

FORM 5  
ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check box if no longer subject to Section 16.  
Form 4 or Form 5 obligations may continue.

Form 3 Holdings Reported

Form 4 Transactions Reported

1. Name and Address of Reporting Person(s)  
Alexander William H.  
16 Wagner Street  
Hummelstown, PA 17036
2. Issuer Name and Ticker or Trading Symbol  
Hershey Foods Corporation (HSY)
3. IRS or Social Security Number of Reporting Person (Voluntary)  
###-##-####
4. Statement for Month/Year December 31, 1998
5. If Amendment, Date of Original (Month/Year)
6. Relationship of Reporting Person(s) to Issuer (Check all applicable)  Director  10% Owner  Officer (give title below)  Other (specify below)
7. Individual or Joint/Group Filing (Check Applicable Line)  Form filed by One Reporting Person  Form filed by More than One Reporting Person

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

1) Title of Security	2) Trans- action Date (Month/ Day/Year)	3) Trans- action Code	4) Securities Acquired(A) or Disposed of (D) A or D Price	5) Amount of Securities Beneficially Owned at End of Year	6) D or I	7) Nature of Indirect Beneficial Ownership
Common Stock				1,400.0000	D	
Common Stock				36.0000	I	by Spouse
Common Stock				1,200.0000	I	by Trust

Table II (PART 1) Derivative Securities Acquired, Disposed of, or Beneficially Owned (Columns 1 through 6)

1) Title of Derivative Security	2) Conversion or Exercise Price of Derivative Security	3) Trans- action Date	4) Trans- action Code	5) Number of Derivative Securities Acquired (A) or Disposed of (D) A D	6) Date Exercisable and Expiration Date Exercisable Expiration
Common Stock Equivalents (1)		12/15/98 (2)	J	458.3010	

Table II (PART 2) Derivative Securities Acquired, Disposed of, or Beneficially Owned (Columns 1,3 and 7 through 11)

1) Title of Derivative Security	3) Trans- action Date	7) Title and Amount of Underlying Securities Title	8) Price of Deri- vative Security Amount or Number of Shares	9) Number of Derivative Securities Beneficially Owned at End of Year	10) D or I	11) Nature of Indirect Beneficial Ownership
Common Stock Equivalents(1)	12/15/98 (2)	Common Stock	458.3010	(3)	2,026.5080	D

Explanation of Responses:

(1)  
These units were acquired as dividends reinvested on units previously deferred under the Director's Compensation Plan, and new deferrals of 1998 director's fees under the Plan; 22.831 units were reinvested dividends, and 435.470 were deferral of 1998 director's fees.

(2)  
Reinvested dividends were acquired on 3/13/98, 6/15/98, 9/15/98 and 12/15/98; 1998 deferred director's fees were credited on 5/1/98 and 12/15/98.

(3)  
Units were acquired at various times throughout the year as noted in Footnote 2. These prices range from \$63.0625 to \$70.9375.

SIGNATURE OF REPORTING PERSON  
/S/ Alexander, William H.  
DATE 02/12/1999