

Edgar Filing: TOOTSIE ROLL INDUSTRIES INC - Form 10-Q/A

TOOTSIE ROLL INDUSTRIES INC
Form 10-Q/A
May 13, 2003

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended MARCH 29, 2003

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ----to----

COMMISSION FILE NUMBER 1-1361

Tootsie Roll Industries, Inc.
(Exact Name of Registrant as Specified in its Charter)

VIRGINIA 22-1318955 (I.R.S. Employer Identification No.)
(State of Incorporation)

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

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

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the Registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act)

Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date (March 29, 2003)

Class	Outstanding (In Thousands)
Common Stock, \$.69 4/9 par value	34,794
Class B Common Stock, \$.69 4/9 par value	17,259

Edgar Filing: TOOTSIE ROLL INDUSTRIES INC - Form 10-Q/A

TOOTSIE ROLL INDUSTRIES, INC. AND SUBSIDIARIES

MARCH 29, 2003

INDEX

	Page No.
Part I - Financial Information	
Item 1. Financial Statements:	
Consolidated Statements of Financial Position	2
Consolidated Statements of Earnings, Comprehensive Earnings and Retained Earnings	3
Consolidated Statements of Cash Flows	4
Notes to Consolidated Financial Statements	5
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	6
Item 3. Quantitative and Qualitative Disclosures About Market Risk	6B
Item 4. Controls and Procedures	6C
Part II - Other Information	
Item 5. Other Information	7
Item 6. Exhibits and reports on Form 8-K	
Signatures	7
Certifications	7A-B

ITEM 1. FINANCIAL INFORMATION
 TOOTSIE ROLL INDUSTRIES, INC. AND SUBSIDIARIES
 CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
 (in thousands of dollars) (UNAUDITED)

ASSETS	March 29, 2003	March 30, 2002	Dec. 31, 2002
CURRENT ASSETS			
Cash & Cash Equivalents	\$ 59,895	\$ 75,319	\$105,507
Investments	47,888	65,418	40,737
Trade Accounts Receivable, Less Allowances of \$2,745, \$1,981 & \$2,005	28,587	24,814	22,686
Other Receivables	3,825	2,907	4,073
Inventories, at Cost			
Finished Goods & Work in Process	32,919	32,164	26,591
Raw Material & Supplies	20,896	20,530	17,054

Edgar Filing: TOOTSIE ROLL INDUSTRIES INC - Form 10-Q/A

Prepaid Expenses	12,570	12,041	3,819
Deferred Income Taxes	4,481	1,772	4,481
Total Current Assets	211,061	234,965	224,948
PROPERTY, PLANT & EQUIPMENT, (at cost)			
Land	8,284	8,354	8,297
Buildings	43,909	43,606	43,948
Machinery & Equipment	198,899	191,393	196,706
	251,092	243,353	248,951
Less-Accumulated Depreciation	122,676	111,967	120,082
	128,416	131,386	128,869
OTHER ASSETS			
Goodwill	38,151	38,151	38,151
Trademarks	79,348	79,348	79,348
Investments	131,916	85,977	116,501
Split dollar officer life Insurance and Other Assets	58,262	53,066	58,263
	307,677	256,542	292,263
Total Assets	\$647,154	\$622,893	\$646,080

-2-

(The accompanying notes are an integral part of these statements)

(in thousands except per share data) (UNAUDITED)

LIABILITY AND SHAREHOLDERS' EQUITY	March 29, 2003	March 30, 2002	Dec. 31, 2002
CURRENT LIABILITIES			
Accounts Payable	\$ 13,764	\$ 12,227	\$ 12,505
Dividends Payable	3,607	3,866	3,579
Accrued Liabilities	36,187	31,743	35,825
Income Taxes Payable	16,671	16,501	11,187
Total Current Liabilities	70,229	64,337	63,096
NON-CURRENT LIABILITIES			
Industrial Development Bonds	7,500	7,500	7,500
Postretirement health care and Life insurance benefits	8,317	7,617	8,151
Deferred Compensation and Other Liabilities	21,112	21,100	20,939
Deferred Income Taxes	19,833	16,463	19,654
Total Non-Current Liabilities	56,762	52,680	56,244
SHAREHOLDERS' EQUITY			
Common Stock, \$.69-4/9 par value- 120,000, shares authorized 34,794, 34,878 & 34,248 respectively, issued	24,162	24,220	23,783
Class B Common Stock, \$.69-4/9 par value- 40,000, shares authorized 17,259, 16,793 & 16,759, respectively, issued	11,985	11,662	11,638
Capital in Excess of Par Value	383,580	376,283	355,658

Edgar Filing: TOOTSIE ROLL INDUSTRIES INC - Form 10-Q/A

Retained Earnings	113,498	105,885	148,705
Accumulated Other Comprehensive Earnings (loss)	(11,070)	(10,182)	(11,052)
Treasury Stock (at cost)-			
56, 56 & 56, shares respectively	(1,992)	(1,992)	(1,992)
Total Shareholders' Equity	520,163	505,876	526,740
Total Liabilities and Shareholders' Equity	\$647,154	\$622,893	\$646,080

-2A-

TOOTSIE ROLL INDUSTRIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF
EARNINGS, COMPREHENSIVE EARNINGS AND RETAINED EARNINGS (NOTE 1)
(in thousands except per share amounts)

		March 29, 2003	(UNAUDITED) 13 Weeks &
Net Sales (Note 2)		\$ 75,570	
Cost of Goods Sold		42,627	
Gross Margin		32,943	
Selling, Marketing and Administrative Expense		17,528	
Earnings from Operations		15,415	
Other Income, Net		1,065	
Earnings before Income Taxes		16,480	
Provision for Income Taxes		5,571	
Net Earnings		10,909	
Other Comprehensive Income, before Tax:			
Foreign Currency Translation Adjustments		(322)	
Unrealized Gains on Securities:			
Unrealized holding gains (losses) arising during period	\$ (67)		\$
Less: Amounts realized in earnings	12	(55)	
Unrealized Gains on Derivatives:			
Unrealized holding gains (losses) arising during period	448		(1
Less: Amounts realized in earnings	90	538	
Other comprehensive income (loss), before tax		161	
Income tax benefit (expense) related to items of other comprehensive income		(179)	
Other comprehensive income (loss), net of tax		(18)	
Comprehensive Earnings		\$ 10,891	
Retained Earnings at Beginning of Period		\$148,705	
Net Earnings		10,909	
Cash Dividends		(3,545)	
Stock Dividends - 3%		(42,571)	
Retained Earnings at End of Period		\$113,498	

Edgar Filing: TOOTSIE ROLL INDUSTRIES INC - Form 10-Q/A

Net Earnings Per Share (Note 3)	\$.21
Dividends Per Share *	\$.07
Average Number of Shares Outstanding	52,230

*Does not include 3% Stock Dividend to Shareholders of Record on 3/04/03 and 3/05/02.

-3-

(The accompanying notes are an integral part of the statements)

TOOTSIE ROLL INDUSTRIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

13 WEEKS ENDED
March 29, 2003 & March 30, 2002

CASH FLOWS FROM OPERATING ACTIVITIES:

Net Earnings	\$ 10,909	\$ 12,772
Adjustments to reconcile net earnings to Net cash provided by operating activities:		
Depreciation and amortization	2,652	3,047
Purchase of trading securities	(1,391)	(1,303)
(Increase) decrease in assets:		
Accounts receivable	(5,964)	(4,357)
Other receivables	586	(84)
Inventories	(10,232)	(11,450)
Prepaid expenses and other assets	(8,784)	(9,516)
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	1,660	424
Income taxes payable and deferred Postretirement health care and life insurance benefits	5,650	5,398
Deferred compensation and other liabilities	166	166
Other	173	473
	(37)	15
Net cash used in operating activities	(4,612)	(4,415)

CASH FLOWS FROM INVESTING ACTIVITIES:

Capital expenditures	(2,385)	(1,708)
Purchase of held to maturity securities	(82,684)	(79,539)
Maturity of held to maturity securities	61,791	69,840
Purchase of available for sale securities	(6,612)	(9,776)
Sale and maturity of available for sales securities	6,330	9,144
Net cash used in investing activities	(23,560)	(12,039)

CASH FLOWS FROM FINANCING ACTIVITIES:

Dividends paid in cash	(3,575)	(3,531)
Shares repurchased and retired	(13,865)	(11,228)
Net cash used in financing activities	(17,440)	(14,759)
Decrease in cash and cash equivalents	(45,612)	(31,213)

Edgar Filing: TOOTSIE ROLL INDUSTRIES INC - Form 10-Q/A

Cash and cash equivalents-beginning of year	105,507	106,532
Cash and cash equivalents end of quarter	\$ 59,895	\$ 75,319
Supplemental cash flow information:		
Income taxes paid	\$ 1,885	\$ 1,354
Interest paid	\$ 87	\$ 135

(The accompanying notes are an integral part of the statements)

-4-

TOOTSIE ROLL INDUSTRIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
MARCH 29, 2003
(in thousands except per share amounts) (UNAUDITED)

- Note 1 - Foregoing data has been prepared from the unaudited financial records of the Company and in the opinion of management all adjustments necessary for a fair statement of the results for the interim period have been reflected. All adjustments were of a normal and recurring nature. Certain reclassifications have been made to the prior year financial statements to conform to the current year presentation. These consolidated financial statements should be read in conjunction with the consolidated financial statements and the related notes included in the Company's 2002 Annual Report on Form 10-K.
- Note 2 - The Company's unshipped orders amounted to \$16,600 and \$14,300, at March 29, 2003 and March 30, 2002, respectively.
- Note 3 - Average shares outstanding for the period ended March 29, 2003 reflects stock repurchases of 473 shares for \$13,865 and a 3% stock dividend distributed on April 16, 2003. Average shares outstanding for the period ended March 30, 2002 reflects stock repurchases of 285 for \$11,228 and a 3% stock dividend distributed on April 17, 2002.
- Note 4 - Results of operations for the period ended March 29, 2003 are not necessarily indicative of results to be expected for the year to end December 31, 2003 because of the seasonal nature of the Company's operations. Historically, the Third Quarter has been the Company's largest sales quarter due to Halloween sales.
- Note 5 - In June 2002, the FASB issued Statement of Financial Accounting Standards No. 146, "Accounting for Costs Associated with Exit or Disposal Activities" (SFAS No. 146). The provisions of SFAS No. 146 are effective for exit or disposal activities that are initiated after

Edgar Filing: TOOTSIE ROLL INDUSTRIES INC - Form 10-Q/A

December 31, 2002. The adoption of this statement did not have a significant impact on the Company's financial statements.

-5-

Note 6 - In November 2002, the FASB issued Interpretation No. 45, "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others." This Interpretation elaborates on the disclosures to be made by a guarantor in its interim and annual financial statements about its obligations under certain guarantees that it has issued. It also clarifies that a guarantor is required to recognize, at the inception of a guarantee, a liability for the fair value of the obligation undertaken in issuing the guarantee. The Company has no significant guarantees which would need to be recognized and measured under the Interpretation and no significant guarantees which meet the disclosure requirements as of March 29, 2003.

Edgar Filing: TOOTSIE ROLL INDUSTRIES INC - Form 10-Q/A

-5A-

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is Management's discussion of the company's operating results and analysis of factors which have affected the accompanying Statement of Earnings.

NET SALES:

	First Quarter	First Quarter, 2003
		vs.
	2003	2002
	2002	First Quarter, 2002
\$75,570	\$78,991	-4.3%

First Quarter 2003 net sales of \$75,570, were down 4.3% from First Quarter 2002 net sales of \$78,991. The decline in net sales is due to the timing of the Easter seasonal product shipments, reduced shipping days in the quarter, and higher sales in the fourth quarter of 2002 resulting from some advance buy-in in December 2002 in anticipation of January 2003 price increases. The increase in April 2003 sales exceeded the sales shortfall in First Quarter 2003 which reflects the timing of shipments as discussed above. Lower Mexican sales also contributed to the sales decline in First Quarter 2003.

First Quarter 2003 net sales of \$75,570 were down from Fourth Quarter 2002 net sales of \$90,766. This is not considered unusual as the First Quarter of the year is historically the Company's lowest sales quarter.

COST OF SALES:

	First Quarter	Cost of Sales as a
		Percentage of Net Sales
	2003	2002
	2002	1st Qtr. 2003
\$42,627	\$43,160	1st Qtr. 2002
		56.4%
		54.6%

Cost of sales as a percentage of net sales increased from from 54.6% for First Quarter 2002 to 56.4% for First Quarter 2003. This adverse increase reflects higher ingredient costs and lower sales volume as discussed above. The Company has experienced higher ingredient costs for almost all of its principal ingredients, including sugar, corn syrup, vegetable oil, cocoa and chocolate. Although price increases were initiated for many of the Company's products in January 2003, additional price increases and bag weight declines (indirect selling price increases) on certain items are being further phased-in throughout the balance of 2003 to mitigate some of these higher costs.

-6-

NET EARNINGS:

	First Quarter	First Quarter, 2003
		vs.
	2003	2002
	2002	First Quarter, 2002
\$10,909	\$12,772	-14.6%

Edgar Filing: TOOTSIE ROLL INDUSTRIES INC - Form 10-Q/A

First Quarter earnings from operations were \$15,415 and \$18,335 in 2003 and 2002, respectively. The decrease in operating earnings principally results from higher ingredient costs and the effects of lower sales volume, as discussed above, as well as an additional \$0.5 million pre-tax provision for a customer bankruptcy.

First Quarter 2003 net earnings were \$10,909 compared to First Quarter 2002 net earnings of \$12,772. First Quarter 2003 earnings per share were \$0.21, compared to \$.24 per share in the prior year comparative period, a decrease of \$.03 or 12.5%. In addition to the factors discussed above that affected operating earnings, lower investment income also contributed to lower First Quarter 2003 net earnings as compared to First Quarter 2002.

The consolidated effective income tax rate favorably decreased from 34.5% in the First Quarter of 2002 to 33.8% in the First Quarter of 2003. This improvement generally reflects a reduction in state income taxes.

LIQUIDITY AND CAPITAL RESOURCES:

The Company's current ratio (current assets divided by current liabilities) is 3.0 to 1 as of the end of the First Quarter 2003 as compared to 3.7 to 1 as of the First Quarter 2002 and 3.6 to 1 as of the Fourth Quarter 2002. Net working capital was \$140,832 as of the end of the First Quarter 2003 as compared to \$161,852 and \$170,628 as of the end of the Fourth Quarter 2002 and First Quarter 2002, respectively. These decreases in working capital are principally reflected in long-term investments which were \$131,916 as of the First Quarter 2003 compared to \$116,501 and \$85,977, as of the end of the Fourth Quarter 2002 and First Quarter 2002, respectively. Net cash used in operating activities was \$4,612 for the quarter ended March 29, 2003 and \$4,415 for the quarter ended March 30, 2002. The change primarily reflects increased accounts receivable levels at March 29, 2003, partially offset by changes in other receivables, inventories, accounts payable and accrued liabilities. Capital expenditures for 2003 are anticipated to be generally in line with historical annualized spending and are to be funded from the Company's cash flow from operations and internal sources.

Investments in debt securities that matured during the quarters ended March 29, 2003 and March 30, 2002 were generally replaced with debt securities of similar maturities.

-6A-

The Company repurchased and retired \$13,865 and \$11,228 of its shares outstanding during the First Quarter 2003 and 2002, respectively.

This discussion and certain other sections of this Form 10-Q contain forward-looking statements that are based largely on the Company's current expectations and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to certain risks, trends and uncertainties that could cause actual results and achievements to differ materially from those expressed in the forward-looking statements. Such risks, trends and uncertainties, which in some instances are beyond the Company's control, include changes in demand and consumer preferences, including seasonal events such as Halloween; the effect of ingredient costs; the effect of

Edgar Filing: TOOTSIE ROLL INDUSTRIES INC - Form 10-Q/A

acquisitions on the Company's results of operations and financial condition; the Company's reliance on third-party vendors for various goods and services; changes in the confectionary market place including action taken by major retailers and customer accounts; customer and consumer response to marketing programs and price adjustments; changes in governmental laws and regulations including taxes; and the overall competitive environment. The words "believe," "expect," "anticipate," "estimate," "intend" and similar expressions generally identify forward-looking statements. Readers are cautioned not to place undue reliance on such forward-looking statements, which are as of the date of this filing.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE OF MARKET RISK:

The Company is exposed to various market risks, including fluctuations in sugar, corn syrup, edible oils, cocoa and packaging costs. The Company also invests in securities with maturities of up to three years, the majority of which are held to maturity, which limits the Company's exposure to interest rate fluctuations. There has been no material change in the Company's market risks that would significantly affect the disclosures made in the Form 10-K for the year ended December 31, 2002.

-6B-

Item 4. CONTROLS AND PROCEDURES

Under the supervision and with the participation of management, the chief executive officer and chief financial officer of the Company have evaluated the effectiveness of the design and operation of the Company's disclosure controls and procedures within 90 days of the filing date of this quarterly report and, based on their evaluation, the chief executive officer and chief financial officer have concluded that these controls and procedures are effective. There were no significant changes in internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation. Disclosure controls and procedures are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures are also designed to ensure that information is accumulated and communicated to management, including the chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure.

-6C-

PART II - OTHER INFORMATION

TOOTSIE ROLL INDUSTRIES, INC.
AND SUBSIDIARIES_____

Item 6. EXHIBITS AND REPORTS ON FORM 8-K

- (a) Exhibit 99 - Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- (b) Form 8-K was filed on April 16, 2003 containing a Press Release announcing first quarter 2003 earnings.

SIGNATURES

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.

TOOTSIE ROLL INDUSTRIES, INC.

Date: May 08, 2003

BY: /S/ MELVIN J. GORDON
Melvin J. Gordon
Chairman of the Board

Edgar Filing: TOOTSIE ROLL INDUSTRIES INC - Form 10-Q/A

BY: /S/ G. HOWARD EMBER, JR.
G. Howard Ember, Jr.
Vice President - Finance

-7-

Section 302 Certification

1. I, Melvin J. Gordon, Chairman and Chief Executive Officer of Tootsie Roll Industries, Inc., certify that I have reviewed this Form 10-Q of Tootsie Roll Industries, Inc.

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:

a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the Evaluation Date); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officer and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: May 08, 2003

 /S/ MELVIN J. GORDON
Melvin J. Gordon
Chairman and Chief

Edgar Filing: TOOTSIE ROLL INDUSTRIES INC - Form 10-Q/A

Executive officer

-7A-

Section 302 Certification

1. I, G Howard Ember, Vice President/Finance and Chief Financial Officer of Tootsie Roll Industries, Inc., certify that I have reviewed this Form 10-Q of Tootsie Roll Industries, Inc.
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the Evaluation Date); and
 - c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. The registrant's other certifying officer and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Dated: May 08, 2003

/S/ G. HOWARD EMBER, JR.
G. Howard Ember, Jr.
Vice President/Finance and
Chief Financial Officer

-7B-

Exhibit 99

Edgar Filing: TOOTSIE ROLL INDUSTRIES INC - Form 10-Q/A

Certification Pursuant to 18 U.S.C. Section 1350, as
Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Each of the undersigned officers of Tootsie Roll Industries, Inc. Certifies that (i) the Quarterly Report on Form 10-Q of Tootsie Roll Industries, Inc. for the quarterly period ended March 29, 2003 (the Form 10-Q) fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (ii) the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Tootsie Roll Industries, Inc.

Dated: May 08, 2003

___/S/ MELVIN J. GORDON___
MELVIN J GORDON
Chairman and Chief and
Executive Officer

Dated: May 08, 2003

___/S/ G. HOWARD EMBER, JR.
G. Howard Ember, Jr.
V.P./Finance and
Chief Financial Officer

-7C-