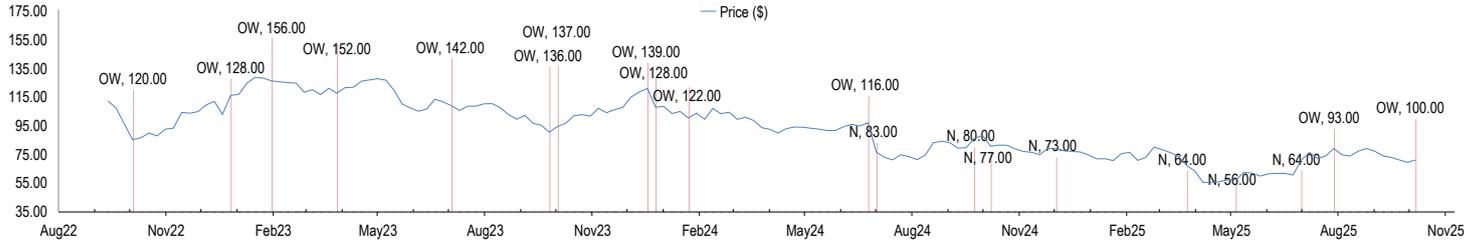


10 October 2025

<b>Recommendation</b>	<b>Price Target</b>	<b>PT End Date</b>	<b>Price</b>	<b>Upside/Downside to PT</b>
Overweight	\$100.00	31-Dec-26	\$65.22	53.33%

NIKE, Inc. designs, develops, and markets athletic footwear, apparel, equipment, and accessory products for men, women, and children. The Company sells its products worldwide to retail stores, through its own stores, subsidiaries, and distributors.



Note: All analysts forecasts are as of last note published on 01-Oct-2025  
The Upside/Downside to PT is calculated based on the previous day's closing price which is quoted above.

Source: Bloomberg Finance L.P., World Trade estimates.

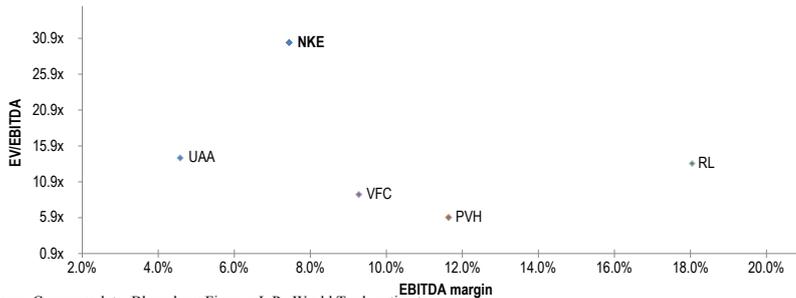
Key Financials (\$mn, year end May)	FY24	FY25	FY26E	FY27E	FY28E
Revenue	51,362	46,309	46,156	48,424	51,000
EBITDA	7,107	4,498	3,435	4,945	6,312
EBIT	6,311	3,702	2,606	4,122	5,445
Pretax Income	6,700	3,885	2,655	4,171	5,494
Net Profit	5,700	3,219	2,096	3,293	4,338
Total Assets	38,110	36,579	42,519	44,941	47,336
Shareholder Equity	14,430	13,213	19,706	21,566	23,320
Adjusted Net Debt/(Cash)	(957)	497	(5,488)	(6,893)	(8,141)
Capex	(812)	(812)	(923)	(968)	(1,020)
Free Cash Flow to firm	6,537	4,008	1,621	3,247	4,288
EPS (\$)	3.73	2.16	1.42	2.24	2.98
DPS (\$)	1.42	1.42	0.93	1.47	1.95

Key Ratios	FY24	FY25	FY26E	FY27E	FY28E
EBITDA Margin	13.8%	9.7%	7.4%	10.2%	12.4%
EBIT Margin	12.3%	8.0%	5.6%	8.5%	10.7%
Net Margin	11.1%	7.0%	4.5%	6.8%	8.5%
Payout Ratio	38.1%	65.5%	65.5%	65.5%	65.5%
Net Debt/Equity (excl MI)	NM	3.8%	NM	NM	NM
FCF Yield	6.6%	4.1%	1.7%	3.4%	4.5%
P/E	17.5x	30.1x	46.0x	29.1x	21.9x
EV/EBITDA	14.6x	23.1x	30.3x	21.1x	16.5x
ROE	40.1%	23.3%	12.7%	16.0%	19.3%

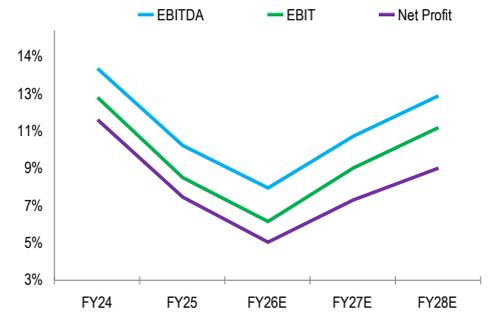
Source: Company data, Bloomberg Finance L.P., World Trade estimates.

### Peer Valuation Chart FY26



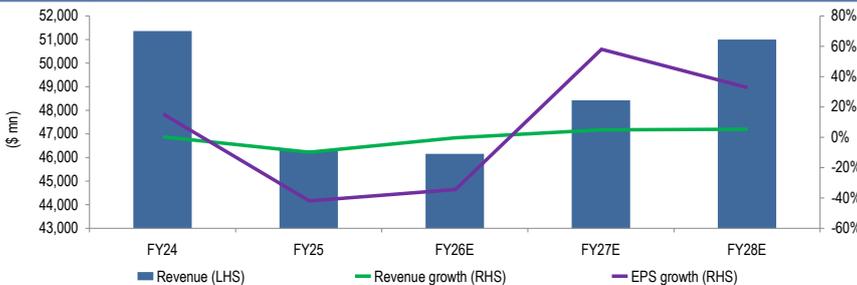
Source: Company data, Bloomberg Finance L.P., World Trade estimates.

### Margin Analysis (NKE)



Source: Company data, World Trade estimates.

### Revenue and EPS growth



Source: Company data, World Trade estimates.

### Company Data

Market Cap (USDmn)	96,376
Shares O/S (mn)	1,478
Float	98.7%
Dividend Yield	1.4%
EPS (\$)	1.42
3M - Avg daily volume (mn)	13.08
52 wk High/Low (\$)	84.76-52.28

WTS EPS Estimate		BBG EPS Estimate	
FY26E	FY27E	FY26E	FY27E
1.42	2.24	1.68	2.50

Source: Company data, Bloomberg Finance L.P., World Trade estimates.

Peer Valuation Analysis	Ticker	Fiscal Year End	Last Note Published	Rating	Price Target	Mkt Cap (\$mn)	EV/EBITDA	P/BV	P/E	ROE
<b>Local peers</b>										
PVH Corp.	PVH	2024/1	27-Aug-25	N	\$87.00	4,467	FY26E: 5.9x, FY27E: 5.9x	FY26E: n/a, FY27E: n/a	FY26E: 6.5x, FY27E: 6.1x	FY26E: 187.3%, FY27E: 254.0%
Under Armour, Inc.	UAA	2025/3	08-Aug-25	UW	\$5.00	2,029	FY26E: 14.2x, FY27E: 10.1x	n/a	FY26E: 124.7x, FY27E: 21.6x	FY26E: 0.9%, FY27E: 4.8%
V.F. Corporation	VFC	2025/3	01-Aug-25	N	\$15.00	5,176	FY26E: 9.1x, FY27E: 7.7x	n/a	FY26E: 18.1x, FY27E: 12.5x	FY26E: 18.7%, FY27E: 24.4%
Ralph Lauren Corporation	RL	2025/3	26-Sep-25	OW	\$430.00	19,339	FY26E: 13.4x, FY27E: 12.4x	n/a	FY26E: 20.7x, FY27E: 19.0x	FY26E: 35.1%, FY27E: 35.5%
<b>Global peers</b>										
<b>NIKE, Inc.</b>	<b>NKE</b>	<b>2025/5</b>	<b>01-Oct-25</b>	<b>OW</b>	<b>\$100.00</b>	<b>96,376</b>	<b>30.3x, 21.1x</b>	<b>4.9x, 4.4x</b>	<b>46.0x, 29.1x</b>	<b>12.7%, 16.0%</b>
Median							13.4x, 10.1x	4.9x, 4.4x	20.7x, 19.0x	18.7%, 24.4%
Mean							14.6x, 11.4x	4.9x, 4.4x	43.2x, 17.6x	50.9%, 66.9%
High							30.3x, 21.1x	4.9x, 4.4x	124.7x, 29.1x	187.3%, 254.0%
Low							5.9x, 5.9x	0.0x, 0.0x	6.5x, 6.1x	0.9%, 4.8%

Source: Company data, World Trade estimates.



## **Investment Thesis**

NKE is the global athletic market leader with diversification across product categories, geographies, and distribution, and we see the model at an inflection for revenue growth to re-accelerate into 2H26/FY27 following several quarters of franchise product lifecycle management & inventory liquidation headwinds. Further, we see opportunity for NKE to recapture over 500bps of operating margin erosion on improved full-price selling & reception to new product innovation and as NKE begins to leverage on SG&A expenses with an inflection to topline growth.

## **Valuation**

We are raising our Dec '26 Price Target to \$100 (vs. \$93 prior) based on 37.5x our CY27 EPS of \$2.67 (w/ 37.5x = NKE's historical 2x PEG on our forward High-Teens EPS Growth).

## **Risks to Rating and Price Target**

The economic climate, particularly the employment picture, can affect consumer spending and the sportswear industry. A greater-than-expected downturn in household spending could cause sales trends to decelerate below our current assumptions rendering our estimates too high. Roughly 50% of the company's revenues are generated outside of the United States, w/ downside risk to our price target if the USD strengthens further. With the company's exposure to manufacturing in Southeast Asia, trade policy changes notably in Vietnam could render our estimates too high should NKE not be able to mitigate against tariff related costs.