P&G

Non-GAAP Reconciliation: This brochure contains certain non-GAAP measurements that management believes are meaningful to investors because they provide useful perspective on underlying business trends (i.e. trends excluding non-recurring or unusual items) and results, provide a supplemental measure of year-on-year results, and provide a view of our business results through the eyes of management. These measures are also a factor in determining senior management's at-risk compensation. These non-GAAP measures are not intended to be considered in place of the related GAAP measure and may not be the same as similar measures used by other companies. This data should be read in conjunction with previously published company reports on Forms 10-K, 10-Q, and 8-K, which are available on www.PGInvestor.com under Financial Reporting. Reconciliations of non-GAAP measures to GAAP are provided below.

The Core earnings measures included in the following reconciliation tables refer to the equivalent GAAP measures adjusted as applicable for the following items:

- Incremental restructuring: The Company has had and continues to have an ongoing level of restructuring activities. Such activities have resulted in ongoing annual restructuring related charges of approximately $250 - $500 million before tax. Beginning in 2012 Procter & Gamble began a $10 billion strategic productivity and cost savings initiative that includes incremental restructuring activities. In 2017, the company announced elements of an additional multi-year productivity and cost savings plan. These plans result in incremental restructuring charges to accelerate productivity efforts and cost savings. The adjustment to Core earnings includes only the restructuring costs above what we believe are the normal recurring level of restructuring costs.
- Early debt extinguishment charges: During the three months ended December 31, 2016, the Company recorded a charge of $345 million after tax due to the early extinguishment of certain long-term debt. This charge represents the difference between the reacquisition price and the par value of the debt extinguished. Management does not view this charge as indicative of the Company's operating performance or underlying business results.
- Venezuela deconsolidation charge: For accounting purposes, evolving conditions resulted in a lack of control over our Venezuelan subsidiaries. Therefore, in accordance with the applicable accounting standards for consolidation, effective June 30, 2015, we deconsolidated our Venezuelan subsidiaries and began accounting for our investment in those subsidiaries using the cost method of accounting. The charge was incurred to write off our net assets related to Venezuela.
- Charges for certain European legal matters: Several countries in Europe issued separate complaints alleging that the Company, along with several other companies, engaged in violations of competition laws in prior periods. The Company established Legal Reserves related to these charges. Management does not view these charges as indicative of underlying business results.
- Venezuela B/S remeasurement & devaluation impacts: Venezuela is a highly inflationary economy under U.S. GAAP. Prior to deconsolidation, the government enacted episodic changes to currency exchange mechanisms and rates, which resulted in currency remeasurement charges for non-dollar denominated monetary assets and liabilities held by our Venezuelan subsidiaries.
- Non-cash impairment charges: During fiscal years 2013 and 2012 the Company incurred impairment charges related to the carrying value of goodwill and indefinite lived intangible assets in our Appliances and Salon Professional businesses.
- Gain on Iberian JV buyout: During fiscal year 2013 we incurred a holding gain on the purchase of the balance of our Iberian joint venture from our joint venture partner.

We do not view the above items to be part of our sustainable results, and their exclusion from core earnings measures provides a more comparable measure of year-on-year results.

1. Core EPS and currency-neutral Core EPS:

	FY 12	FY 13	FY 14	FY 15	FY 16	2017
Diluted Net Earnings Per Share from Continuing Operations, attributable to P&G	**$2.97**	**$3.50**	**$3.63**	**$2.84**	**$3.49**	**$3.69**
Incremental Restructuring	0.15	0.14	0.11	0.17	0.18	0.10
Early Debt Extinguishment Charges	-	-	-	-	-	0.13
Venezuela B/S Remeasurement & Devaluation Impacts	-	0.08	0.09	0.04	-	-
Charges for Certain European Legal Matters	0.03	0.05	0.02	0.01	-	-
Venezuela Deconsolidation Charge	-	-	-	0.71	-	-
Non-Cash Impairment Charges	0.31	0.10	-	-	-	-
Gain on Iberian JV Buyout	-	(0.21)	-	-	-	-
Rounding	(0.01)	(0.01)		(0.01)	-	-
Core EPS	**$3.45**	**$3.65**	**$3.85**	**$3.76**	**$3.67**	**$3.92**

Percentage change vs. prior year Core EPS	6%	5%	(2)%	(2)%	7%
Currency Impact to Earnings	0.15	0.32	0.52	0.35	0.15
Currency-Neutral Core EPS	**$3.80**	**$4.17**	**$4.28**	**$4.02**	**$4.07**
Percentage change vs. prior year Core EPS	10%	14%	11%	7%	11%
Currency-Neutral Core EPS 5-year average growth					11%

Note – All reconciling items are presented net of tax. Tax effects are calculated consistent with the nature of the underlying transaction.

2. Core operating profit margin:

	FY 13	FY 14	FY 15	FY 16	FY 17	
Operating Profit Margin	**17.7%**	**18.7%**	**15.6%**	**20.6%**	**21.5%**	
Incremental Restructuring	0.7%	0.5%	0.9%	0.9%	0.6%	
Charges for Certain European Legal Matters	0.2%	0.1%	-	-	-	
Venezuela B/S Remeasurement & Devaluation Impacts	0.5%	0.4%	0.2%	-	-	
Venezuela Deconsolidation Charge	-	-	2.9%	-	-	
Non-Cash Impairment	0.4%	-	-	-	-	
Rounding	(0.1)%	-	-	-	-	
Core Operating Profit Margin	**19.4%**	**19.7%**	**19.6%**	**21.5%**	**22.1%**	**4-yr total change**
Basis point change vs. prior year Core margin		*30*	*(10)*	*190*	*60*	*270*
Currency Impact to Margin	0.3%	1.2%	1.4%	0.5%	0.3%	
Constant Currency Core Operating Profit Margin	**19.7%**	**20.9%**	**21.0%**	**22.0%**	**22.4%**	
Basis point change vs. prior year Core margin		*150*	*130*	*240*	*90*	*610*

3. Core gross margin:

	FY 13	FY 14	FY 15	FY 16	FY 17	
Gross Margin	**48.5%**	**47.5%**	**47.6%**	**49.6%**	**50.0%**	
Incremental Restructuring	0.3%	0.4%	0.7%	1.0%	0.8%	
Rounding	-	-	0.1%	-	-	
Core Gross Margin	**48.8%**	**47.9%**	**48.4%**	**50.6%**	**50.8%**	**4-yr total change**
Basis point change vs. prior year Core margin		*(90)*	*50*	*220*	*20*	*200*
Currency Impact to Margin	0.1%	1%	0.4%	0.7%	0.4%	
Constant Currency Core Gross Margin	**48.9%**	**48.9%**	**48.8%**	**51.3%**	**51.2%**	
Basis point change vs. prior year Core margin		*10*	*90*	*290*	*60*	*450*