UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

[X] Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the period ended March 25, 1995

or

[ ] Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number: 0-14616

J & J SNACK FOODS CORP.
(Exact name of registrant as specified in its charter)

New Jersey	22-1935537
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

6000 Central Highway, Pennsauken, NJ 08109
(Address of principal executive offices)

Telephone (609) 665-9533

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.

[X] Yes [ ] No

As of April 20, 1995, there were 9,358,918 shares of the Registrant's Common Stock outstanding.

INDEX

PART I. FINANCIAL INFORMATION

Item 1.   Consolidated Financial Statements

J & J SNACK FOODS CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

ASSETS	March 25, 1995 (Unaudited)	September 24, 1994
Current assets		
Cash and cash equivalents	$ 2,723,000	$ 6,621,000
Marketable securities available for sale	6,827,000	4,443,000
Accounts receivable	15,016,000	17,176,000
Inventories	12,332,000	11,519,000
Prepaid expenses and deposits	1,983,000	1,611,000
	38,881,000	41,370,000
Property, plant and equipment, at cost		
Land	983,000	973,000
Buildings	5,119,000	5,119,000
Plant machinery and equipment	38,462,000	35,045,000
Marketing equipment	70,916,000	70,311,000
Transportation equipment	2,219,000	2,622,000
Office equipment	3,497,000	3,355,000
Improvements	5,300,000	4,741,000
Construction in progress	414,000	750,000
	126,910,000	122,916,000
Less accumulated depreciation and amortization	65,892,000	59,788,000
	61,018,000	63,128,000
Other assets		
Goodwill, trademarks and rights, less accumulated amortization	9,353,000	9,793,000
Long term investments available for sale	2,495,000	-
Long term investments held to maturity	7,032,000	10,764,000
Sundry	1,717,000	2,311,000
	20,597,000	22,868,000
	$120,496,000	$127,366,000

See accompanying notes to the consolidated financial statements.

J & J SNACK FOODS CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS - Continued

LIABILITIES AND STOCKHOLDERS' EQUITY	March 25, 1995 (Unaudited)	September 24, 1994
Current liabilities		
Current maturities of long-term debt	$ 15,000	$ 15,000
Accounts payable	11,013,000	11,854,000
Accrued liabilities	4,810,000	4,537,000
	15,838,000	16,406,000
Long-term debt, less current maturities	5,021,000	5,028,000
Deferred income	692,000	692,000
Deferred income taxes	4,693,000	4,695,000
Stockholders' equity		
Capital stock		
Preferred, $1 par value; authorized, 5,000,000 shares; none issued	-	-
Common, no par value; authorized, 25,000,000 shares; issued and outstanding, 9,382,000 and 9,889,000, respectively	43,897,000	49,946,000
Foreign currency translation adjustment	(1,261,000)	-
Retained earnings	51,616,000	50,599,000
	94,252,000	100,545,000
	$120,496,000	$127,366,000

See accompanying notes to the consolidated financial statements.

J & J SNACK FOODS CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EARNINGS

(Unaudited)

	Three months ended March 25, 1995	Three months ended March 26, 1994	Six months ended March 25, 1995	Six months ended March 26, 1994
Net Sales	$40,317,000	$40,271,000	$81,534,000	$78,676,000
Cost of goods sold	20,033,000	19,593,000	40,455,000	37,569,000
Gross profit	20,284,000	20,678,000	41,079,000	41,107,000
Operating expenses				
Marketing	13,478,000	11,990,000	26,802,000	24,093,000
Distribution	4,487,000	4,647,000	9,019,000	8,891,000
Administrative	2,072,000	1,961,000	4,040,000	3,957,000
Amortization of intangibles and deferred costs	217,000	196,000	433,000	409,000
	20,254,000	18,794,000	40,294,000	37,350,000
Operating income	30,000	1,884,000	785,000	3,757,000
Other income (deductions)				
Investment income	299,000	282,000	591,000	572,000
Interest expense	(114,000)	(119,000)	(212,000)	(231,000)
Sundry	534,000	533,000	466,000	577,000

Earnings before income taxes	749,000	2,580,000	1,630,000	4,675,000
Income taxes	282,000	970,000	613,000	1,758,000
NET EARNINGS	$ 467,000	$ 1,610,000	$ 1,017,000	$ 2,917,000
Earnings per common share	$ .05	$ .15	$ .11	$ .27
Weighted average number of shares	9,467,000	10,662,000	9,660,000	10,661,000

See accompanying notes to the consolidated financial statements.

J & J SNACK FOODS CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

	Six months ended	
	March 25, 1995	March 26, 1994
Cash flows from operating activities:		
Net earnings	$ 1,017,000	$ 2,917,000
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization of fixed assets	7,379,000	6,586,000
Amortization of intangibles and deferred costs	508,000	482,000
(Decrease) increase in deferred income taxes	(2,000)	293,000
Other adjustments	10,000	(398,000)
Changes in assets and liabilities		
Decrease in accounts receivable	2,057,000	985,000
(Increase) decrease in inventories	(1,023,000)	28,000
(Increase) in prepaid expenses	(372,000)	(316,000)
(Decrease) increase in accounts payable and accrued liabilities	(615,000)	671,000
Net cash provided by operating activities	8,959,000	11,248,000
Cash flows from investing activities:		
Capital expenditures	(6,193,000)	(8,906,000)
Payments for purchase of companies, net of cash acquired and debt assumed	-	(623,000)
Proceeds from investments held to maturity	230,000	2,976,000
Payments for investments held to maturity	(500,000)	(3,568,000)
Proceeds from investments available for sale	2,085,000	1,720,000
Payments for investments available for sale	(2,981,000)	(6,052,000)
Decrease in bond trust fund	549,000	721,000
Proceeds from sale of property and equipment	27,000	574,000
Other	(18,000)	(10,000)
Net cash used in investing activities	(6,801,000)	(13,168,000)
Cash flows from financing activities:		
Proceeds from issuance of common stock	254,000	367,000
Payments to repurchase common stock	(6,303,000)	-
Payments of long-term debt	(7,000)	(287,000)
Net cash (used in) provided by financing activities	(6,056,000)	80,000
Net increase (decrease) in cash and cash equivalents	(3,898,000)	(1,840,000)
Cash and cash equivalents at beginning of period	6,621,000	8,457,000
Cash and cash equivalents at end of period	$ 2,723,000	$ 6,617,000

See accompanying notes to the consolidated financial statements.

Note 1 In the opinion of management, the accompanying unaudited consolidated financial statements contain all adjustments (consisting of only normal recurring adjustments) necessary to present fairly the financial position and the results of operations and cash flows.

The results of operations for the three months and six months ended March 25, 1995 and March 26, 1994 are not necessarily indicative of results for the full year. Sales of the Company's retail stores are generally higher in the first quarter due to the holiday shopping season. Sales of the Company's frozen carbonated beverages are generally higher in the third and fourth quarters due to seasonal factors.

While the Company believes that the disclosures presented are adequate to make the information not misleading, it is suggested that these consolidated financial statements be read in conjunction with the consolidated financial statements and the notes included in the Company's Annual Report on Form 10-K for the year ended September 24, 1994.

Note 2 Earnings per share are based on the weighted average number of common shares outstanding, including common stock equivalents (stock options).

Note 3 Inventories consist of the following:

	March 25, 1995	September 24, 1994
Finished goods	$ 5,397,000	$ 5,538,000
Raw materials	1,501,000	1,293,000
Packaging materials	2,338,000	1,777,000
Equipment parts & other	3,096,000	2,911,000
	$12,332,000	$11,519,000

Note 4 The Company adopted FAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities" at December 24, 1994. This new standard requires investments in securities to be classified in one of three categories: held to maturity, trading and available for sale. Debt securities that the Company has the positive intent and ability to hold to maturity are classified as held to maturity and are reported at amortized cost. As the Company does not engage in security trading, the

balance of its debt securities and any equity securities are classified as available for sale. Net unrealized gains and losses for such securities, net of tax are reported as a separate component of stockholders' equity and excluded from the determination of net income.

Proceeds on sales of securities classified as available for sale were $37,000 in the quarter ended March 25, 1995 with a $3,000 gain realized and $2,085,000 in the six months ended March 25, 1995 with a gain of $3,000 realized. The Company uses the specific identification method to determine the cost of securities sold.

The amortized cost, unrealized gains and losses, and fair market values of the Company's available for sale and held to maturity securities held at March 25, 1995 are summarized as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
Available for Sale Securities				
Equity Securities	$2,157,000	$12,000	$ 12,000	$2,157,000
Corporate Debt Securities	996,000	-	69,000	927,000
Municipal Government Securities	6,169,000	-	53,000	6,116,000
	$9,322,000	$12,000	$134,000	$9,200,000

Held to Maturity Securities

Corporate Debt Securities	$1,027,000	$ -	$ 60,000	$ 967,000
Municipal Government Securities	5,505,000	-	184,000	5,321,000
Other	500,000	-	-	500,000
	$7,032,000	$ -	$244,000	$6,788,000

The following table lists the maturities of debt securities held at March 25, 1995 classified as available for sale and held to maturity:

	Available for Sale		Held to Maturity	
	Amortized Cost	Estimated Fair Market Value	Amortized Cost	Estimated Fair Market Value
Due in one year or less	$4,670,000	$4,641,000	$ -	$ -
Due after one year through five years	2,000,000	1,967,000	7,032,000	6,788,000
Due after five years	495,000	435,000	-	-
Total	$7,165,000	$7,043,000	$7,032,000	$6,788,000

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Liquidity and Capital Resources

The Company's current cash and marketable securities balances and cash expected to be provided by future operations are its primary sources of liquidity. The Company believes that these sources, along with its borrowing capacity, are sufficient to fund future growth and expansion.

The devaluation of the Mexican peso caused a reduction of $654,000 and $1,261,000 in stockholders' equity for the three months and six months ended March 25, 1995, respectively. The Company is experiencing a dollar decline in the sales of its Mexican frozen carbonated beverage subsidiary of about 65% due primarily to the devaluation. The Company anticipates that the sales decline from last year's levels will continue for at least the balance of its fiscal year. In fiscal year 1994, sales of the Mexican subsidiary were $2,687,000.

During the six months ended March 25, 1995, the Company purchased and retired 539,100 shares of its common stock at a cost of $6,303,000.

Subsequent to the second quarter, the Company sold its syrup and flavor manufacturing subsidiary, Western Syrup Company, to an unrelated third party for cash and notes. The Company does not anticipate that the sale of Western will have a material impact on its operations or financial position.

Available to the Company are unsecured general purpose bank lines of credit totalling $25,000,000.

Results of Operations

Net sales increased slightly to $40,317,000 for the three months and $2,858,000 or 4% to $81,534,000 for the six months ended March 25, 1995.

Sales to food service customers increased $985,000 or 6% in the second quarter to $17,952,000 and $3,153,000 or 9% to $36,902,000 in the six months. Soft pretzel sales to the food service market increased 7% to $12,271,000 in the second quarter and 10% to $24,590,000 in the six months due to expanded unit volume. Increased penetration in warehouse clubs and schools and new products accounted for most of the added pretzel volume. Frozen juice treat and dessert sales increased 6% to $2,644,000 in the three months and 3% to $5,513,000 in the six months. Churro sales to food service customers decreased 10% to $2,147,000 in the second quarter and 5% to $4,313,000 in the six months. One customer accounted for all of the churro sales decrease. All foodservice sales increases and decreases were due primarily to changes in unit volume.

Sales of products to retail supermarkets increased $532,000 or 6% to $10,119,000 in the second quarter and less than 1% to $17,502,000 in the first half. Soft pretzel sales for the second quarter were up 2% to $8,038,000 and for the six months were down 2% to $14,131,000. The sales decline for the six months was due primarily to increased competition. Sales of the flagship SUPERPRETZEL brand soft pretzels, excluding SOFTSTIX, increased 3% in the second quarter and were essentially unchanged in the six months. Softstix sales decreased $77,000 or 6% to $1,261,000 in the second quarter and $387,000 or 14% to $2,411,000 in the six months. Sales of Luigi's Real Italian Ice increased $324,000 or 21% to $1,848,000 in the second quarter and $567,000 or 24% to $2,935,000 in the first half. All of the retail supermarket increases and decreases were due primarily to changes in unit volume.

Frozen carbonated beverage and related product sales decreased $742,000 or 9% to $7,514,000 in the second quarter and $417,000 or 3% to $16,249,000 in the six months. Sales of the Company's Mexican frozen carbonated beverage subsidiary were down $482,000 or 65% in the second quarter and $491,000 or 35% in the six months due to the devaluation of the peso and the business downturn in Mexico. Equipment and parts sales were down $214,000 or 76% in the second quarter and $188,000 or 60% in the six months due to reduced demand. Beverage sales alone decreased 5% to $7,147,000 in the second quarter and were essentially unchanged in the six months with sales of $15,361,000 even though there were an increased number of frozen carbonated beverage dispensers at customer locations primarily because of lower sales in Mexico and the net loss of higher volume accounts elsewhere.

Bakery sales decreased $670,000 or 27% to $1,799,000 in the second quarter and increased $141,000 or 3% to $4,286,000 in the first six months. The three month decline was due to a reduction of purchases by a single customer. Syrup and topping product sales decreased $207,000 and $441,000 in the second quarter and six months, respectively.

Gross profit as a percentage of sales decreased to 50% in the current three and six month periods from 51% and 52% in the corresponding periods last year. This gross profit percentage decrease is primarily attributable to higher raw material and packaging costs, increased manufacturing overhead costs due to recent expansions of production capacity and lower selling prices on incremental foodservice sales.

Total operating expenses increased $1,460,000 in the second quarter and as a percentage of sales increased to 50% from 47% in last year's same quarter. For the first half, operating expenses increased $2,944,000 and as a percentage of sales increased to 49% from 47% last year. Marketing expenses increased from 30% to 33% in the second quarter and from 31% to 33% in the six months primarily because of higher frozen carbonated beverage marketing expenses combined with lower frozen carbonated beverage sales compared to last year and higher retail supermarket advertising and marketing allowance spending. Distribution expenses were 11% of sales in all periods. Administrative expenses were 5% of sales in all periods.

Operating income decreased $1,854,000 or 98% to $30,000 in the second quarter and $2,972,000 or 79% to $785,000 in the first half.

Investment income increased in the second quarter and six months due to higher levels of interest rates on invested funds. Interest expense decreased slightly in the second quarter and six months due to the reduction of debt.

Sundry income of $534,000 in the quarter was essentially unchanged from last year while sundry decreased $111,000 to $466,000 in the six months. This year's second quarter sundry income included a gain on an insurance settlement and last year's amount included a gain on the sale of land.

The effective income tax rate has been estimated at 38% in all periods.

Net earnings decreased $1,143,000 or 71% in the current three month period to $467,000 and $1,900,000 or 65% in the current six month period to $1,017,000.

Part II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

a) Exhibits - None

b) Reports on Form 8-K - There were no reports on Form 8-K for the three months ended March 25, 1995.

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.

J & J SNACK FOODS CORP.

Dated: April 28, 1995

/s/ Gerald B. Shreiber
Gerald B. Shreiber
President

Dated: April 28, 1995

/s/ Dennis G. Moore
Dennis G. Moore
Senior Vice President and
Chief Financial Officer

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Dated: April 28, 1995

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President

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Dennis G. Moore
Senior Vice President and
Chief Financial Officer