

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): JULY 8, 1998

HERSHEY FOODS CORPORATION

(Exact name of registrant as specified in its charter)

DELAWARE	1-183	23-0691590
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(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

100 CRYSTAL A DRIVE, HERSHEY, PENNSYLVANIA	17033
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(Address of principal executive offices)	(Zip Code)

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

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INFORMATION TO BE INCLUDED IN REPORT

Item 5. OTHER EVENTS

On July 8, 1998 the Corporation announced that its earnings for the second quarter ending July 5, 1998 may be below market expectations by \$.05 to \$.07 per share. A copy of the press release dated July 8, 1998 announcing the Corporation's expectations regarding second quarter earnings is incorporated herein by reference and a copy 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: July 10, 1998

HERSHEY FOODS CORPORATION

By /S/ WILLIAM F. CHRIST

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

EXHIBIT INDEX

EXHIBIT NO.

DESCRIPTION

99	Press Release dated July 8, 1998
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HERSHEY FOODS CORPORATION

Corporate Communications
Hershey Foods Corporation
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Hershey, PA 17033
E-Mail: pr@hersheys.com
<http://www.hersheys.com>

FOR IMMEDIATE RELEASE
July 8, 1998

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717-534-7631

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James A. Edris
717-534-7556

HERSHEY FOODS SECOND QUARTER
RESULTS MAY NOT MEET EXPECTATIONS

HERSHEY, PA. --- Hershey Foods Corporation announced today that its earnings for the second quarter ending July 5, 1998, may be below market expectations by \$.05 to \$.07 per share. The corporation cited continued softness in its Asian and Russian markets, coupled with expenses related to a realignment of its international operations. Additionally, sales for its GODZILLA promotion were lower than last year's highly successful LOST WORLD effort.

"While we are a bit disappointed with the development of our second quarter business, we need to remember that it is our smallest quarter of the year and we are going against a very strong comparison, up 27% for 1997 versus 1996," said Kenneth L. Wolfe, Chairman and Chief Executive Officer. "Although the effects of GODZILLA and the international realignment are behind us, it is difficult to predict the rate of recovery in the Asian market. Retail takeaway in the U.S. confectionery market continues to grow at a good rate. We expect that the second half of the year will develop at a reasonable pace with continuing strong cash flows and that 1998 will be another record year for Hershey Foods."