
Business News

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Nestlé investments announced

China

Nestlé has decided on longterm development in China. Nestlé's total investment in China is expected to reach 5 billion RMB yuan by the year 2000.

Nestlé's board chair Helmut Maucher visited China recently for the opening of the company's two plants in Tianjin. One is Tianjin Nestlé Dairy Co., Ltd., a joint venture with a total investment of 300 million RMB yuan, producing a variety of ice creams; the other is a Nestlé wholly-owned enterprise with a total investment of 430 RMB yuan, producing chocolates and package milk powder.

Maucher stated that Nestlé will continue to expand its business and investment in China and expand to the central and western areas.

Canada

In an additional release, Nestlé Canada Inc. and privately owned O-Pee-Chee Co., Ltd. recently said they had signed a deal under which O-Pee-Chee will sell its assets to Nestlé. Terms of the sale were not disclosed.

The London, Ontario-based company employs 175 people full and part-time. These employees make candy and gum confections under license for both domestic and export markets. Among the products produced at the London factory are products such as Nerds, Fun Dip and Sweetarts.

The O-Pee-Chee operation will be integrated into the existing sugar confectionery business of Nestlé Canada Inc.

Tootsie Roll

Tootsie Roll Industries, Inc., reported record third quarter and nine months sales and earnings in its 100th anniversary year. Sales of \$128,657,000 for the third quarter 1996 were up 10 1/2 percent over third quarter 1995 sales of \$116,471,000. Nine months 1996 sales of \$264,433,000 were up 7 1/2 percent over nine months 1995 sales of \$245,515,000. Effective promotional programs, including pre-Halloween sales programs and product line extensions resulted in strong domestic sales gains.

Third quarter 1996 record earnings of \$19,142,000 were up 18 percent over third quarter 1995 earnings of \$16,232,000. Record nine months 1996 net earnings of \$36,588,000 were up 15 percent over the comparative period's net earnings of \$31,877,000.

Melvin J. Gordon, chairman, said, "Record earnings were achieved as a result of increased sales and effective cost control programs which resulted in higher income from operations."

Tootsie Roll, Inc.

Consolidated Statements of Earnings for the 39 weeks ended September 28, 1996 and September 30, 1995
(in thousands of dollars)

	Third Quarter Ended	
	1996	1995
Net Sales:	\$128,657	\$116,471
Net Earnings:	\$ 19,142	\$ 16,232
	Nine Months Ended	
	1996	1995
Net Sales:	\$264,433	\$245,515
Net Earnings:	\$ 36,588	\$ 31,877