

YUM BRANDS INC

FORM 11-K

(Annual Report of Employee Stock Plans)

Filed 1/7/2000 For Period Ending 12/31/1998

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Industry	Restaurants
Sector	Services
Fiscal Year	12/31

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 1998 and the period from October 7, 1997 (inception) through December 31, 1997

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number: 1-13163

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

TRICON LONG TERM SAVINGS PROGRAM

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

TRICON Global Restaurants, Inc.

1441 Gardiner Lane Louisville, Kentucky 40213

TRICON LONG TERM SAVINGS PROGRAM

Financial Statements and Supplemental Schedules

December 31, 1998 and 1997

(With Independent Auditors' Report Thereon)

TRICON LONG TERM SAVINGS PROGRAM

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INDEPENDENT AUDITORS' REPORT

Plan Administrator
TRICON Long Term Savings Program:

We have audited the accompanying statements of net assets available for benefits of the TRICON Long Term Savings Program (the "Plan") as of December 31, 1998 and 1997 and the related statements of changes in net assets available for benefits for the year ended December 31, 1998, and the period from October 7, 1997 (inception) through December 31, 1997. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 1998 and 1997 and the changes in net assets available for benefits for the year ended December 31, 1998, and the period from October 7, 1997 (inception) through December 31, 1997, in conformity with generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of assets held for investment purposes at December 31, 1998 and 1997 and of reportable transactions for the year ended December 31, 1998 and the period from October 7, 1997 (inception) through December 31, 1997 are presented for the purpose of additional analysis and are not a required part of the basic financial statements, but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The fund information in the statements of net assets available for benefits and the statements of changes in net assets available for benefits is presented for purposes of additional analysis rather than to present the net assets available for plan benefits and changes in net assets available for plan benefits of each fund. The supplemental schedules and fund information have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ KPMG LLP

Louisville, Kentucky
October 25, 1999

TRICON LONG TERM SAVINGS PROGRAM

Statement of Net Assets Available for Benefits

December 31, 1998

(In thousands)

	PARTICIPANT DIRECTED								
	TOTAL	TRICON COMMON STOCK FUND	VANGUARD INSTITUTIONAL INDEX FUND	FIDELITY EQUITY - INCOME FUND	SECURITY PLUS FUND	PEPSICO CAPITAL STOCK FUND	BROKERAGE OPTION	LOAN ACCOUNT	OTHER
ASSETS									
Investments:									
Investments, at fair value:									
Common stock	\$ 97,743	28,262	-	-	-	69,481	-	-	-
Mutual funds	60,059	-	34,440	25,619	-	-	-	-	-
Short-term investment funds	7,987	-	-	-	7,987	-	-	-	-
Various securities	6,546	-	-	-	-	-	6,546	-	-
Investments, at contract value:									
Investment contracts	16,380	-	-	-	16,380	-	-	-	-
Total investments	188,715	28,262	34,440	25,619	24,367	69,481	6,546	-	-
Receivables:									
Investments sold	402	-	-	-	-	402	-	-	-
Participants' contributions	109	63	21	13	12	-	-	-	-
Loans receivable from participants	5,969	22	4	3	5	-	-	5,935	-
Interest and dividends	366	6	-	-	125	233	-	-	2
Other	6	3	-	-	-	3	-	-	-
Total receivables	6,852	94	25	16	142	638	-	5,935	2
Cash and cash equivalents	2,425	838	-	-	-	1,016	-	-	571
Total assets	197,992	29,194	34,465	25,635	24,509	71,135	6,546	5,935	573
LIABILITIES									
Payable for investments purchased	299	299	-	-	-	-	-	-	-
Other liabilities	4	-	-	-	4	-	-	-	-
Total liabilities	303	299	-	-	4	-	-	-	-
Net assets available for benefits	\$197,689	28,895	34,465	25,635	24,505	71,135	6,546	5,935	573

The accompanying notes are an integral part of these financial statements.

TRICON LONG TERM SAVINGS PROGRAM

Statement of Net Assets Available for Benefits

December 31, 1997

(In thousands)

	PARTICIPANT DIRECTED								
	TOTAL	TRICON COMMON STOCK FUND	VANGUARD INSTITUTIONAL INDEX FUND	FIDELITY EQUITY - INCOME FUND	SECURITY PLUS FUND	PEPSICO CAPITAL STOCK FUND	BROKERAGE OPTION	LOAN ACCOUNT	OTHER
ASSETS									
Investments:									
Investments, at fair value:									
Common stock	\$ 87,637	7,702	-	-	-	79,935	-	-	-
Mutual funds	49,091	-	24,612	24,479	-	-	-	-	-
Short-term investment funds	3,375	-	-	-	3,375	-	-	-	-
Various securities	4,679	-	-	-	-	-	4,679	-	-
Investments, at contract value:									
Investment contracts	21,256	-	-	-	21,256	-	-	-	-
 Total investments	 166,038	 7,702	 24,612	 24,479	 24,631	 79,935	 4,679	 -	 -
 Receivables:									
Investments sold	350	-	-	-	-	350	-	-	-
Participants' contributions	153	53	44	37	19	-	-	-	-
Loans receivable from participants	5,529	17	5	5	5	-	-	5,497	-
Interest and dividends	431	4	-	-	139	284	-	-	4
 Total receivables	 6,463	 74	 49	 42	 163	 634	 -	 5,497	 4
 Cash and cash equivalents	 2,228	 574	 -	 -	 -	 1,253	 -	 -	 401
 Total assets	 174,729	 8,350	 24,661	 24,521	 24,794	 81,822	 4,679	 5,497	 405
 LIABILITIES									
Payable for investments purchased	-	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-
 Total liabilities	 -	 -	 -	 -	 -	 -	 -	 -	 -
 Net assets available for benefits	 \$174,729	 8,350	 24,661	 24,521	 24,794	 81,822	 4,679	 5,497	 405

The accompanying notes are an integral part of these financial statements.

TRICON LONG TERM SAVINGS PROGRAM

Statement of Changes in Net Assets Available for Benefits

For the Year Ended December 31, 1998

(In thousands)

	PARTICIPANT DIRECTED								OTHER
	TOTAL	TRICON COMMON STOCK FUND	VANGUARD INSTITUTIONAL INDEX FUND	FIDELITY EQUITY - INCOME FUND	SECURITY PLUS FUND	PEPSICO CAPITAL STOCK FUND	BROKERAGE OPTION	LOAN ACCOUNT	
Net investment income (expense):									
Net appreciation in market value of investments	\$ 26,345	8,892	6,704	1,477	-	8,512	760	-	-
Dividends	3,170	-	691	1,476	-	1,003	-	-	-
Interest income	2,138	292	75	63	1,613	70	-	-	25
Other income	325	5	-	-	-	3	317	-	-
Investment expenses	(91)	(1)	(10)	(2)	(71)	(7)	-	-	-
Net investment income (expense)	31,887	9,188	7,460	3,014	1,542	9,581	1,077	-	25
Participants' contributions	12,687	5,675	3,459	2,271	1,282	-	-	-	-
Employer contributions	831	831	-	-	-	-	-	-	-
Benefits paid to participants	(22,588)	(1,604)	(3,891)	(3,920)	(4,208)	(8,280)	-	(685)	-
Transfers from (to) other funds	-	6,455	2,775	(250)	1,095	(11,988)	790	1,123	-
Other	143	-	1	(1)	-	-	-	-	143
Net increase (decrease)	22,960	20,545	9,804	1,114	(289)	(10,687)	1,867	438	168
Net assets available for benefits at beginning of year	174,729	8,350	24,661	24,521	24,794	81,822	4,679	5,497	405
Net assets available for benefits at end of year	\$197,689	28,895	34,465	25,635	24,505	71,135	6,546	5,935	573

The accompanying notes are an integral part of these financial statements.

TRICON LONG TERM SAVINGS PROGRAM

Statement of Changes in Net Assets Available for Benefits

For the Period from October 7, 1997 (Inception) through December 31, 1997

(In thousands)

	PARTICIPANT DIRECTED								
	TOTAL	TRICON COMMON STOCK FUND	VANGUARD INSTITUTIONAL INDEX FUND	FIDELITY EQUITY - INCOME FUND	SECURITY PLUS FUND	PEPSICO CAPITAL STOCK FUND	BROKERAGE OPTION	LOAN ACCOUNT	OTHER
Net investment income (expense):									
Net (depreciation) in market value of investments	\$ (2,232)	(340)	(78)	(601)	-	(919)	(294)	-	-
Dividends	1,432	-	324	789	42	277	-	-	-
Interest income	493	61	16	15	374	19	-	-	8
Investment expenses	(11)	-	(1)	-	(8)	(2)	-	-	-
Net investment income (expense)	(318)	(279)	261	203	408	(625)	(294)	-	8
Participants' contributions	2,614	994	767	556	335	(38)	-	-	-
Benefits paid to participants	(4,446)	(173)	(645)	(504)	(1,140)	(1,876)	-	(108)	-
Transfer from PepsiCo Long Term Savings Program	176,347	-	23,917	24,148	25,539	92,637	4,619	5,487	-
Transfers from (to) other funds	-	7,735	290	66	(337)	(8,375)	354	267	-
Other	532	73	71	52	(11)	99	-	(149)	397
Net increase	174,729	8,350	24,661	24,521	24,794	81,822	4,679	5,497	405
Net assets available for benefits at beginning of period	-	-	-	-	-	-	-	-	-
Net assets available for benefits at end of period	\$174,729	8,350	24,661	24,521	24,794	81,822	4,679	5,497	405

The accompanying notes are an integral part of these financial statements.

TRICON LONG TERM SAVINGS PROGRAM

Notes to Financial Statements

December 31, 1998 and 1997

(Tabular amounts in thousands except unit data)

(1) SUMMARY PLAN DESCRIPTION

The following brief description of the TRICON Long Term Savings Program (the "Plan") provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

(A) GENERAL

TRICON Global Restaurants, Inc. (the "Company") adopted the Plan effective October 7, 1997 as a result of the spin-off of the Company from PepsiCo, Inc. The Plan is a successor of the PepsiCo Long Term Savings Program. Any employee within a group or class so designated by the Company is eligible to participate in the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

(B) CONTRIBUTIONS

Each participant in the Plan may elect to contribute any amount, not to exceed 15% of their eligible earnings. The Tax Reform Act of 1986 limited the maximum annual amount a participant could contribute on a before-tax basis to \$7,000, indexed for inflation. For calendar years 1998 and 1997, the maximum contribution allowed under the IRS tax code section 402(g)(3), was \$10,000 and \$9,500, respectively. There was no matching of contributions by the employer during the period from October 7, 1997 through June 30, 1998. Beginning in July 1998, participants received a 25% matching contribution on each unit of Company stock purchased.

(C) INVESTMENT OPTIONS

Each participant in the Plan elects to have contributions invested in any one or combination of the following separate investment options:

TRICON COMMON STOCK FUND: This fund is invested primarily in the common stock of the Company. Investments in this investment option are subject to market fluctuations, and there is no guarantee of future performance.

EQUITY INDEX FUND: This fund is invested primarily in the Vanguard Institutional Index Fund, a diversified stock fund. This fund is a passively managed fund designed to mirror the performance of Standard and Poor's 500 Index, a broadly-based average of stock market performance. Investments in this investment option are subject to fluctuations, and there is no guarantee of future performance.

EQUITY - INCOME FUND: This fund is invested primarily in the Fidelity Equity - Income Fund. The fund's chief objective is to provide income, although some consideration is given to capital appreciation. Amounts invested in this investment option are subject to market fluctuations, and there is no guarantee of future performance.

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TRICON LONG TERM SAVINGS PROGRAM

Notes to Financial Statements

December 31, 1998 and 1997

(Tabular amounts in thousands except unit data)

SECURITY PLUS FUND: This fund is an investment portfolio managed by State Street Global Advisors and is comprised of investment funds and contracts issued by highly rated banks and insurance companies and short-term investment funds. Guarantees of principal and interest are provided by the insurance company or other financial institutions issuing the contracts. The objective of this fund is to provide, over a period of time, a higher rate of return than average money market funds while preserving principal and providing liquidity. The rate of return on this fund will fluctuate based on existing market conditions and is not intended to provide a guaranteed rate of return.

PEPSICO CAPITAL STOCK FUND: This fund was established as a temporary investment under the Plan. Effective the end of the day on January 31, 2000, the PepsiCo Capital Stock Fund will cease to be available under the Plan. Any amount in the fund will be reallocated to the investment option designated for this purpose by the Plan Administrator unless the participant selects a different replacement option in accordance with such requirements as the Plan Administrator may apply.

BROKERAGE OPTION: The Trustee has engaged a wholly owned subsidiary, State Street Brokerage Services, Inc. ("SSBSI"), to maintain Brokerage Option accounts for participants. SSBSI has entered into an agreement with National Financial Services Corporation, a New York Stock Exchange member firm unrelated to the Trustee or SSBSI, to transact allowable trades directed by participants and maintain custody of the assets of the Brokerage Option accounts. This investment option permits electing participants and beneficiaries to invest all or a portion of their investment in the Plan in additional choices for self-directed investment, subject to written rules and procedures published by the Plan Administrator. The investments available under this fund are securities traded on the New York Stock Exchange, the American Stock Exchange, the NASDAQ National Market, and certain mutual funds as specified by the Plan Administrator.

LOAN ACCOUNT: The Plan has a loan program for participants. The maximum amount a participant may borrow is the lesser of 50% of the participant's vested interest under the Plan; \$50,000 reduced by the highest outstanding loan balance during the preceding one-year period; 100% of the value of the participant's investment in the TRICON Common Stock, Equity Index, Equity - Income, Security Plus and PepsiCo Capital Stock funds; or the maximum loan amount that can be amortized by the participant's net pay up to four years. The interest rate for loans is based on the prime rate plus one percent. In addition, a one-time loan origination fee of \$25 and a monthly maintenance fee are charged to those participants who obtain a loan. Loan issuances and principal repayments are included in "transfers from (to) other funds". Interest on loans is allocated to each of the funds based upon the participant's contribution election percentages. Any loans outstanding shall become immediately due and payable in full if the participant's employment is terminated.

As of December 31, 1998 and 1997, loans outstanding had an estimated average interest rate of 9.5% and maturities through the year 2002 and 2001, respectively.

The investments of the Plan are maintained in a trust (the "Trust") by State Street Bank and Trust Company (the "Trustee").

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TRICON LONG TERM SAVINGS PROGRAM

Notes to Financial Statements

December 31, 1998 and 1997

(Tabular amounts in thousands except unit data)

For the purpose of providing liquidity in each of the separate investment options (other than the Brokerage Option) under the Plan, the Trustee may invest a portion of each fund in cash or short-term securities. The percentage of assets held for this purpose is normally expected to range from 2 to 10 percent, but under extraordinary circumstances, the percentages may be substantially higher. Consequently, the mix of cash, securities, and other investments in each of the investment funds could vary significantly at any given time and the performance of any particular fund may not match the performance of the fund or stock, as the case may be, outside the Plan.

(D) VESTING

Participants are fully vested in the entire value of their accounts upon contribution, including the Company matching contribution in stock purchased in 1998.

(E) WITHDRAWALS

Distributions under the Plan are made upon a participant's death, disability, retirement, or termination of employment. In the case of a participant who has not yet attained the age of 59-1/2, withdrawal shall only be permitted in the event of hardship, as defined in the Plan. As discussed above, the Plan permits withdrawals under a loan program.

(F) TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan. In the event that the Plan is terminated, the Trustee is not required to make any distributions from the Trust until such time as the Internal Revenue Service has determined in writing that such termination will not adversely affect the prior qualification of the Plan.

(2) SUMMARY OF ACCOUNTING POLICIES

(A) BASIS OF ACCOUNTING

The financial statements of the Plan are prepared under the accrual method of accounting.

(B) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

TRICON LONG TERM SAVINGS PROGRAM

Notes to Financial Statements

December 31, 1998 and 1997

(Tabular amounts in thousands except unit data)

(C) INVESTMENT VALUATION AND INCOME RECOGNITION

INVESTMENT VALUATION - Investment contracts in the Security Plus Fund are stated at contract value, which approximates fair value. The Security Plus Fund is credited with actual earnings on the underlying investments and charged for plan withdrawals and administration expenses charged by the issuer of the respective contracts. Cash and cash equivalents and the Loan Account are recorded at cost, which approximates fair value. The Brokerage Option is valued at quoted market prices of participants' investments. All other investments are valued at quoted market values. The investments in each fund (except the Brokerage Option and the Loan Account) are valued in units. The value of a unit has and will fluctuate in response to various factors including, but not limited to, the price of and dividends paid, earnings and losses, and the mix of assets in the respective fund.

INCOME RECOGNITION - Dividend income is recorded on the ex-dividend date. Income from investments is recorded as earned on an accrual basis. Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses on the sales of securities in each fund are reported on the average cost method.

(D) PAYMENT OF BENEFITS

Benefits are recorded when paid.

(E) ADMINISTRATIVE COSTS

All usual and reasonable expenses of the Plan and the Plan administrator may be paid in whole or in part by the Company, and any expenses not paid by the Company will be paid by the Trustee out of the Trust. All expenses for the year ended December 31, 1998 and the period from October 7, 1997 (inception) through December 31, 1997 were borne by the Company, except for monthly investment service fees charged to the funds, loan origination and monthly maintenance fees charged to participants who obtained a loan, and maintenance and transaction fees charged to participants within the Brokerage Option account.

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TRICON LONG TERM SAVINGS PROGRAM

Notes to Financial Statements

December 31, 1998 and 1997

(Tabular amounts in thousands except unit data)

(3) INVESTMENTS

Individual investments that represent 5 percent or more of the Plan's net assets available for benefits as of December 31, 1998 and 1997 were as follows:

	1998	1997
	-----	-----
TRICON Common Stock	\$28,262	-
Vanguard Institutional Index	34,440	24,612
Fidelity Equity-Income	25,619	24,479
Security Plus - Investment Contracts	16,380	21,256
PepsiCo Common Stock	69,481	79,935

At December 31, 1998 and 1997, the total units and net asset value per unit (rounded to the nearest one-hundredth) for each of the respective unit-valued funds were as follows:

	1998		1997	
	TOTAL	NET ASSET VALUE PER UNIT	TOTAL	NET ASSET VALUE PER UNIT
	UNITS	UNIT	UNITS	UNIT
	-----	-----	-----	-----
TRICON Common Stock Fund	1,844,766	\$15.66	890,284	\$ 9.38
Vanguard Institutional Index Fund	9,928,490	3.47	9,149,550	2.70
Fidelity Equity - Income Fund	8,273,781	3.10	8,904,842	2.75
Security Plus Fund	16,282,674	1.51	17,543,602	1.41
PepsiCo Capital Stock Fund	2,526,251	28.16	3,309,513	24.72

(4) TRANSFER FROM PEPSICO SAVINGS PLAN

In connection with the spin-off, as referred to in note 1(a), approximately \$176 million in plan assets representing employee account balances were transferred in October 1997 to the Plan from a long term savings plan administered by PepsiCo. Such transfer has been reflected in the accompanying financial statements as a transfer from PepsiCo Long Term Savings Program.

(5) TAX STATUS

The Plan has not yet requested a determination letter from the Internal Revenue Service, however, the Plan Administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the Plan's financial statements.

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TRICON LONG TERM SAVINGS PROGRAM

Notes to Financial Statements

December 31, 1998 and 1997

(Tabular amounts in thousands except unit data)

(6) RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

Notwithstanding the requirements of generally accepted accounting principles, the U.S. Department of Labor requires that unpaid benefit amounts be reported as a liability of the Plan for purposes of Internal Revenue Service Form 5500 filings. As a result, the following represents a reconciliation between the amounts shown on the accompanying financial statements and the amounts reported in the Plan's Form 5500.

NET ASSETS AVAILABLE FOR BENEFITS

	1998	1997
	----	----
Net assets available for benefits, as reported in the financial statements	\$197,689	174,729
Less: benefits payable at end of year	17	475
	-----	-----
Net assets available for benefits as reported in the Plan's Form 5500	\$197,672	174,254
	=====	=====

PARTICIPANT BENEFITS		
	1998	1997
	----	----
Benefit payments for the year, as reported in the financial statements	\$ 22,588	4,446
Less: benefits payable as of beginning of period	475	-
Plus: benefits payable as of end of year	17	475
	-----	-----
Benefit payments for the year, as reported in the Plan's Form 5500	\$ 22,130	4,921
	=====	=====

(7) YEAR 2000 (UNAUDITED)

The Company's information technology systems and non- information technology systems with embedded technology applications are part of the Company's enterprise-wide plan designed to reasonably assure that those systems and certain critical business partners are prepared for the Year 2000 issue and that plans exist for business continuity as the Company enters the coming millennium. Material third party vendors of the Company, including data exchange providers, have been included in the Company's assurance plans.

It is difficult to predict with certainty what truly will happen after December 31, 1999. Despite the Company's diligent preparation, unanticipated third party failures, general public infrastructure failures, or failures of the Company to successfully conclude its remediation efforts as planned could have a material adverse impact on the Plan's activities and, accordingly, its net assets available for benefits and changes therein.

SUPPLEMENTAL SCHEDULES

**SCHEDULE 1
TRICON LONG TERM SAVINGS PROGRAM**

EIN: 13-3951308

Item 27a - Schedule of Assets Held for Investment Purposes

December 31, 1998

(In thousands, except share amounts)

IDENTITY OF ISSUE BORROWER OR SIMILAR PARTY -----	DESCRIPTION -----	COST ----	FAIR VALUE -----
TRICON Common Stock*	563,982 shares	\$ 18,579	28,262
Vanguard Institutional Index	305,179 shares	20,128	34,440
Fidelity Equity - Income	461,195 shares	18,152	25,619
Security Plus State Street Bank Selection Fund* - Investment Contracts			
1997 - EEE 1 AIG	Interest rate of 6.65% due through 2/6/02	1,056	1,056
1997 - EEE 2 New York Life	Interest rate of 6.44% due through 1/15/00	573	573
1997 - EEE 3 Monumental Life Insurance	Interest rate of 6.07% due through 3/31/00	1,323	1,323
1997 - EEE 4 CDC	Interest rate of 7.39% due through 10/31/99	630	630
1997 - EEE 5 Life of Virginia	Interest rate of 6.42% due through 7/31/01	409	409
1997 - EEE 6 John Hancock Life	Interest rate of 6.65% due through 5/31/01	618	618
1997 - EEE 7 Principal Mutual	Interest rate of 7.18% due through 7/1/02	838	838
1997 - EEE 8 John Hancock Life	Interest rate of 6.46% due through 5/31/02	472	472
1997 - EEE 9 New York Life	Interest rate of 6.58% due through 10/1/01	849	849
1997 - EEE 10 Principal Mutual	Interest rate of 6.82% due through 10/31/01	864	864
1997 - EEE 11 Life of Virginia	Interest rate of 7.16% due through 1/2/02	876	876
1997 - EEE 12 Prudential	Interest rate of 6.85% due through 11/30/01	584	584
1997 - EEE 13 Prudential	Interest rate of 6.08% due through 1/31/00	452	452
1997 - EEE 14 Principal Mutual	Interest rate of 6.30% due through 7/31/00	577	577

TRICON LONG TERM SAVINGS PROGRAM

EIN: 13-3951308

Item 27a - Schedule of Assets Held for Investment Purposes

December 31, 1998

(In thousands, except share amounts)

IDENTITY OF ISSUE BORROWER OR SIMILAR PARTY	DESCRIPTION	COST	FAIR VALUE
-----	-----	----	-----
1997 - EEE 15 MetLife	Interest rate of 6.53% due through 12/31/99	392	392
1997 - EEE 16 Pacific Mutual	Interest rate of 4.2% due through 5/31/99	944	944
1997 - EEE 17 Allstate	Interest rate of 7.38% due through 11/30/99	813	813
1997 - EEE 18 TransAmerica	Interest rate of 7.70% due through 8/31/99	828	828
1997 - EEE 19 CNA	Interest rate of 8.22% due through 9/30/99	640	640
1997 - EEE 21 Allstate	Interest rate of 8.10% due through 12/31/99	775	775
1997 - EEE 22 Hartford	Interest rate of 7.20% due through 3/99	849	849
1997 - EEE 23 New York Life	Interest rate of 6.90% due through 6/30/99	512	512
1997 - EEE 24 Prudential	Interest rate of 6.66% due through 3/31/99	253	253
1997 - EEE 25 Hartford	Interest rate of 6.66% due through 3/31/99	253	253
		-----	-----
		16,380	16,380
State Street Bank Par Fund* - Short-term Investment Funds	7,986,511 shares	7,987	7,987
PepsiCo Common Stock*	1,697,251 shares	15,125	69,481
Brokerage Option*	Various	5,526	6,546
Loans receivable from participants*	Average interest rate of 9.5% due through 2002	5,969	5,969
State Street Bank - cash and cash equivalents*	2,425,043 shares	2,425	2,425
		-----	-----
Total		\$110,271	197,109
		=====	=====

* Party-In-Interest

SCHEDULE 2
TRICON LONG TERM SAVINGS PROGRAM

EIN: 13-3951308

Item 27a - Schedule of Assets Held for Investment Purposes

December 31, 1997

(In thousands, except share amounts)

IDENTITY OF ISSUE BORROWER OR SIMILAR PARTY -----	DESCRIPTION -----	COST ----	FAIR VALUE -----
TRICON Common Stock*	265,020 shares	\$ 3,877	7,702
Vanguard Institutional Index	274,809 shares	15,616	24,612
Fidelity Equity - Income	467,152 shares	16,963	24,479
Security Plus			
State Street Bank Selection Fund* -			
Investment Contracts			
1997 - EEE 1 AIG	Interest rate of		
	6.65% due through 2/6/02	990	990
1997 - EEE 2 New York Life	Interest rate of		
	6.44% due through 1/15/00	853	853
1997 - EEE 3 Monumental	Interest rate of		
Life Insurance	6.07% due through 3/31/00	1,248	1,248
1997 - EEE 4 CDC	Interest rate of		
	7.39% due through 10/31/99	1,260	1,260
1997 - EEE 5 Life of	Interest rate of		
Virginia	6.42% due through 7/31/01	384	384
1997 - EEE 6 John Hancock	Interest rate of		
Life	6.65% due through 5/31/01	579	579
1997 - EEE 7 Principal	Interest rate of		
Mutual	7.18% due through 7/1/02	782	782
1997 - EEE 8 John Hancock	Interest rate of		
Life	6.46% due through 5/31/02	592	592
1997 - EEE 9 New York Life	Interest rate of		
	6.58% due through 10/1/01	797	797
1997 - EEE 10 Principal	Interest rate of		
Mutual	6.82% due through 10/31/01	809	809
1997 - EEE 11 Life of	Interest rate of		
Virginia	7.16% due through 1/2/02	817	817
1997 - EEE 12 Prudential	Interest rate of		
	6.85% due through 11/30/01	546	546
1997 - EEE 13 Prudential	Interest rate of		
	6.08% due through 1/31/00	638	638
1997 - EEE 14 Principal	Interest rate of		
Mutual	6.30% due through 7/31/00	543	543

TRICON LONG TERM SAVINGS PROGRAM

EIN: 13-3951308

Item 27a - Schedule of Assets Held for Investment Purposes

December 31, 1997

(In thousands, except share amounts)

IDENTITY OF ISSUE BORROWER OR SIMILAR PARTY	DESCRIPTION	COST	FAIR VALUE
-----	-----	----	-----
1997 - EEE 15 MetLife	Interest rate of 6.53% due through 12/31/99	1,103	1,103
1997 - EEE 16 Pacific Mutual	Interest rate of 5.83% due through 5/31/99	946	946
1997 - EEE 17 Allstate	Interest rate of 7.38% due through 11/30/99	1,136	1,136
1997 - EEE 18 TransAmerica	Interest rate of 7.70% due through 8/31/99	1,153	1,153
1997 - EEE 19 CNA	Interest rate of 8.22% due through 9/30/99	1,182	1,182
1997 - EEE 20 Monumental Life Insurance	Interest rate of 7.63% due through 11/30/98	236	236
1997 - EEE 21 Allstate	Interest rate of 8.10% due through 12/31/99	717	717
1997 - EEE 22 Hartford	Interest rate of 7.20% due through 3/99	1,585	1,585
1997 - EEE 23 New York Life	Interest rate of 6.90% due through 6/30/99	951	951
1997 - EEE 24 Prudential	Interest rate of 6.66% due through 3/31/99	474	474
1997 - EEE 25 Hartford	Interest rate of 6.66% due through 3/31/99	474	474
1997 - EEE 26 Monumental Life Insurance	Interest rate of 5.51% due through 12/31/98	461	461
		-----	-----
		21,256	21,256
State Street Bank Par Fund* - Short-term Investment Funds	3,374,508 shares	3,375	3,375
PepsiCo Common Stock*	2,193,875 shares	19,634	79,935
Brokerage Option*	Various	4,974	4,679
Loans receivable from participants*	Average interest rate of 9.5% due through 2001	5,529	5,529
State Street Bank - cash and cash equivalents*	2,228,250 shares	2,228	2,228
		-----	-----
Total		\$ 93,452	173,795
		=====	=====

* Party-In-Interest

**SCHEDULE 3
TRICON LONG TERM SAVINGS PROGRAM**

EIN: 13-3951308

Item 27d - Schedule of Reportable Transactions

Year Ended December 31, 1998

(In thousands)

PARTY INVOLVED AND DESCRIPTION OF ASSET -----	PURCHASE OR SELLING PRICE -----	COST OF ASSET -----	CURRENT VALUE OF ASSET ON TRANSACTION DATE -----	NET GAIN (LOSS) -----
Purchases:				
TRICON Common Stock Fund	\$48,737 (1)	48,737 (1)	48,737 (1)	-
Security Plus Fund	22,761 (1)	22,761 (1)	22,761 (1)	-
PepsiCo Capital Stock Fund	13,566 (1)	13,566 (1)	13,566 (1)	-
Sales:				
TRICON Common Stock Fund	36,860 (1)	33,826 (1)	36,860 (1)	3,034
Security Plus Fund	23,138 (1)	23,138 (1)	23,138 (1)	-
PepsiCo Capital Stock Fund	32,695 (1)	18,229 (1)	32,695 (1)	14,466

(1) Series of Transactions

**SCHEDULE 4
TRICON LONG TERM SAVINGS PROGRAM**

EIN: 13-3951308

Item 27d - Schedule of Reportable Transactions

For the Period from October 7, 1997 (Inception) through December 31, 1997

(In thousands)

PARTY INVOLVED AND DESCRIPTION OF ASSET -----	PURCHASE OR SELLING PRICE -----	COST OF ASSET -----	CURRENT VALUE OF ASSET ON TRANSACTION DATE -----	NET GAIN (LOSS) -----
Purchases:				
Vanguard Institutional Index Fund	\$16,000 (1)	16,000 (1)	16,000 (1)	-
Vanguard Institutional Index Fund	14,593	14,593	14,593	-
Fidelity Equity - Income Fund	17,409 (1)	17,409 (1)	17,409 (1)	-
Fidelity Equity - Income Fund	15,786	15,786	15,786	-
Security Plus Fund	25,409 (1)	25,409 (1)	25,409 (1)	-
Security Plus Fund	22,953	22,953	22,953	-
PepsiCo Capital Stock Fund	26,514 (1)	26,514 (1)	26,514 (1)	-
PepsiCo Capital Stock Fund	22,304	22,304	22,304	-

(1) Series of Transactions

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

TRICON LONG TERM SAVINGS PROGRAM

By: /s/ Laura Warren-Bock

Laura Warren-Bock

Date: January 6, 2000

EXHIBIT 23

Consent of Independent Auditors

The Board of Directors
TRICON Global Restaurants, Inc.:

We consent to the incorporation by reference in the registration statement (No. 333-36893) on Form S-8 of TRICON Global Restaurants, Inc. of our report dated October 25, 1999, relating to the financial statements and supplemental schedules of the TRICON Long Term Savings Program as of December 31, 1998 and 1997, for the year ended December 31, 1998 and the period from October 7, 1997 through December 31, 1997, which report appears in the December 31, 1998 annual report on Form 11-K of TRICON Global Restaurants, Inc.

/s/ KPMG LLP

*Louisville, Kentucky
January 6, 2000*

End of Filing

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