

NIKE INC  
 Form 424B2  
 October 27, 2015  
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Filed Pursuant to Rule 424(b)(2)

Registration No. 333-188072

**CALCULATION OF REGISTRATION FEE**

	<b>Amount</b>	<b>Proposed Maximum Offering Price</b>	<b>Proposed Maximum Aggregate Offering Price</b>	<b>Amount of Registration Fee<sup>(1)</sup></b>
	<b>to be Registered</b>	<b>Per Unit</b>		
3.875% Notes due 2045	\$1,000,000,000	99.070%	\$990,700,000	\$99,763.49

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

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(To Prospectus Dated April 23, 2013)

**\$1,000,000,000****NIKE, Inc.****3.875% Notes due 2045**

We are offering \$1,000,000,000 aggregate principal amount of our 3.875% notes due 2045 (the "notes"). The notes will bear interest at the rate of 3.875% per year and will mature on November 1, 2045. Interest on the notes will accrue from October 29, 2015 and be payable on May 1 and November 1 of each year, beginning on May 1, 2016. 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-6 of this prospectus supplement and in Item 1A of our Annual Report on Form 10-K for the fiscal year ended May 31, 2015, 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.**

	<b>Public Offering Price(1)</b>	<b>Underwriting Discount</b>	<b>Proceeds to NIKE(1)</b>
Per note	99.070%	0.875%	98.195%
Total	\$ 990,700,000	\$ 8,750,000	\$ 981,950,000

(1) Plus accrued interest, if any, from October 29, 2015.

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 October 29, 2015.

*Joint Book-Running Managers*

**BofA Merrill Lynch**

**Citigroup**  
*Co-Managers*

**Deutsche Bank Securities**

**Goldman, Sachs & Co.**

**J.P. Morgan**

**RBC Capital Markets**

**Wells Fargo Securities**

**Barclays**

**Credit Agricole CIB**

**ING**

**Santander**

**Standard Chartered Bank**

**HSBC**

The date of this prospectus supplement is October 26, 2015.

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**Prospectus**

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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 U.S. Securities and Exchange Commission, or 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.

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**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](http://www.sec.gov), as well as our web site at [www.nikeinc.com](http://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](http://www.sec.gov).

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**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;

consumer 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, labor and energy used to manufacture products, new product development and introduction;

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

product performance and quality;

customer service;

adverse publicity;

the loss of significant customers or suppliers;

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dependence on distributors and licensees;

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;

natural disasters;

liability and other claims asserted against us;

the ability to attract and retain qualified personnel; and

the effects of any decision by us to invest in or divest ourselves of 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 and the risk factors incorporated herein from our Annual Report on Form 10-K for the fiscal year ended May 31, 2015, as updated by our subsequent filings, including filings we make after the date of this prospectus supplement.

We operate in a very competitive and rapidly changing environment. New risks emerge from time to time and it is not possible for management to predict all such risks, nor can it assess the impact of all such risks on our business or the extent to which any risk, or combination of risks, 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.



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**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 athletic footwear, apparel and equipment. We are the largest seller of athletic footwear and apparel in the world measured by global revenues. We sell our products to retail accounts, through NIKE-owned retail stores and internet websites (which we refer to as our Direct to Consumer operations), and through a mix of independent distributors and licensees throughout the world. Virtually all of our products are manufactured by independent contractors. Practically 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 NIKE Brand product offerings in eight key categories: Running, Basketball, Football (Soccer), Men's Training, Women's Training, Action Sports, Sportswear (our sports-inspired lifestyle products) and Golf. Basketball includes our Jordan Brand product offerings and Men's Training includes our baseball and American football product offerings. We also market products designed for kids, as well as for other athletic and recreational uses such as cricket, lacrosse, tennis, volleyball, wrestling, walking and outdoor activities.

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

We sell sports apparel covering most of the above-mentioned categories, which feature the same trademarks and are sold predominantly through the same marketing and distribution channels as athletic footwear. Our sports apparel, similar to our athletic footwear products, is designed primarily for athletic use and exemplifies our commitment to innovation and high-quality construction. Sportswear, Men's Training, Running and Football (Soccer) are currently our top-selling apparel categories and we expect them to continue to lead in apparel sales. 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 and accessories 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.

Our Jordan Brand designs, distributes and licenses athletic and casual footwear, apparel and accessories predominantly focused on Basketball using the Jumpman trademark.

One of our wholly owned subsidiary brands, Hurley, headquartered in Costa Mesa, California, designs and distributes a line of action sports and youth lifestyle apparel and accessories under the Hurley trademark.

Another of our wholly owned subsidiary brands, Converse, headquartered in Boston, Massachusetts, designs, distributes and licenses casual sneakers, apparel and accessories under the Converse, Chuck Taylor, All Star, One Star, Star Chevron and Jack Purcell trademarks.

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

On February 1, 2013, and November 30, 2012, we completed the divestitures of the Cole Haan and Umbro businesses, respectively, allowing us to better focus our resources on driving growth in the NIKE, Jordan, Hurley and Converse brands.

**Corporate Information**

We were incorporated in 1967 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 web sites at [www.nike.com](http://www.nike.com) and at [news.nike.com](http://news.nike.com). Information contained in, or accessible through, our web sites is not incorporated into this prospectus supplement or the accompanying prospectus.

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*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	\$1,000,000,000 aggregate principal amount of our 3.875% notes due November 1, 2045.
Maturity Date	The notes will mature on November 1, 2045.
Interest Rate	The notes will bear interest at a rate of 3.875% per annum.
Interest Payment Dates	We will pay interest on the notes on May 1 and November 1 of each year, beginning on May 1, 2016.
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 the 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.
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 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

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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.

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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 the notes, but they are not obligated to do so and may discontinue market-making at any time without notice. See <u>Underwriting</u> 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 having the same terms as, and ranking equally and ratably with, the notes 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 offered hereby; provided that if such additional notes are not fungible with the notes 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 <u>Risk Factors</u> beginning on page S-6 of this prospectus supplement and in Item 1A of our Annual Report on Form 10-K for the fiscal year ended May 31, 2015 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 and the consolidated statement of income data as of and for each of the three years in the three-year period ended May 31, 2015 have been derived from our audited consolidated financial statements and related notes, which are incorporated by reference in this prospectus supplement and/or the accompanying prospectus. The consolidated balance sheet data as of August 31, 2015 and the consolidated statement of income data for the three months ended August 31, 2015 and August 31, 2014 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 unaudited condensed consolidated financial statements have been prepared on a basis consistent with our audited consolidated financial statements and, in the opinion of our management, include all adjustments, consisting only of normal, recurring adjustments, necessary for the fair presentation of the information set forth therein. 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, 2015, 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 three months ended August 31, 2015, each of which is incorporated by reference in this prospectus supplement and the accompanying prospectus.

	For the Three Months Ended		For the Fiscal Year Ended		
	August 31, 2015 (unaudited)	August 31, 2014	May 31, 2015	May 31, 2014	May 31, 2013
(dollars in millions)					
<b>Consolidated Statement of Income Data:</b>					
Revenues	\$ 8,414	\$ 7,982	\$ 30,601	\$ 27,799	\$ 25,313
Cost of sales	4,419	4,261	16,534	15,353	14,279
Gross profit	3,995	3,721	14,067	12,446	11,034
Total selling and administrative expenses	2,577	2,480	9,892	8,766	7,796
Interest expense (income), net	4	9	28	33	(3)
Other (income) expense, net	(31)	3	(58)	103	(15)
Income before income taxes	1,445	1,229	4,205	3,544	3,256
Income tax expense	266	267	932	851	805
Net income from continuing operations	\$ 1,179	\$ 962	\$ 3,273	\$ 2,693	\$ 2,451

	As of	As of May 31,		
	August 31, 2015 (unaudited)	2015	2014	2013
(dollars in millions)				
<b>Consolidated Balance Sheet Data:</b>				
Cash and equivalents and short-term investments	\$ 5,408	\$ 5,924	\$ 5,142	\$ 5,965
Total current assets	15,238	15,976	13,696	13,630
Total assets	20,766	21,600	18,594	17,545
Total current liabilities	5,276	6,334	5,027	3,962
Long-term debt	1,079	1,079	1,199	1,210
Total liabilities	7,872	8,893	7,770	6,464

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Total shareholders equity	12,894	12,707	10,824	11,081
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**RISK FACTORS**

*In addition to other information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any free writing prospectus we have provided to you, you should carefully consider the risks described below and in Item 1A of our Annual Report on Form 10-K for the fiscal year ended May 31, 2015, which is incorporated herein by reference and our other subsequent filings under the Exchange Act, that are incorporated by reference in this prospectus supplement and the accompanying prospectus before making a decision to invest in the notes. These risks are not the only ones faced by us. Additional risks not presently known to us or that we currently deem immaterial could also materially and adversely affect our financial condition, results of operations, business and prospects. The trading prices of the notes could decline due to the materialization of any of these risks, and you may lose all or part of your investment. This prospectus supplement, the accompanying prospectus and the documents incorporated herein and therein by reference also contain forward-looking statements that involve risks and uncertainties. Actual results and events could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by us described below and elsewhere in this prospectus supplement, the accompanying prospectus and the documents incorporated herein and therein by reference. Please refer to the section of this prospectus supplement entitled *Forward-Looking Statements*.*

**Risks Related to this Offering**

*The notes will be structurally subordinated to the indebtedness and other liabilities of our subsidiaries.*

The notes will be obligations exclusively of NIKE, Inc. and not of any of our subsidiaries. A substantial portion of our operations is conducted through our subsidiaries, which are separate legal entities that have no obligation to pay any amounts due under the notes or to make any funds available therefor, whether by dividends, loans or other payments. Except to the extent we are a creditor with recognized claims against our subsidiaries, all claims of creditors (including trade creditors) and preferred stockholders of our subsidiaries will have priority with respect to the assets of such subsidiaries over our claims (and therefore the claims of our creditors, including holders of the notes). Consequently, the notes will be structurally subordinated to the indebtedness and other liabilities of our subsidiaries and any subsidiaries that we may in the future acquire or create.

*Because the notes will not be secured, they will be subject to prior claims of any secured creditors, and if a default occurs, we may not have sufficient funds to fulfill our obligations under the notes.*

The notes will be our unsecured general obligations, ranking equally with our other senior unsecured indebtedness, including our 2.25% notes due May 1, 2023 and our 3.625% notes due May 1, 2043. As of August 31, 2015, our total consolidated indebtedness was \$1.208 billion and we had \$2.0 billion of availability under our revolving credit facility. The indenture governing the notes will permit us and our subsidiaries to incur additional indebtedness, including secured debt. If we incur any secured debt, our assets will be subject to prior claims by our secured creditors to the extent of the value of the assets securing such indebtedness. As of August 31, 2015, we had \$86 million of secured indebtedness. In the event of our bankruptcy, liquidation, reorganization or other winding up, assets that secure debt will be available to pay obligations on the notes only after all debt secured by those assets has been repaid in full. Holders of the notes will participate in our remaining assets ratably with all of our unsecured and unsubordinated creditors, including our trade creditors. If we incur any additional obligations that rank equally with the notes, including trade payables, the holders of those obligations will be entitled to share ratably with the holders of the notes and the previously issued notes in any proceeds distributed upon our insolvency, liquidation, reorganization, dissolution or other winding up. This may have the effect of reducing the amount of proceeds paid to you. If there are not sufficient assets remaining to pay all these creditors, all or a portion of the notes then outstanding would remain unpaid.



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*The limited covenants in the indenture that will govern the notes will not provide protection against many types of important corporate events and may not protect your investment.*

The indenture for the notes will not:

require us to maintain any financial ratios or specific levels of net worth, revenues, income, cash flow or liquidity and, accordingly, will not protect holders of the notes in the event that we experience significant adverse changes in our financial condition or results of operations;

restrict our subsidiaries' ability to issue securities or otherwise incur indebtedness that would be senior to our equity interests in our subsidiaries and therefore would be structurally senior to the notes;

limit our ability to incur secured indebtedness that would effectively rank senior to the notes to the extent of the value of the assets securing the indebtedness or to engage in sale and leaseback transactions;

limit our ability to incur indebtedness that is equal or subordinate in right of payment to the notes;

restrict our ability to repurchase our equity securities or prepay our other indebtedness;

restrict our ability to make investments or pay dividends or make other payments in respect of our equity securities or our other indebtedness;

restrict our ability to enter into highly leveraged transactions; or

require us to make an offer to repurchase the notes in the event of a change in control transaction.

As a result of the foregoing, when evaluating the terms of the notes, you should be aware that the terms of the indenture and the notes will not restrict our ability to engage in, or to otherwise be a party to, a variety of corporate transactions, circumstances and events, such as certain acquisitions, refinancings or recapitalizations that could substantially and adversely affect our capital structure and the value of the notes. For these reasons, you should not consider the covenants in the indenture as a significant factor in evaluating whether to invest in the notes.

***Redemption may adversely affect your return on the notes.***

We have the right to redeem some or all of the notes prior to maturity. We may redeem the notes at times when prevailing interest rates may be relatively low. Accordingly, you may not be able to reinvest the redemption proceeds in comparable securities at an effective interest rate as high as that of the notes.

***Changes in our credit ratings may adversely affect your investment in the notes.***

We currently expect that, prior to issuance, the notes will be rated by one or more ratings agencies. The ratings of debt rating agencies assigned to the notes are not recommendations to purchase, hold or sell the notes, inasmuch as the ratings do not comment as to market prices or suitability for a particular investor, are limited in scope, and do not address all material risks relating to an investment in the notes, but rather reflect only the view of each rating agency at the time the rating is issued. The ratings are based on current information furnished to the rating agencies by us and information obtained by the rating agencies from other sources. An explanation of the significance of such ratings may be obtained from such rating agency. There can be no assurance that such credit ratings will remain in effect for any given period of time or that such ratings will not be lowered, suspended or withdrawn entirely by the rating agencies, if, in each rating agency's judgment, circumstances so

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warrant. Actual or anticipated changes or downgrades in our credit ratings, including any announcement that our ratings are under further review for a downgrade, could affect the market value and liquidity of the notes and increase our corporate borrowing costs.

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*There may not be an active market for the notes.*

We cannot assure you that a trading market for the notes will ever develop or will be maintained. Further, there can be no assurance as to the liquidity of any market that may develop for the notes, your ability to sell your notes or the prices at which you will be able to sell your notes. Future trading prices of the notes will depend on many factors, including prevailing interest rates, our financial condition and results of operations, the then- current ratings assigned to the notes and the market for similar securities. Any trading market that develops would be affected by many factors independent of and in addition to the foregoing, including the:

propensity of existing holders to trade their positions in the notes;

time remaining to the maturity of the notes;

outstanding amount of the notes;

redemption of notes; and

level, direction and volatility of market interest rates generally and investors' and prospective investors' expectations with respect to the foregoing.

***The prices at which you will be able to sell your notes prior to maturity will depend on a number of factors and may be substantially less than the amount you originally invest.***

We believe that the value of the notes in any secondary market will be affected by interest rates, supply and demand for the notes and a number of other factors. Some of these factors are interrelated in complex ways. As a result, the impact of any one factor on the market value of the notes may be offset or magnified by the effect of another factor. An offsetting negative factor could, for example, entirely eliminate a positive impact attributable to another factor. We expect that the market value of the notes will be affected by changes in U.S. interest rates. In general, assuming all other conditions remain constant, if U.S. interest rates increase, the market value of the notes may decrease. Actual or anticipated changes in our financial condition or results of operations may also affect the market value of the notes.

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**USE OF PROCEEDS**

The net proceeds from the sale of the notes are estimated to be approximately \$980.68 million, after deducting the underwriting discounts and the estimated offering expenses payable by us. We intend to use the net proceeds from this offering for general corporate purposes.

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**Table of Contents****CAPITALIZATION**

The following table sets forth our cash and cash equivalents and short-term investments and capitalization as of August 31, 2015:

on an actual basis; and

on an as adjusted basis to reflect the sale of the notes, and the receipt of the net proceeds therefrom, as if each occurred on August 31, 2015 and assuming such net proceeds are held as cash or cash equivalents.

This information should be read in conjunction with 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 three months ended August 31, 2015, which is incorporated by reference in this prospectus supplement and the accompanying prospectus.

	As of August 31, 2015	
	Actual	As Adjusted
	(millions)	
Cash and cash equivalents and short-term investments	\$ 5,408	\$ 6,389
Short-term debt:		
Notes payable	23	23
Total short-term debt	23	23
Long-term debt:		
2.250% notes due May 1, 2023	499	499
3.625% notes due May 1, 2043	499	499
2.60% Japanese Yen note, maturing August 20, 2001 through November 20, 2020 <sup>(1)</sup>	20 <sup>(2)</sup>	20 <sup>(2)</sup>
2.00% Japanese Yen note, maturing August 20, 2001 through November 20, 2020 <sup>(1)</sup>	9 <sup>(2)</sup>	9 <sup>(2)</sup>
5.15% corporate bond, payable October 15, 2015 <sup>(3)</sup>	101	101
6.20% Promissory Notes, payable April 1, 2017 <sup>(4)</sup>	38	38
6.79% Promissory Notes, payable January 1, 2018 <sup>(4)</sup>	19	19
3.875% notes due 2045 offered hereby		1,000
Total long-term debt (including current portion)	1,185	2,185
Total shareholders' equity	12,894	12,894
Total capitalization	\$ 14,102	\$ 15,102

(1) NIKE Logistics YK assumed a total of ¥13.0 billion in notes as part of its agreement to purchase a distribution center in Japan, which distribution center serves as collateral for the notes. These notes mature in equal quarterly installments during the period beginning August 20, 2001 and ending November 20, 2020.

(2) Based on an exchange rate of \$1.00 to ¥121.19 as of August 31, 2015.

(3) We entered into interest rate swap agreements whereby we receive fixed interest payments at the same rate as the bonds and pay variable interest payments based on six-month LIBOR plus a spread. Each swap has the same notional amount and maturity date as the corresponding bond. At August 31, 2015, the interest rates payable on these swap agreements ranged from approximately 0.4% to 0.6%.

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- (4) We assumed a total of \$59 million in promissory notes payable as part of our agreement to purchase certain corporate properties; this was treated as a non-cash financing transaction. The property serves as collateral for the debt. The purchase of these properties was accounted for as a business combination where the total consideration of \$85 million was allocated to the land and buildings acquired; no other tangible or intangible assets or liabilities resulted from the purchase.

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**Table of Contents****RATIO OF EARNINGS TO FIXED CHARGES**

Our ratio of earnings to fixed charges for the periods indicated is as follows:

	<b>Three Months Ended August 31,</b>		<b>As of May 31,</b>			
	<b>2015</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Ratio of earnings to total fixed charges <sup>(1)</sup>	47.6	36.3	32.9	46.9	42.2	41.2

- (1) In accordance with SEC rules and regulations, for purposes of computing the ratios of earnings to fixed charges, earnings represent income from continuing operations before fixed charges and taxes, and is inclusive of the amortization of capitalized interest. Fixed charges represent interest on indebtedness, amortization of debt discount and one-tenth of rental expense which is deemed to be representative of the interest factor of operating leases. Interest expense includes interest both expensed and capitalized.

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**DESCRIPTION OF NOTES**

The following description of the particular terms of the notes offered by this prospectus supplement should be read in conjunction with the description of the general terms and provisions of the debt securities under the caption "Description of Debt Securities" beginning on page 8 of the accompanying prospectus.

The notes will be issued under an indenture between us and Deutsche Bank Trust Company Americas, as trustee (the "trustee"), entered into on April 26, 2013, as supplemented by a supplemental indenture, which will be entered into concurrently with the issuance of the notes (as so supplemented, the "indenture"). The following summary of provisions of the indenture and the notes does not purport to be complete and is subject to, and qualified in its entirety by reference to, all of the provisions of the indenture, including definitions therein of certain terms and provisions made a part of the indenture by reference to the Trust Indenture Act of 1939, as amended. This summary may not contain all information that you may find useful. You should read the indenture and the notes, copies of which are available from us upon request. Capitalized terms used and not defined in this summary have the meanings specified in the indenture.

For the purposes of this section, references to "we," "us" and "our" refer only to NIKE, Inc. and not to any of our existing or future subsidiaries.

**General**

The notes will have the following basic terms:

the notes initially will be limited to \$1,000,000,000 aggregate principal amount (subject to our rights to issue additional notes as described under "Further Issuances" below);

the notes will accrue interest at a rate of 3.875% per year;

the notes will mature on November 1, 2045, unless redeemed or repurchased prior to that date;

interest will accrue on the notes from the most recent date to or for which interest has been paid or duly provided for (or if no interest has been paid or duly provided for, from the issue date of the notes) to, but excluding, the succeeding interest payment date, payable semi-annually in arrears on May 1 and November 1 of each year, beginning on May 1, 2016;

the notes may be redeemed by us, at our option, prior to maturity, in whole or in part, as described under "Optional Redemption" below;

the notes will be issued in registered form in denominations of \$2,000 and integral multiples of \$1,000 in excess thereof; and

the notes will be represented by one or more global notes registered in the name of a nominee of The Depository Trust Company ("DTC"), but in certain limited circumstances may be represented by notes in definitive form (see "Book-Entry; Delivery and Form; Global Notes" below).

Interest on the notes will be paid to the person in whose name that note is registered at the close of business on April 15 or October 15, as the case may be, immediately preceding the relevant interest payment date. Interest on the notes will be computed on the basis of a 360-day year comprised of twelve 30-day months. All dollar amounts resulting from this calculation will be rounded to the nearest cent.

If any interest or other payment date of a note falls on a day that is not a business day, the related payment of principal, premium, if any, or interest will be due on the next succeeding business day as if made on the date that the payment was due, and no interest will accrue on that payment for the period from and after that interest or other payment date, as the case may be, to the date of that payment on the next succeeding



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business day. The term business day when used with respect to any note, means each Monday, Tuesday, Wednesday, Thursday

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and Friday which is not a day on which banking institutions in New York, New York (or such other place of payment as may be subsequently specified by us) are authorized or obligated by law, regulation or executive order to close. Interest will cease to accrue on a note upon its maturity or redemption by us at our option.

We do not intend to list the notes on any national securities exchange or include the notes in any automated quotation system.

The notes will not be subject to any sinking fund.

We may, subject to compliance with applicable law, at any time purchase notes in the open market or otherwise.

The indenture and the notes will not contain any provisions that would limit our or our subsidiaries' ability to incur additional secured or unsecured indebtedness or require us or our subsidiaries to maintain any financial ratios or specified levels of net worth or liquidity.

## **Ranking**

The notes will be our senior unsecured obligations and will rank equally in right of payment with all of our existing and future unsecured and unsubordinated obligations, including our 2.25% notes due May 1, 2023 and our 3.625% notes due May 1, 2043, and including any indebtedness we may incur from time to time under our \$2.0 billion committed credit facility maturing in August 2020 (subject to extension).

The notes will effectively rank junior to all our existing and future secured indebtedness to the extent of the value of the assets securing such indebtedness, and to all liabilities of our subsidiaries. As of August 31, 2015, we had \$86 million of secured indebtedness. We derive a substantial portion of our operating income and cash flow from our subsidiaries. Therefore, our ability to make payments when due to the holders of the notes is, in part, dependent upon the receipt of funds from our subsidiaries.

Claims of creditors of our subsidiaries generally will have priority with respect to the assets and earnings of such subsidiaries over the claims of our creditors, including holders of the notes. Accordingly, the notes will be structurally subordinated to creditors, including trade creditors and preferred stockholders, if any, of our subsidiaries.

The notes will be senior in right of payment to any of our existing and future indebtedness that is subordinated to the notes.

## **Payment and Transfer or Exchange**

Principal of and premium, if any, and interest on the notes will be payable, and the notes may be exchanged or transferred, at the office or agency maintained by us for such purpose (which initially will be the corporate trust office of the trustee). Payment of principal of and premium, if any, and interest on a global note registered in the name of or held by DTC or its nominee will be made in immediately available funds to DTC or its nominee, as the case may be, as the registered holder of such global note. If the notes are no longer represented by global notes, payment of interest on certificated notes in definitive form may, at our option, be made by:

(i) check mailed directly to holders at their registered addresses or (ii) upon request of any holder of at least \$5,000,000 principal amount of notes, wire transfer to an account located in the United States maintained by the payee. See Book-Entry; Delivery and Form; Global Notes below.

A holder may transfer or exchange any certificated notes in definitive form at the same location set forth in the preceding paragraph. No service charge will be made for any registration of transfer or exchange of notes, but we may require payment of a sum sufficient to cover any transfer tax or other similar governmental charge

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payable in connection therewith. We are not required to transfer or exchange any note selected for redemption during a period of 15 days before mailing of a notice of redemption of notes to be redeemed.

The registered holder of a note will be treated as the owner of that note for all purposes.

All amounts of principal of and premium, if any, and interest on the notes paid by us that remain unclaimed two years after such payment was due and payable will be repaid to us, and the holders of such notes will thereafter look solely to us for payment.

### **Optional Redemption**

The notes may be redeemed by us at our option at any time or from time to time prior to May 1, 2045 (six months prior to maturity) (the *Par Call Date*), either in whole or in part, at a redemption price equal to the greater of (i) 100% of the aggregate principal amount of the notes to be redeemed and (ii) the sum of the present values of the Remaining Scheduled Payments, plus in each case, accrued and unpaid interest thereon to, but excluding, the redemption date, subject to the rights of holders of the notes on the relevant record date to receive interest due on the relevant interest payment date. If the notes are redeemed on or after the *Par Call Date* the redemption price will equal 100% of the aggregate principal amount of the notes being redeemed, plus accrued and unpaid interest thereon to, but excluding, the redemption date.

In determining the present values of the Remaining Scheduled Payments, we will discount such payments to the redemption date on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) using a discount rate equal to the Treasury Rate plus 20 basis points for the notes.

If money sufficient to pay the redemption price of and accrued interest on the notes (or portions thereof) to be redeemed on the redemption date is deposited with the trustee or paying agent on or before the redemption date and certain other conditions are satisfied, then on and after the redemption date, interest will cease to accrue on such notes (or such portion thereof) called for redemption and such notes will cease to be outstanding. If any redemption date is not a business day, we will pay the redemption price on the next business day without any interest or other payment due to the delay.

The following terms are relevant to the determination of the redemption price.

*Comparable Treasury Issue* means the United States Treasury security selected by an Independent Investment Banker as having an actual or interpolated maturity comparable to the remaining term of the notes to be redeemed, calculated as if the maturity date of such notes was the *Par Call Date* (the *Remaining Life*), that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such notes being redeemed.

*Comparable Treasury Price* means, with respect to any redemption date, (1) the arithmetic average of the Reference Treasury Dealer Quotations for such redemption date after excluding the highest and lowest Reference Treasury Dealer Quotations, (2) if we obtain three or fewer Reference Treasury Dealer Quotations, the arithmetic average of all Reference Treasury Dealer Quotations for such redemption date or (3) if only one Reference Treasury Dealer Quotation is received, such quotation.

*Independent Investment Banker* means one of the Reference Treasury Dealers, or their respective successors, as may be appointed from time to time by us; *provided*, however, that if any of the foregoing ceases to be a primary U.S. Government securities dealer in the United States (a *primary treasury dealer*), we will substitute another primary treasury dealer.

*Reference Treasury Dealer* means Citigroup Global Markets Inc., Deutsche Bank Securities Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated and each of their respective successors and any other primary treasury dealers selected by us.

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*Reference Treasury Dealer Quotations* means, with respect to each Reference Treasury Dealer and any redemption date, the arithmetic average, as determined by us, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to us by such Reference Treasury Dealer as of 5:00 p.m., New York City time, on the third business day preceding such redemption date.

*Remaining Scheduled Payments* means, with respect to any note to be redeemed, the remaining scheduled payments of the principal thereof and interest thereon that would be due after the related redemption date but for such redemption if such note matured on the Par Call Date; *provided*, however, that, if such redemption date is not an interest payment date with respect to such note, the amount of the next scheduled interest payment thereon will be reduced by the amount of interest accrued thereon to such redemption date.

*Treasury Rate* means, with respect to any redemption date, the rate per annum equal to the semi-annual equivalent yield to maturity (computed as of the third business day immediately preceding that redemption date) of the Comparable Treasury Issue. In determining this rate, we will assume a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

A partial redemption of the notes may be effected pro rata or by lot and may provide for the selection for redemption of portions (equal to the minimum authorized denomination for the notes or any integral multiple thereof) of the principal amount of notes of a denomination larger than the minimum authorized denomination for the notes.

A notice of redemption may provide that it is subject to certain conditions that will be specified in the notice. If those conditions are not met, the redemption notice will be of no effect and we will not be obligated to redeem the notes.

Notice of any redemption will be delivered at least 30 days but not more than 60 days before the redemption date to each holder of the notes to be redeemed. At our request, the trustee shall give the notice of redemption on our behalf.

Unless we default in payment of the redemption price, on and after the redemption date interest will cease to accrue on the notes, or portions thereof, called for redemption.

## **Further Issuances**

We may from time to time, without notice to or the consent of the holders of the notes, create and issue additional notes having the same terms as, and ranking equally and ratably with, the notes 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); *provided* that if the additional notes are not fungible with the outstanding notes offered hereby for U.S. federal income tax purposes, such additional notes will have one or more separate CUSIP numbers. Such additional notes may be consolidated and form a single series with, and will have the same terms as to ranking, redemption, waivers, amendments or otherwise, as the notes, and will vote together as one class on all matters with respect to the notes.

## **Events of Default**

Each of the following is an event of default under the indenture with respect to the notes:

failure to pay the principal or any premium on the notes when due, at maturity, upon redemption or otherwise;

failure to pay interest on the notes for 30 days after the date payment is due and payable, if the time for payment has not been extended or deferred;

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failure to perform any other covenant with respect to the notes for 90 days after receipt of written notice from the trustee or the holders of at least 25% in aggregate principal amount of the outstanding notes; and

certain events in bankruptcy, insolvency or reorganization with respect to us.

In case an event of default (other than an event of default described in the last bullet above) shall occur and be continuing with respect to the notes, the trustee or the holders of not less than 25% in aggregate principal amount of the outstanding notes (including any additional notes, voting together as a single class) may declare the principal of the notes due and payable immediately.

If an event of default described in the last bullet above shall occur and be continuing, then the principal amount of all the notes outstanding shall be and become due and payable immediately, without notice or other action by any holder or the trustee, to the full extent permitted by law.

Any event of default with respect to the notes may be waived by the holders of a majority in aggregate principal amount of the outstanding notes (including any additional notes), except in each case a failure to pay principal of or premium, interest or additional amounts, if any, on such notes or a default in respect of a covenant or provision which cannot be modified or amended without the consent of each holder affected thereby. At any time after a declaration of acceleration or automatic acceleration has been made and before a judgment or decree for payment, the holding of a majority in aggregate principal amount of all the notes outstanding may rescind and annul the declaration of acceleration under certain circumstances.

The occurrence of an event of default under the indenture would constitute after any applicable cure period an event of default under our committed credit facility and may constitute an event of default under future credit agreements or facilities in existence from time to time.

No holder of notes will have any right by virtue or by availing of any provision of the indenture to institute any suit, action or proceeding in equity or at law upon or under or with respect to the indenture or such notes or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless (1) such holder previously shall have given to the trustee written notice of an event of default and of the continuance thereof with respect to such notes specifying such event of default; (ii) the holders of not less than 25% in aggregate principal amount of the series of such notes then outstanding shall have made written request upon the trustee to institute such action, suit or proceeding in its own name as trustee hereunder; (iii) such holder or holders shall have offered to the trustee such reasonable indemnity as it may require against the costs, expenses and liabilities to be incurred therein or thereby; (iv) the trustee for 60 days after its receipt of such notice, request and offer of indemnity, shall have failed to institute any such action, suit or proceeding; and (v) during such 60 day period, the holders of a majority in principal amount of such series of notes then outstanding do not give the trustee a direction inconsistent with the request.

**Notwithstanding anything contained herein to the contrary, the right of any holder of any note to receive payment of the principal of, and premium, if any, and interest on such note, as therein provided, on or after the due date expressed in such note (or in the case of redemption, on the redemption date), or to institute suit for the enforcement of any such payment on or after such due date or redemption date, shall not be impaired or affected without the consent of such holder.**

**Same-Day Settlement and Payment**

The notes will trade in the same-day funds settlement system of DTC until maturity or until we issue notes in certificated form. DTC will therefore require secondary market trading activity in such notes to settle in immediately available funds. We can give no assurance as to the effect, if any, of settlement in immediately available funds on trading activity in the notes.

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**Book-Entry; Delivery and Form; Global Notes**

The notes will be represented by one or more global notes in definitive, fully registered form without interest coupons. Each global note will be deposited with the trustee as custodian for DTC and registered in the name of a nominee of DTC in New York, New York for the accounts of participants in DTC.

Investors may hold their interests in a global note directly through DTC if they are DTC participants, or indirectly through organizations that are DTC participants. Except in the limited circumstances described below or in the accompanying prospectus, holders of notes represented by interests in a global note will not be entitled to receive their notes in fully registered certificated form.

DTC has advised as follows: DTC is a limited-purpose trust company organized under New York Banking Law, a banking organization within the meaning of the New York Banking Law, a member of the Federal Reserve System, a clearing corporation within the meaning of the New York Uniform Commercial Code and a clearing agency registered pursuant to the provisions of Section 17A of the Exchange Act. DTC was created to hold securities of institutions that have accounts with DTC ( participants ) and to facilitate the clearance and settlement of securities transactions among its participants in such securities through electronic book-entry changes in accounts of the participants, thereby eliminating the need for physical movement of securities certificates. DTC s participants include securities brokers and dealers (which may include the underwriters), banks, trust companies, clearing corporations and certain other organizations. Access to DTC s book-entry system is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, whether directly or indirectly.

***Ownership of Beneficial Interests***

Upon the issuance of each global note, DTC will credit, on its book-entry registration and transfer system, the respective principal amount of the individual beneficial interests represented by the global note to the accounts of participants. Ownership of beneficial interests in each global note will be limited to participants or persons that may hold interests through participants. Ownership of beneficial interests in each global note will be shown on, and the transfer of those ownership interests will be effected only through, records maintained by DTC (with respect to participants interests) and such participants (with respect to the owners of beneficial interests in the global note other than participants).

So long as DTC or its nominee is the registered holder and owner of a global note, DTC or such nominee, as the case may be, will be considered the sole legal owner of the notes represented by the global note for all purposes under the indenture, the notes and applicable law. Except as set forth below, owners of beneficial interests in a global note will not be entitled to receive certificated notes and will not be considered to be the owners or holders of any notes under the global note. We understand that under existing industry practice, in the event an owner of a beneficial interest in a global note desires to take any actions that DTC, as the holder of the global note, is entitled to take, DTC would authorize the participants to take such action, and that participants would authorize beneficial owners owning through such participants to take such action or would otherwise act upon the instructions of beneficial owners owning through them. No beneficial owner of an interest in a global note will be able to transfer the interest except in accordance with DTC s applicable procedures, in addition to those provided for under the indenture. Because DTC can only act on behalf of participants, who in turn act on behalf of others, the ability of a person having a beneficial interest in a global note to pledge that interest to persons that do not participate in the DTC system, or otherwise to take actions in respect of that interest, may be impaired by the lack of physical certificate of that interest.

All payments on the notes represented by a global note registered in the name of and held by DTC or its nominee will be made to DTC or its nominee, as the case may be, as the registered owner and holder of the global note.

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We expect that DTC or its nominee, upon receipt of any payment of principal, premium, if any, or interest in respect of a global note, will credit participants' accounts with payments in amounts proportionate to their respective beneficial interests in the principal amount of the global note as shown on the records of DTC or its nominee. We also expect that payments by participants to owners of beneficial interests in the global note held through such participants will be governed by standing instructions and customary practices as is now the case with securities held for accounts for customers registered in the names of nominees for such customers. These payments, however, will be the responsibility of such participants and indirect participants, and neither we, the underwriters, the trustee nor any paying agent will have any responsibility or liability for any aspect of the records relating to, or payments made on account of beneficial ownership interests in any global note or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests or for any other aspect of the relationship between DTC and its participants or the relationship between such participants and the owners of beneficial interests in the global note.

Unless and until it is exchanged in whole or in part for certificated notes, each global note may not be transferred except as a whole by DTC to a nominee of DTC or by a nominee of DTC to DTC or another nominee of DTC. Transfers between participants in DTC will be effected in the ordinary way in accordance with DTC rules and will be settled in same-day funds.

We expect that DTC will take any action permitted to be taken by a holder of notes (including the presentation of notes for exchange as described below) only at the direction of one or more participants to whose account the DTC interests in a global note are credited and only in respect of such portion of the aggregate principal amount of the notes as to which such participant or participants has or have given such direction.

Although we expect that DTC will agree to the foregoing procedures in order to facilitate transfers of interests in each global note among participants of DTC, DTC is under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time. Neither we, the underwriters, nor the trustee will have any responsibility for the performance or nonperformance by DTC or their participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Under certain circumstances described in the accompanying prospectus, DTC may exchange the global notes for notes in certificated form of like tenor and of an equal principal amount, in authorized denominations. These certificated notes will be registered in such name or names as DTC shall instruct the trustee. It is expected that such instructions may be based upon directions received by DTC from participants with respect to ownership of beneficial interests in global securities.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that we believe to be reliable, but we do not take responsibility for its accuracy.

***Euroclear and Clearstream***

If the depositary for a global security is DTC, you may hold interests in the global notes through Clearstream Banking, société anonyme, which is referred to as Clearstream, or Euroclear Bank S.A./N.V., as operator of the Euroclear System, which is referred to as Euroclear, in each case, as a participant in DTC. Euroclear and Clearstream will hold interests, in each case, on behalf of their participants through customers' securities accounts in the names of Euroclear and Clearstream on the books of their respective depositaries, which in turn will hold such interests in customers' securities in the depositaries' names on DTC's books.

Payments, deliveries, transfers, exchanges, notices and other matters relating to the notes made through Euroclear or Clearstream must comply with the rules and procedures of those systems. Those systems could change their rules and procedures at any time. We have no control over those systems or their participants, and it takes no responsibility for their activities. Transactions between participants in Euroclear or Clearstream, on the one hand, and other participants in DTC, on the other hand, would also be subject to DTC's rules and procedures.

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Investors will be able to make and receive through Euroclear and Clearstream payments, deliveries, transfers, exchanges, notices and other transactions involving any securities held through those systems only on days when those systems are open for business. Those systems may not be open for business on days when banks, brokers and other institutions are open for business in the United States.

In addition, because of time-zone differences, U.S. investors who hold their interests in the notes through these systems and wish, on a particular day, to transfer their interests, or to receive or make a payment or delivery or exercise any other right with respect to their interests, may find that the transaction will not be effected until the next business day in Luxembourg or Brussels, as applicable. Thus, investors who wish to exercise rights that expire on a particular day may need to act before the expiration date. In addition, investors who hold their interests through both DTC and Euroclear or Clearstream may need to make special arrangements to finance any purchase or sales of their interests between the U.S. and European clearing systems, and those transactions may settle later than transactions within one clearing system.

## **Governing Law**

The indenture and the notes will be governed by, and construed in accordance with, the laws of the State of New York.

## **Regarding the Trustee**

Deutsche Bank Trust Company Americas will be the trustee under the indenture and will also be appointed by us to act as registrar, transfer agent and paying agent for the notes. We and our affiliates maintain various commercial and service relationships with the trustee and its affiliates in the ordinary course of business. An affiliate of the trustee is a lender under our committed credit facility. The trustee and its affiliates have also in the past performed, and may continue to perform, cash management, counterparty, financial advisory or other services for us, for which they have received, or may receive, customary fees and commissions. In addition, Deutsche Bank Securities Inc., an affiliate of the trustee, is an underwriter for this offering.



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**MATERIAL UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS**

The following discussion is a summary of the material U.S. federal income tax considerations relating to the purchase, ownership and disposition of the notes, but does not purport to be a complete analysis of all potential tax effects and does not address the effects of any state, local, estate, alternative minimum, gift or non-U.S. tax laws. This discussion is based upon the U.S. Internal Revenue Code of 1986, as amended (the Code), Treasury regulations issued thereunder, and judicial and administrative interpretations thereof, each as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect and to differing interpretations, all of which could result in U.S. federal income tax considerations different from those described below. No rulings from the Internal Revenue Service (IRS) have been or are expected to be sought with respect to the matters discussed below. The discussion below is not binding on the IRS or the courts. Accordingly, there can be no assurance that the IRS will not take a different position concerning the tax consequences of the purchase, ownership or disposition of the notes or that any such position would not be sustained.

This discussion does not address all of the U.S. federal income tax considerations that might be relevant to a holder in light of such holder's particular circumstances or to holders subject to special rules, such as financial institutions, U.S. expatriates, insurance companies, dealers in securities or currencies, traders in securities or currencies, U.S. holders (as defined below) whose functional currency is not the U.S. dollar, tax-exempt organizations, regulated investment companies, real estate investment trusts, partnerships or other pass-through entities (or investors in such entities), controlled foreign corporations, passive foreign investment companies, and persons holding the notes as part of a straddle, hedge, conversion transaction or other integrated transaction. In addition, this discussion is limited to persons who purchase the notes for cash at original issue and at their issue price (the first price at which a substantial part of the notes are sold to the public for cash, excluding sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) and who hold the notes as capital assets within the meaning of section 1221 of the Code.

For purposes of this discussion, a U.S. holder is a beneficial owner of a note that is for U.S. federal income tax purposes (i) an individual who is a citizen or resident of the United States; (ii) a corporation or any other entity treated as a corporation for U.S. federal income tax purposes created or organized in or under the laws of the United States or any political subdivision thereof; (iii) any estate the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or if a valid election is in place to treat the trust as a U.S. person. For purposes of this discussion, a non-U.S. holder is a beneficial owner of a note that is for U.S. federal income tax purposes (i) a foreign corporation, (ii) a nonresident alien individual, or (iii) a foreign estate or trust that in either case is not subject to United States federal income tax on a net income basis on income or gain from a note.

If a partnership (including any entity treated as a partnership for U.S. federal income tax purposes) holds the notes, the tax treatment of such partnership and a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. A holder that is a partnership, and partners in such partnerships, should consult their tax advisors regarding the tax consequences of the purchase, ownership and disposition of the notes.

**Prospective purchasers of the notes should consult their tax advisors concerning the tax consequences of holding notes in light of their particular circumstances, including the application of the U.S. federal income tax considerations discussed below, as well as the application of state, local, foreign or other tax laws.**

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**U.S. Holders**

**Payments of Interest.** Payments of stated interest on the notes generally will be taxable to a U.S. holder as ordinary income at the time that such payments are received or accrued, in accordance with such U.S. holder's method of accounting for U.S. federal income tax purposes.

This discussion assumes that the notes will not be issued with more than a *de minimis* amount of original issue discount. If, however, the notes principal amount exceeds the issue price by more than a *de minimis* amount, as determined under applicable Treasury regulations, a U.S. holder will be required to include such excess of principal amount over issue price in income as original issue discount, as it accrues, in accordance with a constant yield method based on a compounding of interest, before the receipt of cash payments attributable to this income.

**Sale, Exchange, Redemption, Retirement or Other Taxable Disposition of Notes.** Upon the sale, exchange, redemption, retirement or other taxable disposition of a note, a U.S. holder generally will recognize gain or loss equal to the difference between the amount realized upon the sale, exchange, redemption, retirement or other disposition (less an amount equal to any accrued but unpaid interest, which will be taxable as interest income as discussed above to the extent not previously included in income by the U.S. holder) and the U.S. holder's adjusted U.S. federal income tax basis in the note. A U.S. holder's adjusted U.S. federal income tax basis in a note generally will be its cost for that note. Any such gain or loss generally will be capital gain or loss. Capital gains of noncorporate U.S. holders (including individuals) derived in respect of capital assets held for more than one year currently are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations under the Code.

**Medicare Contribution Tax.** Certain U.S. holders who are individuals, estates or trusts will be required to pay an additional 3.8% tax on, among other things, interest and capital gains from the sale, exchange, redemption, retirement or other taxable disposition of notes.

**Non-U.S. Holders**

**Payments of Interest.** Subject to the discussion below under Foreign Account Tax Compliance Act, payments of interest on any note to a non-U.S. holder generally will not be subject to U.S. federal income or withholding tax if the interest qualifies as portfolio interest. Interest on the notes generally will qualify as portfolio interest if the non-U.S. holder:

Does not actually or constructively own 10% or more of the total combined voting power of all of our stock entitled to vote;

Is not a controlled foreign corporation with respect to which we are a related person within the meaning of the Code; and

Either (1) under penalties of perjury on an IRS Form W-8BEN or W-8BEN-E (or other applicable successor form), certifies that the non-U.S. holder is not a U.S. person, or (2) owns through a securities clearing organization, bank or other financial institution that holds customers' securities in the ordinary course of its trade or business, that certifies, under penalties of perjury, that such a form has been received from the non-U.S. holder by it or by a financial institution between it and the non-U.S. holder.

The gross amount of payments to a non-U.S. holder of interest that does not qualify for the portfolio interest exemption and that is not income effectively connected with the conduct by such non-U.S. holder of a trade or business within the United States (and, if required by an applicable income tax treaty, is not attributable to a permanent establishment of such non-U.S. holder in the United States) ( U.S. Trade or Business Income ) will be subject to U.S. withholding tax at the rate of 30%, unless a U.S. income tax treaty applies to reduce or eliminate such withholding tax. U.S. Trade or Business Income will be taxed on a net basis at regular graduated U.S. rates rather than the 30% gross rate. In the case of a non-U.S. holder that is a corporation, such U.S. Trade

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or Business Income may also be subject to the branch profits tax at a 30% rate. The branch profits tax may not apply, or may apply at a reduced rate, if a recipient is a qualified resident of certain countries with which the United States has an income tax treaty.

To claim the benefit of a tax treaty, exemption from or reduction in withholding, or to claim exemption from withholding because the income is U.S. Trade or Business Income, a non-U.S. holder must provide a properly executed IRS Form W-8BEN, W-8BEN-E or W-8ECI (or such successor forms as the IRS designates), as applicable, prior to the payment of interest. The non-U.S. holder must provide the form to its withholding agent. These forms must be periodically updated. A non-U.S. holder who is claiming the benefits of a treaty may be required in certain instances to obtain a U.S. taxpayer identification number and to provide certain documentary evidence issued by foreign governmental authorities to prove residence in the foreign country.

***Sale, Exchange, Redemption, Retirement or Other Taxable Disposition of Notes.*** Subject to the discussions below under the headings Information Reporting and Backup Withholding and Foreign Account Tax Compliance Act, any gain realized by a non-U.S. holder upon the sale, exchange, redemption, retirement or other taxable disposition of a note (other than with respect to any portion of the gain that represents accrued and unpaid interest, which would be subject to U.S. federal income taxation to the extent described above in Payments of Interest ) generally will not be subject to U.S. federal income tax, unless (i) such gain is U.S. Trade or Business Income, in which case the branch profits tax may also apply to a corporate non-U.S. holder; or (ii) in the case of any gain realized by an individual non-U.S. holder, such holder is present in the United States for 183 days or more in the taxable year of such sale, exchange, redemption, retirement or other disposition and certain other conditions are met.

***Information Reporting and Backup Withholding.*** United States backup withholding will not apply to payments of interest on a note or proceeds from the sale or other disposition of a note payable to a non-U.S. holder if the certification described above in Payments of Interest is duly provided by such non-U.S. holder or the non-U.S. holder otherwise establishes an exemption, provided that the payor does not have actual knowledge that such holder is a U.S. person or that the conditions of any claimed exemption are not satisfied. Certain information reporting still may apply to interest payments even if an exemption from backup withholding is established. Copies of any information returns reporting interest payments and any withholding also may be made available to the tax authorities in the country in which a non-U.S. holder resides under the provisions of an applicable income tax treaty.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding tax rules from a payment to a non-U.S. holder will be allowed as a refund or a credit against such non-U.S. holder's United States federal income tax liability, provided that the required information is timely furnished to the IRS.

Non-U.S. holders should consult their own tax advisors regarding their particular circumstances and the availability of and procedure for establishing an exemption from backup withholding.

***Foreign Account Tax Compliance Act.*** Legislation known as the Foreign Account Tax Compliance Act and guidance issued thereunder ( FATCA ) imposes withholding taxes on certain types of payments made to foreign financial institutions and certain other foreign entities (including financial intermediaries). FATCA generally imposes withholding at a rate of 30% on payments to certain foreign entities of interest on and the gross proceeds of dispositions of the notes, unless various U.S. information reporting and due diligence requirements (generally relating to ownership by U.S. persons of interests in or accounts with those entities) have been satisfied or the entity otherwise qualifies for an exemption. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. These withholding rules generally apply to payments of interest on the notes and, beginning on January 1, 2019, to payments of gross proceeds from a sale or other disposition of the notes. You should consult your tax advisor regarding the application of FATCA.

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Subject to the terms and conditions contained in an underwriting agreement, dated as of the date of this prospectus supplement between us and the underwriters named below, for whom Citigroup Global Markets Inc., Deutsche Bank Securities Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated are acting as representatives, we have agreed to sell to each underwriter, and each underwriter has severally agreed to purchase from us, the principal amount of notes set forth opposite its name below:

<b>Underwriters</b>	<b>Principal Amount of Notes</b>
Merrill Lynch, Pierce, Fenner & Smith Incorporated	\$ 300,000,000
Citigroup Global Markets Inc.	250,000,000
Deutsche Bank Securities Inc.	250,000,000
Goldman, Sachs & Co.	28,750,000
J.P. Morgan Securities, LLC	28,750,000
RBC Capital Markets, LLC	28,750,000
Wells Fargo Securities, LLC	28,750,000
Barclays Capital Inc.	15,000,000
Credit Agricole Securities (USA) Inc.	15,000,000
ING Financial Markets LLC	15,000,000