



The Procter & Gamble Company Regulation G Reconciliation of Non-GAAP Measures

The following provides definitions of the non-GAAP measures used in Procter & Gamble's February 19, 2026 CAGNY conference presentation, associated slides and other materials and the reconciliation to the most closely related GAAP measure. We believe that these measures provide useful perspective on underlying business trends (i.e., trends excluding non-recurring or unusual items) and results and provide a supplemental measure of year-on-year results.

The non-GAAP measures described below are used by Management in making operating decisions, allocating financial resources and for business strategy purposes. These measures may be useful to investors as they provide supplemental information about business performance and provide investors a view of our business results through the eyes of Management. Certain of these measures are also used to evaluate senior management and are a factor in determining their at-risk compensation.

These non-GAAP measures are not intended to be considered by the user in place of the related GAAP measure, but rather as supplemental information to our business results. These non-GAAP measures may not be the same as similar measures used by other companies due to possible differences in method and in the items or events being adjusted.

The Company is not able to reconcile its forward-looking non-GAAP cash flow measure because the Company cannot predict the timing and amounts of discrete items such as acquisition and divestitures, which could significantly impact GAAP results. Note that certain columns and rows may not add due to rounding.

The following measures are provided:

1. Organic sales growth — page 2
2. Core EPS — page 3

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

- **Incremental restructuring:** The Company has historically had an ongoing level of restructuring activities of approximately \$250 - \$500 million before tax. On June 5, 2025, the Company announced a portfolio and productivity plan to streamline its portfolio and organization to improve its cost structure and competitiveness. In the fiscal year ended June 30, 2024, the Company started a limited market portfolio restructuring of its business operations, primarily in certain Enterprise Markets, including Argentina and Nigeria, to address challenging macroeconomic and fiscal conditions. During the period ended September 30, 2024, the Company completed this limited market portfolio restructuring with the substantial liquidation of its operations in Argentina. Beginning fiscal 2012, the Company had a strategic productivity and cost savings initiative that resulted in incremental restructuring charges through fiscal 2020. The adjustments to Core earnings include only the restructuring costs above what we believe are the normal recurring level of restructuring costs.
- **Intangible asset impairment:** In fiscal 2024, the Company recognized a non-cash, after-tax impairment charge of \$1.0 billion (\$1.3 billion before tax) to adjust the carrying value of the Gillette intangible asset acquired as part of the Company's 2005 acquisition of The Gillette Company. In fiscal 2019, the Company recognized a one-time, non-cash, after-tax charge of \$8.0 billion to adjust the carrying values of the Shave Care reporting unit. This was comprised of a before and after-tax impairment charge of \$6.8 billion related to goodwill and an after-tax impairment charge of \$1.2 billion to reduce the carrying value of the Gillette indefinite-lived intangible assets.
- **Early debt extinguishment charge:** In fiscal 2021, the Company recorded after tax charges due to early extinguishment of certain long-term debt. These charges represent the difference between the reacquisition price and the par value of the debt extinguished.
- **Gain on Dissolution of the PGT Healthcare Partnership:** The Company dissolved our PGT Healthcare partnership, a venture between the Company and Teva Pharmaceuticals Industries, Ltd (Teva) in the OTC consumer healthcare business, in fiscal 2019. The transaction was accounted for as a sale of the Teva portion of the PGT business and the Company recognized an after-tax gain on the dissolution.
- **Anti-dilutive Impacts:** The Shave Care impairment charges in fiscal 2019 caused certain equity instruments that are normally dilutive (and hence normally assumed converted or exercised for the purposes of determining diluted net earnings per share) to be anti-dilutive. Accordingly, for U.S. GAAP diluted earnings per share, these instruments were not assumed to be converted or exercised. Specifically, certain of our preferred shares and share-based equity awards were not included in the diluted weighted average common shares outstanding. As a result of the non-GAAP Shave Care impairment adjustment, these instruments are dilutive for non-GAAP earnings per share.



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. These items are also excluded when evaluating senior management in determining their at-risk compensation.

Organic sales growth: Organic sales growth is a non-GAAP measure of sales growth excluding the impacts of acquisitions and divestitures and foreign exchange from year-over-year comparisons. We believe this measure provides investors with a supplemental understanding of underlying sales trends by providing sales growth on a consistent basis. This measure is also used in assessing the achievement of management goals for at-risk compensation.

Core EPS: Core earnings per share, or Core EPS, is a measure of the Company's diluted net earnings per common share adjusted as indicated. Management views this measure as useful supplemental measure of Company performance over time. This measure is also used in assessing the achievement of management goals for at-risk compensation.

Adjusted free cash flow: Adjusted free cash flow is defined as operating cash flow less capital spending. Adjusted free cash flow represents the cash that the Company is able to generate after taking into account planned maintenance and asset expansion. We view adjusted free cash flow as an important measure because it is one factor used in determining the amount of cash available for dividends, share repurchases, acquisitions and other discretionary investments. The Company is not able to reconcile its forward-looking non-GAAP cash flow measure because the Company cannot predict the timing and amounts of discrete items such as acquisition and divestitures, which could significantly impact GAAP results.

Adjusted free cash flow productivity: Adjusted free cash flow productivity is defined as the ratio of adjusted free cash flow to net earnings. We view adjusted free cash flow productivity as a useful measure to help investors understand P&G's ability to generate cash. This measure is used by management in making operating decisions, allocating financial resources and for budget planning purposes. This measure is also used in assessing the achievement of management goals for at-risk compensation. The Company is not able to reconcile its forward-looking non-GAAP cash flow measure because the Company cannot predict the timing and amounts of discrete items such as acquisition and divestitures, which could significantly impact GAAP results.

1. Organic sales growth:

	<i>Prior Periods</i>			
	<u>Net Sales Growth</u>	<u>Foreign Exchange Impact</u>	<u>Acquisition/Divestiture Impact/Other*</u>	<u>Organic Sales Growth</u>
Total Company				
First Half of FY 2026	2%	(1)%	—%	1%
FY 2025	—%	1%	1%	2%
FY 2024	2%	2%	—%	4%
FY 2023	2%	5%	—%	7%
FY 2022	5%	2%	—%	7%
FY 2021	7%	(1)%	—%	6%
FY 2020	5%	2%	(1)%	6%

* Acquisition & Divestiture Impact/Other includes the volume and mix impact of acquisitions and divestitures and rounding impacts necessary to reconcile net sales to organic sales.

	<i>Six Months Ended December 31, 2025</i>			
	<u>Net Sales Growth</u>	<u>Foreign Exchange Impact</u>	<u>Acquisition/Divestiture Impact/Other*</u>	<u>Organic Sales Growth</u>
Grooming	4%	(2)%	—%	2%

* Acquisition & Divestiture Impact/Other includes the volume and mix impact of acquisitions and divestitures and rounding impacts necessary to reconcile net sales to organic sales.

Guidance

Total Company	Net Sales Growth	Combined Foreign Exchange & Acquisition/Divestiture Impact/Other*	Organic Sales Growth
FY 2026 (Estimate)	+1% to +5%	-1%	—% to +4%

* Combined Foreign Exchange & Acquisition/Divestiture Impact/Other includes foreign exchange impacts, the volume and mix impact of acquisitions and divestitures and rounding impacts necessary to reconcile net sales to organic sales.

2. Core EPS:

	Six Months Ended December 31		Twelve Months Ended June 30						
	2025	2024	2025	2024	2023	2022	2021	2020	2019
	Diluted EPS	\$3.73	\$3.49	\$6.51	\$6.02	\$5.90	\$5.81	\$5.50	\$4.96
Incremental restructuring	0.14	0.33	0.33	0.15				0.16	0.13
Intangible impairment				0.42					3.03
Early debt extinguishment							0.16		
Gain on dissolution of PGT partnership									(0.13)
Anti-dilutive impacts									0.06
Core EPS	\$3.87	\$3.81	\$6.83	\$6.59	\$5.90	\$5.81	\$5.66	\$5.12	\$4.52
<i>Percentage change vs. prior period</i>	<i>2%</i>		<i>4%</i>	<i>12%</i>	<i>2%</i>	<i>3%</i>	<i>11%</i>	<i>13%</i>	

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

Guidance

Total Company	Diluted EPS Growth	Impact of Incremental Non-Core Items	Core EPS Growth
FY 2026 (Estimate)	+1% to +6%	-1% to -2%	—% to +4%