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

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **April 3, 2005**

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ______to_______

Commission file number 1-183

THE HERSHEY COMPANY

100 Crystal A Drive
Hershey, PA 17033

Registrant's telephone number: **717-534-6799**

State of Incorporation	IRS Employer Identification No.
Delaware	**23-0691590**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No [ ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Yes [X] No [ ]

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock, $1 par value — 183,490,499 shares, as of April 22, 2005. Class B Common Stock, $1 par value — 60,819,526 shares, as of April 22, 2005.

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PART I — FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements (Unaudited)

THE HERSHEY COMPANY
CONSOLIDATED STATEMENTS OF INCOME
(in thousands except per share amounts)

	For the Three Months Ended	
	April 3, 2005	**April 4, 2004**
Net Sales	$ 1,126,414	$ 1,013,089
Costs and Expenses:		
Cost of sales	695,131	625,632
Selling, marketing and administrative	225,410	204,133
Total costs and expenses	920,541	829,765
Income before Interest and Income Taxes	205,873	183,324
Interest expense, net	19,404	14,854
Income before Income Taxes	186,469	168,470
Provision for income taxes	68,248	61,323
Net Income	$ 118,221	$ 107,147
Earnings Per Share-Basic - Common Stock	$ .49	$ .42
Earnings Per Share-Basic - Class B Common Stock	$ .45	$ .38
Earnings Per Share-Diluted	$ .47	$ .41
Average Shares Outstanding-Basic - Common Stock	185,715	198,916
Average Shares Outstanding-Basic - Class B Common Stock	60,829	60,844
Average Shares Outstanding-Diluted	250,308	262,054
Cash Dividends Paid per Share:		
Common Stock	$ .2200	$ .1975
Class B Common Stock	$ .2000	$ .1788

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

THE HERSHEY COMPANY
CONSOLIDATED BALANCE SHEETS
(in thousands of dollars)

	April 3, 2005	December 31, 2004
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 18,060	$ 54,837
Accounts receivable - trade	289,991	408,930
Inventories	640,223	557,180
Deferred income taxes	43,786	46,503
Prepaid expenses and other	128,005	114,991
Total current assets	1,120,065	1,182,441
Property, Plant and Equipment, at cost	3,384,069	3,369,202
Less-accumulated depreciation and amortization	(1,722,695)	(1,686,504)
Net property, plant and equipment	1,661,374	1,682,698
Goodwill	463,250	463,947
Other Intangibles	124,946	125,233
Other Assets	379,139	343,212
Total assets	$ 3,748,774	$ 3,797,531
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 167,848	$ 148,686
Accrued liabilities	396,646	472,096
Accrued income taxes	69,243	42,280
Short-term debt	429,724	343,277
Current portion of long-term debt	277,684	279,043
Total current liabilities	1,341,145	1,285,382
Long-term Debt	690,312	690,602
Other Long-term Liabilities	416,876	403,356
Deferred Income Taxes	329,719	328,889
Total liabilities	2,778,052	2,708,229
Stockholders' Equity:		
Preferred Stock, shares issued: none in 2005 and 2004	--	--
Common Stock, shares issued: 299,081,918 in 2005 and 299,060,235 in 2004	299,081	299,060
Class B Common Stock, shares issued: 60,819,826 in 2005 and 60,841,509 in 2004	60,820	60,841
Additional paid-in capital	61,179	28,614
Unearned ESOP compensation	(5,588)	(6,387)
Retained earnings	3,534,630	3,469,169
Treasury-Common Stock shares at cost: 115,617,019 in 2005 and 113,313,827 in 2004	(2,979,821)	(2,762,304)
Accumulated other comprehensive income	421	309
Total stockholders' equity	970,722	1,089,302
Total liabilities and stockholders' equity	$ 3,748,774	$ 3,797,531

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

THE HERSHEY COMPANY
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands of dollars)

	For the Three Months Ended	
	April 3, 2005	**April 4, 2004**
Cash Flows Provided from (Used by) Operating Activities		
Net Income	$ 118,221	$ 107,147
Adjustments to Reconcile Net Income to Net Cash Provided from Operations:		
Depreciation and amortization	49,250	47,020
Deferred income taxes	1,965	101
Changes in assets and liabilities:		
Accounts receivable - trade	118,939	134,164
Inventories	(70,243)	(16,967)
Accounts payable	19,162	21,077
Other assets and liabilities	(63,515)	(55,306)
Net Cash Flows Provided from Operating Activities	173,779	237,236
Cash Flows Provided from (Used by) Investing Activities		
Capital additions	(30,213)	(60,334)
Capitalized software additions	(2,025)	(5,195)
Net Cash Flows (Used by) Investing Activities	(32,238)	(65,529)
Cash Flows Provided from (Used by) Financing Activities		
Net increase in short-term debt	86,447	15,864
Repayment of long-term debt	(1,066)	(36)
Cash dividends paid	(52,760)	(50,081)
Exercise of stock options	56,693	35,734
Incentive plan transactions	(223,459)	(32,441)
Repurchase of Common Stock	(44,173)	(20,168)
Net Cash Flows (Used by) Financing Activities	(178,318)	(51,128)
(Decrease) Increase in Cash and Cash Equivalents	(36,777)	120,579
Cash and Cash Equivalents, beginning of period	54,837	114,793
Cash and Cash Equivalents, end of period	$ 18,060	$ 235,372
Interest Paid	$ 32,679	$ 27,484
Income Taxes Paid	$ 15,272	$ 28,417

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

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THE HERSHEY COMPANY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements include the accounts of The Hershey Company, its wholly-owned subsidiaries and entities in which it has a controlling financial interest (the “Company”) after elimination of intercompany accounts and transactions. These statements have been prepared in accordance with the instructions to Form 10-Q and do not include all of the information and footnotes required by U.S. generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting only of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three months ended April 3, 2005, are not necessarily indicative of the results that may be expected for the year ending December 31, 2005, because of the seasonal effects of the Company’s business. In April 2004, the Company’s Board of Directors approved a two-for-one stock split to be effected in the form of a 100 percent stock dividend to stockholders of record on May 25, 2004. The additional shares were distributed on June 15, 2004. The Company’s stockholders received one additional share for each share in their possession on that date. This did not change the proportionate interest a stockholder maintained in the Company. All shares and per share amounts have been adjusted for the two-for-one stock split. For more information, refer to the consolidated financial statements and notes included in the Company’s 2004 Annual Report on Form 10-K.

2. **EMPLOYEE STOCK OPTIONS AND OTHER STOCK-BASED EMPLOYEE COMPENSATION PLANS**

As of April 3, 2005, the Company had two stock-based employee compensation plans, the Key Employee Incentive Plan and the Broad Based Stock Option Plan, which are described in the Company's 2004 Annual Report on Form 10-K. The Company applies the recognition and measurement principles of Accounting Principles Board Opinion No. 25, *Accounting for Stock Issued to Employees*, and related Interpretations in accounting for those plans. No stock-based employee compensation expense is reflected in net income for employee stock options since all stock options are granted at an exercise price equal to the market value of the underlying common stock on the date of grant. Compensation expense for performance stock units ("PSUs") is recognized ratably over a period of up to seventy-two months based on the quarter-end market values of the stock. The following table illustrates the effect on net income and earnings per share if the Company had applied the fair value recognition provisions of Statement of Financial Accounting Standards No. 123, *Accounting for Stock-Based Compensation* ("SFAS No. 123"), to stock-based employee compensation.

	For the Three Months Ended	
	April 3, 2005	April 4, 2004
	(in thousands of dollars except per share amounts)	
Net income, as reported	$ 118,221	$ 107,147
Deduct: Employee stock option expense	(4,364)	(3,245)
Add: Other stock-based employee compensation expense	1,596	185
Net Deduction: Total stock-based employee compensation expense determined under fair value method, net of related tax effects	(2,768)	(3,060)
Pro forma net income	$ 115,453	$ 104,087

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Earnings per share - Basic as reported:		
Common Stock	$ .49	$ .42
Class B Common Stock	$ .45	$ .38
Earnings per share - Basic pro forma:		
Common Stock	$ .48	$ .41
Class B Common Stock	$ .44	$ .37
Earnings Per Share - Diluted as reported	$ .47	$ .41
Deduct: Employee stock option expense	(.02)	(.01)
Add: Other stock-based employee compensation expense	.01	---
Net Deduction: Earnings per share impact of total stock-based employee compensation expense determined under fair value method	(.01)	(.01)
Earnings Per Share - Diluted pro forma	$ .46	$ .40

The pro forma net income and diluted-pro forma earnings per share increase from other stock-based employee compensation expense represent the impact of certain PSUs granted in 2003 which require the final award to be paid in shares of the Company's Common Stock. The expense for these PSUs under the fair value provisions of SFAS No. 123 would have been based on grant date fair value. However, actual expense is adjusted for changes in the price of the Company's Common Stock based on the guidance in FASB Interpretation No. 28, *Accounting for Stock Appreciation Rights and Other Variable Stock Option or Award Plans*. As a result, actual expense in 2005 and 2004 was higher than the pro forma expense calculated under the fair value provisions of SFAS No. 123 due to the increase in the price of the Company's Common Stock since the grant date.

The fair value of each option grant is estimated on the date of grant using a Black-Scholes option-pricing model with the following weighted-average assumptions used for grants in the first three months of 2005 and 2004, respectively: dividend yields of 1.7% and 2.0%; expected volatility of 25% and 26%; risk-free interest rates of 3.9% and 3.7%; and expected lives of 6.5 years and 6.5 years.

3. INTEREST EXPENSE

Interest expense, net consisted of the following:

	For the Three Months Ended	
	April 3, 2005	April 4, 2004
	(in thousands of dollars)	
Interest expense	$ 19,669	$ 16,637
Interest income	(265)	(545)
Capitalized interest	---	(1,238)
Interest expense, net	$ 19,404	$ 14,854

The increase in net interest expense compared with the prior year primarily reflected higher short-term interest expense resulting from commercial paper borrowings to finance the purchase of Common Stock from the Hershey Trust Company, as Trustee for the benefit of Milton Hershey School (the "Milton Hershey School Trust") (described below) and two business acquisitions in 2004, in addition to lower capitalized interest.

4. EARNINGS PER SHARE

In accordanc with Statement of Financial Accounting Standards No. 128, *Earnings Per Share*, Basic and Diluted Earnings Per Share are computed based on the weighted-average number of shares of the Common Stock and the Class B Common Stock outstanding as follows:

	For the Three Months Ended	
	April 3, 2005	April 4, 2004
	(in thousands of dollars except per share amounts)	
Net Income	$ 118,221	$ 107,147
Weighted-average shares-Basic		
Common Stock	185,715	198,916
Class B Common Stock	60,829	60,844
Total weighted-average shares-Basic	246,544	259,760
Effect of dilutive securities:		
Employee stock options	3,541	2,170
Performance and restricted stock units	223	124
Weighted-average shares - Diluted	250,308	262,054
Earnings Per Share - Basic		
Common Stock	$ .49	$ .42
Class B Common Stock	$ .45	$ .38
Earnings Per Share - Diluted	$ .47	$ .41

Employee stock options for 1,086,575 shares and 29,600 shares were anti-dilutive and were excluded from the earnings per share calculation for the three months ended April 3, 2005 and April 4, 2004, respectively.

5. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

The Company accounts for derivative instruments in accordance with Statement of Financial Accounting Standards No. 133, *Accounting for Derivative Instruments and Hedging Activities*, as amended. All derivative instruments currently utilized by the Company, including foreign exchange forward contracts and options, interest rate swap agreements and commodities futures contracts, are designated as cash flow hedges.

Net after-tax gains (losses) on cash flow hedging derivatives reflected in comprehensive income for the three-month periods ended April 3, 2005 and April 4, 2004, were $6.7 million and $(3.4) million, respectively. Net gains and losses on cash flow hedging derivatives were primarily associated with commodities futures contracts. Reclassification adjustments from accumulated other comprehensive income to income, for gains or losses on cash flow hedging derivatives, were reflected in cost of sales. Reclassification of after-tax gains of $3.9 million and $6.1 million for the three-month periods ended April 3, 2005 and April 4, 2004, respectively, were associated with commodities futures contracts. Gains on commodities futures contracts recognized in cost of sales because of hedge ineffectiveness were approximately $.4 million and $.8 million before tax for the three-month periods ended April 3, 2005 and April 4, 2004, respectively. No gains or losses on cash flow hedging derivatives were reclassified from accumulated other comprehensive income into income as a result of the discontinuance of a hedge because it became probable that a hedged forecasted transaction would not occur. There were no components of gains or losses on cash flow hedging derivatives that were recognized in income because such components were excluded from the assessment of hedge effectiveness.

As of April 3, 2005, the amount of net after-tax gains on cash flow hedging derivatives, including foreign exchange forward contracts and options, interest rate swap agreements and commodities futures contracts, expected to be reclassified into earnings in the next twelve months was approximately $19.8 million which were principally associated with commodities futures contracts. For more information, refer to the consolidated financial statements and notes included in the Company's 2004 Annual Report on Form 10-K.

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6. COMPREHENSIVE INCOME

A summary of the components of comprehensive income is as follows:

	For the Three Months Ended April 3, 2005		
	Pre-Tax Amount	Tax (Expense) Benefit	After-Tax Amount
	(in thousands of dollars)		
Net income			$ 118,221
Other comprehensive income (loss):			
Foreign currency translation adjustments	$ (2,628)	$ --	(2,628)
Cash flow hedges:			
Gains (losses) on cash flow hedging derivatives	10,533	(3,856)	6,677
Reclassification adjustments	(6,219)	2,282	(3,937)
Total other comprehensive income	$ 1,686	$ (1,574)	112
Comprehensive income			$ 118,333

	For the Three Months Ended April 4, 2004		
	Pre-Tax Amount	Tax (Expense) Benefit	After-Tax Amount
	(in thousands of dollars)		
Net income			$ 107,147
Other comprehensive income (loss):			
Foreign currency translation adjustments	$ (2,831)	$ --	(2,831)
Cash flow hedges:			
Gains (losses) on cash flow hedging derivatives	(5,571)	2,157	(3,414)
Reclassification adjustments	(9,580)	3,493	(6,087)
Total other comprehensive loss	$ (17,982)	$ 5,650	(12,332)
Comprehensive income			$ 94,815

The components of accumulated other comprehensive income as shown on the Consolidated Balance Sheets are as follows:

	April 3, 2005	December 31, 2004
	(in thousands of dollars)	

Foreign currency translation adjustments	$ (19,536)	$ (16,908)
Minimum pension liability adjustments	(1,129)	(1,129)
Cash flow hedges	21,086	18,346
Total accumulated other comprehensive income	$ 421	$ 309

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7. INVENTORIES

The majority of inventories are valued under the last-in, first-out (LIFO) method. The remaining inventories are stated at the lower of first-in, first-out (FIFO) cost or market. Inventories were as follows:

	April 3, 2005	December 31, 2004
	(in thousands of dollars)	
Raw materials	$ 194,492	$ 166,813
Goods in process	95,300	70,440
Finished goods	421,117	384,094
Inventories at FIFO	710,909	621,347
Adjustment to LIFO	(70,686)	(64,167)
Total inventories	$ 640,223	$ 557,180

The increase in raw material inventories as of April 3, 2005, reflected the timing of deliveries to support manufacturing requirements and higher costs in 2005. Finished goods inventories were higher as of April 3, 2005 to support the introduction of new products and limited edition items, to support anticipated sales increases and as a result of higher costs.

8. SHORT-TERM DEBT

Generally, the Company’s short-term borrowings are in the form of commercial paper or bank loans with an original maturity of three months or less. In November 2004, the Company entered into a five-year credit agreement with banks, financial institutions and other institutional lenders. The credit agreement established an unsecured revolving credit facility under which the Company may borrow up to $900 million with the option to increase borrowings by an additional $600 million with the concurrence of the lenders. Funds borrowed may be used for general corporate purposes, including commercial paper backstop and business acquisitions. For more information, refer to the consolidated financial statements and notes included in the Company’s 2004 Annual Report on Form 10-K.

9. LONG-TERM DEBT

Obligations associated with the consolidation of lease arrangements of $76.8 million mature in 2005. In August 1997, the Company filed a Form S-3 Registration Statement under which it could offer, on a delayed or continuous basis, up to $500 million of additional debt securities and issued $250 million of 7.2% Debentures due 2027. As of April 3, 2005, $250 million of debt securities remained available for issuance under the August 1997 Registration Statement. For more information, refer to the consolidated financial statements and notes included in the Company’s 2004 Annual Report on Form 10-K.

10. FINANCIAL INSTRUMENTS

The carrying amounts of financial instruments including cash and cash equivalents, accounts receivable, accounts payable and short-term debt approximated fair value as of April 3, 2005 and December 31, 2004, because of the relatively short maturity of these instruments. The carrying value of long-term debt, including the current portion, was $968.0 million as of April 3, 2005, compared with a fair value of $1,087.7 million, an increase of $119.7 million, based on quoted market prices for the same or similar debt issues.

As of April 3, 2005, the Company had foreign exchange forward contracts and options maturing primarily in 2005 and 2006 to purchase $104.2 million in foreign currency, primarily Australian dollars, Canadian dollars, euros, and Japanese yen, and to sell $17.1 million in foreign currency, primarily Mexican pesos and Japanese yen, at contracted forward rates.

The fair value of foreign exchange forward contracts is estimated by obtaining quotes for future contracts with similar terms, adjusted where necessary for maturity differences. As of April 3, 2005, the fair value of foreign exchange forward contracts and options was an asset of $2.3 million. As of December 31, 2004, the fair value of foreign exchange forward contracts and options was an asset of $4.4 million. The Company does not hold or issue financial instruments for trading purposes.

In February 2001, the Company entered into interest rate swap agreements that effectively converted variable interest rate payments related to certain lease arrangements from a variable to a fixed rate of 6.1%. Any interest rate differential on

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interest rate swap agreements is recognized as an adjustment to interest expense over the term of each agreement. The fair value of interest rate swap agreements was a liability of $2.2 million and $1.7 million as of April 3, 2005 and December 31, 2004, respectively. The Company’s risk related to interest rate swap agreements is limited to the cost of replacing such agreements at prevailing market rates.

11. **PENSION AND OTHER POST-RETIREMENT BENEFIT PLANS**

Components of net periodic benefits cost consisted of the following:

	Pension Benefits		Other Benefits	
	For the Three Months Ended		For the Three Months Ended	
	April 3, 2005	April 4, 2004	April 3, 2005	April 4, 2004
	(in thousands of dollars)			
Service cost	$ 12,728	$ 11,314	$ 1,193	$ 991
Interest cost	13,803	13,273	4,494	4,779
Expected return on plan assets	(21,202)	(19,167)	--	--
Amortization of prior service cost	1,099	1,023	(371)	(403)
Amortization of unrecognized transition balance	78	30	--	--
Recognized net actuarial loss	2,508	2,443	908	1,224
Administrative expenses	250	153	--	--
Net periodic benefits cost	$ 9,264	$ 9,069	$ 6,224	$ 6,591

Employer contributions of $46.0 million and $5.5 million were made during the first quarter of 2005 to the Company’s pension plans and other benefits plans, respectively. The Company does not expect to make any significant contributions to its pension plans during the remainder of 2005. In the first quarter of 2004, the Company contributed $0.9 million and $6.1 million to the Company’s pension and other benefits plans, respectively. The increase in the expected return on plan assets in the first quarter of 2005 compared with the first quarter of 2004 primarily reflects the return on higher beginning of year asset balances and incremental employer contributions made during 2005. For 2005, there are no minimum funding requirements for the domestic plans and minimum funding requirements for the non-domestic plans are not material. For more information on the Company’s pension and other post-retirement benefit plans, refer to the consolidated financial statements and notes included in the Company’s 2004 Annual Report on Form 10-K.

12. **SHARE REPURCHASES**

During the first quarter of 2005, the Company repurchased 3,653,700 shares of Common Stock for $223.5 million for incentive plan transactions, reflecting the repurchase of Treasury Stock reissued for stock options exercises, other incentive plan transactions and benefit plans. These shares were purchased in connection with an unusually high number of stock options exercised in the latter part of 2004 and the first quarter of 2005 as a result of an increase in the price of the Common Stock and the upcoming expiration of certain stock options. Cash receipts from employees of $56.7 million associated with stock options exercises partially offset payments for shares repurchased. Over time, the Company’s policy is to repurchase all such exercised shares.

On July 27, 2004, the Company purchased 11,281,589 shares of its Common Stock from the Milton Hershey School Trust, in a privately negotiated transaction. The Company paid $44.32 per share, or approximately $500 million, for the shares and fees of $1.4 million associated with the transaction financed principally by additional commercial paper borrowings.

In December 2002, the Company’s Board of Directors approved a share repurchase program authorizing the repurchase of up to $500 million of the Company’s Common Stock. Under this program, a total of 13,197,800 shares of Common Stock were purchased through April 3, 2005 for $489.2 million. As of April 3, 2005, a total of 115,617,019 shares were held as Treasury Stock and $10.8 million remained available for repurchases of Common Stock under the repurchase program.

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13. **PENDING ACCOUNTING PRONOUNCEMENTS**

In December 2004, the Financial Accounting Standards Board (“FASB”) issued Statement of Financial Accounting Standards No. 123R, *Share-Based Payment, an amendment of FASB Statements No. 123 and 95* (“SFAS No. 123R”). SFAS No. 123R addresses the accounting for transactions in which an enterprise exchanges its valuable equity instruments for employee services. It also addresses transactions in which an enterprise incurs liabilities that are based on the fair value of the enterprise's equity instruments or that may be settled by the issuance of those equity instruments in exchange for employee services. For public entities, the cost of employee services received in exchange for equity instruments, including employee stock options, will be measured based on the grant-date fair value of those instruments. That cost will be recognized as compensation expense over the requisite service period (often the vesting period). Generally, no compensation cost will be recognized for equity instruments that do not vest. SFAS No. 123R will apply to awards granted, modified or settled in cash on or after its effective date. Companies may choose from one of three methods when transitioning to the new standard, which may include restatement of prior annual and interim periods. The impact on earnings per share of expensing stock options will be dependent upon the method to be used for valuation of stock options and the transition method determined by the Company. The total impact on an annualized basis could range from approximately $.06 to $.08 per share-diluted, assuming option grants continue at the same level as in 2004.

SFAS No. 123R was to have been effective for periods beginning after June 15, 2005. In April 2005, the Securities and Exchange Commission adopted a rule which allows companies to implement SFAS No. 123R at the beginning of their next fiscal year. Accordingly, the Company expects to adopt SFAS No. 123R effective January 1, 2006.

14. **SUBSEQUENT EVENT**

In April 2005, the Company's Board of Directors approved a share repurchase program authorizing the repurchase of up to $250 million of the Company's Common Stock in the open market, or through privately negotiated transactions. Acquired shares of the Common Stock will be held as Treasury Stock.

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Item 2. Management's Discussion and Analysis of Results of Operations and Financial Condition

Results of Operations — First Quarter 2005 vs. First Quarter 2004

Net sales for the first quarter of 2005 increased $113.3 million, or 11%, from 2004. The Mauna Loa and Grupo Lorena acquisitions contributed incremental sales of $29.0 million, or approximately 3% of the increase from 2004. Approximately three quarters of the organic sales growth of 8% resulted from unit volume growth, primarily reflecting the introduction of new products and improved performance by the Company's international businesses, particularly in Canada and Mexico. Additionally, a portion of the organic sales volume increase resulted from a buy-in prior to the effective date of selling price increases. The remainder of the sales increase resulted from a more efficient rate of promotional spending and lower returns, discounts and allowances as a percentage of sales.

Cost of sales for the quarter increased $69.5 million, or 11%, from 2004 to 2005. The cost increase was primarily caused by the higher sales volume and higher raw material costs, principally associated with increased prices for cocoa and dairy products. Gross margin increased slightly from 38.2% in 2004 to 38.3% in 2005. The margin expansion reflected improved price realization, primarily from reduced promotional spending as a percentage of sales, as well as selling price increases and a lower rate of returns, discounts and allowances. These margin improvements were substantially offset by higher raw material costs and a less favorable product mix, primarily associated with the lower margin Mauna Loa and Grupo Lorena businesses.

Selling, marketing and administrative expenses for the first quarter of 2005 increased 10% from the comparable period in 2004, primarily reflecting increased employee compensation costs, incremental expenses related to the business acquisitions and higher advertising expense. Selling, marketing and administrative expenses as a percentage of sales, declined from 20.1% in 2004 to 20.0% in 2005.

Net interest expense in the first quarter of 2005 was $4.6 million higher than the comparable period of 2004, primarily reflecting higher short-term interest expense and decreased capitalized interest. The increase in short-term interest expense was primarily associated with commercial paper borrowings for repurchases of Common Stock and the 2004 business acquisitions.

The effective income tax rate for the first quarter of 2005 was 36.6% compared with 36.4% for the first quarter of 2004, reflecting the best estimates of the expected effective income tax rates for the full-years.

Net income for the first quarter increased $11.1 million, or 10%, from 2004 to 2005, and net income per share-diluted increased $.06, or 15%. The increase was primarily attributable to increased income from operations and the impact of lower weighted-average shares outstanding resulting from share repurchases.

Liquidity and Capital Resources

Historically, the Company's major source of financing has been cash generated from operations. Domestic seasonal working capital needs, which typically peak during the summer months, generally have been met by issuing commercial paper. During the first quarter of 2005, the Company's cash and cash equivalents decreased by $36.8 million. Cash provided from operations, short-term borrowings, cash received from stock options exercises and cash on hand at the beginning of the period was sufficient to fund incentive plan transactions reflecting the repurchase of Common Stock issued for stock options exercises and benefits plans of $223.5 million, dividend payments of $52.8 million, the repurchase of the Company's Common Stock for $44.2 million under the 2002 stock repurchase program, and capital expenditures and capitalized software expenditures of $32.2 million. Cash used by changes in other assets and liabilities was $63.5 million for the first quarter of 2005 compared with $55.3 million for the same period of 2004. The increase from the prior year primarily reflected contributions to the Company's pension plans in 2005 and decreases in liabilities associated with marketing programs, partially offset by a reduction in the use of cash from commodity transactions.

Income taxes paid of $15.3 million during the first quarter of 2005 decreased from $28.4 million for the comparable period of 2004. The payment of estimated income taxes in 2005 was reduced significantly as a result of deductions for pension plan contributions.

The ratio of current assets to current liabilities decreased to 0.8:1 as of April 3, 2005 from 0.9:1 as of December 31, 2004. The Company's capitalization ratio (total short-term and long-term debt as a percent of stockholders' equity, short-term and long-term debt) was 59% as of April 3, 2005 and 55% as of December 31, 2004. The higher capitalization ratio in 2005 primarily reflected the impact of additional short-term borrowings.

In November 2004, the Company entered into a five-year credit agreement with banks, financial institutions and other institutional lenders. The credit agreement established an unsecured revolving credit facility under which the Company may

borrow up to $900 million with the option to increase borrowings by an additional $600 million with the concurrence of the lenders. Funds borrowed may be used for general corporate purposes, including commercial paper backstop and business acquisitions.

Subsequent Event

In April 2005, the Company's Board of Directors approved a share repurchase program authorizing the repurchase of up to $250 million of the Company's Common Stock in the open market, or through privately negotiated transactions. Acquired shares of the Common Stock will be held as Treasury Stock.

Safe Harbor Statement

The nature of the Company's operations and the environment in which it operates subject it to changing economic, competitive, regulatory and technological conditions, risks and uncertainties. In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, the Company notes the following factors that, among others, could cause future results to differ materially from the forward-looking statements, expectations and assumptions expressed or implied herein. Many of the forward-looking statements contained in this document may be identified by the use of forward-looking words such as "intend," "believe," "expect," "anticipate," "should," "planned," "estimated" and "potential," among others. Factors which could cause results to differ include, but are not limited to: changes in the Company's business environment, including actions of competitors and changes in consumer preferences; customer and consumer response to selling price increases; changes in governmental laws and regulations, including taxes; market demand for new and existing products; changes in raw material and other costs; pension cost factors, such as actuarial assumptions, market performance and employee retirement decisions; successful resolution of upcoming labor contract negotiations; and the Company's ability to implement improvements to and reduce costs associated with the Company's supply chain.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The potential net loss in fair value of foreign exchange forward contracts and options and interest rate swap agreements of ten percent resulting from a hypothetical near-term adverse change in market rates was $.6 million as of December 31, 2004 and $.5 million as of April 3, 2005. The market risk resulting from a hypothetical adverse market price movement of ten percent associated with the estimated average fair value of net commodity positions decreased from $6.3 million as of December 31, 2004, to $2.6 million as of April 3, 2005. Market risk represents 10% of the estimated average fair value of net commodity positions at four dates prior to the end of each period.

Item 4. Controls and Procedures

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in the Company's reports filed or submitted under the Securities Exchange Act of 1934 (the "Exchange Act") is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in the Company's reports filed under the Exchange Act is accumulated and communicated to management, including the Company's Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

As of the end of the period covered by this quarterly report, the Company conducted an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures, as required by Rule 13a-15 under the Exchange Act. This evaluation was carried out under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and Chief Financial Officer. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures are effective. There has been no change during the most recent fiscal quarter in the Company's internal control over financial reporting identified in connection with the evaluation that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II — OTHER INFORMATION

Items 1, 3 and 5 have been omitted as not applicable.

Item 2 – Unregistered Sales of Equity Securities and Use of Proceeds.

Issuer Purchases of Equity Securities

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (1)

				(in thousands of dollars)
January 1 through January 30, 2005	--	--	--	$ 54,963
January 31 through February 27, 2005	3,006,500	$ 60.93	--	$ 54,963
February 28 through April 3, 2005	1,364,100	$ 61.90	716,900	$ 10,790
Total	4,370,600	$ 61.23	716,900	$ 10,790

(1) The Company's Board of Directors approved a share repurchase program authorizing the repurchase of up to $500 million of the Company's Common Stock in December 2002.

Item 4 — Submission of Matters to a Vote of Security Holders

The Hershey Company's Annual Meeting of Stockholders was held on April 19, 2005. The following directors were elected by the holders of Common Stock and Class B Common Stock, voting together without regard to class:

Name	Votes For	Votes Withheld
Jon A. Boscia	771,836,859	958,996
Robert H. Campbell	771,654.834	1,141,021
Robert F. Cavanaugh	769,256,094	3,539,761
Gary P. Coughlan	771,840,635	955,220
Harriet Edelman	771,693,365	1,102,490
Richard H. Lenny	768,592,965	4,202,890
Mackey J. McDonald	751,740,707	21,055,148

The following directors were elected by the holders of the Common Stock voting as a class:

Name	Votes For	Votes Withheld
Bonnie G. Hill	159,970,410	6,127,785
Marie J. Toulantis	165,143,407	954,788

Holders of the Common Stock and the Class B Common Stock voting together ratified the appointment of KPMG LLP as the independent auditors for 2005. Stockholders cast 769,012,009 votes FOR the appointment, 3,255,390 votes AGAINST the appointment and ABSTAINED from casting 528,455 votes on the appointment of independent auditors.

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Holders of the Common Stock and the Class B Common Stock, each voting separately as a class and voting together without regard to class, approved the amendment to the Company's Restated Certificate of Incorporation, as amended ("Certificate"), to increase the number of authorized shares of Common Stock from 450,000,000 shares to 900,000,000 shares and Class B Common Stock from 75,000,000 shares to 150,000,000 shares. Holders of the Common Stock voting separately as a class cast 103,998,775 votes FOR the amendment, 61,208,548 votes AGAINST the amendment and ABSTAINED from casting 884,969 votes on the amendment to the Certificate to increase the number of authorized shares of Common Stock. Holders of the Class B Common Stock voting separately as a class cast 606,697,660 votes FOR the amendment, 0 votes AGAINST the amendment and ABSTAINED from casting 0 votes on the amendment to the Certificate to increase the number of authorized shares of Class B Common Stock. Holders of the Common Stock and the Class B Common Stock voting together cast 710,696,435 votes FOR the amendment, 61,208,548 votes AGAINST the amendment, and ABSTAINED from casting 884,969 votes on the amendment to the Certificate to increase the number of authorized shares of Common Stock and Class B Common Stock.

Holders of the Common Stock and the Class B Common Stock voting together approved the amendment to the Certificate to change the Company's name to The Hershey Company. Stockholders cast 769,540,889 votes FOR the amendment, 2,588,835 votes AGAINST the amendment and ABSTAINED from casting 666,128 votes on the amendment to the Certificate to change the Company's name.

No other matters were submitted for stockholder action.

Item 6 — Exhibits

The following items are attached and incorporated herein by reference:

(3) Articles of Incorporation

The Company's Restated Certificate of Incorporation, as amended by the Stockholders on April 19, 2005, is attached hereto as Exhibit 3 and incorporated herein by reference.

(12) Statement showing computation of ratio of earnings to fixed charges for the three months ended April 3, 2005 and April 4, 2004.

(31.1) Certification of Richard H. Lenny, Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

(31.2) Certification of David J. West, Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

The following item is furnished with this report:

(32) Certification of Richard H. Lenny, Chief Executive Officer, and David J. West, Chief Financial Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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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 thereunto duly authorized.

THE HERSHEY COMPANY
(Registrant)

Date: May 11, 2005

By: /s/David J. West
David J. West
Senior Vice President,
Chief Financial Officer

By: /s/David W. Tacka
David W. Tacka
Vice President,
Chief Accounting Officer

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EXHIBIT INDEX

Exhibit 3	Articles of Incorporation
	The Company's Restated Certificate of Incorporation, as amended by the Stockholders on April 19, 2005
Exhibit 12	Computation of Ratio of Earnings to Fixed Charges
Exhibit 31.1	Certification of Richard H. Lenny, Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Exhibit 31.2	Certification of David J. West, Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Exhibit 32	Certification of Richard H. Lenny, Chief Executive Officer, and David J. West, Chief Financial Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

CERTIFICATE OF AMENDMENT
OF
RESTATED CERTIFICATE OF INCORPORATION
OF
HERSHEY FOODS CORPORATION

Hershey Foods Corporation (the "Corporation"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, does hereby certify as follows:

1. The Board of Directors of the Corporation, at a meeting duly convened and held on February 15, 2005, adopted resolutions proposing and declaring it advisable and in the best interests of the Corporation that the Restated Certificate of Incorporation of the Corporation be amended as follows:

(a) Article First of the Restated Certificate of Incorporation is amended in its entirety by substituting in lieu thereof the following:

FIRST. **Name.**

The name of the Corporation is The Hershey Company.

(b) Article Fourth, the first two sentences of subparagraph A, subparagraph A1, and subparagraph A2 of the Restated Certificate of Incorporation are amended in their entirety by substituting in lieu thereof the following:

FOURTH. **Capital Stock.**

A. *Classes and Number of Shares*. The total number of shares of all classes of stock which the Corporation shall have authority to issue is 1,055,000,000 shares. The classes and the aggregate number of shares of stock of each class which the Corporation shall have authority to issue are as follows:

1. 900,000,000 shares of Common Stock, one dollar ($1.00) par value (hereinafter the "Common Stock").

2. 150,000,000 shares of Class B Common Stock, one dollar ($1.00) par value (hereinafter the "Class B Common Stock").

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2. Thereafter, pursuant to resolution of the Board of Directors of the Corporation, an annual meeting of the stockholders of the Corporation was duly called and held on April 19, 2005, upon notice in accordance with Section 222 of the General Corporation Law of the State of Delaware, at which meeting the necessary number of shares as required by statute were voted in favor of the foregoing amendments.

3. The foregoing amendments were duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, the Corporation has caused this Certificate to be signed by Richard H. Lenny, its Chairman, President and Chief Executive Officer, the 19th day of April 2005.

HERSHEY FOODS CORPORATION

By: */s/Richard H. Lenny*
Richard H. Lenny,
Chairman, President and
Chief Executive Officer

CERTIFICATE OF AMENDMENT
OF
RESTATED CERTIFICATE OF INCORPORATION
OF
HERSHEY FOODS CORPORATION

Hershey Foods Corporation (the "Corporation"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of the Corporation at a meeting duly convened and held on February 10, 1988, adopted resolutions proposing and declaring it advisable and in the best interests of the Corporation that Subparagraph D of the Fourth paragraph of the Restated Certificate of Incorporation of the Corporation be amended to read as follows:

"FOURTH: Capital Stock.

D. Issuance of the Common Stock and the Preferred Stock. The Board of Directors of the Corporation may from time to time authorize by resolution the issuance of any or all shares of the Common Stock and the Preferred Stock herein authorized in accordance with the terms and conditions set forth in this Restated Certificate of Incorporation for such purposes, in such amounts, to such persons, corporations, or entities, for such consideration, and in the case of the Preferred Stock, in one or more series, all as the Board of Directors in its discretion may determine and without any vote or other action by the stockholders, except as otherwise required by law, provided, however, that, subject to the provisions of subparagraph B.7 of this paragraph FOURTH, the approval of Hershey Trust Company (a Pennsylvania corporation), as Trustee for Milton Hershey School (a Pennsylvania not-for-profit corporation), under Deed of Trust dated November 15, 1909, or any successor to Hershey Trust Company as Trustee for Milton Hershey School, or Milton Hershey school, as appropriate, shall be obtained prior to the Board of Directors of the Corporation authorizing the issuance of any shares of the Common Stock or the Preferred Stock, or taking any other

action, which would cause said Hershey Trust Company, successor Trustee, or Milton Hershey School to cease to be able at any time (either at a meeting of stockholders or by written consent) to cast a majority of the votes entitled to be cast with regard to any matter upon which the Class B Common Stock is entitled to vote either separately as a class or together with any other class. At any time shares of the Class B Common Stock are outstanding, the Board of Directors may issue shares of the Common Stock in the form of a distribution or distributions pursuant to a stock dividend on or split-up of the shares of the Common Stock only to the then holders of the outstanding shares of the Common Stock and in conjunction with and in the same ratio as a stock dividend on or split-up of the shares of the Class B Common Stock."

SECOND: That thereafter, pursuant to resolution of the Board of Directors of the Corporation, an annual meeting of the stockholders of the Corporation was duly called and held on April 25, 1988, upon notice in accordance with Section 222 of the General Corporation Law of the State of Delaware, at which meeting the necessary number of shares as required by statute were voted in favor of the said amendment.

THIRD: That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said Hershey Foods Corporation has caused this certificate to be signed by Richard A. Zimmerman, its Chairman and Chief Executive Officer, and attested by William Lehr, Jr., its Secretary, this 25th day of April, 1988.

ATTEST:	HERSHEY FOODS CORPORATION
By: */s/ William Lehr, Jr.*	By: */s/ Richard A. Zimmerman*
William Lehr, Jr.	Richard A. Zimmerman
Secretary	Chairman and Chief Executive Officer

(SEAL)

(10011)

CERTIFICATE OF AMENDMENT
OF
RESTATED CERTIFICATE OF INCORPORATION
OF
HERSHEY FOODS CORPORATION

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Hershey Foods Corporation (the "Corporation"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, does hereby certify as follows:

1. The Board of Directors of the Corporation, at a meeting duly convened and held on February 11, 1987, adopted resolutions proposing and declaring it advisable and in the best interests of the Corporation that the Restated Certificate of Incorporation of the Corporation be amended as follows:

(a) The first two sentences of the subparagraph A and the first sentence of subparagraph A1 of the Fourth Article of the Restated Certificate of Incorporation are amended by substituting in lieu thereof the following:

A. Classes and Number of Shares. The total number of shares of all classes of stock which the Corporation shall have authority to issue is 530,000,000 shares. The classes and the aggregate number of shares of stock of each class which the Corporation shall have authority to issue are as follows:

1. 450,000,000 shares of Common Stock, one dollar ($1.00) par value (hereinafter the "Common Stock").

(b) The Sixth Article of the Restated Certificate of Incorporation is amended by re-lettering the current subparagraphs B and C of said Article to C and D, respectively, and adding a new subparagraph B as follows:

B. To the fullest extent permitted by the Delaware General Corporation Law as it presently exists or may be amended from time to time, no director of the Corporation shall be liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. Any repeal or modification of this provision shall not adversely affect any right or protection of a director of the Corporation in respect of any act or omission occurring prior to or at the time of such repeal or modification.

2. Thereafter, pursuant to resolution of the Board of Directors of the Corporation, an annual meeting of the stockholders of the Corporation was duly called and held on April 27, 1987, upon notice in accordance with Section 222 of the General Corporation Law of the State of Delaware, at which meeting the necessary number of shares as required by statute were voted in favor of the foregoing amendments.

3. The foregoing amendments were duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, Hershey Foods Corporation has caused this Certificate to be signed by Richard A. Zimmerman, its Chairman and Chief Executive Officer, and attested by William Lehr, Jr., its Secretary, the 27th day of April, 1987.

ATTEST:

By: */s/ William Lehr, Jr.*
William Lehr, Jr.
Secretary

HERSHEY FOODS CORPORATION

By: */s/ Richard A. Zimmerman*
Richard A. Zimmerman
Chairman and Chief Executive Officer

RESTATED
CERTIFICATE OF INCORPORATION
OF
HERSHEY FOODS CORPORATION
(under Section 245 of the Delaware General Corporation Law)

Hershey Foods Corporation (the "Corporation") was originally incorporated as Hershey Chocolate Corporation. The Corporation's original Certificate of Incorporation was filed with the Secretary of State of Delaware on October 24, 1927. This Restated Certificate of Incorporation was proposed to the stockholders of the Corporation by the Board of Directors on August 25, 1984, and duly adopted in accordance with the provisions of Sections 242 and 245 of the Delaware General Corporation Law, as amended, by an affirmative vote of the holders of at least a majority of all outstanding stock entitled to vote at a meeting of stockholders of the Corporation held at Hershey, Pennsylvania on October 9, 1984. The Restated Certificate of Incorporation as previously and herewith amended is hereby restated to read in its entirety as follows:

FIRST: **Name**.

The name of the Corporation is HERSHEY FOODS CORPORATION.

SECOND: **Registered Office and Agent**.

The address of the registered office of the Corporation in the State of Delaware is Corporation Trust Center, 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: **Purpose and Business**.

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law and to conduct and promote any business in connection therewith.

FOURTH: **Capital Stock**.

A. *Classes and Number of Shares*. The total number of shares of all classes of stock which the Corporation shall have authority to issue is 230,000,000 shares. The classes and the aggregate number of shares of stock of each class which the Corporation shall have authority to issue are as follows:

1. 150,000,000 shares of Common Stock, one dollar ($1.00) par value (hereinafter the "Common Stock"). Upon the filing of this Restated Certificate of Incorporation, each issued share of common stock without par value of the Corporation, including the 31,337,112 shares

of said common stock without par value outstanding as of said filing date, and including also any shares of said common stock without par value held in treasury by the Corporation, shall, without any action on the part of the respective holders thereof, be reclassified as and changed into one share of Common Stock, and the amount of capital represented by such shares of Common Stock in the aggregate shall be the same as the aggregate amount of capital represented by the shares of common stock without par value so reclassified and changed.

2. 75,000,000 shares of Class B Common Stock, one dollar ($1.00) par value (hereinafter the "Class B Common Stock").

3. 5,000,000 shares of Preferred Stock, one dollar ($1.00) par value (hereinafter the "Preferred Stock").

B. *Powers and Rights of the Common Stock and the Class B Common Stock.*

1. *Voting Rights and Powers.* With respect to all matters upon which stockholders are entitled to vote or to which stockholders are entitled to give consent, the holders of the outstanding shares of the Common Stock and the holders of any outstanding shares of the Class B Common Stock shall vote together without regard to class, and every holder of the outstanding shares of the Common Stock shall be entitled to cast thereon one (1) vote in person or by proxy for each share of the Common Stock standing in his name, and every holder of any outstanding shares of the Class B Common Stock shall be entitled to cast thereon ten (10) votes in person or by proxy for each share of the Class B Common Stock standing in his name, provided that at such time as shares of the Class B Common Stock become outstanding, holders of the Common Stock, voting separately as a class with each holder of the outstanding shares of the Common Stock being entitled to one (1) vote in person or by proxy for each share of the Common Stock standing in his name, shall have the right to elect that number of directors so that one-sixth (calculated to the nearest whole number, rounding a fractional number of five-tenths (.5) to the next highest whole number) of the total number of directors of the Corporation fixed from time to time by, or in the manner provided for in, the By-laws of the Corporation, shall have been elected by the holders of the Common Stock. With respect to any proposed amendment to this Restated Certificate of Incorporation which would increase or decrease the number of authorized shares of either the Common Stock or the Class B Common Stock, increase or decrease the par value of the shares of the Common Stock or the Class B Common Stock, or alter or change the powers, preferences, relative voting power or special rights of the shares of the Common Stock or the Class B Common Stock so as to affect them adversely, the approval of a majority of the votes entitled to be cast by the holders of the class affected by the proposed amendment, voting separately as a class, shall be obtained in addition to the approval of a majority of the votes entitled to be cast by the holders of the Common Stock and the Class B Common Stock voting together without regard to class as hereinbefore provided.

2. *Board of Directors*

a. *Number.* The Board of Directors shall consist of at least three members, at least one of whom shall be electable by the holders of the Common Stock voting separately as a class as hereinbefore provided.

b. *Standing and Term*. All directors, whether elected by the holders of both the Common Stock and the Class B Common Stock voting together or the Common Stock voting separately as a class, shall have equal standing, serve terms of equal duration and have equal voting powers.

c. *Vacancies.* Vacancies and newly created directorships resulting from any increase in the authorized number of directors may be filled by a majority vote of the remaining directors then in office, even though less than a quorum.

d. *Removal*. Directors elected or electable (in the case of vacancies or newly created directorships filled by the remaining directors) by the holders of the Common Stock and the Class B Common Stock voting together without regard to class may be removed, with or without cause, only by the vote or consent of a majority of the votes then entitled to be cast by the holders of the Common Stock and Class B Common Stock, voting together without regard to class. Directors separately elected or electable (in the case of vacancies or newly created directorships filled by the remaining directors) by the holders of the Common Stock may be removed, with or without cause, only by the vote or consent of a majority of the votes then entitled to be cast by the holders of the Common Stock, voting separately as a class.

e. *Common Stock Directorships Designation.* At the time shares of the Class B Common Stock shall first become outstanding, the Board of Directors shall designate one-sixth (calculated to the nearest whole number, rounding a fractional number of five-tenths

(.5) to the next highest whole number) of the then authorized number of directorships as directorships to be elected by the separate class vote of the holders of the Common Stock at the next meeting of stockholders at which directors are to be elected. Any director filling such a designated directorship shall hold office until his successor is elected and qualified or until his earlier resignation, death or removal.

3. Dividends and Distributions.

a. *Cash Dividends*. At any time shares of the Class B Common Stock are outstanding, as and when cash dividends may be declared by the Board of Directors, the cash dividend payable on shares of the Common Stock shall in all cases be ten percent (10%) higher on a per share basis than the cash dividend payable on shares of the Class B Common Stock. For purposes of calculating the cash dividend to be paid on shares of the Common Stock and the Class B Common Stock, the amount of the cash dividend declared and payable on shares of the Common Stock, determined in accordance with this provision, may be rounded up to the next highest half cent or fraction thereof.

b. *Other Dividends and Distributions.* Each share of the Common Stock and each share of the Class B Common Stock shall be equal in respect of rights to dividends (other than cash) and distributions, when and as declared, in the form of stock or other property of the Corporation, except that in the case of dividends or other distributions payable in stock of the Corporation other than the Preferred Stock, including distributions pursuant to stock split-ups or divisions, which occur after the date shares of the Class B Common Stock are first issued by the Corporation, only shares of the Common Stock shall be distributed with respect to the Common Stock and only shares of the Class B Common Stock shall be distributed with respect to the Class B Common Stock.

4. *Other Rights.* Except as otherwise required by the Delaware General Corporation Law or as otherwise provided in this Restated Certificate of Incorporation, each share of the Common Stock and each share of the Class B Common Stock shall have identical powers, preferences and rights, including rights in liquidation.

5. *Issuance of the Class B Common Stock.*

a. *Initial Issuance.* The Board of Directors may authorize by resolution the manner in which shares of the Class B Common Stock shall initially be issued and may set such terms and conditions as it deems appropriate or advisable with respect thereto, without any vote or other action by the stockholders, except as otherwise required by law. Such initial issuance shall only be to the then holders of the Common Stock.

b. *Subsequent Issuance.* Following initial issuance, the Board of Directors may only issue shares of the Class B Common Stock in the form of a distribution or distributions pursuant to a stock dividend on or split-up of the shares of the Class B Common Stock and only to the then holders of the outstanding shares of the Class B Common Stock in conjunction with and in the same ratio as a stock dividend on or split-up of the shares of the Common Stock.

6. *Conversion of the Class B Common Stock.* Each share of the Class B Common Stock may at any time be converted at the election of the holder thereof into one fully paid and nonassessable share of the Common Stock. Any holder of shares of the Class B Common Stock may elect to convert any or all of such shares at one time or at various times in such holder's discretion. Such right shall be exercised by the surrender of the certificate representing each share of the Class B Common Stock to be converted to the agent for the registration of transfer of shares of the Class B Common Stock at its office, or to the Corporation at its principal executive offices, accompanied by a written notice of the election by the holder thereof to convert and (if so required by the transfer agent or by the Corporation) by instruments of transfer, in form satisfactory to the transfer agent and to the Corporation, duly executed by such holder or his duly authorized attorney. The issuance of a certificate or certificates for shares of the

Common Stock upon conversion of shares of the Class B Common Stock shall be made without charge for any stamp or other similar tax in respect of such issuance. However, if any such certificate or certificates is or are to be issued in a name other than that of the holder of the share or shares of the Class B Common Stock converted, the person or persons requesting the issuance thereof shall pay to the transfer agent or to the Corporation the amount of any tax which may be payable in respect of any such transfer, or shall establish to the satisfaction of the transfer agent or of the Corporation that such tax has been paid. As promptly as practicable after the surrender for conversion of a certificate or certificates representing shares of the Class B Common Stock and the payment of any tax as hereinbefore provided, the Corporation will deliver or cause to be delivered at the office of the transfer agent to, or upon the written order of, the holder of such certificate or certificates, a certificate or certificates representing the number of shares of the Common Stock issuable upon such conversion, issued in such name or names as such holder may direct. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of the surrender of the certificate or certificates representing shares of the Class B Common Stock (if on such date the transfer books of the Corporation shall be closed, then immediately prior to the close of business on the first date thereafter that said books shall be open), and all rights of such holder arising from ownership of shares of the Class B Common Stock shall cease at such time, and the person or persons in whose name or names the certificate or certificates representing shares of the Common Stock are to be issued shall be treated for all purposes as having become the record holder or holders of such shares of the Common Stock at such time and shall have and may exercise all the rights and powers appertaining thereto. No adjustments in respect of past cash dividends shall be made upon the conversion of any share of the Class B Common Stock; provided, however, that if any shares of the Class B Common Stock shall be converted subsequent to the record date for the payment of a cash or stock dividend or other distribution on shares of the Class B Common Stock but prior to such payment, the registered holder of such shares at the close of business on such record date shall be entitled to receive the cash or stock dividend or other distribution payable to holders of the Common Stock. The Corporation shall at all times reserve and keep available, solely for the purpose of issue upon conversion of outstanding shares of the Class B Common Stock, such number of shares of the Common Stock as may be issuable upon the conversion of all such outstanding shares of the Class B Common Stock, provided, the Corporation may deliver shares of the Common Stock which have previously been exchanged for shares of the Class B Common Stock or which are held in the treasury of the Corporation for shares of the Class B Common Stock to be converted. If any shares of the Common Stock require registration with or approval of any governmental authority under any federal or state law before such shares of the Common Stock may be issued upon conversion, the Corporation will cause such shares to be duly registered or approved, as the case may be. The Corporation will endeavor to list shares of the Common Stock required to be delivered upon conversion prior to such delivery upon any national securities exchange or national market system on which the outstanding shares of the Common Stock may be listed at the time of such delivery. All shares of the Common Stock which may be issued upon conversion of shares of the Class B Common Stock will, upon issue, be fully paid and nonassessable.

7. *Duration of Class Rights and Powers.* At any time when:

a. Hershey Trust Company (a Pennsylvania corporation), as Trustee for Milton Hershey School (a Pennsylvania not-for-profit corporation) under Deed of Trust dated November 15, 1909, or any successor to Hershey Trust Company as Trustee for Milton Hershey School, or Milton Hershey School, ceases to hold (1) more than fifty percent (50%) of the outstanding shares of the Class B Common Stock at a time when shares of such class are outstanding and (2) at least fifteen percent (15%) of the total number of shares of the Common Stock and the Class B Common Stock outstanding; or

b. there shall be only shares of either the Common Stock or shares of the Class B Common Stock outstanding;

any shares of the Class B Common Stock which are then outstanding shall, without any action by the Board of Directors or the holder or holders thereof, automatically convert into and become for all purposes shares of the Common Stock, and the provisions of this Certificate of Incorporation which provide for different voting or cash dividend rights for the Common Stock and the Class B Common Stock shall not be of any effect. All shares of either or both the Common Stock or the Class B Common Stock which are then outstanding shall have equal and general voting power in the election of directors and in all other matters upon which stockholders of the Corporation are entitled to vote or give consent, even if at such time there shall have been fixed by the Board of Directors a record date for voting at any meeting of stockholders. If any cash dividends shall have been declared at such time but not paid, holders of the Class B Common Stock shall be entitled to the same cash dividend payable to holders of the Common Stock, and future cash dividends, as and when declared, shall be payable at the same rate for all shares of the one class of Common Stock then outstanding. The Board of Directors is hereby authorized to take such actions, consistent with the Delaware General Corporation Law, as it deems appropriate or advisable with respect to the replacement of certificates then outstanding evidencing ownership of the Class B Common Stock, or otherwise, in order to carry into effect the foregoing provisions.

C. *Preferred Stock.* The powers, preferences, rights, qualifications, limitations and restrictions pertaining to the Preferred Stock, or any series thereof, shall be such as may be fixed by the Board of Directors in its sole discretion, authority so to do being hereby expressly vested in such Board.

D. *Issuance of the Common Stock and the Preferred Stock.* The Board of Directors of the Corporation may from time to time authorize by resolution the issuance of any or all shares of the Common Stock and the Preferred Stock herein authorized in accordance with the terms and conditions set forth in this Restated Certificate of Incorporation for such purposes, in such amounts, to such persons, corporations, or entities, for such consideration, and in the case of the Preferred Stock, in one or more series, all as the Board of Directors in its discretion may determine and without any vote or other action by the stockholders, except as otherwise required by law. At any time shares of the Class B Common Stock are outstanding, the Board of Directors may issue shares of the Common Stock in the form of a distribution or distributions pursuant to a stock dividend on or split-up of the shares of the Common Stock only to the then holders of the outstanding shares of the Common Stock and in conjunction with and in the same ratio as a stock dividend on or split-up of the shares of the Class B Common Stock.

FIFTH: **Term of Existence**.

The Corporation is to have perpetual existence.

SIXTH: **Management of the Business of the Corporation.**

The following provisions are adopted for the management of the business and for the conduct of the affairs of the Corporation and for further creating, defining, limiting and regulating the powers of the Corporation, the directors and the stockholders:

A. The business and affairs of the Corporation shall be managed by or under the direction of its Board of Directors. The Board of Directors shall have and may exercise all the powers of the Corporation, without any action of or by the stockholders, except as otherwise provided by the Delaware General Corporation Law, this Restated Certificate of Incorporation or the By-laws.

B. The Board of Directors shall have and may exercise the power to adopt, amend or repeal the By-laws.

C. Elections of directors of the Corporation need not be by written ballot, except to the extent provided for in the By-laws.

SEVENTH: **Amendment**.

The Corporation reserves the right to amend, alter, change, add to or repeal any provision contained in this Restated Certificate of Incorporation, in the manner now or hereafter prescribed by the Delaware General Corporation Law, and all rights herein conferred on officers, directors and stockholders are granted subject to this reservation.

IN WITNESS WHEREOF, HERSHEY FOODS CORPORATION has caused this Restated Certificate of Incorporation to be executed by W. E. C. Dearden, its Chairman of the Board of Directors, to be attested to by W. Lehr, Jr., its Secretary, and its corporate seal to be affixed hereto this 9th day of October, 1984.

ATTEST:	HERSHEY FOODS CORPORATION
By: */s/ William Lehr, Jr.*	By: */s/ W.E.C. Dearden*
William Lehr, Jr.	W.E.C. Dearden
Secretary	*Chairman of the Board of Directors*

(Corporate Seal)

EXHIBIT 12

THE HERSHEY COMPANY
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(in thousands of dollars except for ratios)
(Unaudited)

	For the Three Months Ended	
	April 3, 2005	**April 4, 2004**
Earnings:		
Income before income taxes	$ 186,469	$ 168,470
Add (deduct):		
Interest on indebtedness	19,669	15,399
Portion of rents representative of the interest factor (a)	1,916	2,354
Amortization of debt expense	112	112
Amortization of capitalized interest	800	918
Earnings as adjusted	$ 208,966	$ 187,253
Fixed Charges:		
Interest on indebtedness	$ 19,669	$ 15,399
Portion of rents representative of the interest factor (a)	1,916	2,354
Amortization of debt expense	112	112
Capitalized interest	-	1,238
Total fixed charges	$ 21,697	$ 19,103
Ratio of earnings to fixed charges	9.63	9.80

NOTE:

(a) Portion of rents representative of the interest factor consists of one-third of rental expense for operating leases.

EXHIBIT 31.1

CERTIFICATION

I, Richard H. Lenny, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of The Hershey Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 11, 2005

/s/ RICHARD H. LENNY
Richard H. Lenny
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION

I, David J. West, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of The Hershey Company;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors:

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 11, 2005 /s/ DAVID J. WEST
David J. West
Chief Financial Officer

CERTIFICATION

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officers of The Hershey Company (the "Company") hereby certify that the Company's Quarterly Report on Form 10-Q for the three months ended April 3, 2005 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 11, 2005

/s/ RICHARD H. LENNY
Richard H. Lenny
Chief Executive Officer

Dated: May 11, 2005

/s/ DAVID J. WEST
David J. West
Chief Financial Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.