

\$50,000,000

PEPSICO, INC.

15% Debt Securities Due June 14, 1996
Interest Payable Semiannually

Type of Securities: Fixed Rate Debt Securities

Underwriter: Merrill Lynch, Pierce, Fenner & Smith Incorporated

Initial Offering Price: 108.740%

Underwriter's Discount: 0.102%

Currency: U. S. Dollars

Date of Issue: June 14, 1995

Issuance form: Book entry

Scheduled Maturity Date: June 14, 1996

Coupon: 15.0% per annum

Daycount basis: 30/360

Interest Accrual Date: June 14, 1995, or the most recent date for which interest has been paid or provided for, as the case may be. Interest will accrue from each Interest Accrual Date to but excluding the next succeeding Interest Payment Date.

Interest Payment Dates: Semiannually on each December 14 and June 14, commencing December 14, 1995 and ending on the Scheduled Maturity Date.

Principal Payment Dates: Scheduled Maturity Date

Business Days: New York

Calculation Agent: PepsiCo, Inc.

Optional Redemption Dates: Not applicable

Option to elect prepayment: None

Sinking fund: Not applicable

Settlement Date: June 14, 1995

The 15% Debt Securities Due June 14, 1996 will be purchased by the Underwriter at 108.638% of their principal amount, and will be initially offered to the public at 108.740% of their principal amount (the "Initial Offering Price"). The Underwriter has advised PepsiCo that it intends to offer all or part of the 15% Debt Securities Due June 14, 1996 directly to the public initially at the Initial Offering Price of such Debt Securities. After the 15% Debt Securities Due June 14, 1996, are released for sale to the public, the offering price and other selling terms may from time to time be varied by the Underwriter.

For U.S. federal income tax purposes, the 15% Debt Securities Due June 14, 1996 will be treated as Fixed Rate Debt Securities,

issued without OID. This treatment is consistent with the applicable provisions of the Internal Revenue Code of 1986, as amended, and the final OID regulations, which are generally effective for debt instruments issued on or after April 4, 1994.

Merrill Lynch & Co.

June 9, 1995