

October 22, 2007

To the Board of the Hershey Trust Company:

Given the seriousness of this matter and in order to avoid any misunderstanding, the Hershey Board of Directors (the "Company Board") (with Mr. Cavanaugh not participating in the following discussions or decisions) asked our counsel to communicate the following to the Hershey Trust Company in writing on their behalf:

First, let us state that, while we acknowledge the Trust's power to appoint four new directors to the Company Board and to unilaterally remove two of our current directors, we strongly believe that the Trust's ultimatum, as delivered on Thursday, October 18, that Robert Campbell and Jon Boscia resign from the Company Board immediately, is not in the best interests of the Company or its public stockholders. For the reasons stated below, we respectfully urge you to reconsider and feel compelled to communicate directly to you that should the Trust unilaterally and forcibly remove Messrs. Campbell and Boscia from the Company Board, all of the remaining independent directors (other than Mr. Cavanaugh) will resign from the Company Board and any consequences resulting from such resignations will be the responsibility of the Trust.

We, as directors of the Company, consistent with our fiduciary duties, have always acted in a manner that we believed to be in the best interests of the Company and all of its stockholders. As part of that effort, we have continuously considered and discussed with you at appropriate times various strategic, operational and financial initiatives being considered by the Company. While the Company and the Trust have agreed on many of the various objectives for the Company, given our fiduciary duty to act in the best interest of all of the Company's stockholders, we have always insisted that the Company Board, and not the Trust, be principally responsible for managing these initiatives, to which the Trust agreed. We also believed, given our long relationship, that if we shared common long-term objectives for the Company we could work together collaboratively to overcome any differences we may have in approach. As recently as April, 2007, Mr. Zimmerman, the Chairman of the Trust, made a strong public statement in support of management, the Company Board and our initiatives.

When representatives of the Trust (the "Heritage Committee") approached two of our directors, Messrs. Campbell and Boscia, a few months ago to discuss concerns that the Trust had regarding certain matters involving the Company, the Company Board was already taking steps to address these matters. For example, we had already undertaken steps to transform the global supply chain, increase brand investment and expand the Company's global footprint by entering into joint ventures in China and India. In response to the Trust's concerns, we have tried to work with the Heritage Committee in a collaborative manner. As part of this effort, the Company Board invited the Heritage Committee to attend a meeting with all the Company directors at which the Company reviewed its long track record of strong performance. In addition, David West, President of the Company, reviewed the Company's most recent business conditions and results and steps that management of the Company has taken, and is taking, to improve the operating and financial performance of the Company. The Company Board also had

agreed in early October to the Trust's request to add two nominees of the Trust to the Company Board, which request was subsequently withdrawn by the Trust.

We were therefore surprised to receive the "firm and final" non-negotiable demands put forward last Thursday, October 18, 2007, by Mr. Zimmerman, on behalf of the Trust, in a conference call with Messrs. Campbell and Boscia that (1) the Company Board immediately appoint four additional nominees of the Trust to the Company Board, and (2) Mr. Campbell, who was to become non-executive Chairman of the Company Board on January 1, 2008, and Mr. Boscia, chairman of the Governance Committee, resign from the Company Board effective October 22nd. During such conference call Mr. Zimmerman told us that the Trust wanted action taken by the close of business today, Monday, October 22nd, or shortly thereafter in any event, and should the Company Board fail to take these steps, the Trust would unilaterally effect such changes. Following receipt of these demands, the Company Board met telephonically on Friday and in a face-to-face meeting on Sunday.

With respect to the Trust's demand that the Company Board immediately appoint four additional nominees proposed by the Trust, the Company directors in attendance at the Sunday special meeting have decided, after considering the qualifications of the proposed nominees, that they would be willing to take the necessary corporate actions to promptly appoint the nominees you proposed. In connection with that, our counsel will communicate with your counsel regarding a question we would like to have answered.

With respect to your demand that Messrs. Campbell and Boscia resign from the Company Board, please be advised that both Messrs. Campbell and Boscia offered their resignations to the Company Board. After discussion (with Messrs. Campbell and Boscia not participating), the other directors in attendance at the Sunday special meeting concluded that the Company Board would not accept the resignations of these two well respected directors. Messrs. Campbell and Boscia have proven track records as heads of publicly-traded companies, have served the Company in an exemplary manner and, on behalf of the Company Board, have acted as liaisons with the Trust over the past several months. It is the unanimous view of these directors that Messrs. Campbell and Boscia have fulfilled their fiduciary duties to the Company and all of its stockholders. Based on our own knowledge and conversations with representatives of the Trust, we can only conclude that Messrs. Campbell and Boscia are being asked to resign because they have at times, with the backing of the Company Board, expressed views or taken actions contrary to the wishes of the Trust. In our view, the forced resignation of either Messrs. Campbell or Boscia is not justified and would set a dangerous and unacceptable precedent that dissent by a Company director from a point of view expressed by the Trust will result in termination of that person as a director.

As directors, it is our duty to manage the business and affairs of the Company in a manner that in our good faith business judgment is in the best interests of the Company and all of its stockholders. Accordingly, we do not believe it is in the best

interest of the Company and its stockholders to accept the proposition, or create a perception among directors, employees or stockholders, that directors will be either forced to resign or unilaterally removed by the Trust for expressing different views or exercising independent judgment with respect to matters affecting the Company or its future direction.

We believe that the forced resignation of Messrs. Campbell and Boscia at the behest of the Trust, in addition to being an extreme and uncalled for measure, would be damaging to the Company. We believe it would negatively impact employees and senior management, the market for the Company's stock and, in the final analysis, make it impossible for the other independent directors to continue to serve as directors of the Company.

Accordingly, the independent directors (other than Mr. Cavanaugh) want the Trust to understand that if the Trust acts unilaterally and forcibly removes Messrs. Campbell or Boscia from the Company Board, all of the remaining independent directors (other than Mr. Cavanaugh) will resign from the Company Board.

We do not believe the foregoing scenario would be good for the Company – or anyone else – and therefore would urge the Trust in the strongest possible terms not to act unilaterally to remove Messrs. Campbell and Boscia. It would be both destructive and totally unnecessary. All of our directors are aware that the Trust, through its voting control position, can dictate who the directors of the Company will be, either directly in case of five/sixths of Company Board and practically speaking, with respect to the directors elected solely by the holders of the Company's Common Stock. Accordingly, we would like to work with you to bring about a rational and orderly change in the composition of the Company Board at the next annual meeting. The existing independent directors (other than Mr. Cavanaugh, for whom we do not speak) acknowledge that, without the support of the Trust, it would be futile for them to stand for election by all stockholders voting together without regard to class. In the meantime, we would work in a cooperative manner to nominate a slate of directors that would be acceptable to the Trust and the other stockholders of the Company.

To the extent we have good faith disagreements about important matters concerning the future of the Company, which can, and will, arise from time to time because the Company Board and the Board of Directors of the Trust owe fiduciary duties to differing constituencies, we believe we should seek to resolve these differences through the marshalling of facts and force of argument – not the use of force.

We respectfully request that the Trust withdraw its demand that Messrs. Campbell and Boscia resign from the Company Board and that instead we work together for the benefit of the Company, its stockholders, its employees and the communities it serves.

Sincerely,

The Board of Directors of
The Hershey Company*

* Other than Mr. Cavanaugh