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 5, 1998

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

HERSHEY FOODS CORPORATION
(Exact name of registrant as specified in its charter)

DELAWARE	23-0691590
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
100 CRYSTAL A DRIVE HERSHEY, PENNSYLVANIA	17033
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (717) 534-6799

(Former name, former address and former fiscal year, if changed since last report)

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 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 - 112,689,152 shares, as of May 4, 1998. Class B Common Stock, $1 par value - 30,453,908 shares, as of May 4, 1998.

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HERSHEY FOODS CORPORATION
CONSOLIDATED STATEMENTS OF INCOME
(IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

	FOR THE THREE MONTHS ENDED APRIL 5, 1998	MARCH 30, 1997
NET SALES	$ 1,098,076	$ 1,002,469
COSTS AND EXPENSES:		
Cost of sales	652,340	589,281
Selling, marketing and administrative	299,370	284,005
Total costs and expenses	951,710	873,286
INCOME BEFORE INTEREST AND INCOME TAXES	146,366	129,183
Interest expense, net	22,706	15,682
INCOME BEFORE INCOME TAXES	123,660	113,501
Provision for income taxes	48,227	44,607

NET INCOME	$ 75,433	$ 68,894
NET INCOME PER SHARE - BASIC	$ .53	$ .45
NET INCOME PER SHARE - DILUTED	$ .52	$ .45
AVERAGE SHARES OUTSTANDING - BASIC	143,376	153,166
AVERAGE SHARES OUTSTANDING - DILUTED	145,461	154,715
CASH DIVIDENDS PAID PER SHARE:		
Common Stock	$ .22	$ .20
Class B Common Stock	$ .20	$ .18

The accompanying notes are an integral part of these statements.

HERSHEY FOODS CORPORATION
CONSOLIDATED BALANCE SHEETS
APRIL 5, 1998 AND DECEMBER 31, 1997
(IN THOUSANDS OF DOLLARS)

ASSETS	1998	1997
CURRENT ASSETS:		
Cash and cash equivalents	$ 59,617	$ 54,237
Accounts receivable - trade	279,296	360,831
Inventories	532,141	505,525
Deferred income taxes	85,255	84,024
Prepaid expenses and other	42,842	30,197
Total current assets	999,151	1,034,814
PROPERTY, PLANT AND EQUIPMENT, AT COST	2,620,832	2,587,230
Less - accumulated depreciation and amortization	(971,914)	(938,993)
Net property, plant and equipment	1,648,918	1,648,237
INTANGIBLES RESULTING FROM BUSINESS ACQUISITIONS	547,240	551,849
OTHER ASSETS	61,157	56,336
Total assets	$ 3,256,466	$ 3,291,236

LIABILITIES AND STOCKHOLDERS' EQUITY	1998	1997
CURRENT LIABILITIES:		
Accounts payable	$ 131,379	$ 146,932
Accrued liabilities	301,908	371,545
Accrued income taxes	52,087	19,692
Short-term debt	214,910	232,451
Current portion of long-term debt	90	25,095
Total current liabilities	700,374	795,715
LONG-TERM DEBT	1,029,129	1,029,136
OTHER LONG-TERM LIABILITIES	352,411	346,500
DEFERRED INCOME TAXES	269,491	267,079
Total liabilities	2,351,405	2,438,430
STOCKHOLDERS' EQUITY:		
Preferred Stock, shares issued: none in 1998 and 1997	---	---
Common Stock, shares issued: 149,496,964 in 1998 and 149,484,964 in 1997	149,497	149,485
Class B Common Stock, shares issued: 30,453,908 in 1998 and 30,465,908 in 1997	30,453	30,465
Additional paid-in capital	27,046	33,852
Unearned ESOP compensation	(27,943)	(28,741)
Retained earnings	2,022,422	1,977,849
Treasury-Common Stock shares at cost: 36,757,826 in 1998 and 37,018,566 in 1997	(1,253,596)	(1,267,861)
Accumulated other comprehensive income	(42,818)	(42,243)
Total stockholders' equity	905,061	852,806
Total liabilities and stockholders' equity	$ 3,256,466	$ 3,291,236

The accompanying notes are an integral part of these balance sheets.

HERSHEY FOODS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(IN THOUSANDS OF DOLLARS)

	FOR THE THREE MONTHS ENDED APRIL 5, 1998	FOR THE THREE MONTHS ENDED MARCH 30, 1997
CASH FLOWS PROVIDED FROM (USED BY) OPERATING ACTIVITIES		
Net Income	$ 75,433	$ 68,894
Adjustments to Reconcile Net Income to Net Cash Provided from Operations:		
Depreciation and amortization	37,945	40,124
Deferred income taxes	1,181	21,558
Changes in assets and liabilities, net of effects from business acquisitions and divestitures:		
Accounts receivable - trade	81,535	48,955
Inventories	(26,616)	(72,460)
Accounts payable	(15,553)	(12,208)
Other assets and liabilities	(33,410)	39,594
Other, net	---	594
Net Cash Flows Provided from Operating Activities	120,515	135,051
CASH FLOWS PROVIDED FROM (USED BY) INVESTING ACTIVITIES		
Capital additions	(41,756)	(38,017)
Capitalized software additions	(7,773)	---
Other, net	9,196	(13,181)
Net Cash Flows (Used by) Investing Activities	(40,333)	(51,198)
CASH FLOWS PROVIDED FROM (USED BY) FINANCING ACTIVITIES		
Net (decrease) in short-term debt	(17,541)	(173,311)
Long-term borrowings	---	150,000
Repayment of long-term debt	(25,048)	(46)
Cash dividends paid	(30,860)	(29,952)
Exercise of stock options	10,522	4,104
Incentive plan transactions	(11,875)	(11,923)
Repurchase of Common Stock	---	(6,863)
Net Cash Flows (Used by) Financing Activities	(74,802)	(67,991)
Increase in Cash and Cash Equivalents	5,380	15,862
Cash and Cash Equivalents, beginning of period	54,237	61,422
Cash and Cash Equivalents, end of period	$ 59,617	$ 77,284
Interest Paid	$ 36,105	$ 12,038
Income Taxes Paid	$ 2,837	$ 12,592

The accompanying notes are an integral part of these statements.

HERSHEY FOODS CORPORATION
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

IN THOUSANDS OF DOLLARS	PREFERRED STOCK	COMMON STOCK	CLASS B COMMON STOCK	ADDITIONAL PAID-IN CAPITAL	UNEARNED ESOP COMPENSATION	RETAINED EARNINGS	TREASURY COMMON STOCK	ACCUMULATED OTHER COMPREHENSIVE INCOME	TOTAL STOCKHOLDERS' EQUITY
BALANCE AS OF DECEMBER 31, 1997	$---	$149,485	$30,465	$33,852	$(28,741)	$1,977,849	$(1,267,861)	$(42,243)	$852,806
Comprehensive income									
Net income						75,433			75,433
Other comprehensive income:									
Foreign currency translation adjustments								(575)	(575)
Comprehensive income									74,858
Dividends:									
Common Stock, $.22 per share						(24,769)			(24,769)
Class B Common Stock, $.20 per share						(6,091)			(6,091)
Conversion of Class B Common Stock into Common Stock		12	(12)						---
Incentive plan transactions				(1,033)					(1,033)
Exercise of stock options				(5,902)			14,265		8,363
Employee stock ownership trust transactions				129	798				927
BALANCE AS OF APRIL 5, 1998	$---	$149,497	$30,453	$27,046	$(27,943)	$2,022,422	$(1,253,596)	$(42,818)	$905,061

The accompanying notes are an integral part of these statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements include the accounts of the Corporation and its subsidiaries 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 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 5, 1998, are not necessarily indicative of the results that may be expected for the year ending December 31, 1998. For more information, refer to the consolidated financial statements and footnotes included in the Corporation's 1997 Annual Report on Form 10-K.

2. COMPREHENSIVE INCOME

In June 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income" (FAS No. 130). Under FAS No. 130, standards are established for reporting and display of comprehensive income and its components in financial statements. Comprehensive income is reported in the Consolidated Statements of Stockholder's Equity. Other Comprehensive income represents foreign currency translation adjustments.

3. INTEREST EXPENSE

Interest expense, net consisted of the following:

	FOR THE THREE MONTHS ENDED	
	APRIL 5, 1998	MARCH 30, 1997
	(IN THOUSANDS OF DOLLARS)	
Interest expense	$ 24,239	$ 16,918
Interest income	(933)	(1,068)
Capitalized interest	(600)	(168)
Interest expense, net	$ 22,706	$ 15,682

4. NET INCOME PER SHARE

A total of 36,757,826 shares were held as Treasury Stock as of April 5, 1998.

In February 1997, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 128, "Earnings per Share" (FAS No. 128). Under FAS No. 128, Basic and Diluted Earnings per Share are computed based on the weighted average number of shares of the Common Stock and the Class B Stock outstanding as follows:

FOR THE THREE MONTHS ENDED APRIL 5, 1998	INCOME (NUMERATOR)	SHARES (DENOMINATOR)	PER-SHARE AMOUNT
In thousands of dollars except shares and per share amounts			
NET INCOME PER SHARE - BASIC			
Net income	$ 75,433	143,375,704	$.53
EFFECT OF DILUTIVE SECURITIES			
Stock options	-	2,021,543	
Performance stock units	-	57,583	
Restricted stock units	-	5,923	
NET INCOME PER SHARE - DILUTED			
Net income and assumed conversions	$ 75,433	145,460,753	$.52

FOR THE THREE MONTHS ENDED MARCH 30, 1997	INCOME (NUMERATOR)	SHARES (DENOMINATOR)	PER-SHARE AMOUNT
In thousands of dollars except shares and per share amounts			
NET INCOME PER SHARE - BASIC			
Net income	$ 68,894	153,165,527	$.45
EFFECT OF DILUTIVE SECURITIES			
Stock options	-	1,471,222	
Performance stock units	-	75,136	
Restricted stock units	-	2,935	
NET INCOME PER SHARE - DILUTED			
Net income and assumed conversions	$ 68,894	154,714,820	$.45

5. 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 5, 1998	DECEMBER 31, 1997
	(IN THOUSANDS OF DOLLARS)	
Raw materials	$ 265,809	$ 223,702
Goods in process	39,474	36,015
Finished goods	341,906	334,639
Inventories at FIFO	647,189	594,356
Adjustment to LIFO	(115,048)	(88,831)
Total inventories	$ 532,141	$ 505,525

6. LONG-TERM DEBT

In March 1997, the Corporation issued $150 million of 6.95% Notes due 2007 (6.95% Notes) under the November 1993 Form S-3 Registration Statement. Proceeds from the debt issuance were used to repay a portion of the commercial paper borrowings associated with the acquisition of the Leaf North America confectionery operations (Leaf) in December 1996.

In August 1997, the Corporation filed another Form S-3 Registration Statement under which it could offer, on a delayed or continuous basis, up to $500 million of additional debt securities. Also in August 1997, the Corporation issued $150 million of 6.95% Notes due 2012 (Notes) and $250 million of 7.2% Debentures due 2027 (Debentures) under the November 1993 and August 1997 Registration Statements. Proceeds from the debt issuance were used to repay short-term borrowings associated with the purchase of Common Stock from the Hershey Trust Company, as Trustee for the benefit of Milton Hershey School (Milton Hershey School Trust). As of April 5, 1998, $250 million of debt securities remained available for issuance under the August 1997 Registration Statement. As of April 5, 1998 and December 31, 1997, $150.0 million of commercial paper borrowings were reclassified as long-term debt in accordance with the Corporation's intent and ability to refinance such obligations on a long-term basis.

7. FINANCIAL INSTRUMENTS

The contract amounts of financial instruments including cash and cash equivalents, accounts receivable, accounts payable and short-term debt, including $150.0 million of commercial paper borrowings reclassified as long-term debt, approximated fair value as of April 5, 1998 and December 31, 1997, because of the relatively short maturity of these instruments. The carrying value of long-term debt, including the current portion, was $879.2 million as of April 5, 1998, compared to a fair value of $956.0 million, based on quoted market prices for the same or similar debt issues.

As of April 5, 1998, the Corporation had foreign exchange forward contracts maturing in 1998 and 1999 to purchase $10.6 million in foreign currency, primarily British sterling and Swiss francs, and to sell $12.7 million in foreign currency, primarily Japanese yen and Canadian dollars, at contracted forward rates. To hedge foreign currency exposure related to anticipated transactions associated with the purchase of certain raw materials and finished goods, the Corporation, from time to time, also purchases foreign exchange options. No options were outstanding as of April 5, 1998.

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 5, 1998, the fair value of foreign exchange forward and options contracts approximated the contract value. The Corporation does not hold or issue financial instruments for trading purposes.

In order to minimize its financing costs and to manage interest rate exposure, the Corporation, from time to time, enters into interest rate swap agreements to effectively convert a portion of its floating rate debt to fixed rate debt. As of April 5, 1998, the Corporation had agreements outstanding with an aggregate notional amount of $150.0 million, with maturities through 1999. As of April 5, 1998, interest rates payable were at a weighted average fixed rate of 6.3%, and the interest rate receivable was floating based on the 30-day commercial paper composite rate which was 5.5% as of April 5, 1998. Any interest rate differential on interest rate swaps is recognized as an adjustment to interest expense over the term of each agreement. The Corporation's risk related to swap agreements is limited to the cost of replacing such agreements at prevailing market rates.

MANAGEMENT'S DISCUSSION AND ANALYSIS

RESULTS OF OPERATIONS - FIRST QUARTER 1998 VS. FIRST QUARTER 1997

Consolidated net sales for the first quarter rose from $1,002.5 million in 1997 to $1,098.1 million in 1998, an increase of 10% from the prior year. The higher sales primarily reflected increased sales of core confectionery brands, incremental sales from the introduction of new confectionery products, and increased sales of pasta and grocery products, offset somewhat by lower international sales in the Far East.

The consolidated gross margin decreased from 41.2% in 1997 to 40.6% in 1998. The decrease reflected increased costs associated with seasonal items, higher costs for certain major raw materials, primarily cocoa and semolina, and lower profitability resulting from the mix of non-chocolate and chocolate confectionery items sold in 1998 compared to sales in the first quarter of 1997. These unfavorable variances were partially offset by improved manufacturing efficiencies and increased profitability from the acquired Leaf brands. Selling, marketing and administrative expenses increased by 5%, reflecting higher marketing expenses associated with the introduction of new products.

Net interest expense in the first quarter of 1998 was $7.0 million above the comparable period of 1997 primarily as a result of increased borrowings associated with the purchase of Common Stock from the Milton Hershey School Trust.

The first quarter effective income tax rate decreased from 39.3% in 1997 to 39.0% in 1998 primarily due to changes in the mix of the Corporation's income among various tax jurisdictions.

FINANCIAL CONDITION

Historically, the Corporation's major source of financing has been cash generated from operations. Domestic seasonal working capital needs, which typically peak during the summer, generally have been met by issuing commercial paper. During the first three months of 1998, the Corporation's cash and cash equivalents increased by $5.4 million. Cash provided from operations was sufficient to finance capital additions of $41.8 million, pay cash dividends of $30.9 million and to repay $25.0 million of long-term debt and $17.5 million of short-term borrowings.

The ratio of current assets to current liabilities was 1.4:1 as of April 5, 1998, and 1.3:1 as of December 31, 1997. The Corporation's capitalization ratio (total short-term and long-term debt as a percent of stockholders' equity, short-term and long-term debt) was 58% as of April 5, 1998, and 60% as of December 31, 1997.

As of April 5, 1998, the Corporation maintained committed credit facility agreements with a syndicate of banks in the amount of $600 million which could be borrowed directly or used to support the issuance of commercial paper. The Corporation has options to increase the credit facility by $1.0 billion with the concurrence of the banks. As of April 5, 1998, and March 30, 1997, the Corporation also had lines of credit with domestic and international commercial banks in the amount of approximately $25 million and $20 million, respectively.

In March 1997, the Corporation issued $150 million of 6.95% Notes under a November 1993 Registration Statement. In August 1997, the Corporation issued $150 million of Notes and $250 million of Debentures under the November 1993 and August 1997 Registration Statements. As of April 5, 1998, $250 million of debt securities remained available for issuance under the August 1997 Registration Statement. Proceeds from any offering of the $250 million of debt securities available under the shelf registration may be used for general corporate requirements, which include reducing existing commercial paper borrowings, financing capital additions, and funding future business acquisitions and working capital requirements.

As of April 5, 1998, the Corporation's principal capital commitments included manufacturing capacity expansion and modernization. The Corporation anticipates that capital expenditures will be in the range of $175 million to $200 million per annum during the next several years as a result of continued modernization of existing facilities and capacity expansion to support new products and line extensions.

In late 1996, the Corporation approved a project to implement an enterprise-wide integrated information system to replace most of the transaction systems and applications currently supporting operations of the Corporation. Total commitments for this system are expected to be in the range of $75 million to $85 million. This system is Year 2000 compliant and will replace a large portion of the Corporation's legacy information systems. Legacy systems not being replaced by the new integrated information system are being upgraded to be Year 2000 compliant and, as of April 5, 1998, the costs are not expected to be material to the Corporation's business, operations, or financial condition. Progress toward compliance with Year 2000 issues by the Corporation's major business partners is being reviewed for the most significant operations and business activities. The extent of Year 2000 compliance efforts by major partners and suppliers and the possible effect on the Corporation's business of their failure to comply continues to be evaluated, but a final determination of the potential impact cannot be made at this time. The remediation of Year 2000 issues involving the Corporation's information systems is expected to be completed in time to prevent any material adverse consequences to the Corporation's business, operations or financial condition.

The potential loss in fair value of foreign exchange forward contracts and interest rate swaps resulting from a hypothetical near-term adverse change in market rates of ten percent was not material as of April 5, 1998. 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 declined from $9.6 million as of December 31, 1997, to $7.3 million as of April 5, 1998. Market risk represents 10% of the estimated average fair value of net commodity positions at four dates prior to the end of each period. The decrease in average market risk was primarily related to changes in the excess of futures contracts held over unpriced physical forward contracts in 1998 compared to 1997.

SAFE HARBOR STATEMENT

The nature of the Corporation'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 Corporation notes the following factors which, among others, could cause future results to differ materially from the forward-looking statements, expectations and assumptions expressed or implied herein. Forward looking statements contained in this document include, but are not limited to Year 2000 issues (particularly with regard to the Corporation's business partners and suppliers), the impact of the use of derivative instruments, the amount of future capital expenditures and the possible uses of proceeds from any future borrowings under the Corporation's currently effective credit facility or August 1997 Registration Statement. Factors which could cause results to differ include, but are not limited to: changes in the confectionery and pasta business environment, including actions of competitors and changes in consumer preferences; changes in governmental laws and regulations, including income taxes; market demand for new and existing products; and raw material pricing.

PART II

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

ITEM 4 - SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

Hershey Foods Corporation's Annual Meeting of Stockholders was held on April 28, 1998. 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
William H. Alexander	402,336,618	993,901
Robert H. Campbell	402,650,807	679,712
C. McCollister Evarts	402,288,572	1,041,947
Bonnie Guiton Hill	402,599,830	730,689
John C. Jamison	402,653,029	677,490
John M. Pietruski	402,625,959	704,560
Joseph P. Viviano	402,575,430	755,089
Kenneth L. Wolfe	402,617,029	713,490

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

NAME	VOTES FOR	VOTES WITHHELD
Mackey J. McDonald	99,577,164	692,935
Vincent A. Sarni	99,553,669	716,430

Holders of the Common Stock and the Class B Common Stock voting together approved the appointment of Arthur Andersen LLP as the independent public accountants for 1998. Stockholders cast 402,729,249 votes FOR the appointment, 330,658 votes AGAINST the appointment and ABSTAINED from casting 270,612 votes on the appointment of accountants.

No other matters were submitted for stockholder action.

ITEM 6 - EXHIBITS AND REPORTS ON FORM 8-K

a) EXHIBITS

The following items are attached and incorporated herein by reference:

Exhibit 12 - Statement showing computation of ratio of earnings to fixed charges for the quarters ended April 5, 1998 and March 30, 1997.

Exhibit 27 - Financial Data Schedule for the period ended April 5, 1998 (required for electronic filing only).

b) REPORTS ON FORM 8-K

No reports on Form 8-K were filed during the three-month period ended April 5, 1998.

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.

HERSHEY FOODS CORPORATION
(Registrant)

Date MAY 13, 1998

/S/ WILLIAM F. CHRIST

William F. Christ
Senior Vice President,
Chief Financial Officer
and Treasurer

Date MAY 13, 1998

/S/ DAVID W. TACKA

David W. Tacka
Corporate Controller and
Chief Accounting Officer

EXHIBIT INDEX

Exhibit 12	-	Computation of Ratio of Earnings to Fixed Charges
Exhibit 27	-	Financial Data Schedule for the period ended April 5, 1998 (required for electronic filing only)

EXHIBIT 12

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

	For the Three Months Ended	
	April 5, 1998	March 30, 1997
Earnings:		
Income before income taxes	$ 123,660	$ 113,501
Add (deduct):		
Interest on indebtedness	23,639	16,750
Portion of rents representative of the interest factor (a)	3,296	2,781
Amortization of debt expense	152	67
Amortization of capitalized interest	885	895
Earnings as adjusted	$ 151,632	$ 133,994
Fixed Charges:		
Interest on indebtedness	$ 23,639	$ 16,750
Portion of rents representative of the interest factor (a)	3,296	2,781
Amortization of debt expense	152	67
Capitalized interest	600	168
Total fixed charges	$ 27,687	$ 19,766
Ratio of earnings to fixed charges	5.48	6.78

NOTE:

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

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM HERSHEY FOODS CORPORATION'S CONSOLIDATED CONDENSED BALANCE SHEET AS OF APRIL 05, 1998 AND CONSOLIDATED STATEMENT OF INCOME FOR THE THREE MONTHS ENDED APRIL 05, 1998 AND IS QUALIFIED IN ITS ENTIRETY TO SUCH FINANCIAL STAEMENTS.

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BALANCE IS NET OF RESERVES FOR DOUBTFUL ACCOUNTS AND CASH DISCOUNTS.