

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 30, 1996

HERSHEY FOODS CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

I-183

(Commission
File Number)

23-0691590

(I.R.S. Employer
Identification No.)

100 Crystal A Drive, Hershey, Pennsylvania

(Address of principal executive offices)

17033

(Zip Code)

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

INFORMATION TO BE INCLUDED IN REPORT

Item 5. Other Events

On December 30, 1996, Hershey Foods Corporation ("Hershey") completed the acquisition of the Leaf North America confectionery operations of Huhtamaki Oy ("Huhtamaki"). On that date, Hershey also completed the sale of its European operations, Gubor Holding GmbH ("Gubor") and Sperlari Srl ("Sperlari"), to Huhtamaki. The consideration paid by Hershey to Huhtamaki, after taking into account Huhtamaki's purchase of Gubor and Sperlari, was approximately US \$330 million.

In addition, Hershey and Huhtamaki entered into a trademark license arrangement on December 30, 1996. Pursuant to the terms of this licensing arrangement Hershey will have the right to manufacture, market and distribute products under the licensed trademarks in North, Central and South America. The trademarks licensed to Hershey under the licensing arrangement include JOLLY RANCHER, WHOPPERS, GOOD & PLENTY, PAYDAY, HEATH, MILK DUDS, XYLIFRESH, SUPER BUBBLE and RAINBLO.

Hershey Foods announced the completion of the above transactions in a press release dated December 30, 1996, incorporated herein by reference and a copy of which is filed herewith as Exhibit 99.

SIGNATURE

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.

Dated: January 10, 1997

HERSHEY FOODS CORPORATION

By /s/ Robert M. Reese
Robert M. Reese
Vice President,
General Counsel and Secretary

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Exhibit No.	Description
99	Press Release dated December 30, 1996

FOR IMMEDIATE RELEASE
December 30, 1996

CONTACT:
Hershey Foods
John Long
(717) 534-7641

Leaf Group
Mr. Keijo Suila,
President
31-20-656-2100

Hershey Foods Completes Acquisition of
Leaf's North American Operations

HERSHEY, Pa.--Hershey Foods Corporation and Huhtamaki Oy, of Helsinki, Finland, announced today that Hershey's purchase of Huhtamaki's Leaf North America confectionery operations has been completed. Hershey's European confectionery interests, the German praline manufacturer Gubor Schokoladen and the Italian sugar confectionery company Sperlari Srl, have been purchased by Huhtamaki as part of the transaction.

As disclosed earlier, the consideration paid by Hershey to Huhtamaki for the Leaf business, after taking into account Huhtamaki's purchase of Gubor and Sperlari was approximately US \$330 million.

The parties also have entered into a licensing arrangement under which Hershey will manufacture, market and distribute Leaf's North American confectionery brands including Jolly Rancher, Whoppers, Good & Plenty, PayDay, Heath and Milk Duds, and Xylifresh gum. Additional gum brands included in the acquisition are Super Bubble and Rainblo.

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Leaf's North American confectionery sales in 1995 were US \$460 million (which is net of certain promotional expenses). Leaf North American plant locations involved in this transaction comprise facilities in Wheatridge, Colo.; Robinson, Ill.; St. Louis, Mo.; Akron, N.Y.; Memphis, Tenn.; and Scarborough, Ontario, Canada. A 50 percent interest in the Mexican corporation, Dulsa S. de R.L. de C.V., in Toluca, Mexico, also is included in the transaction.

Gubor and Sperlari had combined net sales in 1995 of US \$210 million. Gubor has two plants, located in Mullheim and Munstertal in southern Germany; Sperlari's two plants are located in Cremona and Gordona in northern Italy.

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