

PRICING SUPPLEMENT NUMBER 3
(To Prospectus dated January 11, 1995)
CUSIP No. 71345L CN-6

Filed Under Rule
424(b)(2) and 424(c)
File No. 33-57181

\$50,000,000

PEPSICO, INC.

17% Debt Securities Due February 1, 1996
Interest Payable Semiannually

Underwriter: Morgan Stanley & Co. Incorporated

Initial Offering Price: 109.371%

Underwriter's Discount: 0.121%

Currency: U. S. dollars

Date of Issue: February 1, 1995

Issuance form: Book entry

Scheduled Maturity Date: February 1, 1996

Coupon: 17.0% per annum

Daycount basis: 30/360

Interest Accrual Date: February 1, 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 1 and February 1, commencing August 1, 1995 and ending on the Scheduled Maturity 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

Business Days: New York

Calculation Agent: PepsiCo, Inc.

Optional Redemption Dates: Not applicable

Option to elect prepayment: None

Sinking fund: Not applicable

Settlement Date: February 1, 1995

The 17% Debt Securities Due February 1, 1996 will be purchased by the Underwriter at 109.25% of their principal amount, and will be initially offered to the public at 109.371% of their principal amount (the "Initial Offering Price"). The Underwriter has advised PepsiCo that it intends to offer all or part of the 17% Debt Securities Due February 1, 1996 directly to the public initially at the Initial Offering Price of such Debt Securities. After the 17% Debt Securities Due February 1, 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 17% Debt Securities Due February 1, 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.

Morgan Stanley & Co. Incorporated

January 26, 1995