

Form 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

August 8, 2001

Date of Report (Date of earliest event reported)

PepsiCo, Inc.

(Exact name of registrant as specified in its charter)

North Carolina

(State or other jurisdiction of incorporation)

1-1183
(Commission File Number)

13-1584302
(IRS Employer Identification No.)

700 Anderson Hill Road, Purchase, New York 10577

(Address of Principal Executive Offices)

Registrant's telephone number, including area code: (914) 253-2000

Item 2. Acquisition or Disposition of Assets

On August 2, 2001, we completed a merger transaction which resulted in The Quaker Oats Company (Quaker) becoming a wholly-owned subsidiary of PepsiCo. Under the merger agreement, dated December 2, 2000, Quaker shareholders received 2.3 shares of PepsiCo common stock for each share of Quaker common stock, and a cash payment for fractional shares. We issued approximately 306 million shares of our common stock in exchange for all the outstanding common stock of Quaker.

The transaction was accounted for as a tax-free transaction and as a pooling-of-interests under Accounting Principles Board Opinion No. 16, Business Combinations.

Item 5. Other Events

This 8-K makes available the unaudited supplemental pro forma financial information included in Exhibit 99.1. The information in Exhibit 99.1 is incorporated herein by reference.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

The required financial statements and pro forma information under Article 11 of Regulation S-X are not being filed with this report on Form 8-K, but will be filed within the time frame allowed.

(c) Exhibits

99.1 Unaudited supplemental pro forma financial information.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 8, 2001

PepsiCo, Inc.

By: /S/ LAWRENCE F. DICKIE

Lawrence F. Dickie
Vice President,
Associate General Counsel
and Assistant Secretary

INDEX TO EXHIBITS

Exhibit Number	Description	Page
- - - - -	- - - - -	- - - - -
99.1	Unaudited supplemental pro forma financial information.	5

Unaudited Supplemental Pro Forma Information -----

The following tables contain unaudited supplemental pro forma segment volume, net sales and operating profit, as well as unaudited supplemental consolidated pro forma net income and earnings per share for:

- o the first and second quarters of 2001,
- o all quarters and full year 2000,
- o all quarters and full year 1999, and
- o full year 1998,

reflecting the combination of PepsiCo, Inc. and The Quaker Oats Company for all periods presented and the adjustments described below.

Also provided is a reconciliation of unaudited supplemental pro forma net sales, operating profit and net income to combined results reported on a GAAP basis.

The unaudited supplemental pro forma results:

- o exclude the impact of PepsiCo's fifty-third week in 2000,
- o exclude significant impairment and restructuring charges,
- o exclude Quaker divested businesses,
- o exclude various one-time charges,
- o reflect accounting changes, and
- o assume that the 1999 bottling transactions and the 1998 Tropicana acquisition occurred at the beginning of our 1998 fiscal year.

We believe that the unaudited supplemental pro forma presentation facilitates comparison of the historical results. The unaudited supplemental pro forma information is not prepared on a basis required by Article 11 of Regulation S-X and does not purport to represent what PepsiCo's results would have been had the transactions been completed as of the dates indicated nor does it give effect to any other events or adjustments other than those described above.

The combined company will have the following six segments:

Frito-Lay North America - -----

Frito-Lay North America manufactures, markets, sells and distributes salty, sweet, and grain-based snacks. Products manufactured and sold include Lay's and Ruffles potato chips, Doritos and Tostitos tortilla chips, Cheetos cheese-flavored snacks, Fritos corn chips, a variety of dips and salsas, Rold Gold pretzels, Quaker Chewy granola bars, Grandma's cookies, Oberto's meat snacks and Cracker Jack candy coated popcorn.

Frito-Lay International - -----

Frito-Lay International manufactures, markets, sells, and distributes primarily salty and sweet snacks. Products include Sabritas snack foods and Alegro and Gamesa sweet snacks in Mexico, Walkers snack foods in the United

5

Kingdom and Smith's snack foods in Australia. Frito-Lay International also includes non-snack products, including cereals, that are not material.

Pepsi-Cola North America - -----

Pepsi-Cola North America markets and promotes, and manufactures concentrates for Pepsi, Mountain Dew, MUG, Sierra Mist, Slice, Fruitworks and other brands for sale to franchised bottlers. It also sells syrups for these brands to national fountain accounts. Pepsi-Cola North America also licenses the processing, distribution and sale of Aquafina bottled water, manufactures, markets and distributes ready-to-drink tea and coffee products through joint ventures with Lipton and Starbucks, and manufactures and sells SoBe and Dole beverages for distribution and sale through our franchise bottling system.

Gatorade/Tropicana North America - -----

Gatorade/Tropicana North America produces, markets, sells and distributes Gatorade sports drinks and Tropicana Pure Premium, Season's Best, Tropicana Twister and Dole juices.

PepsiCo Beverages International

- -----

PepsiCo Beverages International (PBI) manufactures concentrates of Pepsi, 7UP, Mirinda, KAS, Mountain Dew, and other brands internationally for sale to franchised bottlers and company-owned bottlers. PBI also produces, markets, sells and distributes Gatorade sports drinks as well as Tropicana and other juices. In addition, PBI operates bottling plants and distribution facilities in certain international markets for the production, distribution and sale of company-owned and licensed brands.

Quaker Foods North America

- -----

Quaker Foods North America manufactures, markets and sells ready-to-eat cereals, hot cereals, flavored rice and pasta products, mixes and syrups, hominy grits and cornmeal in North America. Products manufactured and sold include Quaker oatmeal, Cap'n Crunch and Life ready-to-eat cereals, Rice-A-Roni products, Aunt Jemima mixes and syrups and Quaker grits.

"New" PepsiCo
Unaudited Supplemental Pro Forma Volume
(in millions)

		First Quarter			Second Quarter			Year-to-Date Second Quarter		
		2001	2000	Index 01/00	2001	2000	Index 01/00	2001	2000	Index 01/00
PepsiCo Total (1)	Servings	62,752	59,816	105	61,438	59,025	104	124,190	118,841	105
Frito-Lay North America	Pounds	723	712	102	799	776	103	1,522	1,488	102
Frito-Lay International	Kilos	326	302	108	389	365	107	715	667	107
Worldwide Snacks(1)	Servings	20,470	19,566	105	23,345	22,298	105	43,815	41,864	105
Pepsi-Cola North America (2)	8oz. equivalent BCS*	816	782	104	654	634	103	1,470	1,416	104
Gatorade/Tropicana North America	Equivalent gallons	192	175	110	304	291	104	496	466	106
PepsiCo Beverages International	8oz. equivalent BCS*	722	683	106	612	588	104	1,334	1,271	105
Worldwide Beverages(1)	Servings	39,992	37,947	105	35,236	33,979	104	75,228	71,926	105
Quaker Foods North America	Pounds	227	228	99	283	272	104	510	500	102

* Bottler Case Sales

(1) Based on the following per serving amounts:

- 30 grams for salty snacks,
- 40 grams for sweet snacks,
- 45 grams for other foods and
- 8 ounces for beverages.

(2) Prior year comparative amounts have been adjusted for trading days.

Note: Indices based on unrounded amounts.

"New" PepsiCo
Unaudited Supplemental Pro Forma Volume
(in millions)

		First Quarter			Second Quarter			Third Quarter		
		2000	1999	Index 00/99	2000	1999	Index 00/99	2000	1999	Index 00/99
PepsiCo Total (1)	Servings	59,816	57,754	104	58,714	55,006	107	76,130	72,921	104
Frito-Lay North America	Pounds	712	681	104	776	740	105	801	759	106
Frito-Lay International	Kilos	302	284	106	365	317	115	357	330	108
Worldwide Snacks(1)	Servings	19,566	18,522	106	22,298	20,304	110	22,406	20,929	107
Pepsi-Cola North America (2)	8oz. equivalent BCS*	782	780	100	621	619	100	1,002	993	101
Gatorade/Tropicana North America	Equivalent gallons	175	166	105	291	260	112	316	294	108
PepsiCo Beverages International	8oz. equivalent BCS*	683	648	105	588	534	110	895	848	106
Worldwide Beverages(1)	Servings	37,947	36,931	103	33,668	31,826	106	50,603	48,880	104
Quaker Foods North America	Pounds	228	228	100	272	285	96	310	309	100

		Fourth Quarter			Full Year			Full Year	
		2000	1999	Index 00/99	2000	1999	Index 00/99	1998	Index 99/98
PepsiCo Total (1)	Servings	89,231	85,657	104	283,891	271,338	105	264,992	102
Frito-Lay North America	Pounds	956	923	104	3,245	3,103	105	2,987	104
Frito-Lay International	Kilos	507	466	109	1,531	1,397	110	1,340	104
Worldwide Snacks(1)	Servings	29,042	27,298	106	93,312	87,053	107	83,327	104
Pepsi-Cola North America (2)	8oz. equivalent BCS*	1,147	1,131	101	3,552	3,523	101	3,475	102
Gatorade/Tropicana North America	Equivalent gallons	282	250	113	1,064	970	110	900	108
PepsiCo Beverages International	8oz. equivalent BCS*	988	946	104	3,154	2,976	106	2,967	100
Worldwide Beverages(1)	Servings	55,748	53,855	104	177,966	171,492	104	169,016	101
Quaker Foods North America	Pounds	441	447	99	1,251	1,269	99	1,255	101

* Bottler Case Sales

(1) Based on the following per serving amounts:

- 30 grams for salty snacks,
- 40 grams for sweet snacks,
- 45 grams for other foods and
- 8 ounces for beverages.

(2) Prior year comparative amounts have been adjusted for trading days.

Note: Indices based on unrounded amounts.

"New" PepsiCo
Unaudited Supplemental Pro Forma Information
(in millions, except per share amounts)

	First Quarter		Index 01/00	Second Quarter		Index 01/00	Year-to-Date Second Quarter		Index 01/00
	2001	2000		2001	2000		2001	2000	
Net Sales									
- - - - -									
Frito-Lay North America	\$2,024	\$1,916	106	\$2,249	\$2,119	106	\$ 4,273	\$ 4,035	106
Frito-Lay International	1,069	1,005	106	1,225	1,166	105	2,294	2,171	106
	-----	-----		-----	-----		-----	-----	
Worldwide Snacks	3,093	2,921	106	3,474	3,285	106	6,567	6,206	106
	-----	-----		-----	-----		-----	-----	
Pepsi-Cola North America	771	639	121	962	798	120	1,733	1,437	121
Gatorade/Tropicana North America	716	653	110	1,095	1,011	108	1,811	1,664	109
PepsiCo Beverages International	380	356	107	737	731	101	1,117	1,087	103
	-----	-----		-----	-----		-----	-----	
Worldwide Beverages	1,867	1,648	113	2,794	2,540	110	4,661	4,188	111
	-----	-----		-----	-----		-----	-----	
Quaker Foods North America	370	372	100	445	425	105	815	797	102
	-----	-----		-----	-----		-----	-----	
Total Net Sales	\$5,330	\$4,941	108	\$6,713	\$6,250	107	\$12,043	\$11,191	108
	=====	=====		=====	=====		=====	=====	
Operating Profit									
- - - - -									
Frito-Lay North America	\$ 426	\$ 388	110	\$ 492	\$ 455	108	\$ 918	\$ 843	109
Frito-Lay International	141	107	132	143	129	111	284	236	120
	-----	-----		-----	-----		-----	-----	
Worldwide Snacks	567	495	115	635	584	109	1,202	1,079	111
	-----	-----		-----	-----		-----	-----	
Pepsi-Cola North America	182	158	115	249	224	111	431	382	113
Gatorade/Tropicana North America	89	83	107	172	166	104	261	249	105
PepsiCo Beverages International	31	19	159	94	69	137	125	88	142
	-----	-----		-----	-----		-----	-----	
Worldwide Beverages	302	260	116	515	459	112	817	719	114
	-----	-----		-----	-----		-----	-----	
Quaker Foods North America	78	90	87	87	69	124	165	159	103
	-----	-----		-----	-----		-----	-----	
Total Segment Operating Profit	947	845	112	1,237	1,112	111	2,184	1,957	112
Corporate Unallocated	(78)	(69)	114	(84)	(69)	121	(162)	(138)	117
	-----	-----		-----	-----		-----	-----	
Total Operating Profit	869	776	112	1,153	1,043	111	2,022	1,819	111
Bottling Equity Income, net	5	5	109	63	54	116	68	59	116
Interest Expense, net	(32)	(44)	73	(41)	(58)	70	(73)	(102)	72
	-----	-----		-----	-----		-----	-----	
Income Before Taxes	842	737	114	1,175	1,039	113	2,017	1,776	114
Provision for Income Taxes	270	241	112	375	340	111	645	581	111
	-----	-----		-----	-----		-----	-----	
Net Income	\$ 572	\$ 496	115	\$ 800	\$ 699	114	\$ 1,372	\$ 1,195	115
	=====	=====		=====	=====		=====	=====	
Average Shares Outstanding									
- Diluted	1,800	1,786		1,810	1,784		1,805	1,785	
Earnings Per Share									
Basic	\$0.326	\$0.283	116	\$0.452	\$0.400	113	\$ 0.779	\$ 0.682	114
Diluted	\$0.318	\$0.277	115	\$0.441	\$0.392	113	\$ 0.759	\$ 0.669	114

Note: Indices based on unrounded amounts.

"New" PepsiCo
Unaudited Supplemental Pro Forma Information
(in millions, except per share amounts)

	First Quarter			Second Quarter			Third Quarter		
	2000	1999	Index 00/99	2000	1999	Index 00/99	2000	1999	Index 00/99
Net Sales									

Frito-Lay North America	\$1,916	\$1,802	106	\$2,119	\$1,972	107	\$2,172	\$2,010	108
Frito-Lay International	1,005	868	116	1,166	997	117	1,101	997	110
	-----	-----		-----	-----		-----	-----	
Worldwide Snacks	2,921	2,670	109	3,285	2,969	111	3,273	3,007	109
	-----	-----		-----	-----		-----	-----	
Pepsi-Cola North America	639	613	104	798	751	106	821	774	106
Gatorade/Tropicana North America	653	603	108	1,011	909	111	1,122	1,031	109
PepsiCo Beverages International	356	330	108	731	669	109	716	696	103
	-----	-----		-----	-----		-----	-----	
Worldwide Beverages	1,648	1,546	107	2,540	2,329	109	2,659	2,501	106
	-----	-----		-----	-----		-----	-----	
Quaker Foods North America	372	364	102	425	447	95	489	493	99
	-----	-----		-----	-----		-----	-----	
Total Net Sales	\$4,941	\$4,580	108	\$6,250	\$5,745	109	\$6,421	\$6,001	107
	=====	=====		=====	=====		=====	=====	
Operating Profit									

Frito-Lay North America	\$ 388	\$ 351	111	\$ 455	\$ 403	113	\$ 478	\$ 425	112
Frito-Lay International	107	84	127	129	102	126	128	111	115
	-----	-----		-----	-----		-----	-----	
Worldwide Snacks	495	435	114	584	505	115	606	536	113
	-----	-----		-----	-----		-----	-----	
Pepsi-Cola North America	158	172	92	224	205	110	211	174	121
Gatorade/Tropicana North America	83	54	152	166	142	117	171	176	97
PepsiCo Beverages International	19	14	143	69	45	150	81	65	125
	-----	-----		-----	-----		-----	-----	
Worldwide Beverages	260	240	108	459	392	117	463	415	111
	-----	-----		-----	-----		-----	-----	
Quaker Foods North America	90	86	104	69	69	100	104	88	119
	-----	-----		-----	-----		-----	-----	
Total Segment Operating Profit	845	761	111	1,112	966	115	1,173	1,039	113
Corporate Unallocated	(69)	(61)	113	(69)	(88)	78	(73)	(60)	121
	-----	-----		-----	-----		-----	-----	
Total Operating Profit	776	700	111	1,043	878	119	1,100	979	112
Bottling Equity Income, net	5	--	N/A	54	30	180	76	52	146
Interest Expense, net	(44)	(49)	90	(58)	(55)	105	(47)	(48)	99
	-----	-----		-----	-----		-----	-----	
Income Before Taxes	737	651	113	1,039	853	122	1,129	983	115
Provision for Income Taxes	241	209	116	340	284	120	370	322	115
	-----	-----		-----	-----		-----	-----	
Net Income	\$ 496	\$ 442	112	\$ 699	\$ 569	123	\$ 759	\$ 661	115
	=====	=====		=====	=====		=====	=====	
Average Shares Outstanding									
- Diluted	1,786	1,833		1,784	1,830		1,796	1,815	
Earnings Per Share									
Basic	\$0.283	\$0.247	114	\$0.400	\$0.319	126	\$0.433	\$0.372	116
Diluted	\$0.277	\$0.241	115	\$0.392	\$0.311	126	\$0.422	\$0.364	116

Note: Indices based on unrounded amounts.

"New" PepsiCo
Unaudited Supplemental Pro Forma Information
(in millions, except per share amounts)

	Fourth Quarter		Index 00/99	Full Year		Index 00/99	Full Year	Index 99/98
	2000	1999		2000	1999		1998	
Net Sales								
Frito-Lay North America	\$2,600	\$2,448	106	\$ 8,807	\$ 8,232	107	\$ 7,821	105
Frito-Lay International	1,542	1,412	109	4,814	4,274	113	4,077	105
Worldwide Snacks	4,142	3,860	107	13,621	12,506	109	11,898	105
Pepsi-Cola North America	995	867	115	3,253	3,005	108	2,912	103
Gatorade/Tropicana North America	1,022	909	112	3,808	3,452	110	3,079	112
PepsiCo Beverages International	728	734	99	2,531	2,429	104	2,368	103
Worldwide Beverages	2,745	2,510	109	9,592	8,886	108	8,359	106
Quaker Foods North America	686	689	100	1,972	1,993	99	1,928	103
Total Net Sales	\$7,573	\$7,059	107	\$25,185	\$23,385	108	\$22,185	105
Operating Profit								
Frito-Lay North America	\$ 554	\$ 500	111	\$ 1,875	\$ 1,679	112	\$ 1,515	111
Frito-Lay International	172	158	108	536	455	117	397	115
Worldwide Snacks	726	658	110	2,411	2,134	113	1,912	112
Pepsi-Cola North America	227	200	113	820	751	109	738	102
Gatorade/Tropicana North America	75	61	127	495	433	115	333	130
PepsiCo Beverages International	--	(16)	N/A	169	108	156	116	93
Worldwide Beverages	302	245	123	1,484	1,292	115	1,187	109
Quaker Foods North America	129	120	107	392	363	108	331	110
Total Segment Operating Profit	1,157	1,023	113	4,287	3,789	113	3,430	110
Corporate Unallocated	(119)	(121)	99	(330)	(330)	100	(276)	119
Total Operating Profit	1,038	902	115	3,957	3,459	114	3,154	110
Bottling Equity Income, net	(10)	--	N/A	125	82	152	46	179
Interest Expense, net	(53)	(51)	101	(202)	(203)	99	(223)	92
Income Before Taxes	975	851	115	3,880	3,338	116	2,977	112
Provision for Income Taxes	319	278	115	1,270	1,093	116	974	112
Net Income	\$ 656	\$ 573	115	\$ 2,610	\$ 2,245	116	\$ 2,003	112
Average Shares Outstanding - Diluted	1,798	1,799		1,791	1,817		1,848	
Earnings Per Share								
Basic	\$0.375	\$0.324	116	\$ 1.490	\$ 1.263	118	\$ 1.113	113
Diluted	\$0.365	\$0.318	115	\$ 1.456	\$ 1.234	118	\$ 1.083	114

Note: Indices based on unrounded amounts.

"New" PepsiCo
Reconciliation of Unaudited Supplemental Pro Forma Information to Combined GAAP Amounts
(in millions)

	First Quarter			Second Quarter			Third Quarter		Fourth Quarter	
	2001	2000	1999	2001	2000	1999	2000	1999	2000	1999
Total Pro Forma Net Sales	\$5,330	\$4,941	\$4,580	\$6,713	\$6,250	\$5,745	\$6,421	\$6,001	\$7,573	\$7,059
53rd week	--	--	--	--	--	--	--	--	294	--
Quaker divested businesses	--	--	6	--	--	--	--	--	--	--
Bottling transactions	--	--	1,230	--	--	460	--	12	--	--
Tropicana	--	--	--	--	--	--	--	--	--	--
Total Combined GAAP Net Sales	\$5,330	\$4,941	\$5,816	\$6,713	\$6,250	\$6,205	\$6,421	\$6,013	\$7,867	\$7,059
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
Total Pro Forma Operating Profit	\$ 869	\$ 776	\$ 700	\$1,153	\$1,043	\$ 878	\$1,100	\$ 979	\$1,038	\$ 902
53rd week	--	--	--	--	--	--	--	--	62	--
Quaker divested businesses	--	--	--	--	--	--	--	--	--	--
Bottling operating profit	--	--	29	--	--	23	--	1	--	--
Tropicana	--	--	--	--	--	--	--	--	--	--
Impairment and restructuring	(4)	--	(65)	(4)	(171)	--	(7)	--	(6)	(8)
Accounting changes	--	3	--	--	(11)	--	(2)	6	(9)	--
One-time items	--	--	28	2	(3)	8	1	--	4	2
Total Combined GAAP Operating Profit	\$ 865	\$ 779	\$ 692	\$1,151	\$ 858	\$ 909	\$1,092	\$ 986	\$1,089	\$ 896
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
Total Pro Forma Net Income	\$ 572	\$ 496	\$ 442	\$ 800	\$ 699	\$ 569	\$ 759	\$ 661	\$ 656	\$ 573
53rd week	--	--	--	--	--	--	--	--	44	--
Quaker divested businesses	--	--	--	--	--	--	--	--	--	--
Bottling transactions	--	--	26	--	--	289	--	(22)	--	1
Tropicana	--	--	--	--	--	--	--	--	--	--
Interest proforma adjustment	--	--	(64)	--	--	(12)	--	(2)	--	(4)
One-time tax items	--	--	8	--	--	38	--	--	--	13
Impairment and restructuring	(2)	--	(40)	(3)	(103)	1	(4)	--	(4)	(6)
Other one-time items	--	--	28	1	(2)	6	--	--	2	--
Total Combined GAAP Net Income	\$ 570	\$ 496	\$ 400	\$ 798	\$ 594	\$ 891	\$ 755	\$ 637	\$ 698	\$ 577
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====

"New" PepsiCo
Reconciliation of Unaudited Supplemental Pro Forma Information to Combined GAAP Amounts
(in millions)

	Full Year 2000 -----	Full Year 1999 -----	Full Year 1998 -----
Total Pro Forma Net Sales	\$25,185	\$23,385	\$22,185
53rd week	294	--	--
Quaker divested businesses	--	6	284
Bottling transactions	--	1,702	6,048
Tropicana	--	--	(1,326)
Total Combined GAAP Net Sales	\$25,479 =====	\$25,093 =====	\$27,191 =====
Total Pro Forma Operating Profit	\$ 3,957	\$ 3,459	\$ 3,154
53rd week	62	--	--
Quaker divested businesses	--	--	(2)
Bottling operating profit	--	53	150
Tropicana	--	--	(70)
Impairment and restructuring	(184)	(73)	(260)
Accounting changes	(19)	6	--
One-time items	2	38	64
Total Combined GAAP Operating Profit	\$ 3,818 =====	\$ 3,483 =====	\$ 3,036 =====
Total Pro Forma Net Income	\$ 2,610	\$ 2,245	\$ 2,003
53rd week	44	--	--
Quaker divested businesses	--	--	(2)
Bottling transactions	--	294	55
Tropicana	--	--	(28)
Interest proforma adjustment	--	(82)	(154)
One-time tax items	--	59	494
Impairment and restructuring	(111)	(45)	(157)
Other one-time items	--	34	67
Total Combined GAAP Net Income	\$ 2,543 =====	\$ 2,505 =====	\$ 2,278 =====