

\$35,000,000

PEPSICO, INC.

Callable Debt Securities Due February 23, 2011
Interest Payable on August 23, 2001 and semiannually thereafter

Underwriter: Smith Barney Inc.

Initial Offering Price: 73.512%

Underwriter's Discount: 0.00%

Currency: U. S. Dollars

Date of Issue: February 23, 1996

Issuance form: Book entry

Scheduled Maturity Date: February 23, 2011

Interest Rate:
February 23, 1996- February 22, 2001 0.000%
February 23, 2001- February 22, 2011 7.000%

Day count basis: 30/360

Interest
Accrual Date: February 23, 2001, 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 the 23rd of February and August, commencing August 23, 2001 and ending on the Scheduled Maturity Date or an earlier Optional Redemption Date.

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

Business Days: New York

Calculation Agent: PepsiCo, Inc.

Optional Redemption Dates: The Callable Debt Securities Due February 23, 2011 (the "Notes") may redeemed, in whole but not in part, at the option of PepsiCo, at 100% of the principal amount thereof, plus accrued interest, if any to the date of such redemption, on February 23, 2001, and semiannually thereafter on each February 23rd and August 23rd, upon 30 calendar days' written notice by PepsiCo to the Trustee under the Indenture dated as of December 14, 1994 for the benefit of the holders of such Notes.

Option to elect prepayment: None
Sinking fund: Not applicable
Settlement Date: February 23, 1996

The Notes will be purchased by the Underwriter at 73.512% of their principal amount (the "Initial Offering Price"). The Underwriter has advised PepsiCo that it intends to offer all or part of the Notes directly to the public initially at the Initial Offering Price of such Debt Securities. After the Notes 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 Notes, will be treated as having been issued with original issue discount. Investors should consult their own tax advisors with respect to the related tax consequences.

Smith Barney Inc.

February 14, 1996