

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Information
(unaudited)

Core results are non-GAAP financial measures as they exclude certain items noted below. These measures are not in accordance with Generally Accepted Accounting Principles (GAAP). However, we believe investors should consider these measures as they are more indicative of our ongoing performance and reflect how management evaluates our operational results and trends. These measures are not, and should not be viewed as, substitutes for GAAP reporting measures.

Restructuring and impairment charges

2014 Multi-Year Productivity Plan

In the year ended December 28, 2013, we incurred restructuring and impairment charges of \$53 million in conjunction with the multi-year productivity plan we publicly announced on February 13, 2014 (2014 Productivity Plan), including \$11 million recorded in the Frito-Lay North America (FLNA) segment, \$3 million recorded in the Quaker Foods North America (QFNA) segment, \$5 million recorded in the Latin America Foods (LAF) segment, \$10 million recorded in the PepsiCo Americas Beverages (PAB) segment, \$10 million recorded in the Europe segment, \$1 million recorded in the Asia, Middle East and Africa (AMEA) segment and \$13 million recorded in corporate unallocated expenses. The 2014 Productivity Plan includes the next generation of productivity initiatives that we believe will strengthen our food, snack and beverage businesses by accelerating our investment in manufacturing automation; further optimizing our global manufacturing footprint, including closing certain manufacturing facilities; re-engineering our go-to-market systems in developed markets; expanding shared services; and implementing simplified organization structures to drive efficiency.

2012 Multi-Year Productivity Plan

In the year ended December 28, 2013, we incurred restructuring and impairment charges of \$110 million in conjunction with the multi-year productivity plan we publicly announced on February 9, 2012 (2012 Productivity Plan), including \$8 million recorded in the FLNA segment, \$1 million recorded in the QFNA segment, \$7 million recorded in the LAF segment, \$21 million recorded in the PAB segment, \$50 million recorded in the Europe segment, \$25 million recorded in the AMEA segment and income of \$2 million recorded in corporate unallocated expenses, representing adjustments of previously recorded amounts. The 2012 Productivity Plan includes actions in every aspect of our business that we believe will strengthen our complementary food, snack and beverage businesses by leveraging new technologies and processes across PepsiCo's operations, go-to-market and information systems; heightening the focus on best practice sharing across the globe; consolidating manufacturing, warehouse and sales facilities; and implementing simplified organization structures, with wider spans of control and fewer layers of management.

Productivity for Growth Program

In the year ended December 27, 2008, we recorded restructuring and impairment charges of \$543 million in conjunction with the multi-year productivity program we publicly announced on October 14, 2008 (Productivity for Growth Program), including \$81 million recorded in the FLNA segment, \$58 million recorded in the QFNA segment, \$40 million recorded in the LAF segment, \$289 million recorded in

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the PAB segment, \$50 million recorded in the Europe segment, \$15 million recorded in the AMEA segment and \$10 million recorded in corporate unallocated expenses. The Productivity for Growth Program included actions in all divisions of the business, including the closure of six plants, to increase cost competitiveness across the supply chain, upgrade and streamline our product portfolio and simplify the organization for more effective and timely decision-making.

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2008–2013 Core Operating Profit 5-Year CAGR Reconciliation

<u>Frito-Lay North America</u>	<u>2008-2013</u>
Reported Operating Profit CAGR	6.5 %
Impact of Restructuring and Impairment Charges	<u>(0.5)</u>
Core Operating Profit CAGR	<u><u>6.0</u> %</u>

2008-2013 Operating Margin Growth Reconciliation

<u>Frito-Lay North America</u>	<u>2008-2013</u>
Reported Operating Margin Growth	3.2 points
Impact of Restructuring and Impairment Charges	<u>(0.6)</u>
Core Operating Margin Growth	<u><u>2.7</u> points</u>

Note - Certain amounts above may not sum due to rounding.