

## Levi Strauss & Co.

### Reconciliation of GAAP to Non-GAAP Financial Measures for the First Quarter 2015

The following information relates to, and should be read in conjunction with, the investor call held on Tuesday, April 14, 2015, discussing the Company's financial condition and results of operations as of and for the quarter ended March 1, 2015.

#### Free Cash Flow:

(\$ millions)	Three Months Ended	
	March 1, 2015	February 23, 2014
	(Unaudited)	
<b>Most comparable GAAP measure:</b>		
Net cash provided by operating activities	\$ 37.6	\$ 35.7
<b>Non-GAAP measure:</b>		
Net cash provided by operating activities	\$ 37.6	\$ 35.7
Purchases of property, plant and equipment	(21.2)	(20.4)
(Payments) proceeds on settlement of forward foreign exchange contracts not designated for hedge accounting	(4.0)	5.9
<b>Free Cash Flow</b>	<b>\$ 12.4</b>	<b>\$ 21.2</b>

#### Net debt:

(\$ millions)	March 1, 2015	November 30, 2014
	(Unaudited)	
<b>Most comparable GAAP measure:</b>		
Total long-term and short-term debt	\$ 1,125.5	\$ 1,224.0
<b>Non-GAAP measure:</b>		
Total long-term and short-term debt	\$ 1,125.5	\$ 1,224.0
Cash and cash equivalents	(202.7)	(298.3)
<b>Net debt</b>	<b>\$ 922.8</b>	<b>\$ 925.7</b>

**Adjusted EBIT and Adjusted EBITDA:**

(\$ millions)	Three Months Ended		Twelve Months Ended	
	March 1, 2015	February 23, 2014	March 1, 2015	February 23, 2014
	(Unaudited)		(Unaudited)	
<b>Most comparable GAAP measure:</b>				
Operating income	\$ 107.4	\$ 93.7	\$ 327.6	\$ 377.7
<b>Non-GAAP measure:</b>				
Net income	\$ 38.3	\$ 49.6	\$ 93.0	\$ 170.8
Income tax expense	19.8	16.4	53.0	62.5
Interest expense	23.3	31.9	109.0	128.7
Loss on early extinguishment of debt	—	—	20.3	0.6
Other (income) expense, net	26.0	(4.2)	52.3	15.1
Restructuring and related charges, severance and asset impairment charges, net	12.1	63.8	104.2	72.1
Pension and postretirement benefit plan curtailment and net settlement (gains) losses, net	0.3	1.0	33.2	1.0
<b>Adjusted EBIT</b>	<b>\$ 119.8</b>	<b>\$ 158.5</b>	<b>\$ 465.0</b>	<b>\$ 450.8</b>
Depreciation and amortization			109.1	114.2
<b>Adjusted EBITDA</b>			<b>\$ 574.1</b>	<b>\$ 565.0</b>

**Gross Debt to Adjusted EBITDA ratio:**

(\$ millions)	March 1, 2015	February 23, 2014
Total long-term and short-term debt	\$ 1,125.5	\$ 1,545.8
LTM Adjusted EBITDA	\$ 574.1	\$ 565.0
<b>Gross Debt to Adjusted EBITDA ratio</b>	<b>2.0</b>	<b>2.7</b>