

NIKE INC

FORM 10-Q (Quarterly Report)

Filed 10/16/00 for the Period Ending 08/31/00

Address	ONE BOWERMAN DR BEAVERTON, OR 97005-6453
Telephone	5036713173
CIK	0000320187
Symbol	NKE
SIC Code	3021 - Rubber and Plastics Footwear
Industry	Footwear
Sector	Consumer Cyclical
Fiscal Year	05/31

NIKE INC

FORM 10-Q (Quarterly Report)

Filed 10/16/2000 For Period Ending 8/31/2000

Address	ONE BOWERMAN DR BEAVERTON, Oregon 97005-6453
Telephone	503-671-3173
CIK	0000320187
Industry	Footwear
Sector	Consumer Cyclical
Fiscal Year	05/31

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

FOR QUARTERLY REPORTS UNDER SECTION 13 OR 15 (d) OF
THE SECURITIES AND EXCHANGE ACT OF 1934

For the Quarter Ended August 31, 2000 Commission file number - 1-10635

NIKE, Inc.

(Exact name of registrant as specified in its charter)

OREGON	93-0584541
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
One Bowerman Drive, Beaverton, Oregon	97005-6453
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (503) 671-6453

Indicate by check mark whether the registrant (1) has filed all reports
required to be filed by Section 13 or 15 (d) of the Securities Exchange
Act of 1934 during the preceding 12 months (or for such shorter period
that the registrant was required to file such reports), and (2) has been
subject to such filing requirements for the past 90 days

Yes X No .

Common Stock shares outstanding as of August 31, 2000 were:

Class A	99,233,999
Class B	170,863,463

	270,097,462
	=====

PART 1 - FINANCIAL INFORMATION

Item 1. Financial Statements

NIKE, Inc.

CONDENSED CONSOLIDATED BALANCE SHEET

Aug. 31,	May 31,
2000	2000

(in millions)	

ASSETS

Current assets:		
Cash and equivalents	\$ 407.1	\$ 254.3
Accounts receivable	1,703.7	1,567.2
Inventories (Note 4)	1,469.2	1,446.0
Deferred income taxes	113.2	111.5
Income taxes receivable	-	2.2
Prepaid expenses	242.8	215.2
	<hr/>	<hr/>
Total current assets	3,936.0	3,596.4
Property, plant and equipment	2,428.2	2,393.8
Less accumulated depreciation	840.3	810.4
	<hr/>	<hr/>
	1,587.9	1,583.4
Identifiable intangible assets and goodwill	407.1	410.9
Deferred income taxes and other assets	260.1	266.2
	<hr/>	<hr/>
	\$6,191.1	\$5,856.9
	=====	=====

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities:		
Current portion of long-term debt	\$ 0.1	\$ 50.1
Notes payable	1,031.8	924.2
Accounts payable	589.6	543.8
Accrued liabilities	590.3	621.9
Income taxes payable	104.6	-
	<hr/>	<hr/>
Total current liabilities	2,316.4	2,140.0
Long-term debt	467.1	470.3
Deferred income taxes and other liabilities	104.6	110.3
Commitments and contingencies (Note 6)	--	--
Redeemable preferred stock	0.3	0.3
Shareholders' equity:		
Common stock at stated value:		
Class A convertible-99.2 and 99.2 shares outstanding	0.2	0.2
Class B-170.9 and 170.4 shares outstanding	2.6	2.6
Capital in excess of stated value	383.2	369.0
Unearned stock compensation	(14.6)	(11.7)
Accumulated other comprehensive income	(127.6)	(111.1)
Retained earnings	3,058.9	2,887.0
	<hr/>	<hr/>
	3,302.7	3,136.0
	<hr/>	<hr/>
	\$6,191.1	\$5,856.9
	=====	=====

The accompanying Notes to Condensed Consolidated Financial Statements are an integral part of this statement.

NIKE, Inc.

CONDENSED CONSOLIDATED STATEMENT OF INCOME

	Three Months Ended August 31,	
	<hr/>	<hr/>
	2000	1999
	<hr/>	<hr/>
	(in millions, except per share data)	
Revenues	\$2,636.7	\$2,501.1
Costs and expenses:		
Cost of sales	1,569.2	1,534.7
Selling and administrative	701.1	626.5
Interest	15.4	10.0

Other expense	20.0	7.0
	<u>2,305.7</u>	<u>2,178.2</u>
Income before income taxes	331.0	322.9
Income taxes	120.8	122.7
	<u> </u>	<u> </u>
Net income	\$ 210.2	\$ 200.2
	=====	=====
Basic earnings per common share (Note 3)	\$ 0.78	\$ 0.71
	=====	=====
Diluted earnings per common share (Note 3)	\$ 0.77	\$ 0.70
	=====	=====
Dividends declared per common share	\$ 0.12	\$ 0.12
	=====	=====

The accompanying Notes to Condensed Consolidated Financial Statements are an integral part of this statement.

NIKE, Inc.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Three Months Ended August 31,	
	2000	1999
	<u> </u>	<u> </u>
	(in millions)	
Cash provided (used) by operations:		
Net income	\$ 210.2	\$200.2
Income charges (credits) not affecting cash:		
Depreciation	46.0	43.5
Deferred income taxes	(3.0)	(8.4)
Amortization and other	6.4	18.1
Changes in other working capital components	(83.7)	70.0
	<u> </u>	<u> </u>
Cash provided by operations	175.9	323.4
	<u> </u>	<u> </u>
Cash provided (used) by investing activities:		
Additions to property, plant and equipment	(69.6)	(172.3)
Disposals of property, plant and equipment	0.7	2.7
Decrease/(increase) in other assets	4.7	(9.1)
Increase in other liabilities	0.8	0.1
	<u> </u>	<u> </u>
Cash used by investing activities	(63.4)	(178.6)
	<u> </u>	<u> </u>
Cash provided (used) by financing activities:		
Reductions in long-term debt including current portion	(50.2)	(0.3)
Increase in notes payable	107.5	69.6
Proceeds from exercise of options	8.6	5.1
Repurchase of stock	(5.9)	(130.1)
Dividends - common and preferred	(32.4)	(33.9)
	<u> </u>	<u> </u>
Cash provided (used) by financing activities	27.6	(89.6)
	<u> </u>	<u> </u>
Effect of exchange rate changes on cash	12.7	(27.1)
Net increase in cash and equivalents	152.8	28.1
Cash and equivalents, May 31, 2000 and 1999	254.3	198.1
	<u> </u>	<u> </u>

Cash and equivalents, August 31, 2000 and 1999	\$ 407.1 =====	\$226.2 =====
Non-cash investing and financing activity:		
Assumption of long-term debt to acquire property, plant, and equipment	\$ - =====	\$108.9 =====

The accompanying Notes to Condensed Consolidated Financial Statements are an integral part of this statement.

NIKE, Inc.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - Summary of significant accounting policies:

Basis of presentation:

The accompanying unaudited condensed consolidated financial statements reflect all adjustments (consisting of normal recurring accruals) which are, in the opinion of management, necessary for a fair presentation of the results of operations for the interim period(s). The interim financial information and notes thereto should be read in conjunction with the Company's latest annual report to shareholders. The results of operations for the three (3) months ended August 31, 2000 are not necessarily indicative of results to be expected for the entire year.

Certain prior year amounts have been reclassified to conform to fiscal year 2001 presentation. These changes had no impact on previously reported results of operations or shareholders' equity.

NOTE 2 - Comprehensive Income:

Comprehensive income, net of taxes, is as follows:

	Three Months Ended August 31,	
	2000	1999
	_____	_____
	(in millions)	
Net Income	\$210.2	\$200.2
Change in Cumulative Translation Adjustment	(12.7)	(11.5)
Change in Unrealized Loss in Securities	(3.8)	-
	_____	_____
Total Comprehensive Income	\$193.7	\$188.7
	=====	=====

NOTE 3 - Net income per common share:

Basic and diluted earnings per share are calculated in accordance with SFAS 128, "Earnings per Share." This standard requires that basic earnings per share be calculated using the average common shares outstanding. Diluted earnings per share are calculated by taking into consideration the dilutive effect of issued and outstanding stock options. Options to purchase 9.6 million and 1.6 million shares of common stock were outstanding at August 31, 2000 and August 31, 1999, respectively but were not included in the computation of diluted earnings per share because the options' exercise prices were greater than the average market price of common shares and, therefore, the effect would be antidilutive. The following represents a reconciliation from basic earnings per share to diluted earnings per share:

	Three Months Ended August 31,	
	2000	1999
	_____	_____

(in millions, except per share data)

Determination of shares:
Average common shares

outstanding	269.9	281.1
Assumed conversion of dilutive stock options and awards	3.9	4.4
	<hr/>	<hr/>
Diluted average common shares outstanding	273.8	285.5
	=====	=====
Basic earnings per common share	\$ 0.78	\$ 0.71
	=====	=====
Diluted earnings per common share	\$ 0.77	\$ 0.70
	=====	=====

NOTE 4 - Inventories:

Inventories by major classification are as follows:

	Aug. 31, 2000	May 31, 2000
	<hr/>	<hr/>
	(in millions)	
Finished goods	\$1,438.6	\$1,416.6
Work-in-progress	19.3	17.3
Raw materials	11.3	12.1
	<hr/>	<hr/>
	\$1,469.2	\$1,446.0
	=====	=====

NOTE 5 - Operating Segments:

The Company's major operating segments are defined by geographic regions for subsidiaries participating in NIKE Brand sales activity. Other Brands as shown below represent activity for Cole-Haas Holdings, Inc., Bauer NIKE Hockey, Inc., and NIKE IHM, Inc. and are considered immaterial for individual disclosure. In prior years, the Company's operations in Africa were included in the Americas region, but effective June 1, 2000, these operations are included in the Europe region. Africa information and certain other prior year segment information has been reclassified to conform with current year presentation. Where applicable, "Corporate" represents items necessary to reconcile to the consolidated financial statements which generally include corporate activity and corporate eliminations. The segments are evidence of the structure of the enterprise's internal organization. Each NIKE Brand geographic segment operates predominantly in one industry: the design, production, marketing and selling of sports and fitness footwear, apparel, and equipment.

Net revenues as shown below represent sales to external customers for each segment. Intercompany revenues have been eliminated and are immaterial for separate disclosure. The Company evaluates performance of individual operating segments based on Contribution Profit before Corporate Allocations, Interest Expense and Income Taxes. On a consolidated basis, this amount represents Income Before Taxes less Interest Expense as shown in the Consolidated Statement of Income. Other reconciling items for Contribution Profit represent corporate costs that are not allocated to the operating segments for management reporting and intercompany eliminations for specific income statement items.

Accounts receivable, inventory, and fixed assets for operating segments are regularly reviewed and therefore provided:

	Three Months Ended August 31,	
	<hr/>	<hr/>
	2000	1999
	<hr/>	<hr/>
Net Revenue		
USA	\$1,351.9	\$1,331.7
EUROPE	775.5	730.6
ASIA PACIFIC	240.5	190.9
AMERICAS	150.1	130.8
OTHER BRANDS	118.7	117.1
	<hr/>	<hr/>
	\$2,636.7	\$2,501.1
	=====	=====
Contribution Profit		
USA	\$ 288.5	\$ 272.9
EUROPE	149.7	151.4
ASIA PACIFIC	40.4	24.0

AMERICAS	26.8	20.9
OTHER BRANDS	18.7	20.0
CORPORATE	(177.7)	(156.3)
	<u>\$ 346.4</u>	<u>\$ 332.9</u>
	=====	=====
	Aug. 31,	May 31,
	2000	2000
	<u>-----</u>	<u>-----</u>
Accounts Receivable, net		
USA	\$ 572.9	\$ 564.8
EUROPE	650.4	529.9
ASIA PACIFIC	159.5	200.8
AMERICAS	146.3	123.0
OTHER BRANDS	145.4	121.0
CORPORATE	29.2	27.7
	<u>\$1,703.7</u>	<u>\$1,567.2</u>
	=====	=====
Inventories, net		
USA	\$ 786.9	\$ 736.5
EUROPE	299.7	357.4
ASIA PACIFIC	138.6	115.9
AMERICAS	69.8	65.5
OTHER BRANDS	143.6	141.4
CORPORATE	30.6	29.3
	<u>\$1,469.2</u>	<u>\$1,446.0</u>
	=====	=====
Property, Plant and Equipment, net		
USA	\$ 267.4	\$ 271.6
EUROPE	226.9	240.4
ASIA PACIFIC	423.5	426.4
AMERICAS	17.5	18.2
OTHER BRANDS	113.2	114.4
CORPORATE	539.4	512.4
	<u>\$1,587.9</u>	<u>\$1,583.4</u>
	=====	=====

NOTE 6 - Commitments and contingencies:

At August 31, 2000, the Company had letters of credit outstanding totaling \$734.8 million. These letters of credit were issued for the purchase of inventory.

There have been no other significant subsequent developments relating to the commitments and contingencies reported on the Company's most recent Form 10-K.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Operating Results

Net income for the first quarter of fiscal year 2001 was \$210.2 million, a 5% increase over the \$200.2 million net income reported in the first quarter of fiscal year 2000. A 5% increase in revenues and a 190 basis point improvement in gross margin percentage were the primary drivers of the increase, offset in part by increased selling and administrative expenses. Diluted earnings per share rose from \$.70 to \$.77, a 10% increase over the prior year. Share repurchases over the past year resulted in fewer shares outstanding in fiscal year 2001, and hence drove earnings per share growth faster than net income.

Each geographic region achieved revenue growth in the quarter. The U.S. region, which represents 54% of NIKE brand revenues, grew 2%. U.S. footwear and apparel revenues declined 1% and 2%, respectively, while equipment revenues grew 55%.

Our international regions accounted for 46% of NIKE brand revenues in the first quarter of fiscal year 2001, up from 44% in the first quarter of the previous fiscal year. Revenues in our European region, which includes operations in Africa, grew 6%; had the value of the U.S. dollar remained constant with the prior year, revenues would have increased 19%. In the Asia Pacific region, revenues grew 26%; had the value of the U.S. dollar remained constant with the prior year, revenues would have increased 20%. In the Americas region, revenues grew 15%; had the value of the U.S. dollar remained constant with the prior year, revenues would have increased 16%. In the international regions, the growth reflected higher revenues in footwear, apparel and equipment.

The breakdown of revenues follows:

	Three Months Ended August 31,		%
	2000	1999	
	(in millions)		
U.S.A. REGION			
FOOTWEAR	\$934.9	\$941.0	-1%
APPAREL	325.9	332.0	-2%
EQUIPMENT AND OTHER	91.1	58.7	55%
TOTAL U.S.A.	1,351.9	1,331.7	2%
EUROPE REGION			
FOOTWEAR	424.0	385.1	10%
APPAREL	296.7	294.6	1%
EQUIPMENT AND OTHER	54.8	50.9	8%
TOTAL EUROPE	775.5	730.6	6%
ASIA PACIFIC REGION			
FOOTWEAR	152.0	122.3	24%
APPAREL	64.7	49.7	30%
EQUIPMENT AND OTHER	23.8	18.9	26%
TOTAL ASIA PACIFIC	240.5	190.9	26%
AMERICAS REGION			
FOOTWEAR	101.5	92.1	10%
APPAREL	42.2	35.8	18%
EQUIPMENT AND OTHER	6.4	2.9	121%
TOTAL AMERICAS	150.1	130.8	15%
TOTAL NIKE BRAND	2,518.0	2,384.0	6%
OTHER BRANDS	118.7	117.1	1%
TOTAL REVENUES	\$2,636.7 =====	\$2,501.1 =====	5%

The gross margin percentage for the quarter was 40.5%, representing the third consecutive quarter in which that percentage was greater than 40%. Each region, and the footwear and apparel businesses, reported gross margin percentage improvements over the prior year, resulting in a 190 basis point improvement for the Company as a whole. Several factors contributed to the improved gross margin percentage from the previous year, including fewer apparel close-outs, improved retail margins, and improved apparel net pricing margins, driven primarily by a better product mix in Europe.

Selling and administrative expenses increased \$74.6 million versus the first quarter of last year. The largest factor in this increase was marketing spending related to two major sporting events this fiscal year: the 2000 European Soccer Championship and the 2000 Summer Olympics. Other significant factors included our continued investments in new retail outlets, the development of e-commerce, our supply chain initiatives and geographic expansion.

Interest expense for the quarter increased from \$10.0 million last year to \$15.4 million this year, due to higher outstanding debt balances during the first quarter of fiscal year 2001 versus the first quarter of fiscal year 2000. The debt balances increased during fiscal year 2000 primarily to fund capital expenditures, share repurchases and the financing of inventory purchases previously financed by our trading partner, Nissho Iwai American Corporation (NIAC), with whom we restructured our trading agreement in fiscal year 2000.

Other income/expense was a net expense for the quarter of \$20.0 million, up from a \$7.0 million expense in the prior year. Foreign exchange losses were the largest driver of this increased expense.

Our effective tax rate decreased from 38.0% in the first quarter of the prior year to 36.5% in the first quarter of this year. The drop was primarily due to increased utilization of tax loss carryforwards of certain foreign operations that recently turned profitable and lower taxes on a portion of foreign earnings that have been permanently reinvested offshore.

Futures Orders

Worldwide futures and advance orders for NIKE brand athletic footwear and apparel scheduled for delivery between September 2000 and January 2001 totaled \$3.1 billion, essentially flat as compared to the same period last year. These orders and the relative change in these orders between years are not necessarily indicative of the change in revenues that we will experience for subsequent periods. This is due to potential shifts in the mix of advance orders in relation to at-once orders and varying cancellation rates. Exchange rate fluctuations will also cause differences in the comparisons.

Euro Conversion

On January 1, 1999, eleven of the fifteen member countries of the European Union established permanent, fixed conversion rates between their existing currencies and the European Union's new common currency, the euro. During the transition period ending December 31, 2001, public and private parties may pay for goods and services using either the euro or the participating country's legacy currency. Beginning January 1, 2002, euro denominated bills and coins will be issued, with the legacy currencies being completely withdrawn from circulation on June 30, 2002.

We have had a dedicated project team working on euro transition strategy since January 1998. We are in the process of making modifications to information technology systems supporting marketing, order management, purchasing, invoicing, payroll, and cash management functions. Many of our systems are already euro compliant. Our plan is to have most systems converted to euro compliance by the end of calendar year 2000, well ahead of the end of the transitional period.

We believe the introduction of the euro may create a move towards a greater level of wholesale price harmonization, although differing country costs and value added tax rates will continue to result in price differences at the retail level. Over the past year, we have been actively working to assess and, where necessary, adjust our pricing practices to operate effectively in this new environment. The introduction of the euro may also reduce currency exchange and hedging costs.

The costs of adapting our systems and practices to the implementation of the euro are generally related to modification of existing systems, and are estimated to be approximately \$8 million. These costs are being expensed as incurred. NIKE believes that the conversion to the euro will not have a material impact on our financial condition or results of operations.

Liquidity and Capital Resources

Cash provided by operations in the first quarter of fiscal year 2001 was \$175.9 million, a decrease of \$147.5 million versus the first quarter of last year. While net income increased \$10.0 million over the prior year, cash provided by operations was reduced by a \$153.7 million increase in the use of cash for working capital. This change in working capital was due to a smaller increase in accounts payable and accrued liabilities in the first quarter of this year due to the timing of certain payments and the restructuring of our agreement with NIAC in fiscal year 2000.

Capital expenditures for the first quarter of fiscal year 2001 were \$69.6 million. A significant portion of this total expenditure was for computer equipment and software, driven by our supply chain initiative. We also continued to invest funds in the expansion of our world headquarters and the development of new warehouse facilities in Japan.

Net cash provided by financing activities was \$27.6 million. This reflected increased short-term borrowings incurred primarily to fund higher working capital balances than at May 31, 2000.

We believe that the significant cash flow generated by operations, together with access to external sources of funds, will be adequate to meet our anticipated capital needs. Significant short and long-term lines of credit are maintained with banks, which, along with cash on hand, provide adequate operating liquidity. Liquidity is also provided by our commercial paper program, under which there was \$647.2 million outstanding at August 31, 2000.

In the first quarter of fiscal year 2001, we purchased a total of 0.1 million shares of NIKE's Class B common stock for \$5.9 million. These purchases were made under a four-year, \$1 billion share repurchase program authorized by our Board of Directors at the beginning the current fiscal year. Funding for repurchases has, and is expected to continue to come primarily from operating cash flow. The timing and the amount of shares purchased will be dictated by working capital needs and stock market conditions.

Dividends per share of common stock for the first quarter of fiscal year 2001 remained at \$.12 per share, the same level as the previous year.

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There were no material changes to the disclosure made in the Annual Report on Form 10-K for the fiscal year ended May 31, 2000 regarding this matter.

Special Note Regarding Forward-Looking Statements and Analyst Reports

Certain written and oral statements made or incorporated by reference from time to time by NIKE or its representatives in this report, other reports, filings with the Securities and Exchange Commission, press releases, conferences, or otherwise, are "forward-looking statements"

within the meaning of the Private Securities Litigation Reform Act of 1995 ("the 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 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 risks and uncertainties are detailed from time to time in reports filed by NIKE with the S.E.C., including Forms 8-K, 10-Q, and 10-K, and include, among others, the following: 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 NIKE products; the size, timing and mix of purchases of NIKE's products; 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 the changing mix of futures and at-once orders; the ability of NIKE to sustain, manage or forecast its growth and inventories; 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; business disruptions; increased costs of freight and transportation to meet delivery deadlines; changes in business strategy or development plans; general risks associated with doing business outside the United States, including, without limitation, import duties, tariffs, quotas and political and economic instability; changes in government regulations; liability and other claims asserted against NIKE; the ability to attract and retain qualified personnel; and other factors referenced or incorporated by reference in this report and other reports.

The risks included here are not exhaustive. Other sections of this report may include additional factors which could adversely impact NIKE's business and financial performance. Moreover, NIKE operates in a very competitive and rapidly changing environment. New risk factors emerge from time to time and it is not possible for management to predict all such risk factors, nor can it assess the impact of all such risk factors on NIKE's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward- looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

Investors should also be aware that while NIKE does, from time to time, communicate with securities analysts, it is against NIKE's policy to disclose to them any material non-public information or other confidential commercial information. Accordingly, shareholders should not assume that NIKE agrees with any statement or report issued by any analyst irrespective of the content of the statement or report. Furthermore, NIKE has a policy against issuing or confirming financial forecasts or projections issued by others. Thus, to the extent that reports issued by securities analysts contain any projections, forecasts or opinions, such reports are not the responsibility of NIKE.

Part II - Other Information

Item 1. Legal Proceedings:

There have been no material changes from the information previously reported under Item 3 of the Company's Annual Report on Form 10-K for the fiscal year ended May 31, 2000.

Item 4. Submission of Matters to a Vote of Security Holders

The Company's annual meeting of shareholders was held on September 18, 2000. The shareholders elected for the ensuing year all of management's nominees for the Board of Directors and ratified the appointment of PricewaterhouseCoopers LLP as independent accountants for fiscal 2001.

The voting results are as follows:

Election of Directors

	For	Votes Cast Withheld	Broker Non-Votes
Directors			
Elected by holders of Class A Common Stock:			
Ralph D. DeNunzio	96,163,342	-0-	-0-
Richard K. Donahue	96,163,342	-0-	-0-
Douglas G. Houser	96,163,342	-0-	-0-
John E. Jaqua	96,163,342	-0-	-0-
Philip H. Knight	96,163,342	-0-	-0-
Charles W. Robinson	96,163,342	-0-	-0-
A. Michael Spence	96,163,342	-0-	-0-
John R. Thompson, Jr.	96,163,342	-0-	-0-

Elected by holders of

Class B Common Stock:

Thomas E. Clarke	138,126,398	4,926,029	-0-
Jill K. Conway	140,280,337	2,772,090	-0-
Delbert J. Hayes	138,150,327	4,902,100	-0-

	For	Against	Abstain	Broker Non-Votes
Proposal 2 -				

Amend 1990 Stock Incentive Plan

Class A and Class B
Common Stock Voting
Together 160,005,178 53,171,718 797,362 26,241,511

Proposal 3 -
Reapprove Executive Performance
Sharing Plan

Class A and Class B
Common Stock Voting
Together 235,132,770 4,272,050 812,542 -0-

Proposal 4 -
Ratify the appointment
of PricewaterhouseCoopers LLP
as independent accountants:

Class A and Class B
Common Stock Voting
Together 239,486,410 136,448 594,510 -0-

Item 6. Exhibits and Reports on Form 8-K:

(a) EXHIBITS:

3.1 Restated Articles of Incorporation, as amended (incorporated by reference from Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended August 31, 1995).

3.2 Third Restated Bylaws, as amended (incorporated by reference from Exhibit 3.2 to the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended August 31, 1995).

4.1 Restated Articles of Incorporation, as amended (see Exhibit 3.1).

4.2 Third Restated Bylaws, as amended (see Exhibit 3.2).

4.3 Form of Indenture between the Company and The First National Bank of Chicago, as Trustee (incorporated by reference from Exhibit 4.01 to Amendment No. 1 to Registration Statement No. 333-15953 filed by the Company on November 26, 1996).

10.1 Credit Agreement dated as of September 15, 1995 among NIKE, Inc., Bank of America National Trust & Savings Association, individually and as Agent, and the other banks party thereto (incorporated by reference from the Company's Quarterly Report on Form 10-Q for the fiscal quarter ended August 31, 1995).

10.2 Form of non-employee director Stock Option Agreement (incorporated by reference from Exhibit 10.3 to the Company's Annual Report on Form 10-K for the fiscal year ended May 31, 1993).*

10.3 Form of Indemnity Agreement entered into between the Company and each of its officers and directors (incorporated by reference from the Company's definitive proxy statement filed in connection with its annual meeting of shareholders held on September 21, 1987).

10.4 NIKE, Inc. Restated Employee Incentive Compensation Plan (incorporated by reference from Registration Statement No. 33-29262 on Form S-8 filed by the Company on June 16, 1989).*

10.5 NIKE, Inc. 1990 Stock Incentive Plan (incorporated by reference from the Company's definitive proxy statement filed in connection with

its annual meeting of shareholders held on September 22, 1997).*

10.6 NIKE, Inc. Executive Performance Sharing Plan (incorporated by reference from the Company's definitive proxy statement filed in connection with its annual meeting of shareholders held on September 18, 2000).*

10.7 NIKE, Inc. Long-Term Incentive Plan (incorporated by reference from the Company's definitive proxy statement filed in connection with its annual meeting of shareholders held on September 18, 2000).*

10.8 Collateral Assignment Split-Dollar Agreement between NIKE, Inc. and Philip H. Knight dated March 10, 1994 (incorporated by reference from Exhibit 10.7 to the Company's Annual Report on Form 10-K for the fiscal year ended May 31, 1994).*

12.1 Computation of Ratio of Earnings to Charges.

27 Financial Data Schedule.

* Management contract or compensatory plan or arrangement.

(b) Reports on Form 8-K:

No reports on Form 8-K were filed during the fiscal quarter ending August 31, 2000.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

NIKE, Inc. An Oregon Corporation

BY: /s/ Donald W. Blair

*Donald W. Blair
Chief Financial Officer*

DATED: October 16, 2000

NIKE, INC.
COMPUTATION OF RATIO OF EARNINGS TO CHARGES

	Three Months Ended August 31,	
	2000	1999
	(in millions)	
Net income	\$210.2	\$200.2
Income taxes	120.8	122.7
	<hr/>	<hr/>
Income before income taxes	331.0	322.9
	<hr/>	<hr/>
Add fixed charges		
Interest expense (A)	17.0	11.7
Interest component of leases (B)	12.4	11.7
	<hr/>	<hr/>
Total fixed charges	29.4	23.4
	<hr/>	<hr/>
Earnings before income taxes and fixed charges (C)	\$358.8	\$344.6
	=====	=====
Ratio of earnings to total fixed charges	12.2	14.7
	=====	=====

(A) Interest expense includes both expensed and capitalized. (B) Interest component of leases includes one-third of rental expense, which approximates the interest component of operating leases.

(C) Earnings before income taxes and fixed charges is exclusive of capitalized interest.

ARTICLE 5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE AUGUST 31, 2000 FORM 10-Q AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

MULTIPLIER: 1,000,000

PERIOD TYPE	3 MOS
FISCAL YEAR END	MAY 31 2001
PERIOD END	AUG 31 2000
CASH	407
SECURITIES	0
RECEIVABLES	1773
ALLOWANCES	69
INVENTORY	1469
CURRENT ASSETS	3936
PP&E	2428
DEPRECIATION	840
TOTAL ASSETS	6191
CURRENT LIABILITIES	2316
BONDS	467
COMMON	3
PREFERRED MANDATORY	0
PREFERRED	0
OTHER SE	3300
TOTAL LIABILITY AND EQUITY	6191
SALES	2637
TOTAL REVENUES	2637
CGS	1569
TOTAL COSTS	1569
OTHER EXPENSES	714
LOSS PROVISION	7
INTEREST EXPENSE	15
INCOME PRETAX	331
INCOME TAX	121
INCOME CONTINUING	210
DISCONTINUED	0
EXTRAORDINARY	0
CHANGES	0
NET INCOME	210
EPS BASIC	0.78
EPS DILUTED	0.77

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