

PEPSICO INC
Form 8-K
August 13, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

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

Date of report (Date of earliest event reported): August 8, 2012

PepsiCo, Inc.

(Exact Name of Registrant as Specified in Charter)

North Carolina
(State or Other Jurisdiction

of Incorporation)

1-1183
(Commission

File Number)

13-1584302
(IRS Employer

Identification No.)

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700 Anderson Hill Road

Purchase, New York 10577

(Address of Principal Executive Offices)

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

N/A

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 8.01. Other Events.
PepsiCo Senior Notes Offering.

On August 8, 2012, PepsiCo, Inc. (PepsiCo) announced an offering of \$900,000,000 aggregate principal amount of its 0.700% Senior Notes due 2015 (the 2015 Notes), \$1,000,000,000 aggregate principal amount of its 1.250% Senior Notes due 2017 (the 2017 Notes) and \$600,000,000 aggregate principal amount of its 3.600% Senior Notes due 2042 (the 2042 Notes and, together with the 2015 Notes and the 2017 Notes, the Notes). Citigroup Global Markets Inc., Morgan Stanley & Co. LLC and RBS Securities Inc. were joint bookrunners for the offering of the Notes.

The public offering price of the 2015 Notes was 99.967% of the principal amount, the public offering price of the 2017 Notes was 99.484% of the principal amount and the public offering price of the 2042 Notes was 98.358% of the principal amount. PepsiCo received net proceeds of approximately \$2,473.7 million, after deducting underwriting discounts and estimated offering expenses payable by PepsiCo after reimbursement. PepsiCo intends to use the net proceeds for general corporate purposes, including the repayment of commercial paper. The Notes were offered and sold pursuant to a Terms Agreement (the Terms Agreement) dated August 8, 2012 (incorporating the Underwriting Agreement Standard Provisions dated August 8, 2012) among PepsiCo and the representatives of the several underwriters, under PepsiCo s automatic shelf registration statement (the Registration Statement) on Form S-3 (Registration No. 333-177307), filed with the Securities and Exchange Commission (the SEC) on October 13, 2011. PepsiCo has filed with the SEC a prospectus supplement, dated August 8, 2012, together with the accompanying prospectus, dated October 13, 2011, relating to the offer and sale of the Notes.

The Notes were issued on August 13, 2012 pursuant to an Indenture (the Indenture) dated as of May 21, 2007 between PepsiCo and The Bank of New York Mellon, as Trustee. The 2015 Notes will bear interest at the rate of 0.700% per year, with interest payable on February 13 and August 13 of each year, beginning on February 13, 2013, and will mature on August 13, 2015. PepsiCo will be able to redeem some or all of the 2015 Notes at any time and from time to time at the greater of 100% of the principal amount of the 2015 Notes being redeemed and the discounted present value of such Notes, discounted at the corresponding U.S. Treasury rate plus 5 basis points. The 2017 Notes will bear interest at the rate of 1.250% per year, with interest payable on February 13 and August 13 of each year, beginning on February 13, 2013, and will mature on August 13, 2017. PepsiCo will be able to redeem some or all of the 2017 Notes at any time and from time to time at the greater of 100% of the principal amount of the 2017 Notes being redeemed and the discounted present value of such Notes, discounted at the corresponding U.S. Treasury rate plus 10 basis points. The 2042 Notes will bear interest at the rate of 3.600% per year, with interest payable on February 13 and August 13 of each year, beginning on February 13, 2013, and will mature on August 13, 2042. PepsiCo will be able to redeem some or all of the 2042 Notes at any time and from time to time at the greater of 100% of the principal amount of the 2042 Notes being redeemed and the discounted present value of such Notes, discounted at the corresponding U.S. Treasury rate plus 15 basis points. The Notes are unsecured obligations of PepsiCo and rank equally with all of PepsiCo s other unsecured senior indebtedness. The Indenture also contains customary event of default provisions.

The above description of the Terms Agreement, the Indenture and the Notes is qualified in its entirety by reference to the Terms Agreement, the Indenture and the forms of Notes. Each of the Terms Agreement and the forms of 2015 Note, 2017 Note and 2042 Note is incorporated by reference into the Registration Statement and is attached to this Current Report on Form 8-K as Exhibit 1.1, Exhibit 4.1, Exhibit 4.2 and Exhibit 4.3, respectively. The Board of Directors resolutions authorizing PepsiCo's officers to establish the terms of the Notes are incorporated by reference into the Registration Statement by reference to Exhibit 4.4 hereto. The Indenture has been incorporated by reference as Exhibit 4.3 to the Registration Statement. Opinions regarding the legality of the Notes are incorporated by reference into the Registration Statement and are attached to this Current Report on Form 8-K as Exhibits 5.1 and 5.2; and consents relating to such incorporation of such opinions are incorporated by reference into the Registration Statement and are attached to this Current Report on Form 8-K as Exhibits 23.1 and 23.2 by reference to their inclusion within Exhibits 5.1 and 5.2, respectively.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

- 1.1 Terms Agreement dated August 8, 2012 (incorporating the Underwriting Agreement Standard Provisions dated August 8, 2012) among PepsiCo and Citigroup Global Markets Inc., Morgan Stanley & Co. LLC and RBS Securities Inc. as representatives of the several underwriters named therein.

- 4.1 Form of 0.700% Senior Note due 2015.

- 4.2 Form of 1.250% Senior Note due 2017.

- 4.3 Form of 3.600% Senior Note due 2042.

- 4.4 Board of Directors Resolutions Authorizing PepsiCo's Officers to Establish the Terms of the Notes (incorporated by reference to Exhibit 4.3 to PepsiCo's Current Report on Form 8-K dated May 3, 2011).

- 5.1 Opinion of Davis Polk & Wardwell LLP.

- 5.2 Opinion of Womble Carlyle Sandridge & Rice, LLP.

- 23.1 Consent of Davis Polk & Wardwell LLP (included in Exhibit 5.1).

- 23.2 Consent of Womble Carlyle Sandridge & Rice, LLP (included in Exhibit 5.2).

- 24.1 Power of Attorney executed by Indra K. Nooyi, Hugh F. Johnston, Marie T. Gallagher, Shona L. Brown, Ian M. Cook, Dina Dublon, Victor J. Dzau, Ray L. Hunt, Alberto Ibagüen, Sharon Percy Rockefeller, James J. Schiro, Lloyd G. Trotter, Daniel Vasella and Alberto Weisser.

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 13, 2012

PepsiCo, Inc.

By: /s/ Kelly Mahon Tullier

Name: Kelly Mahon Tullier

Title: Senior Vice President, Deputy General Counsel

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INDEX TO EXHIBITS

| Exhibit Number | Description |
|---------------------------|--|
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