further discussion of these and other factors that could impact our future results, performance and transactions, see the section entitled "Risk Factors" in this prospectus supplement including the risk factors incorporated herein from our Annual Report on Form 10-K for the fiscal year ended May 31, 2012, as updated by our subsequent filings, including filings we make after the date of this prospectus supplement.

Table of Contents

PROSPECTUS SUPPLEMENT SUMMARY

You should read the following summary together with the more detailed information regarding our company and our audited and unaudited financial statements and related notes included or incorporated by reference in this prospectus supplement and the accompanying prospectus.

Our Company

Our principal business activity is the design, development and worldwide marketing and selling of high quality footwear, apparel, equipment, accessories and services. We are the largest seller of athletic footwear and athletic apparel in the world measured by global revenues. We sell our products to retail accounts, through NIKE-owned retail stores and internet sales, which we refer to as our Direct to Consumer operations, and through a mix of independent distributors and licensees, in approximately 190 countries around the world. Virtually all of our products are manufactured by independent contractors. Virtually all of our footwear and apparel products are produced outside the United States, while our equipment products are produced both in the United States and abroad.

We focus our product offerings in seven key categories: Running, Basketball, Football (Soccer), Men's Training, Women's Training, NIKE Sportswear (our sports-inspired products) and Action Sports. We also market products designed for children, as well as for other athletic and recreational uses such as baseball, cricket, golf, lacrosse, outdoor activities, football (American), tennis, volleyball, walking and wrestling.

NIKE's athletic footwear products are designed primarily for specific athletic use, although a large percentage of our products are worn for casual or leisure purposes. We place considerable emphasis on high quality construction and innovation in products designed for men, women and children. NIKE Sportswear, Running, Basketball, Football (Soccer) and children's shoes are currently our top-selling footwear categories and we expect them to continue to lead in product sales for at least the near future.

We sell sports apparel and accessories covering most of the above categories, as well as athletic bags and accessory items. NIKE apparel and accessories feature the same trademarks and are sold through the same marketing and distribution channels as our footwear. We often market footwear, apparel and accessories in collections of similar use or by category. We also market apparel with licensed college and professional team and league logos.

We sell a line of performance equipment under the NIKE Brand name, including bags, socks, sport balls, eyewear, timepieces, digital devices, bats, gloves, protective equipment, golf clubs and other equipment designed for sports activities. We also sell small amounts of various plastic products to other manufacturers through our wholly-owned subsidiary, NIKE IHM, Inc.

In addition to the products we sell directly to customers through our Direct to Consumer operations, we have entered into license agreements that permit unaffiliated parties to manufacture and sell certain apparel, digital devices and applications and other equipment designed for sports activities.

Our wholly-owned subsidiary, Converse Inc., headquartered in North Andover, Massachusetts, designs, distributes and licenses athletic and casual footwear, apparel and accessories under the Converse®, Chuck Taylor®, All Star®, One Star®, Star Chevron® and Jack Purcell® trademarks.

Our wholly-owned subsidiary, Hurley International LLC, headquartered in Costa Mesa, California, designs and distributes a line of action sports and youth lifestyle apparel and accessories under the Hurley® trademark.

Table of Contents

Corporate Information

We were incorporated in 1968 under the laws of the state of Oregon. Our principal executive offices are located at One Bowerman Drive, Beaverton, Oregon 97005-6453, and our telephone number is (503) 671-6453. We maintain a web site at www.nike.com. Information contained in, or accessible through, our web site is not incorporated into this prospectus supplement or the accompanying prospectus.

S-2

Table of Contents

The Offering

The summary below describes the principal terms of the notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The section entitled "Description of Notes" in this prospectus supplement and the section entitled "Description of Debt Securities" in the accompanying prospectus contain a more detailed description of the terms and conditions of the notes and the indenture governing the notes. For purposes of this section entitled "The Offering" and the section entitled "Description of Notes," references to "we," "us" and "our" refer only to NIKE, Inc. and not to its subsidiaries.

Issuer	NIKE, Inc.
Securities Offered	<p>\$500,000,000 aggregate principal amount of our 2.250% notes due May 1, 2023.</p> <p>\$500,000,000 aggregate principal amount of our 3.625% notes due May 1, 2043.</p>
Maturity Dates	<p>The 2023 notes will mature on May 1, 2023.</p> <p>The 2043 notes will mature on May 1, 2043.</p>
Interest Rates	<p>The 2023 notes will bear interest at a rate of 2.250% per annum.</p> <p>The 2043 notes will bear interest at a rate of 3.625% per annum.</p>
Interest Payment Dates	We will pay interest on the notes on May 1 and November 1 of each year, beginning on November 1, 2013.
Ranking	The notes will be our senior unsecured obligations and will rank equally with all of our other senior unsecured indebtedness from time to time outstanding. The notes will be effectively subordinated to any secured debt we incur to the extent of the value of the collateral securing such indebtedness and will be structurally subordinated to all future and existing obligations of our subsidiaries.
Optional Redemption	We may, at our option, redeem either series of notes, in whole or in part, at any time at the applicable redemption prices determined as set forth under the heading "Description of Notes" Optional Redemption.
Certain Covenants	The indenture governing the notes will contain a covenant limiting our ability to consolidate or merge with, or sell, convey, transfer, lease or otherwise dispose of all or substantially all of our and our subsidiaries' property and assets to, another person.
Use of Proceeds	We intend to use the net proceeds from the sale of the notes for general corporate purposes, which may include, but are not limited to, discharging or refinancing of debt,

Edgar Filing: NIKE INC - Form 424B2

working capital, capital expenditures, share repurchases, as yet unplanned acquisitions of assets or businesses and investments in subsidiaries.

S-3

Table of Contents

Denominations	The notes will be issued in minimum denominations of \$2,000 and multiples of \$1,000 in excess thereof.
Form of Notes	We will issue the notes of each series in the form of one or more fully registered global notes registered in the name of the nominee of The Depository Trust Company (DTC). Investors may elect to hold the interests in the global notes through any of DTC, the Euroclear System (Euroclear), or Clearstream Banking, S.A. (Clearstream), as described under the heading Description of Notes Book-Entry; Delivery and Form; Global Notes.
Trading	The notes are new issues of securities with no established trading markets. We do not intend to apply for listing of the notes on any securities exchange. The underwriters have advised us that they intend to make a market in each series of the notes, but they are not obligated to do so and may discontinue market-making at any time without notice. See Underwriting in this prospectus supplement for more information about possible market-making by the underwriters.
Further Issuances	We may, without the consent of existing holders, create and issue additional notes of any series having the same terms as, and ranking equally and ratably with, the notes of the applicable series offered hereby in all respects (except for the issue date and, if applicable, the payment of interest accruing prior to the issue date of such additional notes and the first payment of interest following the issue date of such additional notes). Such additional notes may be consolidated and form a single series with the notes of the applicable series offered hereby; provided that if such additional notes are not fungible with the notes of the applicable series offered hereby for U.S. federal income tax purposes, such additional notes will have one or more separate CUSIP numbers.
Governing Law	New York law will govern the indenture and the notes.
Trustee	Deutsche Bank Trust Company Americas.
Risk Factors	You should consider carefully all the information set forth or incorporated by reference in this prospectus supplement, the accompanying prospectus and any free writing prospectus we have provided to you and, in particular, you should evaluate the specific factors set forth under the heading Risk Factors beginning on page S-7 of this prospectus supplement and in Item 1A of our Annual Report on Form 10-K for the fiscal year ended May 31, 2012 before investing in any of the notes offered hereby.

Table of Contents**Summary Historical Financial Data**

The following table presents our summary historical financial data. The consolidated balance sheet data as of February 28, 2013 and the consolidated statement of income data for the nine months ended February 28, 2013 and February 29, 2012 have been derived from our unaudited condensed consolidated financial statements and related notes, which are incorporated by reference in this prospectus supplement and the accompanying prospectus. The consolidated balance sheet data as of May 31, 2012 and 2011 and the consolidated statement of income data for each of the three years in the three-year period ended May 31, 2012 have been derived from our audited consolidated financial statements and related notes, which are incorporated by reference in this prospectus supplement and the accompanying prospectus. The consolidated balance sheet data as of May 31, 2010 has been derived from our audited consolidated financial statements and related notes, which are not incorporated by reference in this prospectus supplement or the accompanying prospectus. The unaudited condensed consolidated financial statements have been prepared on a basis consistent with our audited consolidated financial statements. In the opinion of our management, the unaudited historical financial data reflect all adjustments, consisting only of normal, recurring adjustments, necessary for a fair statement of the results for those periods. The results of operations for interim periods are not necessarily indicative of the results to be expected for the full fiscal year or any future period.

You should read the following summary historical financial data in conjunction with the section entitled "Capitalization" and our audited consolidated financial statements and related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our Annual Report on Form 10-K for the fiscal year ended May 31, 2012, and our unaudited condensed consolidated financial statements and related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our Quarterly Report on Form 10-Q for the nine months ended February 28, 2013, each of which is incorporated by reference in this prospectus supplement and the accompanying prospectus.

	For the Nine Months Ended		For the Fiscal Year Ended		
	February 28, 2013 ⁽¹⁾	February 29, 2012 ⁽¹⁾	May 31, 2012 ⁽¹⁾	May 31, 2011 ⁽¹⁾	May 31, 2010 ⁽¹⁾
	(unaudited)		(dollars in millions)		
Consolidated Statement of Income Data:					
Revenues	\$ 18,616	\$ 17,095	\$ 24,128	\$ 20,862	\$ 19,014
Cost of sales	10,522	9,616	13,657	11,354	10,214
Gross profit	8,094	7,479	10,471	9,508	8,800
Total selling and administrative expenses	5,758	5,169	7,431	6,693	6,326
Interest (income) expense, net	(6)	3	3	4	6
Other (income) expense, net	(28)	17	54	(33)	(49)
Income before income taxes	2,370	2,290	2,983	2,844	2,517
Income tax expense	602	580	760	711	610
Net income	\$ 1,768	\$ 1,710	\$ 2,223	\$ 2,133	\$ 1,907

- (1) The consolidated statement of income data for the nine months ended February 28, 2013 and February 29, 2012 exclude the results of operations for Umbro and Cole Haan, which were presented as discontinued operations. The consolidated statement of income data for the fiscal years ended May 31, 2012, 2011 and 2010 have not been restated to reflect discontinued operations due to the immateriality of Umbro and Cole Haan relative to our consolidated financial statements for those periods.

Table of Contents

	As of February 28, 2013 (unaudited)	2012	As of May 31, 2011		2010
	(dollars in millions)				
Consolidated Balance Sheet Data:					
Cash and equivalents and short-term investments	\$ 4,042	\$ 3,757	\$ 4,538		\$ 5,146
Total current assets	11,789	11,531	11,297		10,959
Total assets	15,615	15,465	14,998		14,419
Total current liabilities	3,500	3,865	3,958		3,364
Long-term debt	161	228	276		446