Reconciliation of GAAP and Non-GAAP Information
(unaudited)

Division operating profit, core results, core constant currency results, core net ROIC results and organic results are non-GAAP financial measures as they exclude certain items noted below. 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.

Commodity mark-to-market net impact

In the 12 weeks ended March 22, 2014, we recognized $34 million of mark-to-market net gains on commodity hedges in corporate unallocated expenses. In the 12 weeks ended March 23, 2013, we recognized $16 million of mark-to-market net losses on commodity hedges in corporate unallocated expenses. In the years ended December 28, 2013 and December 31, 2011, we recognized $72 million and $102 million, respectively, of mark-to-market net losses on commodity hedges in corporate unallocated expenses. We centrally manage commodity derivatives on behalf of our divisions. These commodity derivatives include agricultural products, energy and metals. Certain of these commodity derivatives do not qualify for hedge accounting treatment and are marked to market with the resulting gains and losses recognized in corporate unallocated expenses, as either cost of sales or selling, general and administrative expenses, depending on the underlying commodity. These gains and losses are subsequently reflected in division results when the divisions recognize the cost of the underlying commodity in operating profit.

Merger and integration charges

In the 12 weeks ended March 23, 2013, we incurred merger and integration charges of $1 million related to our acquisition of Wimm-Bill-Dann Foods OJSC (WBD), which were recorded in the Europe segment. In the year ended December 28, 2013, we incurred merger and integration charges of $10 million related to our acquisition of WBD recorded in the Europe segment. In the year ended December 31, 2011, we incurred merger and integration charges of $329 million related to our acquisitions of The Pepsi Bottling Group, Inc. (PBG), PepsiAmericas, Inc. (PAS) and WBD, including $112 million recorded in the PAB segment, $123 million recorded in the Europe segment, $78 million recorded in corporate unallocated expenses and $16 million recorded in interest expense. These charges also include closing costs and advisory fees related to our acquisition of WBD.

Restructuring and impairment charges

2014 Multi-Year Productivity Plan

In the 12 weeks ended March 22, 2014, we incurred restructuring and impairment charges of $96 million in conjunction with the multi-year productivity plan we publicly announced on February 13, 2014 (2014 Productivity Plan), including $12 million recorded in the FLNA segment, $2 million recorded in the QFNA segment, $1 million recorded in the LAF segment, $82 million recorded in the PAB segment, $2 million recorded in the Europe segment, $2 million recorded in the AMEA segment, and income of $5 million recorded in corporate unallocated expenses, representing adjustments of previously recorded amounts. In the year ended December 28, 2013, we incurred restructuring and impairment charges of $53 million in conjunction with the 2014 Productivity Plan, including $11 million recorded in the FLNA segment, $3 million recorded in the QFNA segment, $5 million recorded in the LAF segment, $10 million recorded in the PAB segment, $10 million recorded in the Europe segment, $1 million recorded in the 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 12 weeks ended March 22, 2014, we incurred restructuring and impairment charges of $2 million in conjunction with the multi-year productivity plan we publicly announced on February 9, 2012 (2012 Productivity Plan), including $1 million recorded in the FLNA segment, $4 million recorded in the PAB segment, $2 million recorded in the AMEA segment, $2 million recorded in corporate unallocated expenses, and income of $5 million recorded in the LAF segment and $2 million recorded in the Europe segment, representing adjustments of previously recorded amounts. In the 12 weeks ended March 23, 2013, we incurred restructuring and impairment charges of $11 million in conjunction with our 2012 Productivity Plan, including $2 million recorded in the FLNA segment, $4 million recorded in the LAF segment, $4 million recorded in the Europe segment, $1 million recorded in the AMEA segment, $1 million recorded in corporate unallocated expenses, and income of $1 million recorded in the QFNA segment, representing adjustments of previously recorded amounts. In the 12 weeks ended June 15, 2013, we incurred restructuring and impairment charges of $19 million in conjunction with our 2012 Productivity Plan, including $2 million recorded in the FLNA segment, $1 million in the QFNA segment, $1 million recorded in the LAF segment, $5 million recorded in the PAB segment, $8 million recorded in the Europe segment, $1 million recorded in the AMEA segment and $1 million recorded in corporate unallocated expenses. In the 12 weeks ended June 16, 2012, we incurred restructuring and impairment charges of $77 million in conjunction with our 2012 Productivity Plan, including $24 million recorded in the FLNA segment, $1 million recorded in the QFNA segment, $6 million recorded in the LAF segment, $35 million recorded in the PAB segment, $8 million recorded in the AMEA segment and $3 million recorded corporate unallocated expenses. In the year ended December 28, 2013, we incurred restructuring charges of $110 million in conjunction with our 2012 Productivity Plan, including $8 million in the FLNA segment, $1 million in the QFNA segment, $7 million in the LAF segment, $21 million in the PAB segment, $50 million in the Europe segment, $25 million in the AMEA segment, and income of $2 million recorded in corporate unallocated expenses representing adjustments of previously recorded amounts. In the year ended December 31, 2011, we incurred restructuring charges of $383 million in conjunction with our 2012 Productivity Plan, including $76 million recorded in the FLNA segment, $18 million recorded in the QFNA segment, $48 million recorded in the LAF segment, $81 million recorded in the PAB segment, $77 million recorded in the Europe segment, $9 million recorded in the AMEA segment and $74 million recorded in corporate unallocated expenses. 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.

Venezuela currency devaluation

In the 12 weeks ended March 23, 2013 we recorded a $111 million net charge related to the devaluation of the bolivar for our Venezuela businesses. $124 million of this charge was recorded in corporate unallocated expenses, with the balance (equity income of $13 million) recorded in the PAB segment.

Restructuring and other charges related to the transaction with Tingyi (Cayman Islands) Holding Corp. (Tingyi)

In the 12 weeks ended June 16, 2012, we recorded restructuring and other charges of $137 million in the AMEA segment related to the transaction with Tingyi.

Tax benefit

In the year ended December 28, 2013, we recognized a non-cash tax benefit of $209 million associated with our agreement with the IRS resolving all open matters related to the audits for taxable years 2003 through 2009, which reduced our reserve for uncertain tax positions for the tax years 2003 through 2012.

53rd Week

In the year ended December 31, 2011, we had an additional week of results (53rd week). Our fiscal year ends on the last Saturday of each December, resulting in an additional week of results every five or six years. The 53rd week increased net revenue by $623 million and operating profit by $109 million.

Inventory fair value adjustments

In the year ended December 31, 2011, we recorded $46 million of incremental costs in cost of sales related to fair value adjustments to the acquired inventory included in WBD's balance sheet at the acquisition date and hedging contracts included in PBG and PAS balance sheets at the acquisition date.

Free cash flow, excluding certain items

Additionally, free cash flow (excluding the items noted in the Net Cash Provided by Operating Activities Reconciliation table) is the primary measure management uses to monitor cash flow performance. This is not a measure defined by GAAP. Since net capital spending is essential to our product innovation initiatives and maintaining our operational capabilities, we believe that it is a recurring and necessary use of cash. As such, we believe investors should also consider net capital spending when evaluating our cash from operating activities. Additionally, we consider certain other items (included in the Net Cash Provided by Operating Activities Reconciliation table) in evaluating free cash flow which we believe investors should consider in evaluating our free cash flow results.

2014 guidance

Our 2014 core tax rate guidance, our 2014 dividend payout ratio on projected core EPS, and our 2014 core and core constant currency EPS guidance exclude the commodity mark-to-market net impact included in corporate unallocated expenses and restructuring and impairment charges. Our 2014 organic revenue guidance excludes the impact of acquisitions, divestitures and other structural changes. In addition, our 2014 organic revenue guidance and our full-year projected 2014 core and core constant currency EPS guidance exclude the impact of foreign exchange. We are not able to reconcile our full-year projected 2014 core tax rate guidance to our full-year projected 2014 reported tax rate or our 2014 core or core constant currency EPS guidance to our full-year projected 2014 reported EPS growth because we are unable to predict the 2014 impact of foreign exchange or the mark-to-market net impact on commodity hedges due to the unpredictability of future changes in foreign exchange rates and commodity prices. We are also unable to reconcile our full-year projected 2014 organic revenue guidance to our full-year projected 2014 reported net revenue growth because we are unable to predict the 2014 impact of foreign exchange due to the unpredictability of future changes in foreign exchange rates. Therefore, we are unable to provide a reconciliation of these measures.

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

Net Revenue Growth Reconciliation

	12 Weeks Ended 3/22/2014
Reported Net Revenue Growth	- %
Impact of Foreign Exchange Translation	3
Organic Revenue Growth	4 %

Global Snacks Net Revenue Growth Reconciliation

	12 Weeks Ended 3/22/2014
Reported Net Revenue Growth	1 %
Impact of Foreign Exchange Translation	4
Organic Revenue Growth	5 %

Global Beverages Net Revenue Growth Reconciliation

	12 Weeks Ended 3/22/2014
Reported Net Revenue Growth	(1) %
Impact of Acquisitions and Divestitures	1
Impact of Foreign Exchange Translation	2
Organic Revenue Growth	3 %

Gross Margin Growth Reconciliation

	12 Weeks Ended 3/22/2014
Reported Gross Margin Growth	84 bps
Commodity Mark-to-Market Net Impact	(47)
Core Gross Margin Growth	37 bps

Operating Margin Growth Reconciliation

	12 Weeks Ended 3/22/2014
Reported Operating Margin Growth	113 bps
Commodity Mark-to-Market Net Impact	(39)
Merger and Integration Charges	(1)
Restructuring and Impairment Charges	69
Venezuela Currency Devaluation	(88)
Core Operating Margin Growth	54 bps

Operating Profit Growth Reconciliation

	12 Weeks Ended 3/22/2014
Reported Operating Profit Growth	9 %
Commodity Mark-to-Market Net Impact	(3)
Merger and Integration Charges	-
Restructuring and Impairment Charges	5
Venezuela Currency Devaluation	(7)
Impact of Foreign Exchange Translation	3
Core Constant Currency Operating Profit Growth	7 %
Gain on Sale of Certain Agricultural Assets	(2)
Operating Profit Growth Excluding Gain on Sale of Certain Agricultural Assets	5 %

Diluted EPS Growth Reconciliation

	12 Weeks Ended 3/22/2014	12 Weeks Ended 3/23/2013	Growth
Reported Diluted EPS	$ 0.79	$ 0.69	15 %
Commodity Mark-to-Market Net Impact	(0.01)	0.01	
Merger and Integration Charges	-	-	
Restructuring and Impairment Charges	0.05	0.01	
Venezuela Currency Devaluation	-	0.07	
Core Diluted EPS	$ 0.83	$ 0.77	7 %
Impact of Foreign Exchange Translation			3
Core Constant Currency Diluted EPS Growth			10 %
Gain on Sale of Certain Agricultural Assets			(2)
Core Constant Currency Diluted EPS Growth Excluding Gain on Sale of Certain Agricultural Assets			8 %

Return on Invested Capital (ROIC) Growth Reconciliation[a]

	12 Weeks Ended 3/22/2014
Reported ROIC	14.1 %
Impact of:	
Cash, Cash Equivalents and Short-Term Investments	2.7
Interest Income after Tax	(0.1)
Restructuring and Impairment Charges	0.2
Tax Benefits	(0.3)
Core Net ROIC	16.5 %

ROIC Growth Reconciliation[a]

	12 Weeks Ended 3/22/2014
Reported ROIC	76 bps
Impact of:	
Cash, Cash Equivalents and Short-Term Investments	109
Merger and Integration Charges	8
Venezuela Currency Devaluation	(24)
Tax Benefits	8
Restructuring and Other Charges Related to the Transaction with Tingyi	(35)
Pension Lump Sum Settlement Charge	(28)
Core Net ROIC	112 bps

(a) The impact of all other reconciling items to reported ROIC round to zero. Core net return on invested capital is defined as adjusted core net income attributable to PepsiCo divided by the sum of average common shareholders' equity and average total debt, less average cash and cash equivalents and average short-term investments. Adjusted core net income attributable to PepsiCo is defined as core net income attributable to PepsiCo plus net interest expense after-tax.

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

Developing and Emerging Markets Net Revenue Growth Reconciliation

	12 Weeks Ended 3/22/2014
Reported Developing and Emerging Markets Net Revenue Growth	(2) %
Impact of Acquisitions and Divestitures	1.5
Impact of Foreign Exchange Translation	10
Developing and Emerging Markets Organic Revenue Growth	9 %

Developing and Emerging Markets Net Revenue Growth Reconciliation

	Year Ended 12/28/2013
Reported Developing and Emerging Markets Net Revenue Growth	3 %
Impact of Acquisitions and Divestitures	3
Impact of Foreign Exchange Translation	4
Developing and Emerging Markets Organic Revenue Growth	10 %

Net Revenue Year-over-Year Growth Reconciliation

	GAAP Measure Reported Growth 12 Weeks Ended 3/22/2014	Percent Impact of Foreign Exchange Translation	Non-GAAP Measure Organic Growth 12 Weeks Ended 3/22/2014
Russia	(LSD) %	DD %	DD %
Russia (Snacks)	LSD %	DD %	DD %
Russia (Beverages)	(MSD) %	DD %	HSD %
Poland	DD %	(LSD) %	DD %
Turkey	(DD) %	DD %	HSD %
Brazil	(HSD) %	DD %	DD %
Brazil (Snacks)	(MSD) %	DD %	DD %
Venezuela (Snacks)	DD %	DD %	DD %
Venezuela (Beverages)	DD %	DD %	DD %
India	(MSD) %	DD %	HSD %
Pakistan	DD %	MSD %	DD %
Egypt	DD %	MSD %	DD %
Philippines	MSD %	HSD %	DD %
China	LSD %	(LSD) %	(LSD) %

AMEA Net Revenue Growth Reconciliation

	12 Weeks Ended 3/22/2014
Reported Net Revenue Growth	(MSD) %
Impact of Acquisitions and Divestitures	MSD
Impact of Foreign Exchange Translation	MSD
Organic Revenue Growth	MSD %

China Net Revenue Growth Reconciliation

	12 Weeks Ended 3/23/2013
Reported Net Revenue Growth	(DD) %
Impact of Acquisitions and Divestitures	DD
Organic Revenue Growth	HSD %

Net Revenue per Employee Reconciliation
(in millions, except for Employees and per Employee amounts)

	Year Ended 12/28/2013	Year Ended 12/31/2011	Growth
Reported Net Revenue	$ 66,415	$ 66,504	
53rd Week	-	623	
Core Net Revenue	$ 66,415	$ 65,881	
Employees	274,000	297,000	
Reported Net Revenue per Employee	$ 242,389	$ 223,918	8 %
Core Net Revenue per Employee	$ 242,389	$ 221,820	9 %

Earnings before Interest and Taxes per Employee Reconciliation
(in millions, except for Employees and per Employee amounts)

	Year Ended 12/28/2013	Year Ended 12/31/2011	Growth
Reported Operating Profit	$ 9,705	$ 9,633	
Commodity Mark-to-Market Net Impact	72	102	
Merger and Integration Charges	10	313	
Restructuring and Impairment Charges	163	383	
Venezuela Currency Devaluation	111	-	
53rd Week	-	(109)	
Inventory Fair Value Adjustment	-	46	
Core Operating Profit	$ 10,061	$ 10,368	
Employees	274,000	297,000	
Reported Operating Profit per Employee	$ 35,421	$ 32,433	9 %
Core Operating Profit per Employee	$ 36,719	$ 34,909	5 %

FLNA Net Revenue Growth Reconciliation

	12 Weeks Ended 3/22/2014
Reported Net Revenue Growth	3 %
Impact of Foreign Exchange Translation	1
Organic Revenue Growth	4 %

FLNA Operating Profit Growth Reconciliation

	12 Weeks Ended 3/22/2014
Reported Operating Profit Growth	4 %
Restructuring and Impairment Charges	1
Impact of Foreign Exchange Translation	1
Core Constant Currency Operating Profit Growth	6 %

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Information
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QFNA Net Revenue Growth Reconciliation

	12 Weeks Ended 3/22/2014
Reported Net Revenue Growth	- %
Impact of Foreign Exchange Translation	1
Organic Revenue Growth	1 %

Western Europe Net Revenue Growth Reconciliation

	12 Weeks Ended 3/22/2014
Reported Net Revenue Growth	7 %
Impact of Foreign Exchange Translation	3
Organic Revenue Growth	3.5 %

Effective Tax Rate Reconciliation (in millions)

	12 Weeks Ended 3/22/2014		
	Pre-Tax Income	Income Taxes	Effective Tax Rate
Reported Effective Tax Rate	$ 1,616	$ 389	24.1 %
Commodity Mark-to-Market Net Impact	(34)	(13)	
Restructuring and Impairment Charges	98	22	
Core Effective Tax Rate	$ 1,680	$ 398	23.7 %

Effective Tax Rate Reconciliation (in millions)

	12 Weeks Ended 3/23/2013		
	Pre-Tax Income	Income Taxes	Effective Tax Rate
Reported Effective Tax Rate	$ 1,471	$ 386	26.3 %
Commodity Mark-to-Market Net Impact	16	5	
Merger and Integration Charges	1	-	
Restructuring and Impairment Charges	11	3	
Venezuela Currency Devaluation	111	-	
Core Effective Tax Rate	$ 1,610	$ 394	24.5 %

AMEA Core Constant Currency Operating Profit Growth Excluding Vietnam Gain Reconciliation

	12 Weeks Ended 6/15/2013
Reported Operating Profit Growth	217 %
Restructuring and Impairment Charges	(7)
Restructuring and other charges related to the transaction with Tingyi	(141)
Impact of Foreign Exchange Translation	2
Core Constant Currency Operating Profit Growth	71 %
Gain on Refranchising of Vietnam Business	44
Core Constant Currency Operating Profit Growth Excluding Vietnam Gain	27 %

Diluted EPS Growth Reconciliation

	Year Ended 12/28/2013
Reported Diluted EPS	$ 4.32
Commodity Mark-to-Market Net Impact	0.03
Merger and Integration Charges	0.01
Restructuring and Impairment Charges	0.08
Venezuela Currency Devaluation	0.07
Tax Benefits	(0.13)
Core Diluted EPS	$ 4.37

Net Cash Provided by Operating Activities Reconciliation (in billions)

	2014 Guidance
Net Cash Provided by Operating Activities	$ ~10
Net Capital Spending	~(3)
Free Cash Flow	~7
Certain Other Items [(b)]	~0
Free Cash Flow excluding Certain Other Items	$ ~7

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

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