

\$25,000,000

PepsiCo, Inc.

6.50% CALLABLE DEBT SECURITIES DUE JANUARY 28, 2013  
Interest Payable Monthly  
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Underwriter: Bear, Stearns & Co. Inc.

Initial Offering Price: 100.00%.

Underwriter's Discount: 0%

Currency: U. S. Dollars

Date of Issue: January 28, 1998

Issuance form: Book entry

Scheduled Maturity Date: January 28, 2013

Interest Rate: 6.50% per annum

Day count basis: 30/360

Interest Accrual Date: January 28, 1998 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: Monthly on the 28th of each month, commencing February 28, 1998, and ending on the Scheduled Maturity Date or an earlier Optional Redemption Date.

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

Business Days: New York

Calculation Agent: PepsiCo, Inc.

Optional Redemption Dates: The 6.50% Callable Debt Securities Due January 28, 2013, (the "Notes") 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 January 28, 1999 or any subsequent Interest Payment Date prior to the Scheduled Maturity Date, upon 15 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: January 28, 1998

The Notes will be purchased by the Underwriter at 100.00% of their principal amount, and will be offered to the public at varying prices to be determined by the Underwriter based on prevailing market prices at the time of sale.

For U.S. federal income tax purposes, the Notes 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.

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BEAR, STEARNS & CO. INC.  
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January 8, 1998