Reconciliation of GAAP and Non-GAAP Information (\$ in millions, unaudited)

In 2003, we sold our Quaker Foods North America Mission pasta business (2003 divested business). In 2005, we had an additional week of results (53rd week) as our fiscal year ends on the last Saturday of each December, resulting in an additional week of results every five or six years. In the third quarter of 2006, we recorded a gain of approximately \$20 million from the sale of PepsiCo International's Sugar Puffs brand (Sugar Puffs).

The financial measures listed below are not measures defined by generally accepted accounting principles (GAAP). However, we believe investors should consider these measures as they are consistent with how management evaluates our operational results and trends. Specifically, investors should consider the following with respect to our quarterly, full year and projected results:

- Our 2005 net revenue growth excluding the impact of the 53rd week;
- Our north american net revenue and operating profit two-year (2003-2005) compounded annual growth rates (CAGR);
- Our third quarter year-to-date 2006 north american net revenue and operating profit growth;
- Our 2005 north american operating profit as a percentage of total division operating profit;
- Our 2001 and 2005 PepsiCo International operating profit and operating profit growth as percentages of total division operating profit and total division operating profit growth;
- Our third quarter year-to-date 2006 PepsiCo International operating profit growth excluding the impact of the gain on sale of Sugar Puffs;
- Our third quarter year-to-date 2006 PepsiCo International operating profit margin and operating profit margin growth excluding the impact of the gain on sale of Sugar Puffs;
- Our 2005 capital spending as a percentage of net revenue excluding the impact of the 53rd week; and
- Our long-term projected north american and total division operating profit growth.

Additionally, management operating cash flow is the primary measure management uses to monitor cash flow performance. It is not a measure defined under 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.

Please refer to our consolidated financial statements for presentation of results in accordance with GAAP.

PepsiCo Net Revenue Growth Reconciliation

Year	Year	
Ended	Ended	
12/31/05	12/25/04	Growth
\$32,562	\$29,261	11.3%
(418)	_	
\$32,144	\$29,261	9.9%
	Ended 12/31/05 \$32,562 (418)	Ended Ended 12/31/05 12/25/04 \$32,562 \$29,261 (418) -

PepsiCo North American Net Revenue 2-Year CAGR Reconciliation

	Year	Year	
_	Ended	Ended	
	12/31/05	12/27/03	2-yr CAGR
PepsiCo north american net revenue performance	\$21,186	\$18,291	8%
PepsiCo International net revenue	11,376	8,678	
2003 divested business	_	2	
Total PepsiCo reported net revenue performance	\$32,562	\$26,971	10%

Reconciliation of GAAP and Non-GAAP Information (cont.) (\$ in millions, unaudited)

PepsiCo North American Operating Profit 2-Year CAGR Reconciliation

PepsiCo north american operating profit performance PepsiCo International operating profit Impact of corporate-related items Total PepsiCo reported operating profit performance	Year Ended 12/31/05 \$5,103 1,607 (788) \$5,922	Year Ended 12/27/03 \$4,402 1,061 (682) \$4,781	2-yr CAGR 8% 11%
PepsiCo North American Net Revenue Growth Reconciliation	on		
PepsiCo north american net revenue performance		36 Weeks Ended 9/3/05 \$14,750 7,716 \$22,466	Growth 8% 10%
	36 Weeks Ended	36 Weeks Ended	
-	9/9/06	9/3/05	Growth
PepsiCo north american operating profit performance	\$3,943	\$3,755	5%
PepsiCo International operating profit	1,471	1,232	
Impact of corporate unallocated	(488)	(504)	
Total PepsiCo reported operating profit performance	\$4,926	\$4,483	10%

PepsiCo North American and International Operating Profit as Percentages of Total Operating Profit Reconciliation

-	Year Ended 12/31/05	Year Ended 12/29/01
PepsiCo north american operating profit	\$5,103 1,607	\$3,911 863
PepsiCo total division operating profit Impact of corporate-related items Total PepsiCo reported operating profit	6,710 (788) \$5,922	4,774 (1,138) \$3,636
PepsiCo north american operating profit as a % of PepsiCo total division operating profit	76%	
PepsiCo north american operating profit as a % of total PepsiCo reported operating profit	86%	
PepsiCo International operating profit as a % of PepsiCo total division operating profit	24%	18%
PepsiCo International operating profit as a % of total PepsiCo reported operating profit	27%	24%

Reconciliation of GAAP and Non-GAAP Information (cont.) (\$ in millions, unaudited)

PepsiCo International Operating Profit Growth Reconciliation

PepsiCo International reported operating profit		36 Weeks Ended	36 Weeks Ended		
Gain on sale of Sugar Puffs (20) — PepsiCo International operating profit excluding impact of gain on sale of Sugar Puffs \$1,451 \$1,232 17.8% PepsiCo International operating profit Year Ended Ended Ended Ended 12/231/05 12/25/04 \$Growth Pepsico north american operating profit \$5,103 \$4,775 \$4,775 \$284 (a) \$284 (a) \$6,710 \$6,098 \$612 (b) \$6,098 \$6,098 \$6,009 <td>_</td> <td>9/9/06</td> <td></td> <td>Growth</td>	_	9/9/06		Growth	
PepsiCo International operating profit excluding impact of gain on sale of Sugar Puffs. \$1,451 \$1,232 17.8% Pepsico north american operating profit 2 (231/05) 12/25/04 \$ (270 wth) Pepsico north american operating profit \$5,103 \$4,775 PepsiCo International operating profit 6,710 6,098 612 (b) Corporate-related items (788) (839) 663 (c) PepsiCo International operating profit growth as a % of PepsiCo International operating profit growth as a % of total PepsiCo operating profit 46% (a)/(b) 48% (a)/(c) PepsiCo International operating profit growth as a % of total PepsiCo operating profit 43% (a)/(c) 43% (a)/(c) PepsiCo International operating profit 83,911 \$ (230,00) \$ (230,00) PepsiCo International operating profit 863 738 125 (a) PepsiCo International operating profit 4,774 4,356 418 (b) Corporate-related items (1,138) (538) Total PepsiCo operating profit \$ 3,636 \$ 3,818 (182) PepsiCo International operating profit \$ 3,636 \$ 3,818 (182)			\$1,232	19.4%	
gain on sale of Sugar Puffs \$1,451 \$1,232 17.8% Pepsico north american operating profit \$1,231/05 12/25/04 \$ Growth Pepsico north american operating profit \$5,103 \$4,775 PepsiCo International operating profit 1,607 1,323 284 (a) PepsiCo total division operating profit 6,710 6,098 612 (b) Corporate-related items (788) (839) 663 (c) PepsiCo International operating profit 46% (a)/(b) \$5,922 \$5,259 663 (c) PepsiCo International operating profit 46% (a)/(b) 46% (a)/(b) \$ Growth PepsiCo International operating profit 46% (a)/(b) \$ Growth PepsiCo north american operating profit \$ 3,911 \$ 3,618 PepsiCo International operating profit \$ 863 738 125 (a) PepsiCo International operating profit 4,774 4,356 418 (b) Corporate-related items (1,138) (538) Total PepsiCo operating profit \$ 3,636 \$ 3,818 (182) <td rowspan<="" td=""><td><u> </u></td><td>(20)</td><td></td><td></td></td>	<td><u> </u></td> <td>(20)</td> <td></td> <td></td>	<u> </u>	(20)		
Pepsico north american operating profit Ended 12/31/05 Ended 12/25/04 \$ Growth Pepsico north american operating profit \$5,103 \$4,775 \$ 1,823 284 (a) PepsiCo total division operating profit 6,710 6,098 612 (b) Corporate-related items (788) (839) 663 (c) PepsiCo International operating profit growth as a % of PepsiCo total division operating profit 46% (a)/(b) \$ \$ \$,922 \$ \$ \$,259 663 (c) PepsiCo International operating profit growth as a % of total PepsiCo operating profit 46% (a)/(b) \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$		\$1,451	\$1,232	17.8%	
Pepsico north american operating profit \$5,103 \$4,775 PepsiCo International operating profit 1,607 1,323 284 (a) PepsiCo total division operating profit 6,710 6,098 612 (b) Corporate-related items (788) (839) Total PepsiCo operating profit \$5,922 \$5,259 663 (c) PepsiCo International operating profit growth as a % of PepsiCo total division operating profit 46% (a)/(b) 46% (a)/(b) PepsiCo International operating profit 43% (a)/(c) Year Ended		Ended	Ended		
PepsiCo International operating profit 1,607 1,323 284 (a) PepsiCo total division operating profit 6,710 6,098 612 (b) Corporate-related items (788) (839) Total PepsiCo operating profit \$5,922 \$5,259 663 (c) PepsiCo International operating profit growth as a % of PepsiCo total division operating profit growth as a % of total PepsiCo operating profit 46% (a)/(b) 46% (a)/(c) Year Ended				\$ Growth	
PepsiCo total division operating profit. 6,710 (788) 6,098 (839) 612 (b) Corporate-related items (788) (839) 663 (c) Total PepsiCo operating profit \$5,922 \$5,259 663 (c) PepsiCo International operating profit growth as a % of PepsiCo total division operating profit 46% (a)/(b) 46% (a)/(b) PepsiCo International operating profit 43% (a)/(c) Year Ended Year Ended PepsiCo north american operating profit \$3,911 \$3,618 PepsiCo International operating profit 863 738 125 (a) PepsiCo total division operating profit 4,774 4,356 418 (b) Corporate-related items (1,138) (538) Total PepsiCo operating profit \$3,636 \$3,818 (182) PepsiCo International operating profit growth as a % of PepsiCo total division operating profit growth as a % of total PepsiCo operating profit Not meaningful					
Corporate-related items (788) (839) Total PepsiCo operating profit (85,922) (85,259) (663 (c)) PepsiCo International operating profit growth as a % of PepsiCo total division operating profit was a % of total PepsiCo operating profit (84% (a)/(b)) PepsiCo International operating profit growth as a % of total PepsiCo operating profit was a % of total PepsiCo operating profit was a % of total PepsiCo north american operating profit was a % of total PepsiCo total division operating profit was a % of total PepsiCo operating profit was a % of PepsiCo International operating profit growth as a % of PepsiCo International operating profit was a % of International operating profit was a	· · · · · · · · · · · · · · · · · · ·			, ,	
Total PepsiCo operating profit	•		·	612 (b)	
PepsiCo International operating profit growth as a % of PepsiCo total division operating profit was a % of total PepsiCo north american operating profit was a % of was a % of total division operating profit was a % of total PepsiCo operating profit was a % of PepsiCo International operating profit was a % of PepsiCo International operating profit growth as a % of PepsiCo International operating profit was a % of PepsiCo International operating profit was a % of PepsiCo International operating profit was a % of PepsiCo International operating profit growth as a % of PepsiCo International operating profit growth as a % of total PepsiCo operating profit was a % of total PepsiCo operating profit was a % of total PepsiCo operating profit growth as a % of total PepsiCo operating profit was a % of total PepsiCo operating pr	•			000 (-)	
PepsiCo total division operating profit	Total PepsiCo operating profit	\$5,922	\$5,259	663 (c)	
PepsiCo operating profit 43% (a)/(c) Year Finded Ended 12/29/01 12/30/00 \$Growth PepsiCo north american operating profit \$3,911 \$3,618 PepsiCo International operating profit 863 738 125 (a) PepsiCo total division operating profit 4,774 4,356 418 (b) Corporate-related items (1,138) (538) Total PepsiCo operating profit \$3,636 \$3,818 (182) PepsiCo International operating profit growth as a % of PepsiCo total division operating profit growth as a % of PepsiCo International operating profit growth as a % of PepsiCo International operating profit growth as a % of International operating profit grow		46% (a)/(b)			
PepsiCo north american operating profitEnded 12/29/01Ended 12/30/00\$GrowthPepsiCo north american operating profit\$3,911\$3,618PepsiCo International operating profit863738125 (a)PepsiCo total division operating profit4,7744,356418 (b)Corporate-related items(1,138)(538)Total PepsiCo operating profit\$3,636\$3,818(182)PepsiCo International operating profit30% (a)/(b)PepsiCo International operating profit growth as a % of total PepsiCo operating profitNot meaningful		43% (a)/(c)			
PepsiCo north american operating profitEnded 12/29/01Ended 12/30/00\$GrowthPepsiCo north american operating profit\$3,911\$3,618PepsiCo International operating profit863738125 (a)PepsiCo total division operating profit4,7744,356418 (b)Corporate-related items(1,138)(538)Total PepsiCo operating profit\$3,636\$3,818(182)PepsiCo International operating profit30% (a)/(b)PepsiCo International operating profit growth as a % of total PepsiCo operating profitNot meaningful		Year	Year		
PepsiCo north american operating profit \$3,911 \$3,618 PepsiCo International operating profit 863 738 125 (a) PepsiCo total division operating profit 4,774 4,356 418 (b) Corporate-related items (1,138) (538) Total PepsiCo operating profit growth as a % of PepsiCo total division operating profit 30% (a)/(b) PepsiCo International operating profit growth as a % of total PepsiCo operating profit meaningful					
PepsiCo north american operating profit \$3,911 \$3,618 PepsiCo International operating profit 863 738 125 (a) PepsiCo total division operating profit 4,774 4,356 418 (b) Corporate-related items (1,138) (538) Total PepsiCo operating profit growth as a % of PepsiCo total division operating profit growth as a % of PepsiCo total division operating profit growth as a % of total PepsiCo operating profit growth as a %	•			\$ Growth	
PepsiCo International operating profit 863 738 125 (a) PepsiCo total division operating profit 4,774 4,356 418 (b) Corporate-related items (1,138) (538) Total PepsiCo operating profit 9 \$3,636 \$3,818 (182) PepsiCo International operating profit growth as a % of PepsiCo total division operating profit 30% (a)/(b) PepsiCo International operating profit growth as a % of total PepsiCo operating profit meaningful	PepsiCo north american operating profit				
PepsiCo total division operating profit				125 (a)	
Corporate-related items			4,356	, ,	
PepsiCo International operating profit growth as a % of PepsiCo total division operating profit				. ,	
PepsiCo total division operating profit	Total PepsiCo operating profit	\$3,636	\$3,818	(182)	
PepsiCo International operating profit growth as a % of total Not PepsiCo operating profit meaningful					
PepsiCo operating profit meaningful	PepsiCo total division operating profit	30% (a)/(b)			
PepsiCo International Operating Profit Margin Reconciliation					
	PepsiCo International Operating Profit Margin Reconciliation	on			
36 Weeks 36 Weeks Change		36 Weeks	36 Weeks	Change	
Ended Ended (% points)				•	
9/9/06 9/3/05 (70 points)	•			(/o pointo)	
PepsiCo International reported operating profit margin	PepsiCo International reported operating profit margin			0.7	
, , , , , , , , , , , , , , , , , , , ,			. 3.0 / 0	U.,	
	Impact of gain on sale of Sugar Puffs		_		
gain on sale of Sugar Puffs	PepsiCo International operating profit margin excluding				

^{*}Does not compute due to rounding.

Reconciliation of GAAP and Non-GAAP Information (cont.) (unaudited)

Capital Spending as a Percentage of Net Revenue Reconciliation (\$ in millions)

	Year Ended 12/31/05	
Capital spending	\$1,736	
PepsiCo total reported net revenue Impact of 53 rd week PepsiCo total net revenue excluding 53 rd week	\$32,562 (418) \$32,144	
Capital spending as a % of PepsiCo total reported net revenue.	5.3%	
Capital spending as a % of PepsiCo total net revenue excluding 53 rd week	5.4%	
Long-Term Projected Operating Profit Growth Reconciliation	ı	
PepsiCo north american operating profit PepsiCo International operating profit PepsiCo total division operating profit Corporate unallocated PepsiCo total operating profit	Long-Term Projected % Growth ~7% mid-teens 8%+ 0% - 8%+	
Cash Flow Reconciliation (\$ in billions)	0701	
Net cash provided by operating activities Net capital spending Management operating cash flow	2004-2006E ~\$17 ~5 ~\$12	Projected 2007-2009 ~\$22-23 ~7-8 ~\$15