

**PepsiCo, Inc. Presentation to Consumer Analyst Group of New York (February 20, 2020)**  
**Reconciliation of GAAP and Non-GAAP Information**  
**(unaudited)**

In discussing financial results and guidance, the Company refers to the following measures which are not in accordance with U.S. Generally Accepted Accounting Principles (GAAP): core results, core constant currency results and organic results. We use these non-GAAP financial measures internally to make operating and strategic decisions, including the preparation of our annual operating plan, evaluation of our overall business performance and as a factor in determining compensation for certain employees. We believe presenting non-GAAP financial measures provides additional information to facilitate comparison of our historical operating results and trends in our underlying operating results, and provides additional transparency on how we evaluate our business. We also believe presenting these measures allows investors to view our performance using the same measures that we use in evaluating our financial and business performance and trends.

We consider quantitative and qualitative factors in assessing whether to adjust for the impact of items that may be significant or that could affect an understanding of our ongoing financial and business performance or trends. Examples of items for which we may make adjustments include: amounts related to mark-to-market gains or losses (non-cash); charges related to restructuring plans; amounts associated with mergers, acquisitions, divestitures and other structural changes; pension and retiree medical related items; charges or adjustments related to the enactment of new laws, rules or regulations, such as significant tax law changes; amounts related to the resolution of tax positions; tax benefits related to reorganizations of our operations; debt redemptions, cash tender or exchange offers; asset impairments (non-cash); and remeasurements of net monetary assets. See below for a description of adjustments to our U.S. GAAP financial measures included herein.

Non-GAAP information should be considered as supplemental in nature and is not meant to be considered in isolation or as a substitute for the related financial information prepared in accordance with U.S. GAAP. In addition, our non-GAAP financial measures may not be the same as or comparable to similar non-GAAP measures presented by other companies.

Organic: A measure that adjusts for impacts of acquisitions, divestitures and other structural changes, foreign exchange translation and, when applicable, the impact of the 53rd reporting week.

*2020 guidance*

Our 2020 organic revenue growth guidance excludes the impact of acquisitions, divestitures and other structural changes and foreign exchange translation. Our 2020 core constant currency EPS growth guidance excludes the mark-to-market net impact included in corporate unallocated expenses, restructuring and impairment charges and the impact of foreign exchange translation. We are unable to reconcile our full year projected 2020 organic revenue growth to our full year projected 2020 reported net revenue growth because we are unable to predict the 2020 impact of foreign exchange due to the unpredictability of future changes in foreign exchange rates and because we are unable to predict the occurrence or impact of any acquisitions, divestitures or other structural changes. We are also not able to reconcile our full year projected 2020 core constant currency EPS growth to our full year projected 2020 reported EPS growth because we are unable to predict the 2020 impact of foreign exchange or the mark-to-market net impact on commodity derivatives due to the unpredictability of future changes in foreign exchange rates and commodity prices. Therefore, we are unable to provide a reconciliation of these measures.

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

Net Revenue Growth Reconciliation	Year Ended 12/28/2019			
	Reported % Change, GAAP Measure	Impact of		Organic % Change, Non-GAAP Measure
		Foreign exchange translation	Acquisitions and divestitures	
<b>PepsiCo</b>	<b>4%</b>	<b>2</b>	<b>(1)</b>	<b>4.5%</b>
Developing and Emerging Markets	2 %	4	2	8 %
Developed Markets	4.5 %	1	(2)	3 %