

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of Earliest Event Reported): August 6, 2015

PepsiCo, Inc.

(Exact name of registrant as specified in its charter)

North Carolina
(State or other jurisdiction
of incorporation)

1-1183
(Commission
File Number)

13-1584302
(IRS Employer
Identification No.)

**700 Anderson Hill Road
Purchase, New York 10577**
(Address of principal executive offices)

Registrant's telephone number, including area code: (914) 253-2000

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01. Regulation FD Disclosure.

As previously disclosed, effective beginning with the third quarter of 2015, PepsiCo, Inc. (PepsiCo) realigned certain of its reportable segments to be consistent with certain changes to its organizational structure and how the Chief Executive Officer will monitor the performance of these segments. As a result, all of its beverage, food and snack businesses in Latin America will be reported together as Latin America and its North American beverage business will be reported separately as North America Beverages. Prior to this change, the PepsiCo Americas Beverages (PAB) segment included all of the North American and Latin American beverage businesses. In addition, the PepsiCo Europe (Europe) reportable segment will now also include the businesses in the Sub-Saharan Africa markets that were formerly part of PepsiCo Asia, Middle East and Africa (AMEA) and will be renamed Europe Sub-Saharan Africa (ESSA). AMEA will be renamed Asia, Middle East and North Africa (AMENA). These changes do not impact the Frito-Lay North America or Quaker Foods North America reportable segments.

PepsiCo is furnishing this Current Report on Form 8-K to provide investors with certain supplemental information reflecting how its historical segment information will be retrospectively revised to reflect this new organizational structure.

Attached in Exhibit 99.1 to this Current Report on Form 8-K are unaudited financial statement schedules, which include certain summarized information regarding volume, revenue and operating profit, by reportable segment reflecting the new organizational structure on a reported basis and a non-GAAP basis, including core, core constant currency and organic results. For further information about PepsiCo's core, core constant currency and organic results, including definitions of these non-GAAP financial measures, a description of items excluded from these results and reconciliations of GAAP and non-GAAP information, please refer to "Reconciliation of GAAP to Non-GAAP Information" in Exhibit 99.1 to this Current Report on Form 8-K.

The changes in the operating segment structure discussed above, as reflected in the information included in this Current Report on Form 8-K, including Exhibit 99.1 attached hereto, affect only the manner in which the results for the prior Latin America Foods, PAB, Europe and AMEA segments were previously reported. This Current Report on Form 8-K does not revise PepsiCo's previously reported consolidated financial statements for any period. Beginning with the third quarter of 2015, PepsiCo's financial statements will reflect the realignment of its reportable segments with prior periods adjusted accordingly.

The information in this Item 7.01, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (Exchange Act), or otherwise subject to the liabilities of that Section and shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, or the Exchange Act, except as otherwise expressly stated in such filing.

Item 9.01. Financial Statements and Exhibits.**(d) Exhibits**

99.1 Schedule of Revised Reportable Segment Data, including Reconciliation of GAAP and Non-GAAP Financial Information.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PEPSICO, INC.

Date: August 6, 2015

| | |
|--------|---|
| By: | <u>/s/ Cynthia Nastanski</u> |
| Name: | Cynthia Nastanski |
| Title: | Senior Vice President, Corporate Law and Deputy Corporate Secretary |

INDEX TO EXHIBITS

| Exhibit No. | Description |
|-------------|---|
| 99.1 | Schedule of Revised Reportable Segment Data, including Reconciliation of GAAP and Non-GAAP Financial Information. |

PepsiCo, Inc. and Subsidiaries
Schedule of Revised Reportable Segment Data - Reported Basis^(a)
Supplemental Financial Information
(dollars in millions and unaudited)

| | Full Year | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Full Year | First Quarter | Second Quarter |
|--------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2013 | 2014 | 2014 | 2014 | 2014 | 2014 | 2015 | 2015 |
| Net Revenue | | | | | | | | |
| Frito-Lay North America | \$ 14,126 | \$ 3,219 | \$ 3,387 | \$ 3,526 | \$ 4,370 | \$ 14,502 | \$ 3,319 | \$ 3,452 |
| Quaker Foods North America | 2,612 | 634 | 564 | 586 | 784 | 2,568 | 639 | 546 |
| North America Beverages | 20,083 | 4,266 | 5,021 | 5,148 | 5,736 | 20,171 | 4,298 | 5,113 |
| Latin America | 9,335 | 1,498 | 2,382 | 2,413 | 3,132 | 9,425 | 1,414 | 2,224 |
| Europe Sub-Saharan Africa | 13,828 | 1,980 | 3,686 | 3,794 | 3,939 | 13,399 | 1,496 | 2,813 |
| Asia, Middle East and North Africa | 6,431 | 1,026 | 1,854 | 1,751 | 1,987 | 6,618 | 1,051 | 1,775 |
| Total Net Revenue | \$ 66,415 | \$ 12,623 | \$ 16,894 | \$ 17,218 | \$ 19,948 | \$ 66,683 | \$ 12,217 | \$ 15,923 |
| Operating Profit | | | | | | | | |
| Frito-Lay North America | \$ 3,877 | \$ 862 | \$ 937 | \$ 1,025 | \$ 1,230 | \$ 4,054 | \$ 920 | \$ 1,007 |
| Quaker Foods North America | 617 | 160 | 139 | 150 | 172 | 621 | 99 | 132 |
| North America Beverages | 2,580 | 353 | 748 | 753 | 567 | 2,421 | 453 | 833 |
| Latin America | 1,617 | 308 | 443 | 432 | 453 | 1,636 | 219 | 355 |
| Europe Sub-Saharan Africa | 1,327 | 163 | 467 | 481 | 278 | 1,389 | 112 | 350 |
| Asia, Middle East and North Africa | 1,140 | 183 | 365 | 293 | 144 | 985 | 230 | 373 |
| Corporate Unallocated | | | | | | | | |
| Mark-to-market net impact | (72) | 34 | 31 | (33) | (100) | (68) | (1) | 39 |
| Restructuring and impairment charges | (11) | 3 | (8) | (15) | (21) | (41) | (6) | (1) |
| Pension lump sum settlement charge | — | — | — | — | (141) | (141) | — | — |
| Venezuela remeasurement charges | (124) | — | — | — | (126) | (126) | — | — |
| Other | (1,246) | (259) | (226) | (239) | (425) | (1,149) | (229) | (188) |
| | (1,453) | (222) | (203) | (287) | (813) | (1,525) | (236) | (150) |
| Total Operating Profit | \$ 9,705 | \$ 1,807 | \$ 2,896 | \$ 2,847 | \$ 2,031 | \$ 9,581 | \$ 1,797 | \$ 2,900 |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

PepsiCo, Inc. and Subsidiaries
Schedule of Revised Reportable Segment Data^(a)
Organic Volume Growth over Prior Year Period (%)
(unaudited)

| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Full Year | First Quarter | Second Quarter |
|---|---------------|----------------|---------------|----------------|-----------|---------------|----------------|
| | 2014 | 2014 | 2014 | 2014 | 2014 | 2015 | 2015 |
| Frito-Lay North America | 3 | 2.5 | 2 | 2 | 2 | 3 | — |
| Quaker Foods North America | 3 | — | (3) | — | — | 2 | (1) |
| North America Beverages | — | (1) | (1) | — | — | (1) | — |
| Latin America | | | | | | | |
| Snacks | (3) | (2) | (2.5) | (2) | (2) | — | 3 |
| Beverages ^(b) | (1) | 2 | 2 | 3 | 2 | (2) | 1 |
| Europe Sub-Saharan Africa | | | | | | | |
| Snacks | 3 | 1 | 2 | 3 | 2 | (1) | — |
| Beverages | 5 | 2.5 | (0.5) | 4 | 2 | (4) | (5) |
| Asia, Middle East and North Africa | | | | | | | |
| Snacks | 4 | 7 | 11 | 8 | 8 | 9 | 4 |
| Beverages | (2) | 1 | 3 | 1 | 1 | 1 | 1 |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions.

(b) Includes beverage volume previously managed by the Latin America Foods division.

**Schedule of Revised Reportable Segment Data
Reconciliation of GAAP and Non-GAAP Financial Information
(unaudited)**

In this schedule, we refer to certain measures not in accordance with Generally Accepted Accounting Principles (GAAP), including division operating profit, core results, core constant currency results and organic results.

Glossary

Acquisitions and divestitures: All merger and acquisition activity, including the impact of acquisitions, divestitures and changes in ownership or control in consolidated subsidiaries and nonconsolidated equity investees.

Constant currency: Financial results assuming constant foreign currency exchange rates used for translation based on the rates in effect for the comparable prior-year period. In order to compute our constant currency results, we multiply or divide, as appropriate, our current year U.S. dollar results by the current year average foreign exchange rates and then multiply or divide, as appropriate, those amounts by the prior year average foreign exchange rates.

Core: Core results are non-GAAP financial measures which exclude certain items, identified as non-core adjustments, from our historical results. See below for a discussion of such adjustments.

Division operating profit: The aggregation of the operating profit for each of our reportable segments, which excludes the impact of corporate unallocated expenses.

Organic: A measure that adjusts for impacts of acquisitions, divestitures and other structural changes, and in the case of organic revenue, foreign exchange translation. In excluding the impact of foreign exchange translation, we assume constant foreign exchange rates used for translation based on the rates in effect for the comparable prior-year period. See the definition of “Constant currency” for additional information.

Reconciliation of GAAP and Non-GAAP Information (unaudited)

Division operating profit, core results, core constant currency results and organic results are non-GAAP financial measures as they exclude certain items noted below. These measures are not in accordance with GAAP. However, we believe investors should consider these measures as they are 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.

Commodity mark-to-market net impact

In 2013, 2014 and 2015, we recognized mark-to-market net gains and 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. Commodity derivatives that do not qualify for hedge accounting treatment are marked to market each period with the resulting gains and losses recorded 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 2013, we incurred merger and integration charges in connection with our acquisition of Wimm-Bill-Dann Foods OJSC (WBD), which was recorded in the ESSA segment.

Restructuring and impairment charges

2014 Multi-Year Productivity Plan

In 2013, 2014 and 2015, we incurred restructuring charges in conjunction with the multi-year productivity plan we publicly announced on February 13, 2014 (2014 Productivity Plan). 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 2013, 2014 and 2015, we incurred restructuring charges in conjunction with the multi-year productivity plan we publicly announced on February 9, 2012 (2012 Productivity Plan). 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.

Pension lump sum settlement charge

In 2014, we recorded a pension lump sum settlement charge related to payments for pension liabilities to certain former employees who had vested benefits.

Venezuela remeasurement charges

In 2014, we recorded a net charge in corporate unallocated expenses and the Latin America segment related to our remeasurement of the bolivar for certain net monetary assets of our Venezuela businesses. In 2013, we recorded a net charge in corporate unallocated expenses and the Latin America segment related to the devaluation of the bolivar for our Venezuela businesses.

In the 24 weeks ended June 13, 2015, our results of operations in Venezuela, which reflect the months of January through May, generated 2% of our net revenue and 2% of our operating profit. As of June 13, 2015, our operations in Venezuela comprised 7% of our cash and cash equivalents balance. Our bolivar-denominated net monetary assets in Venezuela, which primarily include cash and cash equivalents, approximated \$335 million at June 13, 2015. At June 13, 2015, we had pending requests with the Venezuelan government for remittance of dividends of approximately \$310 million at the fixed exchange rate. These requests pertain to the years from 2006 to 2012. We are unable to predict the likelihood of Venezuelan government approvals of these requests or any requests that we may file in the future or, if any such requests are approved, the estimated time for remittance. We continue to evaluate available options to obtain U.S. dollars to meet our operational needs in Venezuela. Our non-monetary assets in Venezuela, which primarily include an equity investment in our bottler, intangible assets, inventory and property, plant and equipment, approximated \$720 million at June 13, 2015.

At the end of each period, we remeasure the net monetary assets of our Venezuela entities from the bolivar to the U.S. dollar at the rate we believe is legally available to us, including for the payment of dividends. As of June 13, 2015, there was a three-tiered exchange rate mechanism in Venezuela for exchanging bolivars into U.S. dollars: (1) The government-operated National Center of Foreign Commerce (CENCOEX), which has a fixed exchange rate of 6.3 bolivars per U.S. dollar (fixed exchange rate) mainly intended for the import of essential goods and services by designated industry sectors; (2) The auction-based Supplementary Foreign Currency Administration System (SICAD), which is intended for certain transactions, including foreign investments; and (3) An open market Marginal Foreign Exchange System (SIMADI), established in February 2015, which is available to companies and individuals to exchange foreign currency based on supply and demand. As of the end of the second quarter of 2015, the SICAD exchange rate was 12.0 bolivars per U.S. dollar. Subsequent to the end of the second quarter of 2015, a SICAD auction was held at which bolivars were exchanged for U.S. dollars at the rate of 12.8 bolivars per U.S. dollar. This change in the SICAD exchange rate will not have a material impact on our financial position or results of operations.

We believe that significant uncertainty exists regarding the exchange mechanisms in Venezuela, including the nature of transactions that are eligible to flow through CENCOEX, SICAD or SIMADI, or any other new exchange mechanism that may emerge, how any such mechanisms will operate in the future, as well as the availability of U.S. dollars under each mechanism. We continue to monitor developments closely and may determine in the future that rates other than the SICAD exchange rate or the fixed exchange rate, as applicable, are appropriate for remeasurement of the net monetary assets of our Venezuelan entities, which approximated \$335 million at June 13, 2015. If, at the end of the second quarter of 2015, we had used the SICAD exchange rate, which was 12.0 bolivars per U.S. dollar as of that date, to remeasure the net monetary assets that are currently recorded at the fixed exchange rate, we would have incurred a net charge of approximately \$160 million. If, at the end of the second quarter of 2015, we had remeasured all net monetary assets of our Venezuelan businesses at the SIMADI exchange rate, which was approximately 199 bolivars per U.S. dollar as of that date, we would have incurred a net charge of approximately \$325 million. If we were to conclude that the SIMADI exchange rate is the appropriate rate for remeasurement of our Venezuelan entities, it would also lead to an impairment of our non-monetary assets, which were approximately \$720 million at June 13, 2015. Any such remeasurement and potential impairment charges, if recognized, would be reflected in "Items Affecting Comparability." In addition, if we were to conclude that the SIMADI exchange rate is the appropriate rate for remeasurement of our Venezuelan entities, our results of operations in Venezuela for the remainder of 2015 would expect to generate approximately 0% of both our net revenue and operating profit. Any further devaluation of the bolivar, change in the currency exchange mechanisms, limitation in the volume of U.S. dollars available for conversion, additional governmental actions or fluctuation of the auction-based SICAD exchange rate could adversely affect our financial position, including a potential impairment of non-monetary assets, results of operations, both for any period

in which we determine to remeasure using another rate and on a going forward basis following any such remeasurement, and our ability to make effective business decisions with respect to our Venezuelan operations or to continue to operate in Venezuela in the same manner as we have historically.

PepsiCo, Inc. and Subsidiaries
Schedule of Revised Reportable Segment Data – Core Basis^{(a), (b)}
Supplemental Financial Information
(dollars in millions and unaudited)

| | Full Year | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Full Year | First Quarter | Second Quarter |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2013 | 2014 | 2014 | 2014 | 2014 | 2014 | 2015 | 2015 |
| Net Revenue | | | | | | | | |
| Frito-Lay North America | \$ 14,126 | \$ 3,219 | \$ 3,387 | \$ 3,526 | \$ 4,370 | \$ 14,502 | \$ 3,319 | \$ 3,452 |
| Quaker Foods North America | 2,612 | 634 | 564 | 586 | 784 | 2,568 | 639 | 546 |
| North America Beverages | 20,083 | 4,266 | 5,021 | 5,148 | 5,736 | 20,171 | 4,298 | 5,113 |
| Latin America | 9,335 | 1,498 | 2,382 | 2,413 | 3,132 | 9,425 | 1,414 | 2,224 |
| Europe Sub-Saharan Africa | 13,828 | 1,980 | 3,686 | 3,794 | 3,939 | 13,399 | 1,496 | 2,813 |
| Asia, Middle East and North Africa | 6,431 | 1,026 | 1,854 | 1,751 | 1,987 | 6,618 | 1,051 | 1,775 |
| Total Net Revenue | \$ 66,415 | \$ 12,623 | \$ 16,894 | \$ 17,218 | \$ 19,948 | \$ 66,683 | \$ 12,217 | \$ 15,923 |
| Core Operating Profit | | | | | | | | |
| Frito-Lay North America | \$ 3,896 | \$ 875 | \$ 950 | \$ 1,034 | \$ 1,243 | \$ 4,102 | \$ 926 | \$ 1,009 |
| Quaker Foods North America | 621 | 162 | 139 | 150 | 184 | 635 | 100 | 132 |
| North America Beverages | 2,610 | 438 | 784 | 767 | 611 | 2,600 | 461 | 840 |
| Latin America | 1,617 | 305 | 448 | 440 | 450 | 1,643 | 220 | 360 |
| Europe Sub-Saharan Africa | 1,397 | 163 | 490 | 495 | 312 | 1,460 | 124 | 357 |
| Asia, Middle East and North Africa | 1,166 | 187 | 372 | 301 | 162 | 1,022 | 232 | 376 |
| Corporate Unallocated | (1,246) | (259) | (226) | (239) | (425) | (1,149) | (229) | (188) |
| Total Core Operating Profit | \$ 10,061 | \$ 1,871 | \$ 2,957 | \$ 2,948 | \$ 2,537 | \$ 10,313 | \$ 1,834 | \$ 2,886 |

(a) Core results are financial measures that are not in accordance with GAAP and exclude the non-core adjustments. See pages 3 - 5 for a discussion of each of these non-core adjustments. There were no non-core adjustments to net revenue for the periods presented.

(b) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Information
Organic Revenue Growth Rates^(a)
12 Weeks Ended March 22, 2014
(unaudited)

| Net Revenue Year over Year % Change | GAAP Measure | Percent Impact | | Non-GAAP Measure |
|-------------------------------------|--------------------------|-------------------------------|------------------------------|---------------------------------|
| | Reported % Change | | | Organic % Change ^(b) |
| | 12 Weeks Ended 3/22/2014 | Acquisitions and divestitures | Foreign exchange translation | 12 Weeks Ended 3/22/2014 |
| Frito-Lay North America | 3 | — | 1 | 4 |
| Quaker Foods North America | — | — | 1 | 1 |
| North America Beverages | — | — | 1 | 1 |
| Latin America | (2) | — | 12 | 10 |
| Europe Sub-Saharan Africa | 1 | — | 6 | 7 |
| Asia, Middle East and North Africa | (5) | 5 | 5 | 5 |
| Total PepsiCo | — | — | 3 | 4 |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

(b) Organic percent change is a financial measure that is not in accordance with GAAP and is calculated by excluding the impact of acquisitions and divestitures and foreign exchange translation from reported growth.

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

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Information (cont.)
Organic Revenue Growth Rates^(a)
12 Weeks Ended June 14, 2014
(unaudited)

| Net Revenue Year over Year % Change | GAAP Measure | Percent Impact | | Non-GAAP Measure |
|-------------------------------------|--------------------------|-------------------------------|------------------------------|---------------------------------|
| | Reported % Change | | | Organic % Change ^(b) |
| | 12 Weeks Ended 6/14/2014 | Acquisitions and divestitures | Foreign exchange translation | 12 Weeks Ended 6/14/2014 |
| Frito-Lay North America | 2 | — | 1 | 2 |
| Quaker Foods North America | (2) | — | 1 | (1) |
| North America Beverages | — | — | 1 | 1 |
| Latin America | 1 | — | 8 | 9 |
| Europe Sub-Saharan Africa | — | — | 4.5 | 5 |
| Asia, Middle East and North Africa | — | 2 | 5 | 7 |
| Total PepsiCo | 0.5 | — | 3 | 4 |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

(b) Organic percent change is a financial measure that is not in accordance with GAAP and is calculated by excluding the impact of acquisitions and divestitures and foreign exchange translation from reported growth.

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

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Information (cont.)
Organic Revenue Growth Rates^(a)
12 Weeks Ended September 6, 2014
(unaudited)

| Net Revenue Year over Year % Change | GAAP Measure | Percent Impact | | Non-GAAP Measure |
|-------------------------------------|-------------------------|-------------------------------|------------------------------|---------------------------------|
| | Reported % Change | | | Organic % Change ^(b) |
| | 12 Weeks Ended 9/6/2014 | Acquisitions and divestitures | Foreign exchange translation | 12 Weeks Ended 9/6/2014 |
| Frito-Lay North America | 3 | — | — | 3 |
| Quaker Foods North America | (3) | — | 0.5 | (2) |
| North America Beverages | — | — | — | — |
| Latin America | 5 | — | 3 | 8 |
| Europe Sub-Saharan Africa | (1) | — | 3 | 2 |
| Asia, Middle East and North Africa | 10 | — | 1 | 11 |
| Total PepsiCo | 2 | — | 1 | 3 |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

(b) Organic percent change is a financial measure that is not in accordance with GAAP and is calculated by excluding the impact of acquisitions and divestitures and foreign exchange translation from reported growth.

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

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Information (cont.)
Organic Revenue Growth Rates^(a)
Quarter Ended December 27, 2014
(unaudited)

| Net Revenue Year over Year % Change | GAAP Measure | Percent Impact | | Non-GAAP Measure |
|-------------------------------------|--------------------------|-------------------------------|------------------------------|---------------------------------|
| | Reported % Change | | | Organic % Change ^(b) |
| | Quarter Ended 12/27/2014 | Acquisitions and divestitures | Foreign exchange translation | Quarter Ended 12/27/2014 |
| Frito-Lay North America | 3 | — | 1 | 3.5 |
| Quaker Foods North America | (2) | — | 1 | — |
| North America Beverages | 2 | — | 1 | 2 |
| Latin America | (1) | — | 12 | 11 |
| Europe Sub-Saharan Africa | (10) | — | 16 | 6 |
| Asia, Middle East and North Africa | 4 | 1 | 2 | 6 |
| Total PepsiCo | (1) | — | 6 | 5 |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

(b) Organic percent change is a financial measure that is not in accordance with GAAP and is calculated by excluding the impact of acquisitions and divestitures and foreign exchange translation from reported growth.

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

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Information (cont.)
Organic Revenue Growth Rates^(a)
Year Ended December 27, 2014
(unaudited)

| Net Revenue Year over Year % Change | GAAP Measure | Percent Impact | | Non-GAAP Measure |
|-------------------------------------|-----------------------|-------------------------------|------------------------------|---------------------------------|
| | Reported % Change | | | Organic % Change ^(b) |
| | Year Ended 12/27/2014 | Acquisitions and divestitures | Foreign exchange translation | Year Ended 12/27/2014 |
| Frito-Lay North America | 3 | — | 1 | 3 |
| Quaker Foods North America | (2) | — | 1 | (1) |
| North America Beverages | — | — | 0.5 | 1 |
| Latin America | 1 | — | 9 | 10 |
| Europe Sub-Saharan Africa | (3) | — | 8 | 5 |
| Asia, Middle East and North Africa | 3 | 1.5 | 3 | 7 |
| Total PepsiCo | — | — | 3 | 4 |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

(b) Organic percent change is a financial measure that is not in accordance with GAAP and is calculated by excluding the impact of acquisitions and divestitures and foreign exchange translation from reported growth.

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

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Information (cont.)
Organic Revenue Growth Rates^(a)
12 Weeks Ended March 21, 2015
(unaudited)

| Net Revenue Year over Year % Change | GAAP Measure | Percent Impact | | Non-GAAP Measure |
|-------------------------------------|--------------------------|-------------------------------|------------------------------|---------------------------------|
| | Reported % Change | | | Organic % Change ^(b) |
| | 12 Weeks Ended 3/21/2015 | Acquisitions and divestitures | Foreign exchange translation | 12 Weeks Ended 3/21/2015 |
| Frito-Lay North America | 3 | — | 1 | 4 |
| Quaker Foods North America | 1 | — | 1 | 2 |
| North America Beverages | 1 | — | 1 | 1.5 |
| Latin America | (6) | — | 22 | 17 |
| Europe Sub-Saharan Africa | (24) | — | 27 | 2 |
| Asia, Middle East and North Africa | 2.5 | — | 2.5 | 5 |
| Total PepsiCo | (3) | — | 8 | 4 |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

(b) Organic percent change is a financial measure that is not in accordance with GAAP and is calculated by excluding the impact of acquisitions and divestitures and foreign exchange translation from reported growth.

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

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Information (cont.)
Organic Revenue Growth Rates^(a)
12 Weeks Ended June 13, 2015
(unaudited)

| Net Revenue Year over Year % Change | GAAP Measure | Percent Impact | | Non-GAAP Measure |
|-------------------------------------|--------------------------|-------------------------------|------------------------------|---------------------------------|
| | Reported % Change | | | Organic % Change ^(b) |
| | 12 Weeks Ended 6/13/2015 | Acquisitions and divestitures | Foreign exchange translation | 12 Weeks Ended 6/13/2015 |
| Frito-Lay North America | 2 | — | 1 | 3 |
| Quaker Foods North America | (3) | — | 1 | (1.5) |
| North America Beverages | 2 | — | 1 | 3 |
| Latin America | (7) | — | 29 | 22 |
| Europe Sub-Saharan Africa | (24) | — | 24 | — |
| Asia, Middle East and North Africa | (4) | 6 | 4 | 5 |
| Total PepsiCo | (6) | 1 | 10 | 5 |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

(b) Organic percent change is a financial measure that is not in accordance with GAAP and is calculated by excluding the impact of acquisitions and divestitures and foreign exchange translation from reported growth.

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

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Information (cont.)
Year over Year Growth Rates^(a)
Year Ended December 27, 2014
(unaudited)

| | GAAP Measure | | | | | | Non-GAAP Measure | | Non-GAAP Measure |
|---|-----------------------|--|--------------------------------|--------------------------------------|------------------------------------|---------------------------------|------------------------------|------------------------------|--|
| | Reported % Change | Percent Impact of Non-Core Adjustments | | | | | Core ^(b) % Change | Percent Impact of | Core Constant Currency ^(b) % Change |
| Operating Profit Year over Year % Change | Year Ended 12/27/2014 | Commodity mark-to-market net impact | Merger and integration charges | Restructuring and impairment charges | Pension lump sum settlement charge | Venezuela remeasurement charges | Year Ended 12/27/2014 | Foreign exchange translation | Year Ended 12/27/2014 |
| Frito-Lay North America | 5 | — | — | 1 | — | — | 5 | 0.5 | 6 |
| Quaker Foods North America | 1 | — | — | 1.5 | — | — | 2 | 1 | 3 |
| North America Beverages | (6) | — | — | 6 | — | — | — | 1 | — |
| Latin America | 1 | — | — | 1 | — | (0.5) | 2 | 13 | 14 |
| Europe Sub-Saharan Africa | 5 | — | (1) | 1 | — | — | 4.5 | 1 | 6 |
| Asia, Middle East and North Africa | (14) | — | — | 1 | — | — | (12) | 2 | (10) |
| Division Operating Profit | (0.5) | — | — | 2 | — | — | 1 | 3 | 4 |
| Impact of Corporate Unallocated | (1) | — | — | 1 | 1.5 | — | 1 | — | 1 |
| Total Operating Profit | (1) | — | — | 3 | 1.5 | — | 2.5 | 3 | 5 |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

(b) Core results and core constant currency results are financial measures that are not in accordance with GAAP and exclude the above adjustments. See pages 3 - 5 for a discussion of each of these adjustments.

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

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Information (cont.)
Year over Year Growth Rates^(a)
12 Weeks Ended March 21, 2015
(unaudited)

| | GAAP Measure | | | Non-GAAP Measure | | Non-GAAP Measure |
|---|--------------------------|--|--------------------------------------|------------------------------|------------------------------|--|
| | Reported % Change | Percent Impact of Non-Core Adjustments | | Core ^(b) % Change | Percent Impact of | Core Constant Currency ^(b) % Change |
| | | Commodity mark-to-market net impact | Restructuring and impairment charges | | | |
| Operating Profit Year over Year % Change | 12 Weeks Ended 3/21/2015 | | | 12 Weeks Ended 3/21/2015 | Foreign exchange translation | 12 Weeks Ended 3/21/2015 |
| Frito-Lay North America | 7 | — | (1) | 6 | 1 | 7 |
| Quaker Foods North America | (38) | — | — | (38) | 1 | (38) |
| North America Beverages | 29 | — | (23) | 5 | 1 | 6 |
| Latin America | (29) | — | 1.5 | (28) | 42 | 14 |
| Europe Sub-Saharan Africa | (31) | — | 7 | (24) | 23 | (1) |
| Asia, Middle East and North Africa | 26 | — | (2) | 24 | 2.5 | 27 |
| Division Operating Profit | — | — | (3) | (3) | 8 | 5 |
| Impact of Corporate Unallocated | (1) | 2 | — | 1 | 1 | 2 |
| Total Operating Profit | (1) | 2 | (3) | (2) | 10 | 8 |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

(b) Core results and core constant currency results are financial measures that are not in accordance with GAAP and exclude the above adjustments. See pages 3 - 5 for a discussion of each of these adjustments.

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

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Information (cont.)
Year over Year Growth Rates^(a)
12 Weeks Ended June 13, 2015
(unaudited)

| | GAAP Measure | | | Non-GAAP Measure | | Non-GAAP Measure |
|---|------------------------|--|--------------------------------------|------------------------------|------------------------------|--|
| | Reported % Change | Percent Impact of Non-Core Adjustments | | Core ^(b) % Change | Percent Impact of | Core Constant Currency ^(b) % Change |
| | | Commodity mark-to-market net impact | Restructuring and impairment charges | | | |
| Operating Profit Year over Year % Change | 12 Weeks Ended 6/13/15 | | | 12 Weeks Ended 6/13/15 | Foreign exchange translation | 12 Weeks Ended 6/13/15 |
| Frito-Lay North America | 7 | — | (1) | 6 | 1 | 7 |
| Quaker Foods North America | (5) | — | (0.5) | (5) | — | (5) |
| North America Beverages | 11 | — | (4) | 7 | 1 | 8 |
| Latin America | (20) | — | — | (20) | 36 | 17 |
| Europe Sub-Saharan Africa | (25) | — | (2) | (27) | 21 | (6) |
| Asia, Middle East and North Africa | 2 | — | (1) | 1 | 3 | 3.5 |
| Division Operating Profit | (2) | — | (2) | (3.5) | 9 | 6 |
| Impact of Corporate Unallocated | 2 | — | — | 1 | 1 | 2 |
| Total Operating Profit | — | — | (2) | (2) | 10 | 8 |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

(b) Core results and core constant currency results are financial measures that are not in accordance with GAAP and exclude the above adjustments. See pages 3 - 5 for a discussion of each of these adjustments.

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

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Information (cont.)
Operating Profit by Division^(a)
Year Ended December 28, 2013
(in millions, unaudited)

| | GAAP Measure | Non-Core Adjustments | | | | Non-GAAP Measure |
|------------------------------------|-----------------------|-------------------------------------|--------------------------------|--------------------------------------|---------------------------------|-----------------------|
| | Reported | | | | | Core ^(b) |
| | Year Ended 12/28/2013 | Commodity mark-to-market net impact | Merger and integration charges | Restructuring and impairment charges | Venezuela remeasurement charges | Year Ended 12/28/2013 |
| Operating Profit | | | | | | |
| Frito-Lay North America | \$ 3,877 | \$ — | \$ — | \$ 19 | \$ — | \$ 3,896 |
| Quaker Foods North America | 617 | — | — | 4 | — | 621 |
| North America Beverages | 2,580 | — | — | 30 | — | 2,610 |
| Latin America | 1,617 | — | — | 13 | (13) | 1,617 |
| Europe Sub-Saharan Africa | 1,327 | — | 10 | 60 | — | 1,397 |
| Asia, Middle East and North Africa | 1,140 | — | — | 26 | — | 1,166 |
| Division Operating Profit | 11,158 | — | 10 | 152 | (13) | 11,307 |
| Corporate Unallocated | (1,453) | 72 | — | 11 | 124 | (1,246) |
| Total Operating Profit | <u>\$ 9,705</u> | <u>\$ 72</u> | <u>\$ 10</u> | <u>\$ 163</u> | <u>\$ 111</u> | <u>\$ 10,061</u> |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

(b) Core results are financial measures that are not in accordance with GAAP and exclude the above non-core adjustments. See pages 3 - 5 for a discussion of each of these non-core adjustments.

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Financial Information (cont.)
Operating Profit by Division^(a)
12 Weeks Ended March 22, 2014
(in millions, unaudited)

| | GAAP Measure | | Non-GAAP Measure | |
|------------------------------------|-----------------------------|--|---|-----------------------------|
| | Reported | Non-Core Adjustments | | Core ^(b) |
| | 12 Weeks Ended 3/22/2014 | Commodity mark- to-market net impact | Restructuring and impairment charges | 12 Weeks Ended 3/22/2014 |
| Operating Profit | | | | |
| Frito-Lay North America | \$ 862 | \$ — | \$ 13 | \$ 875 |
| Quaker Foods North America | 160 | — | 2 | 162 |
| North America Beverages | 353 | — | 85 | 438 |
| Latin America | 308 | — | (3) | 305 |
| Europe Sub-Saharan Africa | 163 | — | — | 163 |
| Asia, Middle East and North Africa | 183 | — | 4 | 187 |
| Division Operating Profit | 2,029 | — | 101 | 2,130 |
| Corporate Unallocated | (222) | (34) | (3) | (259) |
| Total Operating Profit | <u>\$ 1,807</u> | <u>\$ (34)</u> | <u>\$ 98</u> | <u>\$ 1,871</u> |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

(b) Core results are financial measures that are not in accordance with GAAP and exclude the above non-core adjustments. See pages 3 - 5 for a discussion of each of these non-core adjustments.

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Financial Information (cont.)
Operating Profit by Division^(a)
12 Weeks Ended June 14, 2014
(in millions, unaudited)

| | GAAP Measure | | Non-GAAP Measure | |
|------------------------------------|--------------------------|-------------------------------------|--------------------------------------|--------------------------|
| | Reported | Non-Core Adjustments | | Core ^(b) |
| | 12 Weeks Ended 6/14/2014 | Commodity mark-to-market net impact | Restructuring and impairment charges | 12 Weeks Ended 6/14/2014 |
| Operating Profit | | | | |
| Frito-Lay North America | \$ 937 | \$ — | \$ 13 | \$ 950 |
| Quaker Foods North America | 139 | — | — | 139 |
| North America Beverages | 748 | — | 36 | 784 |
| Latin America | 443 | — | 5 | 448 |
| Europe Sub-Saharan Africa | 467 | — | 23 | 490 |
| Asia, Middle East and North Africa | 365 | — | 7 | 372 |
| Division Operating Profit | 3,099 | — | 84 | 3,183 |
| Corporate Unallocated | (203) | (31) | 8 | (226) |
| Total Operating Profit | <u>\$ 2,896</u> | <u>\$ (31)</u> | <u>\$ 92</u> | <u>\$ 2,957</u> |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

(b) Core results are financial measures that are not in accordance with GAAP and exclude the above non-core adjustments. See pages 3 - 5 for a discussion of each of these non-core adjustments.

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Financial Information (cont.)
Operating Profit by Division^(a)
12 Weeks Ended September 6, 2014
(in millions, unaudited)

| | GAAP Measure | | Non-GAAP Measure | |
|------------------------------------|-------------------------|-------------------------------------|--------------------------------------|-------------------------|
| | Reported | Non-Core Adjustments | | Core ^(b) |
| | 12 Weeks Ended 9/6/2014 | Commodity mark-to-market net impact | Restructuring and impairment charges | 12 Weeks Ended 9/6/2014 |
| Operating Profit | | | | |
| Frito-Lay North America | \$ 1,025 | \$ — | \$ 9 | \$ 1,034 |
| Quaker Foods North America | 150 | — | — | 150 |
| North America Beverages | 753 | — | 14 | 767 |
| Latin America | 432 | — | 8 | 440 |
| Europe Sub-Saharan Africa | 481 | — | 14 | 495 |
| Asia, Middle East and North Africa | 293 | — | 8 | 301 |
| Division Operating Profit | 3,134 | — | 53 | 3,187 |
| Corporate Unallocated | (287) | 33 | 15 | (239) |
| Total Operating Profit | <u>\$ 2,847</u> | <u>\$ 33</u> | <u>\$ 68</u> | <u>\$ 2,948</u> |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

(b) Core results are financial measures that are not in accordance with GAAP and exclude the above non-core adjustments. See pages 3 - 5 for a discussion of each of these non-core adjustments.

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Financial Information (cont.)
Operating Profit by Division^(a)
Quarter Ended December 27, 2014
(in millions, unaudited)

| | GAAP Measure | | | | | Non-GAAP Measure |
|------------------------------------|--------------------------|-------------------------------------|--------------------------------------|------------------------------------|---------------------------------|--------------------------|
| | Reported | Non-Core Adjustments | | | | Core ^(b) |
| | Quarter Ended 12/27/2014 | Commodity mark-to-market net impact | Restructuring and impairment charges | Pension lump sum settlement charge | Venezuela remeasurement charges | Quarter Ended 12/27/2014 |
| Operating Profit | | | | | | |
| Frito-Lay North America | \$ 1,230 | \$ — | \$ 13 | \$ — | \$ — | \$ 1,243 |
| Quaker Foods North America | 172 | — | 12 | — | — | 184 |
| North America Beverages | 567 | — | 44 | — | — | 611 |
| Latin America | 453 | — | 18 | — | (21) | 450 |
| Europe Sub-Saharan Africa | 278 | — | 34 | — | — | 312 |
| Asia, Middle East and North Africa | 144 | — | 18 | — | — | 162 |
| Division Operating Profit | 2,844 | — | 139 | — | (21) | 2,962 |
| Corporate Unallocated | (813) | 100 | 21 | 141 | 126 | (425) |
| Total Operating Profit | \$ 2,031 | \$ 100 | \$ 160 | \$ 141 | \$ 105 | \$ 2,537 |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

(b) Core results are financial measures that are not in accordance with GAAP and exclude the above non-core adjustments. See pages 3 - 5 for a discussion of each of these non-core adjustments.

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Financial Information (cont.)
Operating Profit by Division^(a)
Year Ended December 27, 2014
(in millions, unaudited)

| | GAAP Measure | | | | | Non-GAAP Measure |
|------------------------------------|-----------------------|-------------------------------------|--------------------------------------|------------------------------------|---------------------------------|-----------------------|
| | Reported | Non-Core Adjustments | | | | Core ^(b) |
| | Year Ended 12/27/2014 | Commodity mark-to-market net impact | Restructuring and impairment charges | Pension lump sum settlement charge | Venezuela remeasurement charges | Year Ended 12/27/2014 |
| Operating Profit | | | | | | |
| Frito-Lay North America | \$ 4,054 | \$ — | \$ 48 | \$ — | \$ — | \$ 4,102 |
| Quaker Foods North America | 621 | — | 14 | — | — | 635 |
| North America Beverages | 2,421 | — | 179 | — | — | 2,600 |
| Latin America | 1,636 | — | 28 | — | (21) | 1,643 |
| Europe Sub-Saharan Africa | 1,389 | — | 71 | — | — | 1,460 |
| Asia, Middle East and North Africa | 985 | — | 37 | — | — | 1,022 |
| Division Operating Profit | 11,106 | — | 377 | — | (21) | 11,462 |
| Corporate Unallocated | (1,525) | 68 | 41 | 141 | 126 | (1,149) |
| Total Operating Profit | <u>\$ 9,581</u> | <u>\$ 68</u> | <u>\$ 418</u> | <u>\$ 141</u> | <u>\$ 105</u> | <u>\$ 10,313</u> |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

(b) Core results are financial measures that are not in accordance with GAAP and exclude the above non-core adjustments. See pages 3 - 5 for a discussion of each of these non-core adjustments.

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Financial Information (cont.)
Operating Profit by Division^(a)
12 Weeks Ended March 21, 2015
(in millions, unaudited)

| | GAAP Measure | | Non-GAAP Measure | |
|------------------------------------|-----------------------------|---|---|-----------------------------|
| | Reported | Non-Core Adjustments | | Core ^(b) |
| | 12 Weeks Ended 3/21/2015 | Commodity mark- to-market net impact | Restructuring and impairment charges | 12 Weeks Ended 3/21/2015 |
| Operating Profit | | | | |
| Frito-Lay North America | \$ 920 | \$ — | \$ 6 | \$ 926 |
| Quaker Foods North America | 99 | — | 1 | 100 |
| North America Beverages | 453 | — | 8 | 461 |
| Latin America | 219 | — | 1 | 220 |
| Europe Sub-Saharan Africa | 112 | — | 12 | 124 |
| Asia, Middle East and North Africa | 230 | — | 2 | 232 |
| Division Operating Profit | 2,033 | — | 30 | 2,063 |
| Corporate Unallocated | (236) | 1 | 6 | (229) |
| Total Operating Profit | <u>\$ 1,797</u> | <u>\$ 1</u> | <u>\$ 36</u> | <u>\$ 1,834</u> |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

(b) Core results are financial measures that are not in accordance with GAAP and exclude the above non-core adjustments. See pages 3 - 5 for a discussion of each of these non-core adjustments.

PepsiCo, Inc. and Subsidiaries
Reconciliation of GAAP and Non-GAAP Financial Information (cont.)
Operating Profit by Division^(a)
12 Weeks Ended June 13, 2015
(in millions, unaudited)

| | GAAP Measure | | Non-GAAP Measure | |
|------------------------------------|-----------------------------|---|---|-----------------------------|
| | Reported | Non-Core Adjustments | | Core ^(b) |
| | 12 Weeks Ended 6/13/2015 | Commodity mark- to-market net impact | Restructuring and impairment charges | 12 Weeks Ended 6/13/2015 |
| Operating Profit | | | | |
| Frito-Lay North America | \$ 1,007 | \$ — | \$ 2 | \$ 1,009 |
| Quaker Foods North America | 132 | — | — | 132 |
| North America Beverages | 833 | — | 7 | 840 |
| Latin America | 355 | — | 5 | 360 |
| Europe Sub-Saharan Africa | 350 | — | 7 | 357 |
| Asia, Middle East and North Africa | 373 | — | 3 | 376 |
| Division Operating Profit | 3,050 | — | 24 | 3,074 |
| Corporate Unallocated | (150) | (39) | 1 | (188) |
| Total Operating Profit | <u>\$ 2,900</u> | <u>\$ (39)</u> | <u>\$ 25</u> | <u>\$ 2,886</u> |

(a) Changes impact only North America Beverages, Latin America, ESSA and AMENA; there have been no changes to our FLNA and QFNA divisions or to our consolidated PepsiCo results.

(b) Core results are financial measures that are not in accordance with GAAP and exclude the above non-core adjustments. See pages 3 - 5 for a discussion of each of these non-core adjustments.