

PEPSICO INC
Form 8-K
August 25, 2011

**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 22, 2011

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.)

**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))
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Item 8.01. Other Events.

PepsiCo Senior Notes Offering.

On August 22, 2011, PepsiCo, Inc. (PepsiCo) announced an offering of \$500,000,000 aggregate principal amount of its 0.800% senior notes due 2014 (the 2014 Notes) and \$750,000,000 aggregate principal amount of its 3.000% senior notes due 2021 (the 2021 Notes) and, together with the 2014 Notes, the Notes). BNP Paribas Securities Corp., Deutsche Bank Securities Inc. and Morgan Stanley & Co. LLC were joint bookrunners for the offering of the Notes.

The public offering price of the 2014 Notes was 99.609% of the principal amount and the public offering price of the 2021 Notes was 99.393% of the principal amount. PepsiCo is expected to receive net proceeds of approximately \$1.24 billion, after deducting underwriting discounts and estimated offering expenses payable by PepsiCo after reimbursement. PepsiCo intends to use the net proceeds for general corporate purposes. The Notes were offered and sold pursuant to a Terms Agreement (the Terms Agreement) dated August 22, 2011 (incorporating the Underwriting Agreement Standard Provisions dated August 22, 2011) 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. 333-154314), filed with the Securities and Exchange Commission (the SEC) on October 15, 2008. PepsiCo has filed with the SEC a prospectus supplement, dated August 22, 2011, together with the accompanying prospectus, dated October 15, 2008, relating to the offer and sale of the Notes.

The Notes are expected to be issued on August 29, 2011 pursuant to an Indenture (the Indenture) dated as of May 21, 2007 between PepsiCo and The Bank of New York Mellon, as Trustee. The 2014 Notes will bear interest at the rate of 0.800% per year, with interest payable on February 25 and August 25 of each year, beginning on February 25, 2012, and will mature on August 25, 2014. PepsiCo will be able to redeem some or all of the 2014 Notes at any time and from time to time at the greater of 100% of the principal amount of the Notes being redeemed and the discounted present value of such Notes, discounted at the corresponding U.S. Treasury rate plus 10 basis points. The 2021 Notes will bear interest at the rate of 3.000% per year, with interest payable on February 25 and August 25 of each year, beginning on February 25, 2012, and will mature on August 25, 2021. PepsiCo will be able to redeem some or all of the 2021 Notes at any time and from time to time at the greater of 100% of the principal amount of the 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 will be unsecured obligations of PepsiCo and will 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 2014 Notes and 2021 Notes 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 and Exhibit 4.2, 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 4.3 hereto. The Indenture was previously filed as Exhibit 4.3 to the Registration Statement.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

- 1.1 Terms Agreement dated August 22, 2011 (incorporating the Underwriting Agreement Standard Provisions dated August 22, 2011) among PepsiCo and BNP Paribas Securities Corp., Deutsche Bank Securities Inc. and Morgan Stanley & Co. LLC, as representatives of the several underwriters named therein.
- 4.1 Form of 0.800% Senior Note due 2014.
- 4.2 Form of 3.000% Senior Note due 2021.
- 4.3 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).

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 25, 2011

PepsiCo, Inc.

By: /s/ Cynthia A. Nastanski
Cynthia A. Nastanski
Vice President, Assistant General
Counsel and Assistant Secretary

-4-

INDEX TO EXHIBITS

<u>Exhibit Number</u>	<u>Description</u>
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