



FOR IMMEDIATE RELEASE

28 August 2008

PepsiCo and The Pepsi Bottling Group Complete Acquisition of Majority Stake in Russian Juice Leader

MOSCOW -- August 28, 2008 – PepsiCo (NYSE: PEP) and The Pepsi Bottling Group (NYSE: PBG) today announced that they have completed a joint acquisition of a 75.53% stake in Russia’s leading branded juice company JSC Lebedyansky (RTS: LEKZ). PepsiCo and PBG will initiate a mandatory offer for the remaining shares of Lebedyansky, in accordance with Russian law, in the near future. The acquisition does not include the company’s baby food and mineral water businesses, which earlier were spun off to shareholders in a separate transaction.

Lebedyansky is the world’s sixth-largest juice manufacturer and the largest in Russia, with an estimated market share in Russia of around 30% and annual revenues in 2007 of approximately \$800 million from its juice business.

“We’re looking forward to building Lebedyansky’s portfolio of strong, popular brands in one of the world’s fastest-growing juice markets,” said Michael White, PepsiCo International CEO and vice chairman of PepsiCo. “It’s yet another way we’re transforming our product lineup to include more beverages and foods that address the growing consumer interest in health and wellness.”

“The combination of our strong brand portfolio, superior go-to-market capabilities, and talented workforce has enabled PBG to build a strong and growing business in Russia,” said PBG President and CEO Eric Foss. “Lebedyansky has a reputation for excellence in each of these three areas as well, making them a terrific addition to the Pepsi family. Working together, PBG, PepsiCo and Lebedyansky will expand the Russian juice category in ways that benefit both customers and consumers.”

Under agreements reached, PepsiCo and PBG have acquired through a joint venture the 75.53% of Lebedyansky held by its four largest individual shareholders. The venture is owned 75%/25% by PepsiCo and PBG, respectively.

The approximately US\$1.4 billion PepsiCo and PBG paid to acquire the stake in Lebedyansky implies a total enterprise value for Lebedyansky, including debt and spin-off related adjustments, and excluding the company's baby food and mineral water business, of approximately US\$2 billion.

Additional terms of the agreement were not disclosed. PepsiCo and PBG indicated the transaction will not materially affect their previously provided guidance for 2008.

Today PepsiCo and its strategic bottling and distribution partner, The Pepsi Bottling Group, provide more than 7,000 jobs in Russia, and their products can be found in more than 98% of retail outlets across the country.

Press contacts:

New York

PepsiCo:
Dave DeCecco
Tel: +1 914 253 2655
Email: David.DeCecco@pepsi.com

Pepsi Bottling Group:
Jeff Dahncke
Tel: +1 914 767 7690
Email: Jeff.Dahncke@pepsi.com

Moscow

PepsiCo/PBG:
Tatiana Smirnova:
Tel: +7 906 090 9585
Email: tatiana.smirnova@intl.pepsico.com

Lebedyansky:
Alexander Kostikov:
Tel: + 7 495 933 6255
Email: pr@tonus.ru

JSC Lebedyansky (RTS: LEKZ, MICEX: LBDO) is the leading company in the Russian juice market. Its production volumes grew more than 30-fold between 1999 and 2007, while its share of the Russian juice market quadrupled. JSC Lebedyansky's volume market share in the Russian juices/nectars category is over 30%. The Company manages a well-balanced portfolio consisting of premium segment brand "Ya", medium segment brands "Frustyle" and "Tonus", and value segment brands "Fruktovy Sad", "Privet", and "Dolka". JSC Lebedyansky has a well-developed distribution network that covers all of Russia as well as Ukraine, Kazakhstan, Azerbaijan and Belarus. More information on the company can be found at www.lebedyansky.com.

PepsiCo (NYSE: PEP) is one of the world's largest food and beverage companies, with 2007 annual revenues of more than \$39 billion. The Company employs approximately 185,000 people worldwide, and its products are sold in approximately 200 countries. Its principal businesses include: Frito-Lay snacks, Pepsi-Cola beverages, Gatorade sports drinks, Tropicana juices and Quaker foods. The PepsiCo portfolio includes 17 brands that generate \$1 billion or more each in annual retail

sales. PepsiCo's commitment to sustainable growth, defined as Performance with Purpose, is focused on generating healthy financial returns while giving back to communities the Company serves. This includes meeting consumer needs for a spectrum of convenient foods and beverages, reducing the Company's impact on the environment through water, energy and packaging initiatives, and supporting its employees through a diverse and inclusive culture that recruits and retains world-class talent. PepsiCo is listed on the Dow Jones North America Sustainability Index and the Dow Jones World Sustainability Index. For more information, please visit www.pepsico.com.

The Pepsi Bottling Group, Inc. (NYSE:PBG) is the world's largest manufacturer, seller and distributor of Pepsi-Cola beverages. PBG accounts for more than one-half of the Pepsi-Cola beverages sold in North America, and about 40 percent of the Pepsi-Cola system volume worldwide. With approximately 70,000 employees and annual sales of nearly \$14 billion, PBG has operations in the U.S., Canada, Greece, Mexico, Russia, Spain and Turkey. Roughly 30 percent of the company's operations are outside of the U.S. For more information, please visit www.pbg.com.

Cautionary Statement

This release contains statements concerning PepsiCo's and The Pepsi Bottling Group's expectations for future performance, including 2008 guidance. These "forward-looking statements" are based on currently available information, operating plans and projections about future events and trends. They inherently involve risks and uncertainties that could cause actual results to differ materially from those predicted in such forward-looking statements. Such risks and uncertainties include, but are not limited to: changes in demand for PepsiCo's and The Pepsi Bottling Group's products, as a result of shifts in consumer preferences or otherwise; the ability of PepsiCo and The Pepsi Bottling Group to maintain their respective reputations and build and sustain their information technology infrastructures; fluctuations in the cost and availability of raw materials; the respective abilities of PepsiCo and The Pepsi Bottling Group to compete effectively; disruption of supply chain; trade consolidation; the loss of any key customer; unforeseen costs and complexities that may prevent us from realizing our expected rate of return on the acquired business; changes in the legal or regulatory environment; the ability to hire or retain key employees or to outsource certain functions effectively; unfavorable economic, environmental or political conditions in the countries where PepsiCo and The Pepsi Bottling Group operate; and market risks arising from changes in commodity prices, foreign exchange rates and interest rates. For additional information on these and other factors that could cause PepsiCo's or The Pepsi Bottling Group's actual results to materially differ from those set forth herein, please see their respective filings with the Securities and Exchange Commission, including their most recent annual reports on Form 10-K and subsequent reports on Forms 10-Q and 8-K. Investors are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date they are made. PepsiCo and The Pepsi Bottling Group undertake no obligation to update any forward looking statements, whether as a result of new information, future events or otherwise.

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