

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

Net Revenue Growth Reconciliation

	Quarter Ended					
	6/15/2013	3/23/2013	12/29/2012	9/8/2012	6/16/2012	3/24/2012
Reported Net Revenue Growth	2 %	1 %	(1) %	(5) %	(2) %	4 %
Impact of Acquisitions and Divestitures	1	3	3	5	4	1
Impact of Foreign Exchange Translation	1.5	0.5	0.5	5	3	(1)
Impact of 53rd Week	-	-	3	-	-	-
Organic Revenue Growth	<u>4 %</u>	<u>4 %</u>	<u>5 %</u>	<u>5 %</u>	<u>5 %</u>	<u>5 %</u>

Diluted EPS Growth Reconciliation

	Quarter Ended	Quarter Ended	Growth
	6/15/2013	6/16/2012	
Reported Diluted EPS	\$ 1.28	\$ 0.94	36 %
Merger and Integration Charges	-	-	
Commodity Mark-to-Market Net Impact	0.02	0.04	
Restructuring and Impairment Charges	0.01	0.04	
Restructuring and Other Charges Related to the Transaction with Tingyi	-	0.10	
Core Diluted EPS	<u>\$ 1.31</u>	<u>\$ 1.12</u>	17 %
Impact of Foreign Exchange Translation			2
Core Constant Currency Diluted EPS Growth			19 %
Vietnam Beverage Refranchising Gain			(8)
Incremental Investments			2
Core Constant Currency Diluted EPS Growth Excluding Vietnam Beverage Refranchising Gain and Incremental Investments			<u>13 %</u>

Gross Margin Growth Reconciliation

	Quarter Ended
	6/15/2013
Reported Gross Margin Growth	110 bps
Commodity Mark-to-Market Net Impact	9
Core Gross Margin Growth	<u>118 bps</u>

Operating Profit Growth Reconciliation

	Quarter Ended
	6/15/2013
Reported Operating Profit Growth	21 %
Commodity Mark-to-Market Net Impact	(2)
Merger and Integration Charges	-
Restructuring and Impairment Charges	(2)
Restructuring and Other Charges Related to the Transaction with Tingyi	(6)
Impact of Foreign Exchange Translation	2
Core Constant Currency Operating Profit Growth	11 %
Vietnam Beverage Refranchising Gain	(5)
Incremental Investments	2
Core Constant Currency Operating Profit Growth Excluding Vietnam Beverage Refranchising Gain and Incremental Investments	<u>8 %</u>

Operating Margin Growth Reconciliation

	Quarter Ended
	6/15/2013
Reported Operating Margin	263 bps
Commodity Mark-to-Market Net Impact	(25)
Merger and Integration Charges	(2)
Restructuring and Impairment Charges	(36)
Restructuring and Other Charges Related to the Transaction with Tingyi	(83)
Core Operating Margin	116 bps
Vietnam Beverage Refranchising Gain	(82)
Incremental Investments	27
Core Operating Margin Growth Excluding Vietnam Beverage Refranchising Gain and Incremental Investments	<u>62 bps</u>

Net Cash Provided by Operating Activities Reconciliation (in millions)

	24 Weeks Ended	24 Weeks Ended	Change
	6/15/2013	6/16/2012	
Net Cash Provided by Operating Activities	\$ 3,015	\$ 1,247	\$ 1,768
Capital Spending	(911)	(901)	
Sales of Property, Plant and Equipment	30	42	
Management Operating Cash Flow	2,134	388	1,746
Discretionary Pension and Retiree Medical Contributions (after-tax)	13	770	
Merger and Integration Payments (after-tax)	15	34	
Payments Related to Restructuring Charges (after-tax)	71	100	
Payments Related to Income Tax Settlements	102	-	
Capital Investments Related to the PBG/PAS Integration ^(a)	-	8	
Net Capital Investments Related to Restructuring Plan	(4)	5	
Payments for Restructuring and Other Charges Related to the Transaction with Tingyi	18	88	
Management Operating Cash Flow excluding above Items	<u>\$ 2,349</u>	<u>\$ 1,393</u>	\$ 956

^(a) The Pepsi Bottling Group, Inc. (PBG) and PepsiAmericas, Inc. (PAS)

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

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FLNA Net Revenue Growth Reconciliation

	<u>Quarter Ended</u> <u>6/15/2013</u>
Reported Net Revenue Growth	4 %
Impact of Foreign Exchange Translation	-
Organic Revenue Growth	<u>4.5 %</u>

FLNA Operating Margin Growth Reconciliation

	<u>Quarter Ended</u> <u>6/15/2013</u>
Reported Operating Margin Growth	104 bps
Restructuring and Impairment Charges	(64)
Core Operating Margin Growth	<u>40 bps</u>

FLNA Operating Profit Growth Reconciliation

	<u>Quarter Ended</u> <u>6/15/2013</u>
Reported Operating Profit Growth	8 %
Restructuring and Impairment Charges	(2)
Impact of Foreign Exchange Translation	-
Core Constant Currency Operating Profit Growth	<u>6 %</u>

PAB Operating Profit Growth Reconciliation

	<u>Quarter Ended</u> <u>6/15/2013</u>
Reported Operating Profit Growth	5 %
Restructuring and Impairment Charges	(3.5)
Impact of Foreign Exchange Translation	2
Core Constant Currency Operating Profit Growth	<u>4 %</u>

Net Revenue Growth Reconciliation (Various Countries)

	<u>GAAP Measure</u> <u>Reported Growth</u>	<u>Percent Impact of</u>		<u>Non-GAAP Measure</u> <u>Organic Growth</u>
	<u>Quarter Ended</u> <u>6/15/2013</u>	<u>Foreign Exchange</u> <u>Translation</u>	<u>Acquisitions and</u> <u>Divestitures</u>	<u>Quarter Ended</u> <u>6/15/2013</u>
Net Revenue Year over Year Growth				
France	8	0.5	-	9
United Kingdom	(1)	4.5	-	3
Germany	3	0.5	-	3
Mexico	13	(7)	-	7
Latin America (excluding Mexico)	3	12	-	15
Turkey	11	1	-	12
Pakistan	24	4	-	28
Philippines	25	(4)	-	20
Jordan	19	-	-	19
India	10	5	-	15
Egypt	-	14	-	14
Saudi Arabia	12	-	-	12
China (Snacks)	25	(3)	-	23
China (Beverages)	(41)	(1)	64	22

Developing and Emerging Markets Net Revenue Growth Reconciliation

	<u>Quarter Ended</u> <u>6/15/2013</u>
Reported Net Revenue Growth	6 %
Impact of Acquisitions and Divestitures	2
Impact of Foreign Exchange Translation	3
Organic Revenue Growth	<u>11 %</u>

Developing and Emerging Markets Snacks Net Revenue Growth Reconciliation

	<u>Quarter Ended</u> <u>6/15/2013</u>
Reported Net Revenue Growth	8 %
Impact of Foreign Exchange Translation	3
Organic Revenue Growth	<u>11 %</u>

Developing and Emerging Markets Beverages Net Revenue Growth Reconciliation

	<u>Quarter Ended</u> <u>6/15/2013</u>
Reported Net Revenue Growth	3 %
Impact of Acquisitions and Divestitures	4
Impact of Foreign Exchange Translation	3.5
Organic Revenue Growth	<u>10 %</u>

AMEA Net Revenue Growth Reconciliation

	<u>Quarter Ended</u> <u>6/15/2013</u>
Reported Net Revenue Growth	6 %
Impact of Acquisitions and Divestitures	6
Impact of Foreign Exchange Translation	3
Organic Revenue Growth	<u>14 %</u>

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

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Effective Tax Rate Reconciliation (in millions)

	Quarter Ended		
	6/15/2013		
	Pre-Tax Income	Income Taxes	Effective Tax Rate
Reported Effective Tax Rate	\$ 2,679	\$ 654	24.4 %
Commodity Mark-to-Market Net Impact	39	13	
Merger and Integration Charges	(1)	-	
Restructuring and Impairment Charges	19	4	
Core Effective Tax Rate	<u>\$ 2,736</u>	<u>\$ 671</u>	24.5 %

	Quarter Ended		
	6/16/2012		
	Pre-Tax Income	Income Taxes	Effective Tax Rate
Reported Effective Tax Rate	\$ 2,169	\$ 668	30.8 %
Commodity Mark-to-Market Net Impact	79	24	
Merger and Integration Charges	3	1	
Restructuring and Impairment Charges	77	20	
Restructuring and Other Charges Related to the Transaction with Tingyi	137	(26)	
Core Effective Tax Rate	<u>\$ 2,465</u>	<u>\$ 687</u>	27.8 %

Division Operating Profit Growth Reconciliation

	Quarter Ended	
	6/15/2013	
Reported Operating Profit Growth	21	%
Impact of Corporate Unallocated	(3)	
Reported Division Operating Profit Growth	17	%
Merger and Integration Charges	-	
Restructuring and Impairment Charges	(2)	
Restructuring and Other Charges Related to the Transaction with Tingyi	(5)	
Impact of Foreign Exchange Translation	2	
Core Constant Currency Division Operating Profit Growth	<u>11</u>	%

Diluted EPS Reconciliation

	Year Ended	
	12/29/2012	
Reported Diluted EPS	\$ 3.92	
Commodity Mark-to-Market Net Impact	(0.03)	
Merger and Integration Charges	0.01	
Restructuring and Impairment Charges	0.14	
Restructuring and Other Charges Related to the Transaction with Tingyi	0.11	
Pension Lump Sum Settlement Charge	0.08	
Tax Benefit Related to Tax Court Decision	(0.14)	
Core Diluted EPS	<u>\$ 4.10</u>	

Net Cash Provided by Operating Activities Reconciliation (in billions)

	2013 Guidance
Net Cash Provided by Operating Activities	\$ -9
Net Capital Spending	(3)
Management Operating Cash Flow	-6
Certain Other Items ^(b)	-1
Management Operating Cash Flow excluding Certain Other Items	<u>-7</u>

(b) Certain other items include discretionary pension and retiree medical contributions, merger and integration payments, payments related to restructuring charges, capital investments related to the bottling integration, net capital investments related to restructuring plan and payments related to income tax settlements.

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