PROCTER & GAMBLE Co
Form 424B5
April 28, 2015
Table of Contents

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities Offered	Maximum Aggregate Offering Price (1)	Amount of Registration Fee (2)
0.275% Notes due 2020	$840,477,391	$97,663.47

(1) The U.S. dollar equivalent of the maximum aggregate offering price has been calculated using the exchange rate for April 24, 2015 of U.S. $1.00 = JPY 118.98, as published by the Board of Governors of the Federal Reserve System in the H.10 Weekly Update for the week ended April 24, 2015.
(2) The filing fee of $97,663.47 is calculated in accordance with Rule 457(r) of the Securities Act of 1933.

Table of Contents

Filed pursuant to Rule 424(b)(5)

Registration No. 333-199594

Prospectus Supplement to Prospectus dated October 24, 2014

¥100,000,000,000

The Procter & Gamble Company
0.275% Notes due 2020

The notes will mature on May 8, 2020. Interest on the notes will be payable on May 8 and November 8 of each year. Interest on the notes will accrue from May 8, 2015 (the day following settlement). The first interest payment date for the notes will be November 8, 2015. The notes will not be redeemable prior to maturity unless certain events occur involving United States taxation, as described under the caption Description of Notes Tax Redemption.

See Risk Factors beginning on page S-3 to read about important factors you should consider before buying the notes.

Application will be made for the notes to be listed on the New York Stock Exchange. The listing application will be subject to approval by the New York Stock Exchange. If such a listing is obtained, we have no obligation to maintain such listing and we may delist the notes at any time.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the notes or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Per Note	Total
Public offering price	100.00%	¥ 100,000,000,000
Underwriting discount	0.30%	¥ 300,000,000

Proceeds, before expenses, to us	99.70%	¥ 99,700,000,000

The initial public offering price set forth above does not include accrued interest, if any. Interest on the notes will accrue from May 8, 2015 (the day following settlement) and must be paid by the purchasers if the notes are delivered after May 8, 2015.

The notes will be represented by one or more fully registered global notes (without interest coupons or principal receipts). The underwriters expect to deliver the notes in book-entry form only through the facilities of Clearstream Banking, *société anonyme*, and, Euroclear Bank SA/NV against payment on May 7, 2015.

Joint Book-Running Managers

BofA Merrill Lynch **Morgan Stanley** **MUFG**

Co-Managers

Citigroup **Deutsche Bank Securities** **Goldman, Sachs & Co.**
HSBC **J.P. Morgan**

Prospectus Supplement dated April 28, 2015

Table of Contents

TABLE OF CONTENTS

Prospectus Supplement

Prospectus

Table of Contents

ABOUT THIS PROSPECTUS SUPPLEMENT

This prospectus supplement contains the terms of this offering of notes. This prospectus supplement, or the information incorporated by reference in this prospectus supplement, may add to, update or change the information in the accompanying prospectus. If information in this prospectus supplement, or the information incorporated by reference in this prospectus supplement, is inconsistent with the accompanying prospectus, this prospectus supplement, or the information incorporated by reference in this prospectus supplement, will apply and will supersede that information in the accompanying prospectus.

It is important for you to read and consider all information contained in this prospectus supplement and the accompanying prospectus in making your investment decision. You should also read and consider the information in the documents we have referred you to in Incorporation of Certain Information by Reference in this prospectus supplement.

No person is authorized to give any information or to make any representations other than those contained or incorporated by reference in this prospectus supplement or the accompanying prospectus and, if given or made, such information or representations must not be relied upon as having been authorized. This prospectus supplement and the accompanying prospectus do not constitute an offer to sell or the solicitation of an offer to buy any securities other than the securities described in this prospectus supplement or an offer to sell or the solicitation of an offer to buy such securities in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this prospectus supplement or the accompanying prospectus, nor any sale made hereunder or thereunder shall, under any circumstances, create any implication that there has been no change in our affairs since the date of this prospectus supplement or the accompanying prospectus, or that the information contained or incorporated by reference herein or therein is correct as of any time subsequent to the date of such information.

The distribution of this prospectus supplement and the accompanying prospectus and the offering of the notes in certain jurisdictions may be restricted by law. This prospectus supplement and the accompanying prospectus do not constitute an offer, or an invitation on our behalf or on behalf of the underwriters, to subscribe to or purchase, any of the notes, and may not be used for or in connection with an offer or solicitation by anyone, in any jurisdiction in which such an offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. See Underwriting.

Unless otherwise specified, all references in this prospectus supplement to: (a) Procter & Gamble, P&G, the Company, we, us, and our are to The Procter & Gamble Company and its subsidiaries; (b) fiscal followed specific year are to our fiscal year ended or ending June 30 of that year; (c) U.S. dollars, dollars, U.S. $ or $ to the currency of the United States of America; and (d) yen or ¥ are to the currency of Japan.

In connection with this issue and distribution of the notes, Mitsubishi UFJ Securities International plc (the Stabilizing Manager) (or persons acting on behalf of the Stabilizing Manager) for its own account and at its discretion may, as principal and not as agent for the Company, over-allot notes or effect transactions with a view to supporting the market price of the notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Manager (or persons acting on behalf of the Stabilizing Manager) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the notes and 60 days after the date of the allotment of the notes. Any stabilization action or over-allotment shall be conducted in accordance with all applicable laws and rules.

S-1

Table of Contents

THE COMPANY

The Procter & Gamble Company is focused on providing branded consumer packaged goods of superior quality and value to improve the lives of the world s consumers. The Company was incorporated in Ohio in 1905, having been built from a business founded in 1837 by William Procter and James Gamble. Today, we sell our products in more than 180 countries and territories. Our principal executive offices are located at One Procter & Gamble Plaza, Cincinnati, Ohio 45202, and our telephone number is +1 (513) 983-1100.

In the United States, as of June 30, 2014, we owned and operated 32 manufacturing facilities. These facilities were located in 22 different states or territories. In addition, we owned and operated 105 manufacturing facilities in 40 other countries. Many of the domestic and international sites manufacture products for multiple businesses.

Table of Contents

RISK FACTORS

We discuss our expectations regarding future performance, events and outcomes, such as our business outlook and objectives in this document, as well as in our annual report, quarterly reports, current reports on Form 8-K, press releases and other written and oral communications. All statements, except for historical and present factual information, are forward-looking statements and are based on financial data and business plans available only as of the time the statements are made, which may become outdated or incomplete. We assume no obligation to update any forward-looking statements as a result of new information, future events, or other factors. Forward-looking statements are inherently uncertain, and investors must recognize that events could significantly differ from our expectations.

The following discussion of risk factors identifies the most significant factors that may adversely affect our business, operations, financial position or future financial performance. This information should be read in conjunction with Management s Discussion and Analysis and the consolidated financial statements and related notes included in our annual report, quarterly reports and current reports on Form 8-K which are incorporated by reference into this document. The following discussion of risks is not all inclusive but is designed to highlight what we believe are important factors to consider when evaluating our expectations. These factors could cause our future results to differ from those in the forward-looking statements and from historical trends.

We are a global company, with operations in approximately 70 countries, and products sold in more than 180 countries and territories around the world. The global nature of our company creates increased financial, operational and manufacturing risks.

We face numerous risks related to the global and political economic environment.

If the global economy experiences significant disruptions, our business could be negatively impacted by reduced demand for our products related to: a slow-down in the general economy; reduced market growth rates; supplier, vendor or customer disruptions resulting from tighter credit markets; and/or interruptions in our ability to conduct day-to-day transactions through our financial intermediaries involving the payment to or collection of funds from our customers, vendors and suppliers.

Our objective is to maintain credit ratings that provide us with ready access to global capital and credit markets. Any downgrade of our current credit rating could increase our future borrowing costs and impair our ability to access capital and credit markets on terms commercially acceptable to us.

We may be negatively impacted by political issues or crises in individual countries or regions, including sovereign risk related to a default by or deterioration in the credit worthiness of local governments.

We hold assets, incur liabilities, earn revenues, and pay expenses in a variety of currencies other than the U.S. dollar, and our operations outside the U.S. generate a significant portion of our net revenue. Fluctuations in exchange rates, such as the recent volatility in the Russian Ruble, may therefore adversely impact our business results or financial condition. See also the Results of Operations and Cash Flow, Financial Condition and Liquidity sections of Management s Discussion and Analysis and

Note 5 to our consolidated financial statements included in our annual report and quarterly reports which are incorporated by reference into this document.

Our success will depend, in part, on our ability to manage continued global and/or economic uncertainty, including foreign currency fluctuations, as well as any political or economic disruption.

We face risks associated with having significant international operations.

Our international operations are subject to a number of risks, including, but not limited to:

- compliance with local laws and regulations in each country, as well as U.S. laws affecting operations outside the U.S., such as the Foreign Corrupt Practices Act;

- changes in exchange controls and other limits on our ability to repatriate earnings from overseas;
- discriminatory or conflicting fiscal policies;
- difficulties enforcing intellectual property and contractual rights in certain jurisdictions;
- risk of uncollectible accounts and longer collection cycles;
- effective and immediate implementation of control environment processes across our diverse operations and employee base; and
- imposition of increased or new tariffs, quotas, price controls, trade barriers or similar restrictions on our sales outside the U.S.

We have sizable businesses and maintain local currency cash balances in a number of foreign countries with exchange, import authorization or pricing controls, including, but not limited to, Venezuela, Argentina, China, India and Egypt. Our results of operations and/or financial condition could be adversely impacted if we are unable to successfully manage these and other risks of international operations in an increasingly volatile environment.

We face risks that are inherent in global manufacturing that could negatively impact our business results.

- We need to maintain key manufacturing and supply arrangements, including any key sole supplier and sole manufacturing plant arrangements, to achieve our cost targets.
- While we have business continuity and contingency plans for key manufacturing sites and the supply of raw materials, it may be impracticable to have a sufficient alternative source, particularly when the input materials are in limited supply.
- In addition, our strategy for global growth includes increased presence in emerging markets. Some emerging markets have greater political volatility and greater vulnerability to infrastructure and labor disruptions than established markets.
- Any significant disruption of manufacturing, such as labor disputes, loss or impairment of key manufacturing sites, natural disasters, acts of war or terrorism and other external factors over which we have no control, could interrupt product supply and, if not remedied, have an adverse impact on our business.

Our businesses face cost fluctuations and pressures that could affect our business results.

Our costs are subject to fluctuations, particularly due to changes in commodity prices, raw materials, labor costs, energy costs, and pension and healthcare costs. Therefore, our success is dependent, in part, on our continued ability to manage these fluctuations through pricing actions, cost saving projects and sourcing decisions, while maintaining and improving margins and market share. In addition, our financial projections include cost savings described in our announced productivity plan. Failure to deliver these savings could adversely impact our results.

Our ability to meet our growth targets depends on successful product, marketing and operations innovation and our ability to successfully respond to competitive innovation.

We are a consumer products company and rely on continued global demand for our brands and products. Achieving our business results depends, in part, on the successful development, introduction and marketing of new products and improvements to our equipment and manufacturing processes. Successful innovation depends on our ability to correctly anticipate customer and consumer acceptance, including consumer trends and habits, to obtain and maintain necessary intellectual property protections and to avoid infringing the intellectual property rights of others. We must also be able to successfully respond to technological advances made by competitors and intellectual property rights granted to competitors. Failure to do so could compromise our competitive position and impact our results.

Table of Contents

The ability to achieve our business objectives is dependent on how well we can compete with our local and global competitors in new and existing markets and channels.

The consumer products industry is highly competitive. Across all of our categories, we compete against a wide variety of global and local competitors. As a result, there are ongoing competitive pressures in the environments in which we operate, as well as challenges in maintaining profit margins. This includes, among other things, increasing competition from mid- and lower-tier value products in both developed and developing markets. To address these challenges, we must be able to successfully respond to competitive factors, including pricing, promotional incentives and trade terms. In addition, the emergence of new sales channels may affect customer and consumer preferences, as well as market dynamics. Failure to effectively compete in these new channels could negatively impact results.

A significant change in customer relationships or in customer demand for our products could have a significant impact on our business.

We sell most of our products via retail customers, which consist of mass merchandisers, grocery stores, membership club stores, drug stores, department stores, salons, distributors, e-commerce and high-frequency stores. Our success is dependent on our ability to successfully manage relationships with our retail trade customers. This includes our ability to offer trade terms that are acceptable to our customers and are aligned with our pricing and profitability targets. Our business could suffer if we cannot reach agreement with a key customer based on our trade terms and principles. Our business would be negatively impacted if a key customer were to significantly reduce the inventory level of our products or experience a significant business disruption.

Consolidation among our retail customers could also create significant cost and margin pressure and lead to more complexity across broader geographic boundaries for both us and our key retailers. This would be particularly challenging if major customers are addressing local trade pressures, local law and regulation changes or financial distress.

If the reputation of the Company or one or more of our brands erodes significantly, it could have a material impact on our financial results.

The Company s reputation, and the reputation of its brands, form the foundation of our relationships with key stakeholders and other constituencies, such as consumers, customers and suppliers. The quality and safety of our products is critical to our business. Many of our brands have worldwide recognition, and our financial success is directly dependent on the success of our brands and the success of these brands can suffer if our marketing plans or product initiatives do not have the desired impact on a brand s image or its ability to attract consumers. Our results could also be negatively impacted if one of our brands suffers a substantial impediment to its reputation due to a significant product recall, product-related litigation, allegations of product tampering, or the distribution and sale of counterfeit products. If we are unable to effectively manage real or perceived issues, including concerns about safety, quality, efficacy or similar matters, sentiments toward the Company or our products could be negatively impacted, and our financial results could suffer. Widespread use of social media and networking sites by consumers has greatly increased the speed and accessibility of information dissemination. Negative or inaccurate postings or comments about the Company could generate adverse publicity that could damage the reputation of our brands or the Company. Our Company also devotes significant time and resources to programs that are consistent with our corporate values and are designed to protect and preserve our reputation, such as social responsibility and environmental sustainability. If these programs are not executed as planned or suffer negative publicity, the Company s reputation and financial results could be impacted.

We rely on third parties in many aspects of our business, which creates additional risk.

Due to the scale and scope of our business, we must rely on relationships with third parties for certain functions, such as our suppliers, distributors, contractors, joint venture partners or external business partners. While we have policies and procedures for managing these relationships, they inherently involve a lesser degree of control over business operations, governance and compliance, thereby potentially increasing our financial, legal, reputational and/or operational risk.

Table of Contents

A breach of information security, including a cybersecurity breach or failure of one or more key information technology systems, networks, hardware, processes, associated sites or service providers could have a material adverse impact on our business or reputation.

We rely extensively on information technology (IT) systems, networks and services, including internet sites, data hosting and processing facilities and tools and other hardware, software and technical applications and platforms, some of which are managed, hosted, provided and/or used by third-parties or their vendors, to assist in conducting our business. The various uses of these IT systems, networks and services include, but are not limited to:

- ordering and managing materials from suppliers;
- converting materials to finished products;
- shipping products to customers;
- marketing and selling products to consumers;
- collecting and storing customer, consumer, employee, vendor, investor and other stakeholder information and personal data;
- processing transactions;
- summarizing and reporting results of operations;
- hosting, processing and sharing confidential and proprietary research, business plans and financial information;
- complying with regulatory, legal or tax requirements;
- providing data security; and
- handling other processes necessary to manage our business.

Numerous and evolving cybersecurity threats, including advanced persistent threats, pose a potential risk to the security of our IT systems, networks and services, as well as the confidentiality, availability and integrity of our data. As cybersecurity threats rapidly evolve in sophistication and become more prevalent across industry globally, the Company is continually increasing its sensitivity and attention to these threats. We continue to assess potential threats and make investments seeking to address these threats, including monitoring of networks and systems, upgrading skills, employee training and security policies for the Company and its third-party providers. However, because the techniques used in these attacks change frequently and may be difficult to detect for periods of time, we may face difficulties in anticipating and implementing adequate preventative measures. Our information technology systems have been, and will likely continue to be, subject to computer viruses or other malicious codes, unauthorized access attempts, phishing and other cyber-attacks. To date, we have seen no material impact on our business or operations from these attacks; however, we cannot guarantee that our security efforts will prevent breaches or breakdowns to our or our third party providers databases or systems. If the IT systems, networks or service providers we rely upon fail to function properly, or if we or one of our third-party providers suffer a loss, significant unavailability or disclosure of our business or stakeholder information, due to any number of causes, ranging from catastrophic events or power outages to improper data handling or security breaches, and our business continuity plans do not effectively address these failures on a timely basis, we may be exposed to reputational, competitive and business harm as well as litigation and regulatory action. The costs and operational consequences of responding to breaches and implementing remediation measures could be significant.

Our business is subject to changes in legislation, regulation and enforcement, and our ability to manage and resolve pending legal matters in the U.S. and abroad.

Our business is subject to a variety of local regulations and laws across all of the countries in which we do business. Changes in laws, regulations and related interpretations, including changes in accounting standards or taxation requirements, and/or increased enforcement actions and penalties, may alter the environment in which we do business. The increasingly complex and rapidly changing legal and regulatory environment creates additional challenges for our ethics and compliance programs. Our ability to continue to meet these challenges could have an impact on our legal, reputational and business risk.

Table of Contents

As a U.S.-based multinational company, we are subject to tax regulations in the U.S. and multiple foreign jurisdictions, some of which are interdependent. For example, certain income that is earned and taxed in countries outside the U.S. is not taxed in the U.S., provided those earnings are indefinitely reinvested outside the U.S. If these or other tax regulations should change, our financial results could be impacted. For example, there are increasing calls in the U.S. from members of leadership in both major U.S. political parties for comprehensive tax reform, which may significantly change the income tax rules that are applicable to U.S. domiciled corporations, such as P&G. It is very difficult to assess whether the overall effect of such potential legislation would be cumulatively positive or negative for our earnings and cash flows, but such changes could significantly impact our financial results.

Our ability to manage regulatory, environmental, tax (including, but not limited to, any audits or other investigations) and legal matters (including, but not limited to, product liability, patent and other intellectual property matters) and to resolve pending legal matters without significant liability may materially impact our results of operations and financial position. Furthermore, if pending legal matters result in fines or costs in excess of the amounts accrued to date, that could materially impact our results of operations and financial position.

Our ability to successfully execute our portfolio optimization strategy, as well as successfully manage ongoing acquisition, joint venture and divestiture activities, could impact our business.

The Company recently announced a plan to significantly streamline our product portfolio by divesting, discontinuing or consolidating 90-100 nonstrategic brands, resulting in a portfolio of 70 to 80 key brands. It will take time to execute this plan, but once completed, we expect this strategy to result in improved sales and earnings growth rates. Our ability to successfully execute this plan could significantly impact our achievement of improved sales and earnings growth rates.

In addition, as a company that manages a portfolio of consumer brands, our ongoing business model includes a certain level of acquisition, joint venture and divestiture activities. We must be able to successfully manage the impacts of these activities, while at the same time delivering against our business objectives. Specifically, our financial results could be adversely impacted if: 1) changes in the cash flows or other market-based assumptions cause the value of acquired assets to fall below book value, 2) we are unable to offset the dilutive impacts from the loss of revenue associated with divested brands, or 3) we are not able to deliver the expected cost and growth synergies associated with our acquisitions and joint ventures, which could also have an impact on goodwill and intangible assets.

Our ability to successfully manage ongoing organizational change could impact our business results.

Our financial targets assume a consistent level of productivity improvement, and in light of our portfolio-optimization strategy, we expect to implement additional acquisition and divestiture activities and accelerate productivity improvements. If we are unable to deliver these expected productivity improvements, while continuing to invest in business growth, our financial results could be adversely impacted. We expect these types of changes, which will include staffing adjustments as well as employee departures, to continue for the foreseeable future. Successfully executing these changes, including effective management transitions at leadership levels of the Company, as well as retention of particularly key employees, is critical to our business success. We are generally a build-from-within company and our success is dependent on identifying, developing and retaining key employees to provide uninterrupted leadership and direction for our business. This includes developing and retaining organizational capabilities in key growth markets where the depth of skilled or experienced employees may be limited, and competition for these resources is intense. It also includes continued development and execution of robust leadership succession plans, including CEO succession.

S-7

Table of Contents

SUMMARY CONSOLIDATED FINANCIAL INFORMATION

The following summary consolidated financial information as of March 31, 2015 and for the nine month periods ended March 31, 2015 and March 31, 2014 has been derived from our unaudited consolidated financial statements contained in our Quarterly Report on Form 10-Q for the quarter ended March 31, 2015. The summary consolidated information as of June 30, 2014 has been derived from our audited consolidated financial statements contained in our Annual Report on Form 10-K for the fiscal year ended June 30, 2014. The results for the interim period ended March 31, 2015 are not necessarily indicative of the results for the full fiscal year.

	Nine Months Ended March 31,	
	2015	2014
	(Amounts in Millions Except Per Share Amounts)	
NET SALES	$ 58,489	$ 60,914
Cost of products sold	29,619	30,722
Selling, general and administrative expense	18,010	18,614
OPERATING INCOME	10,860	11,578
Interest expense	479	531
Interest income	103	73
Other non-operating income	93	68
EARNINGS FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	10,577	11,188
Income taxes on continuing operations	2,287	2,426
NET EARNINGS FROM CONTINUING OPERATIONS	8,290	8,762
NET EARNINGS/(LOSS) FROM DISCONTINUED OPERATIONS	(1,684)	403
NET EARNINGS	6,606	9,165
Less: Net earnings attributable to noncontrolling interests	91	101
NET EARNINGS ATTRIBUTABLE TO PROCTER & GAMBLE	$ 6,515	$ 9,064
BASIC NET EARNINGS PER COMMON SHARE(1):		
Earnings from continuing operations	$ 2.96	$ 3.12
Earnings/(loss) from discontinued operations	(0.63)	0.14
BASIC NET EARNINGS PER COMMON SHARE	2.33	3.26

DILUTED NET EARNINGS PER COMMON SHARE (1):				
Earnings from continuing operations		2.84		2.99
Earnings/(loss) from discontinued operations		(0.58)		0.13
DILUTED NET EARNINGS PER COMMON SHARE	$	2.26	$	3.12
DIVIDENDS PER COMMON SHARE	$	1.931	$	1.805
Diluted Weighted Average Common Shares Outstanding		2,855.3		2,908.9

(1) Basic net earnings per share and diluted net earnings per share are calculated on net earnings attributable to Procter & Gamble.

	As of March 31, 2015		As of June 30, 2014	
	(Amounts in Millions)			
WORKING CAPITAL	$	(319)	$	(2,109)
TOTAL ASSETS	$	130,937	$	144,266
LONG-TERM DEBT	$	17,364	$	19,811
SHAREHOLDERS EQUITY	$	63,380	$	69,976

Table of Contents

CONSOLIDATED RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our consolidated ratio of earnings to fixed charges for the periods indicated.

	Nine Months Ended March 31,	
	2015	2014
Ratio of earnings to fixed charges(1)	17.0x	16.5x

(1) Earnings used to compute this ratio are earnings from operations before income taxes and before fixed charges (excluding interest capitalized during the period) and after eliminating undistributed earnings of equity method investees. Fixed charges consist of interest expense (including capitalized interest) and one-third of all rent expense (considered representative of the interest factor).

Table of Contents

CAPITALIZATION

The following table sets forth our and our subsidiaries consolidated capitalization at March 31, 2015.

		March 31, 2015 (in millions of dollars except per share amounts)
Debt:		
Commercial paper and other borrowings due within one year (1)	$	15,075
Long-term borrowings		17,364
Total Debt (2)		32,439
Shareholders Equity:		
Convertible Class A preferred stock, stated value $1 per share; 600,000,000 shares authorized, 107,502,706 outstanding		1,086
Non-Voting Class B preferred stock, stated value $1 per share; 200,000,000 shares authorized, none outstanding		
Common stock, stated value $1 per share; 10,000,000,000 shares authorized, 2,712,995,590 outstanding		4,009
Additional paid-in capital		63,841
Reserve for Employee Stock Ownership Plan debt retirement		(1,319)
Accumulated other comprehensive income/(loss)		(13,851)
Treasury stock		(77,190)
Retained earnings		86,157
Noncontrolling interest		647
Total Shareholders Equity		63,380
Total Capitalization	$	95,819

(1) Includes $3.6 billion equivalent to current portion of long-term debt due within one year. We maintain credit facilities in support of our short-term commercial paper borrowings. At March 31, 2015 our credit lines with banks amounted to $11.0 billion and were undrawn.

(2) Total debt includes $32.0 billion of The Procter & Gamble Company debt. The balance of debt is held by subsidiaries. In addition, total debt at March 31, 2015 does not include ¥100,000,000,000 of notes offered hereby.

S-10

Table of Contents

DESCRIPTION OF THE NOTES

The following description of the particular terms of the notes supplements the more general description of the debt securities contained in the accompanying prospectus. If there are any inconsistencies between the information in this section and the information in the prospectus, the information in this section controls.

Investors should read this section together with the section entitled Description of Procter & Gamble Debt Securities in the accompanying prospectus. Any capitalized terms that are defined in the accompanying prospectus have the same meanings in this section unless a different definition appears in this section. We qualify the description of the notes by reference to the indenture as described below.

General

The notes:

will be in an aggregate initial principal amount of ¥100,000,000,000, subject to our ability to issue additional notes which may be of the same series as the notes as described under Further Issues,

will mature on May 8, 2020,

will bear interest at a rate of 0.275% per annum,

will be our senior debt, ranking equally with all of our other present and future unsecured and unsubordinated indebtedness,

will be issued as a separate series under the indenture between us and Deutsche Bank Trust Company Americas, dated as of September 3, 2009, in registered, book-entry form only,

will be issued in Japanese Yen in denominations of ¥100,000,000 and integral multiples of ¥10,000,000 in excess thereof,

will be repaid at par at maturity,

will not be redeemable prior to maturity, other than as described below in connection with certain events involving United States taxation,

will be subject to defeasance and covenant defeasance, and will not be subject to any sinking fund.

The indenture and the notes do not limit the amount of indebtedness which may be incurred or the amount of securities which may be issued by us or our subsidiaries, and contain no financial or similar restrictions on us or our subsidiaries, except as described in the accompanying prospectus under the caption Description of Procter & Gamble Debt Securities Restrictive Covenants.

Application will be made for the notes to be listed on the New York Stock Exchange. The listing application will be subject to approval by the New York Stock Exchange. If such a listing is obtained, we have no obligation to maintain such listing and we may delist the notes at any time.

Interest

We will pay interest on the notes semi-annually on May 8 and November 8 of each year, as applicable, and on any maturity date (each, an interest payment date), commencing November 8, 2015 and ending on any maturity date, to the persons in whose names the notes are registered at the close of business on May 1 or November 1, as applicable (in each case, whether or not a Business Day), immediately preceding the related interest payment date; *provided, however*, that interest payable on any maturity date shall be payable to the person to whom the principal of such notes shall be payable. Interest on the notes will be computed on the basis of a 360-day year of twelve 30-day months.

Interest payable on any interest payment date or maturity date shall be the amount of interest accrued from, and including, the immediately preceding interest payment date in respect of which interest has been paid or duly provided for (or from and including the day following the original issue date, if no interest has been paid or duly provided for with respect to the notes) to, but excluding, such interest payment date or maturity date, as the case may be. If any interest payment date is not a Business Day at the relevant place of payment, we will pay interest on the next day that is a Business Day at such place of payment as if payment were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the immediately succeeding Business Day. If the maturity date or redemption date of the notes is not a Business Day at the relevant place of payment, we will pay interest, if any, and principal and premium, if any, on the next day that is a Business Day at such place of payment as if payment were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the immediately succeeding Business Day.

Business Day means any day which is a day on which commercial banks settle payments and are open for general business in: (a) the relevant place of payment, and (b) The City of New York, Tokyo and London.

The term maturity, when used with respect to a note, means the date on which the principal of such note or an installment of principal becomes due and payable as therein provided or as provided in the indenture, whether at the stated maturity or by declaration of acceleration, call for redemption, repayment or otherwise.

Additional Amounts

All payments of principal and interest in respect of the notes will be made free and clear of, and without deduction or withholding for or on account of any present or future taxes, duties, assessments or other governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by the United States or any political subdivision or taxing authority of or in the United States (collectively, Taxes), unless such withholding or deduction is required by law (see Taxation United States Federal Tax Considerations below).

In the event such withholding or deduction of Taxes is required by law, subject to the limitations described below, we will pay to the holder or beneficial owner of any note that is not a United States holder (as defined under Taxation Certain U.S. Federal Tax Considerations U.S. Holders below) such additional amounts (Additional Amounts) as may be necessary in order that every net payment by us or any paying agent of principal of or interest on the notes (including upon redemption), after deduction or withholding for or on account of such Taxes, will not be less than the amount provided for in such note to be then due and payable before deduction or withholding for or on account of such Taxes.

However, our obligation to pay Additional Amounts shall not apply to:

(a) any Taxes which would not have been so imposed but for:

(1) the existence of any present or former connection between such holder or beneficial owner (or between a fiduciary, settlor, beneficiary, member or shareholder or other equity owner of, or a person having a power over, such holder or beneficial owner, if such holder or beneficial owner is an estate, a trust, a limited liability company, a partnership, a corporation or other entity) and the United States, including, without limitation, such holder or beneficial owner (or such fiduciary, settlor, beneficiary, member, shareholder or other equity owner or person having such a power) being or having been a citizen or resident or treated as a resident of the United States or being or having been engaged in a trade or business in the United States or being or having been present in the United States or having or having had a permanent establishment in the United States;

(2) the failure of such holder or beneficial owner to comply with any requirement under United States tax laws and regulations to establish entitlement to a partial or complete exemption from such Taxes (including, but not limited to, the requirement to provide Internal Revenue Service Form W-8BEN, Form W-8BEN-E, Form W-8ECI, or any subsequent versions thereof or successor thereto); or

Table of Contents

(3) such holder s or beneficial owner s present or former status as a personal holding company or a foreign personal holding company with respect to the United States, as a controlled foreign corporation with respect to the United States, as a passive foreign investment company with respect to the United States, as a foreign tax exempt organization with respect to the United States or as a corporation which accumulates earnings to avoid United States federal income tax;

(b) any Taxes imposed by reason of the holder or beneficial owner:

(1) owning or having owned, directly or indirectly, actually or constructively, 10% or more of the total combined voting power of all classes of our stock,

(2) being a bank receiving interest described in section 881(c)(3)(A) of the Internal Revenue Code (as defined in Taxation United States Federal Tax Considerations below), or

(3) being a controlled foreign corporation with respect to the United States that is related to us by stock ownership;

(c) any Taxes which would not have been so imposed but for the presentation by the holder or beneficial owner of such note for payment on a date more than 10 days after the date on which such payment became due and payable or the date on which payment of the note is duly provided for and notice is given to holders, whichever occurs later, except to the extent that the holder or beneficial owner would have been entitled to such additional amounts on presenting such note on any date during such 10-day period;

(d) any estate, inheritance, gift, sales, transfer, personal property, wealth, interest equalization or similar Taxes;

(e) any Taxes which are payable otherwise than by withholding from payment of principal of or interest on such note;

(f) any Taxes which are payable by a holder that is not the beneficial owner of the note, or a portion of the note, or that is a fiduciary, partnership, limited liability company or other similar entity, but only to the extent that a beneficial owner, a beneficiary or settlor with respect to such fiduciary or member of such partnership, limited liability company or similar entity would not have been entitled to the payment of an additional amount had such beneficial owner, settlor, beneficiary or member received directly its beneficial or distributive share of the payment;

(g) any Taxes required to be withheld by any paying agent from any payment of principal of or interest on any note, if such payment can be made without such withholding by any other paying agent;

(h) any Taxes required to be withheld or deducted where such withholding or deduction is imposed pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such European Council Directive;

(i) any Taxes that would not have been imposed in respect of any notes or coupon if such note or coupon had been presented to another paying agent in a Member State of the European Union;

(j) any Taxes imposed under Sections 1471 through 1474 of the Internal Revenue Code (or any amended or successor provisions that are substantively comparable) and any current or future regulations or official interpretations thereof; or

S-13

Table of Contents

(k) any combination of items (a), (b), (c), (d), (e), (f), (g), (h), (i) and (j).

For purposes of this section, the acquisition, ownership, enforcement or holding of or the receipt of any payment with respect to a note will not constitute a connection (1) between the holder or beneficial owner and the United States or (2) between a fiduciary, settlor, beneficiary, member or shareholder or other equity owner of, or a person having a power over, such holder or beneficial owner if such holder or beneficial owner is an estate, a trust, a limited liability company, a partnership, a corporation or other entity and the United States.

2004 Equity Incentive Plan 210,000 $7.91 2,290,000Plans not approved by shareholders N/A N/A N/A

(1) Figures reflect the total options outstanding and available for issuance under Frontier's Equity Compensation Plans. Of the outstanding options listed, 2,279,000 are immediately exercisable at a weighted average price of $11.50. These figures include the options for 200,000 shares granted to Samuel D. Addoms on April 1, 2002 under the Director Compensation Agreement that took effect upon his resignation as Chief Executive Officer. See the section above entitled "Samuel D. Addoms Severance Agreement." While the options for the 200,000 shares were granted to Mr. Addoms under the 1994 Stock Option Plan, the Director Compensation Agreement was entered into without shareholder approval.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Act requires Frontier's directors, officers and holders of more than 10% of Frontier's Common Stock to file with the SEC initial reports of ownership and reports of changes in ownership of Common Stock and other equity securities of Frontier. Frontier believes that during and for the fiscal year ended March 31, 2005, its officers, directors and 10% shareholders timely complied with all Section 16(a) filing requirements.

SHAREHOLDER PROPOSALS

Shareholders are entitled to submit proposals on matters appropriate for shareholder action consistent with regulations of the Securities and Exchange Commission and Frontier's bylaws. If a shareholder wishes to have a proposal appear in Frontier's proxy statement for next year's annual meeting, under the regulations of the Securities and Exchange Commission the proposal must be received by Frontier's corporate secretary at 7001 Tower Road, Denver, Colorado 80249-7312 on or before March 31, 2006. Any proposals received after June 14, 2006 will not be considered at Frontier's 2005 annual meeting.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

KPMG LLP has acted as independent public accountants for Frontier continuously since 1994. A representative of KPMG LLP will be present at the Annual Meeting, will have the opportunity to make a statement if he or she desires to do so, and will be available to respond to appropriate questions.

KPMG LLP was selected by the Audit Committee to perform the audit function for fiscal year 2005. No independent registered public accounting firm has yet been selected to perform the audit function for fiscal year 2006. It is expected that the Audit Committee will approve the engagement of an auditor at a meeting to be held in September 2005, or subsequent thereto.

Audit and Non-Audit Fees

The following table presents fees for audit services and other professional services provided by KPMG LLP for fiscal years 2005 and 2004:

	2005	2004
Audit Fees	$ 843,645	$ 347,000
Audit-related Fees	$ 34,400	$ 127,400
Audit and Audit-related Fees	$ 878,045	$ 474,400
Tax Fees	$ 122,895	$ 133,600
All other Fees	-0-	-0-
Total Fees	$ 1,000,940	$ 608,000

For purposes of the preceding table, the professional fees are classified as follows:

Audit Fees consisted of professional services billed for the audit of the financial statements included in our Form 10-K filings, the review of financial statements included in our From 10-Q filings, and consents and assistance with and review of documents filed with the SEC. Audit fees for each year shown include amounts billed to us through the date of this proxy statement for that particular year.

Audit-related Fees consisted of professional consultations with respect to accounting issues affecting Frontier's financial statements and the audit of passenger facility chargers collected, withheld, refunded/exchanged, and remitted.

Tax Fees consisted of tax compliance and consultations regarding the tax implications of certain transactions.

Audit Committee Pre-Approval Policies and Procedures

Consistent with SEC rules regarding auditor independence, the Audit Committee pre-approves all audit and permissible non-audit services provided by the independent auditors. Prior to engaging the independent auditors, the Audit Committee reviews a list of audit, audit related, and tax services the independent auditor expects to provide during the fiscal year, as well as the proposed fees for each of these services. The Audit Committee pre-approves the services and the related proposed fees if the services are compatible with maintaining the auditor's independence. During the year, circumstances may arise when it may become necessary to engage the independent auditors for additional services not contemplated in the initial annual proposal. In those instances, the Audit Committee must pre-approve the additional services and related fees before the independent auditors may be engaged to provide the additional services. All services KPMG, LLP performed for Frontier during fiscal year 2005 were approved under the Audit Committee's pre-approval guidelines.

OTHER BUSINESS

This Proxy Statement describes all items of business that management will bring before the Annual Meeting. Management knows of no other business to be presented. If other matters of business not presently known to management are properly raised at the meeting, the proxies will vote on the matters in accordance with their best judgment.

ANNUAL REPORT

Frontier's 2005 Annual Report on Form 10-K, which includes financial statements, but which does not constitute a part of the proxy solicitation material, accompanies this Proxy Statement. The Annual

Report on Form 10-K is also available on the Internet at *www.frontierairlines.com* in the Investor Relations section.

NOTE: SHAREHOLDERS ARE REQUESTED TO SIGN, DATE AND PROMPTLY RETURN THE ENCLOSED PROXY CARD, USING THE ENCLOSED POSTAGE PREPAID ENVELOPE.

Please Mark Here for Address Change or Comments o
SEE REVERSE SIDE

1. Election of nine directors

01 Samuel D. Addoms,	05 William B. McNamara,	FOR ALL NOMINEES	WITHHOLD FROM ALL NOMINEES
02 D. Dale Browning,	06 B. LaRae Orullian,	o	o
03 Paul S. Dempsey,	07 Jeff S. Potter,		
04 Patricia A. Engels,	08 James B. Upchurch.		

INSTRUCTION: To withhold authority to vote for an individual nominee, write the nominee's name in the space provided:

2. To transact any other business which is properly presented at the Annual Meeting or any adjournment of that meeting.

WILL ATTEND o

Choose **MLink**[SM] for fast, easy and secure 24/7 online access to your future proxy materials, investment plan statements, tax documents and more. Simply log on to **Investor ServiceDirect®** at www.melloninvestor.com/isd where step-by-step instructions will prompt you through enrollment.

Dated: , 2005

Signature of Shareholder

Signature of Shareholder

If planning on attending the meeting in person, please indicate in the box in the right hand corner above.

Please date and sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, trustee, or guardian, etc., you should indicate your full title. If stock is in joint name(s), each joint owner should sign.

FOLD AND DETACH HERE

Vote by Internet or Telephone or Mail

24 Hours a Day, 7 Days a Week

Internet and telephone voting is available through 11:59 PM Eastern Time the day prior to annual meeting day.

Your Internet or telephone vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed and returned your proxy card.

Internet		**Telephone**		**Mail**
http://www.proxyvoting.com/frnt Use the Internet to vote your proxy. Have your proxy card in hand when you access the web site.	**OR**	**1-866-540-5760** Use any touch-tone telephone to vote your proxy. Have your proxy card in hand when you call.	**OR**	Mark, sign and date your proxy card and return it in the enclosed postage-paid envelope.

If you vote your proxy by Internet or by telephone, you do NOT need to mail back your proxy card.

PROXY

FRONTIER AIRLINES, INC.
THIS PROXY IS SOLICITED ON BEHALF OF THE BOARD OF DIRECTORS

The undersigned hereby authorizes Jeff S. Potter, Paul H. Tate, and David Sislowski as Proxies with full power in each to act without the other and with the power of substitution in each, to represent and to vote at the 2005 Annual Meeting of Shareholders of Frontier Airlines, Inc., a Colorado corporation, which will be held on Thursday, September 8, 2005 at 9:30 a.m. local time at the Doubletree Hotel, 3203 Quebec Street, Denver, Colorado, or at any postponements or adjournments thereof, and instructs said Proxies to vote as follows:

Shares represented by this proxy will be voted as directed by the stockholder. If no such directions are indicated, the Proxies will have the authority to vote FOR the election of directors and in accordance with the discretion of the Proxies on any other matters as may properly come before the Annual Meeting.

CONTINUED AND TO BE SIGNED ON REVERSE SIDE

SEE REVERSE SIDE

SEE REVERSE SIDE

Address Change/Comments (Mark the corresponding box on the reverse side)

FOLD AND DETACH HERE

You can now access your Frontier Airlines, Inc. account online.

Access your Frontier Airlines, Inc. stockholder account online via Investor ServiceDirect®(ISD).

Mellon Investor Services LLC, Transfer Agent for Frontier Airlines, Inc., now makes it easy and convenient to get current information on your shareholder account.

View account status	View payment history for dividends
View certificate history	Make address changes
View book-entry information	Obtain a duplicate 1099 tax form
	Establish/change your PIN

Visit us on the web at http://www.melloninvestor.com

For Technical Assistance Call 1-877-978-7778 between 9am-7pm Monday-Friday Eastern Time

Investor ServiceDirect® is a registered trademark of Mellon Investor Services LLC

QuickLinks