

Company Name: Nike Inc

Ticker: NKE

Current Share Price: \$99.80

Upside: \$170 / + 70.34%

Downside: \$85 / - 14.83%

data provided published on TradingView.com, Mar 21, 2024 17:03 UTC



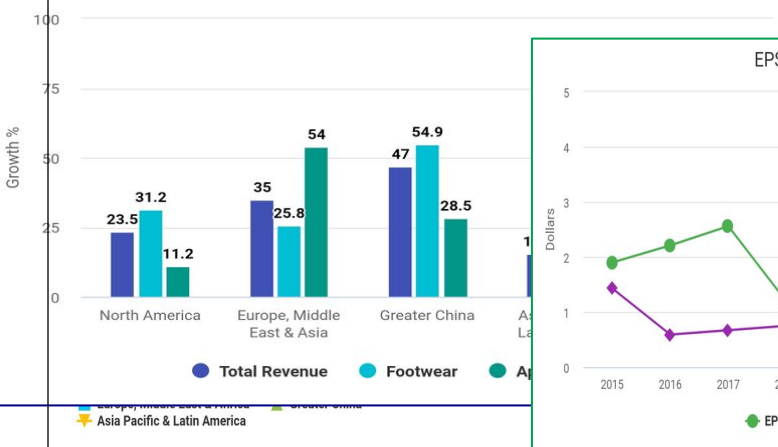
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Investment thesis: Nike Inc, A long standing established clothing brand recognized globally demonstrating consistent year on year revenue growth, profits, innovation and performance. Stable continuation of consistency is anticipated with high probability.

	2022	2023E	2024E	2025E		2022	2023E	2024E	2025E
Revenue	46710	48988	51377	53882	Sales growth (%)	4.9%	4.9%	4.9%	4.9%
EBITDA	7573	7942	8330	8736	EBIT growth (%)	-1.0%	6.5%	3.3%	4.9%
EPS	3.83	4.03	4.26	4.51	Net profit growth (%)	5.2%	0.7%	3.8%	4.2%
Net debt	23360	26360	29764	32625	EPS growth (%)	5.2%	5.2%	5.7%	5.9%
FCFF	7117	5388	7313	7692	EBITDA margin (%)	16.2%	16.2%	16.2%	16.2%
ROE	0.51	0.41	0.38	0.37	EBIT margin (%)	14.7%	14.7%	14.7%	14.7%
P/E	27.64	24.87	19.16	18.1	Net margin (%)	13.6%	13.0%	12.9%	12.8%
EV/EBITDA	20.85	18.02	14.9	14.21					

5 year Revenue Growth / Region and Segment



Point 2: EBITDA

Nike's total EBITDA has sustained a Margin of between 14% - 17% every year since 2015 excluding the year of the pandemic. Of the core segmental regions, **Greater China** has the stand out performance with an EBITDA ranging between 32% - 39% every year since 2015 with the majority being in the high 30's range.

North America being Nike's core driver of revenue recorded consistent EBITDA's year on year all between 25% - 30%.

Europe, middle East and Africa the second largest driver of revenue has ranged between 20% - 27.5%, 27.5% being the latest and highest EBITDA recorded in 2022

Asia Pacific & Latin America ranges between 21% - 32.5%, however a clear increasing trend since 2017 is present with 2022 also being the highest EBITDA at 29.5%.

Converse is also showing improvements with 2022's EBITDA at 29.5%, its highest since 2015.

Global brands and corporate are showing high percentile negative EBITDA's as through out all years but increasing in a stable, gradual trend in line with overall revenue.

Overall margin has been very consistent with evidence to support the coming years improving further

FCFF is around \$ 000 billion, a decrease of 2 000 billion from the prior year. An increase in FCFF and decrease in debt would be desirable.

Further loans to acquire shares have been taken, uncertainty remains as to the reduction of debt. However improving capex, revenue and EBITDA suggest FCFF may improve also.