PRICING SUPPLEMENT NUMBER 4 Filed Under Rule
(To Prospectus dated January 11, 1995) 424(b)(2) and 424(c)
CUSIP 71345L CP-1 File No. 33-57181

$25,000,000

PEPSICO, INC.

Step-Up Notes Due February 22, 2002
Interest Payable Semiannually

Underwriter: Morgan Stanley & Co. Incorporated

Initial Offering Price: 100.00%

Underwriter's Discount: 0.00%

Currency: U. S. dollars

Date of Issue: February 22, 1995

Issuance form: Book entry

Scheduled Maturity Date: February 22, 2002

Fixed Coupons:

February 22, 1995 - February 21, 1996: 8.00%
February 22, 1996 - February 21, 1997: 8.10%
February 22, 1997 - February 21, 1998: 8.20%
February 22, 1998 - February 21, 1999: 8.30%
February 22, 1999 - February 21, 2000: 8.40%
February 22, 2000 - February 21, 2001: 8.60%
February 22, 2001 - February 21, 2002: 8.80%

Day count basis: 30/360

Interest Accrual Date: February 22, 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 August 22 and February 22, commencing August 22, 1995 and ending on the Scheduled Maturity Date or an earlier Optional Redemption Date. If any Interest Payment Date falls on a date that is not a Business Day, such Interest Payment Date will be the next succeeding Business Day.

Principal Payment Dates: Scheduled Maturity Date, or an earlier Optional Redemption Date

Business Days: New York

Calculation Agent: PepsiCo, Inc.

Optional Redemption Dates: The Step-Up Notes Due February 22, 2002 may be redeemed, in whole but not in part, at the option of PepsiCo, at 100% of the principal amount thereof, plus accrued interest to the date of such redemption, on February 22, 1996, or any subsequent Interest Payment Date prior to the Scheduled Maturity Date, upon 15 days' written notice by PepsiCo to the holders of such Notes.

Option to elect prepayment: None

Sinking fund: Not applicable

Settlement Date: February 22, 1995

The Step-Up Notes Due February 22, 2002 will be purchased by the Underwriter at 100.00% of their principal amount, and will be initially offered to the public at 100.00% of their principal amount (the "Initial Offering Price"). The Underwriter has advised PepsiCo that it intends to offer all or part of the Step-Up Notes Due February 22, 2002 directly to the public initially at the Initial Offering Price of such Debt Securities. After the Step-Up Notes Due February 22, 2002 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 Step-Up Notes Due February 22, 2002, 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.

Morgan Stanley & Co. Incorporated

February 3, 1995