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TOOTSIE ROLL INDUSTRIES INC

Form 8-K

October 28, 2010

UNITED STATES  
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

October 27, 2010  
Date of report (Date of earliest event reported)

TOOTSIE ROLL INDUSTRIES, INC.  
(Exact Name of Registrant as Specified in Its charter)

Virginia  
(State or Other Jurisdiction of Incorporation)

001-01361  
(Commission File Number)

22-1318955  
(I.R.S. Employer Identification No.)

7401 South Cicero Avenue, Chicago, Illinois 60629  
(Address of Principal Executive Offices) (Zip Code)

773-838-3400  
(Registrant's Telephone Number, Including Area Code)

Not Applicable  
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On October 27, 2010, Tootsie Roll Industries, Inc. issued a press release (the "release") announcing its results of operations and financial condition for the third quarter ended October 2, 2010. A copy of the release is attached hereto as Exhibit 99.1 and incorporated herein by reference.



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Nine months 2010 net sales were \$399,315,000 compared to \$385,274,000 in nine months 2009, an increase of \$14,041,000 or 3.6%. Nine months 2010 net earnings were \$44,907,000 compared to \$45,905,000 in nine months 2009, and net earnings per share were \$.79 in both nine months 2010 and 2009.

Mr. Gordon said, "Third quarter 2010 net sales benefited from effective marketing programs including pre-Halloween sales programs. The increase in third quarter 2010 net earnings reflects the benefits of higher sales, favorable foreign currency exchange and translation, and a lower effective income tax rate. However, third quarter 2010 net earnings were adversely affected by higher ingredient costs, primarily sugar and cocoa. The Company's third quarter 2010 net earnings per share benefited from common stock purchases in the open market resulting in fewer shares outstanding.

Nine months 2010 net sales also benefited from effective marketing and sales programs. Nine months 2010 net earnings were favorably impacted by the same factors as the third quarter, including higher net sales, and nine months 2010 results were also adversely affected by higher ingredient costs. Nine months 2010 earnings per share benefited from common stock purchases and fewer outstanding shares."

TOOTSIE ROLL INDUSTRIES, INC.  
CONSOLIDATED SUMMARY OF NET SALES & NET EARNINGS  
FOR THE PERIODS ENDED  
OCTOBER 2, 2010 & OCTOBER 3, 2009

THIRD QUARTER ENDED	2010	2009
Net Product Sales	\$ 191,045,000	\$ 183,408,000
Net Earnings	\$ 27,351,000	\$ 27,247,000
Net Earnings Per Share *	\$ .48	\$ .47
Average Shares Outstanding *	56,909,000	57,461,000
	NINE MONTHS ENDED	
	2010	2009
Net Product Sales	\$ 399,315,000	\$ 385,274,000
Net Earnings	\$ 44,907,000	\$ 45,905,000
Net Earnings Per Share *	\$ .79	\$ .79
Average Shares Outstanding *	57,108,000	57,863,000

\*Based on average shares outstanding adjusted for 3% stock dividends distributed April 8, 2010 and April 9, 2009.