

Johnston Hugh F
Form 4
May 12, 2011

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Johnston Hugh F

2. Issuer Name and Ticker or Trading Symbol
PEPSICO INC [PEP]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
700 ANDERSON HILL ROAD
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
05/10/2011

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
EVP Finance & CFO

PURCHASE, NY 10577

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (D) | Price |
| PepsiCo, Inc. Common Stock | 05/10/2011 | | M | | 76,894 | A | \$ 51.5 |
| PepsiCo, Inc. Common Stock | 05/10/2011 | | S | | 76,894 | D | \$ 69.8907 (1) |
| PepsiCo, Inc. Common Stock | | | | | | | 431.6323 (2) |

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Underlying (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|--|--------------------|--|-----------------|--|
| | | | | | (A) | (D) | Date Exercisable | Expiration Date | |
| Employee Stock Option (right to buy) | \$ 51.5 | 05/10/2011 | | M | | 38,447 | 04/01/2005 | 03/31/2012 | PepsiCo Inc. Common Stock |
| Employee Stock Option (right to buy) | \$ 51.5 | 05/10/2011 | | M | | 38,447 | 04/01/2003 | 03/31/2012 | PepsiCo Inc. Common Stock |
| Phantom Stock Units | (3) | 05/10/2011 | | A | | 11,066.6855 (3) | (3) | (3) | PepsiCo Inc. Common Stock |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Johnston Hugh F 700 ANDERSON HILL ROAD PURCHASE, NY 10577 | | | EVP Finance & CFO | |

Signatures

/s/ Thomas H. Tamoney, Jr.,
Atty-in-Fact

05/12/2011

**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

The shares with respect to this transaction were sold at prices ranging from \$69.85 and \$69.92. Upon request, PepsiCo, Inc. will provide to the Securities and Exchange Commission staff, the Issuer, or a security holder of the Issuer, full information regarding the number of shares sold at each separate price.

(2) Reflects number of shares held under the reporting person's account in the PepsiCo Savings Plan as of May 10, 2011.

(3) Reflects number of phantom shares acquired in the reporting person's account in the PepsiCo Executive Income Deferral Program.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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