

TOOTSIE ROLL INDUSTRIES, INC.

7401 South Cicero Avenue
Chicago, IL 60629
Phone 773/838-3400
Fax 773/838-3534

Press Release

STOCK TRADED: NYSE

FOR IMMEDIATE RELEASE

TICKER SYMBOL: TR

Wednesday, July 28, 2010

CHICAGO, ILLINOIS - July 28, 2010 - Melvin J. Gordon, Chairman, Tootsie Roll Industries, Inc. reported second quarter and first half 2010 net sales and net earnings.

Second quarter 2010 net sales were \$105,026,000 compared to \$107,812,000 in second quarter 2009, a decrease of \$2,786,000 or 3%. Second quarter 2010 net earnings were \$8,471,000 compared to \$10,338,000 in second quarter 2009, and net earnings per share were \$.15 and \$.18 in second quarter 2010 and 2009, respectively, a decrease of \$.03 per share or 17%.

First half 2010 net sales were \$208,270,000 compared to \$201,866,000 in first half 2009, an increase of \$6,404,000 or 3%. First half 2010 net earnings were \$17,556,000 compared to \$18,658,000 in first half 2009, and net earnings per share were \$.31 and \$.32 in first half 2010 and 2009, respectively, a decrease of \$.01 per share or 3%.

Mr. Gordon said, "Second quarter 2010 net sales were adversely affected by the timing of certain customer sales in second and third quarter 2010. Second quarter 2010 net earnings were significantly impacted by higher ingredient costs, primarily sugar, as well as increases in distribution costs relating to freight and delivery to customers. However, second quarter 2010 net earnings did benefit from a lower effective income tax rate. The Company's second quarter 2010 earnings per share benefited from common stock purchases in the open market resulting in fewer shares outstanding.

First half 2010 net sales principally benefited from effective marketing and sales programs. Although first half 2010 net sales were adversely affected by the timing of sales in the second and third quarter 2010 as discussed above, first half 2010 sales did benefit from the timing of certain customer sales in fourth quarter 2009 and first quarter 2010. First half 2010 net earnings benefited from higher net sales as well as a lower effective income tax rate as discussed above, however, first half 2010 results were also adversely affected by higher ingredient and distribution costs which are discussed above. First half 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
JULY 3, 2010 & JULY 4, 2009

SECOND QUARTER ENDED

2010

2009

Net Product Sales	\$ <u>105,026,000</u>	\$ <u>107,812,000</u>
Net Earnings	\$ <u>8,471,000</u>	\$ <u>10,338,000</u>
Net Earnings Per Share *	\$ <u>.15</u>	\$ <u>.18</u>
Average Shares Outstanding *	<u>57,105,000</u>	<u>57,910,000</u>

SIX MONTHS ENDED

2010

2009

Net Product Sales	\$ <u>208,270,000</u>	\$ <u>201,866,000</u>
Net Earnings	\$ <u>17,556,000</u>	\$ <u>18,658,000</u>
Net Earnings Per Share *	\$ <u>.31</u>	\$ <u>.32</u>
Average Shares Outstanding *	<u>57,197,000</u>	<u>58,059,000</u>

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