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 June 24, 2006

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 (856) 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

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

X Yes No

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes X No

As of July 16, 2006, there were 18,459,201 shares of the Registrant's Common Stock outstanding.

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PART I. FINANCIAL INFORMATION

Item 1. Consolidated Financial Statements

J & J SNACK FOODS CORP. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands)

ASSETS

	June 24, 2006 (Unaudited)	September 24, 2005
Current assets		
Cash and cash equivalents	$ 13,247	$ 15,795
Marketable securities	45,650	54,225
Accounts receivable, net	58,952	46,921
Inventories	40,810	33,684
Prepaid expenses and other	1,542	1,215
Deferred income taxes	2,444	2,393
	162,645	154,233
Property, plant and equipment, at cost		
Land	556	556
Buildings	4,497	4,497
Plant machinery and equipment	106,631	105,815
Marketing equipment	188,132	188,601
Transportation equipment	1,472	1,271
Office equipment	8,572	8,966
Improvements	15,162	15,083
Construction in progress	3,504	1,354
	328,526	326,143
Less accumulated depreciation and amortization	245,023	237,098
	83,503	89,045
Other assets		
Goodwill	57,109	53,622
Other intangible assets, net	23,146	7,043
Other	2,980	1,981
	83,235	62,646
	$329,383	$305,924

See accompanying notes to the consolidated financial statements.

J & J SNACK FOODS CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS - - Continued
(in thousands)

LIABILITIES AND STOCKHOLDERS' EQUITY	June 24, 2006 (unaudited)	September 24, 2005
Current liabilities		
Accounts payable	$ 43,045	$ 37,029
Accrued liabilities	15,210	14,731
Dividends payable	1,383	1,142
	59,638	52,902
Deferred income taxes	17,987	17,987
Other long-term liabilities	696	273
	18,683	18,260
Stockholders' equity		
Capital stock		
Preferred, $1 par value; authorized, 10,000 shares; none issued	-	-
Common, no par value; authorized 50,000 shares; issued and outstanding, 18,446 and 18,272 shares, respectively	38,793	36,091
Accumulated other comprehensive loss	(2,121)	(1,918)
Retained earnings	214,390	200,589
	251,062	234,762
	$329,383	$305,924

All share amounts reflect the 2-for-1 stock split effective January 5, 2006.

See accompanying notes to the consolidated financial statements.

J & J SNACK FOODS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(in thousands, except per share amounts)

	Three months ended June 24, 2006	Three months ended June 25, 2005	Nine months ended June 24, 2006	Nine months ended June 25, 2005
Net Sales	$140,132	$129,452	$360,747	$327,323
(1) Cost of goods sold	89,399	83,177	241,671	218,856
Gross profit	50,733	46,275	119,076	108,467

Operating expenses				
Marketing (2)	16,175	15,799	44,187	41,451
Distribution (3)	12,050	10,541	32,545	28,763
Administrative (4)	4,638	4,445	14,254	13,240
Impairment charge	1,193	-	1,193	-
Other general (income)expense	(71)	(47)	(42)	129
	33,985	30,738	92,137	83,583
Operating income	16,748	15,537	26,939	24,884
Other income(expenses)				
Investment income	786	429	2,244	1,143
Interest expense and other	(40)	(45)	(99)	(103)
Earnings before income taxes	17,494	15,921	29,084	25,924
Income taxes	6,708	6,042	11,151	9,773
NET EARNINGS	$ 10,786	$ 9,879	$ 17,933	$ 16,151
Earnings per diluted share	$ .57	$ .53	$ .95	$ .87
Weighted average number of diluted shares	18,866	18,648	18,792	18,566
Earnings per basic share	$ .58	$ .54	$ .97	$ .89
Weighted average number of basic shares	18,469	18,242	18,394	18,156

(1) Includes share-based compensation expense of $80 and $221 for the three and nine months ended June 24, 2006, respectively.
(2) Includes share-based compensation expense of $155 and $427 for the three and nine months ended June 24, 2006, respectively.
(3) Includes share-based compensation expense of $7 and $19 for the three and nine months ended June 24, 2006, respectively.
(4) Includes share-based compensation expense of $108 and $300 for the three and nine months ended June 24, 2006, respectively.

All share amounts reflect the 2-for-1 stock split effective January 5, 2006.

See accompanying notes to the consolidated financial statements.

J & J SNACK FOODS CORP. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited) (in thousands)

	Nine months ended	
	June 24, 2006	June 25, 2005
Operating activities:		
Net earnings	$17,933	$16,151
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization of fixed assets	17,125	17,255
Amortization of intangibles and deferred costs	1,220	828
Share-based compensation	967	-
Deferred income taxes	(51)	-
Loss from disposals and impairment of property, plant and equipment	1,127	39
Changes in assets and liabilities, net of effects from purchase of		

companies		
Increase in accounts receivable	(10,051)	(2,855)
Increase in inventories	(4,880)	(4,943)
Increase in prepaid expenses	(239)	(85)
Increase in accounts payable and accrued liabilities	5,920	4,544
Net cash provided by operating activities	29,071	30,934
Investing activities:		
Purchase of property, plant and equipment	(12,792)	(15,583)
Payments for purchases of companies, net of cash acquired	(25,152)	(16,088)
Purchase of marketable securities	(17,400)	(24,075)
Proceeds from sales of marketable securities	32,650	14,000
Proceeds from disposals of property and equipment	750	604
Other	(532)	(377)
Net cash used in investing activities	(29,151)	(34,844)
Financing activities:		
Proceeds from issuance of stock	1,624	1,881
Payments of cash dividend	(3,889)	(2,260)
Net cash used in financing activities	(2,265)	(379)
Effect of exchange rate on cash and cash equivalents	(203)	172
Net decrease in cash and cash equivalents	(2,548)	(4,117)
Cash and cash equivalents at beginning of period	15,795	19,600
Cash and cash equivalents at end of period	$13,247	$15,483

See accompanying notes to the consolidated financial statements.

J & J SNACK FOODS CORP. AND SUBSIDIARIES

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. Certain prior period amounts have been reclassified to conform to the current period presentation. These reclassifications had no effect on reported net earnings.

The results of operations for the three months and nine months ended June 24, 2006 and June 25, 2005 are not necessarily indicative of results for the full year. Sales of our frozen beverages and frozen juice bars and ices are generally higher in the third and fourth quarters due to warmer weather.

While we believe 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, 2005.

Note 2 We recognize revenue from Food Service, Retail Supermarkets, The Restaurant Group and Frozen Beverage products at the time the products are shipped to third parties. When we perform services under service contracts for frozen beverage dispenser machines, revenue is recognized upon the completion of the services on specified machines. We provide an allowance for doubtful receivables after taking into consideration historical experience and other factors.

Note 3 Depreciation of equipment and buildings is provided for by the straight-line method over the assets' estimated useful lives. Amortization of improvements is provided for by the straight-line method over the term of the lease or the assets' estimated useful lives, whichever is shorter. Licenses and rights arising from acquisitions are amortized by the

straight-line method over periods ranging from 4 to 20 years.

Note 4 Our calculation of earnings per share in accordance with SFAS No. 128, "Earnings Per Share," is as follows (all share amounts reflect the 2-for-1 stock split effective January 5, 2006):

	Three Months Ended June 24, 2006		
	Income (Numerator)	Shares (Denominator)	Per Share Amount
	(in thousands, except per share amounts)		
Basic EPS			
Net Earnings available to common stockholders	$10,786	18,469	$ .58
Effect of Dilutive Securities			
Options	-	397	(.01)
Diluted EPS			
Net Earnings available to common stockholders plus assumed conversions	$10,786	18,866	$ .57

	Nine Months Ended June 24, 2006		
	Income (Numerator)	Shares (Denominator)	Per Share Amount
	(in thousands, except per share amounts)		
Basic EPS			
Net Earnings available to common stockholders	$17,933	18,394	$ .97
Effect of Dilutive Securities			
Options	-	398	(.02)
Diluted EPS			
Net Earnings available to common stockholders plus assumed conversions	$17,933	18,792	$ .95

	Three Months Ended June 25, 2005		
	Income (Numerator)	Shares (Denominator)	Per Share Amount

(in thousands, except per share amounts)

	Income	Shares	Per Share
Basic EPS			
Net Earnings available to common stockholders	$9,879	18,242	$ .54
Effect of Dilutive Securities			
Options	-	406	(.01)
Diluted EPS			
Net Earnings available to common stockholders plus assumed conversions	$9,879	18,648	$ .53

Nine Months Ended June 25, 2005

	Income (Numerator)	Shares (Denominator)	Per Share Amount
	(in thousands, except per share amounts)		
Basic EPS			
Net Earnings available to common stockholders	$16,151	18,156	$ .89
Effect of Dilutive Securities			
Options	-	410	(.02)
Diluted EPS			
Net Earnings available to common stockholders plus assumed conversions	$16,151	18,566	$ .87

Note 5 Effective with this fiscal year, the Company follows FASB Statement No. 123(R), "Share-Based Payment". Statement 123(R) requires that the compensation cost relating to share-based payment transactions be recognized in financial statements. That cost is measured based on the fair value of the equity or liability instruments issued.

Statement 123(R) covers a wide range of share-based compensation arrangements including share options, restricted share plans, performance-based awards, share appreciation rights, and employee share purchase plans.

In addition to the accounting standard that sets forth the financial reporting objectives and related accounting principles, Statement 123(R) includes an appendix of implementation guidance that provides expanded guidance on measuring the fair value of share-based payment awards.

Statement 123(R) replaces FASB Statement No. 123, Accounting for Stock-Based Compensation, and supersedes APB Opinion No. 25, Accounting for Stock Issued to Employees. Statement 123, as originally issued in 1995, established as preferable a fair-value-based method of accounting for share-based payment transactions with employees. However, that

Statement permitted entities the option of continuing to apply the guidance in Opinion 25, as long as the footnotes to financial statements disclosed what net income would have been had the preferable fair-value-based method been used. The impact of Statement 123(R), if it had been in effect, on the net earnings and related per share amounts of our fiscal years ended in September 2005, 2004 and 2003 were disclosed in Note A13 Accounting for Stock-Based Compensation of our Financial Statements included in our Form 10-K for the fiscal year ended September 24, 2005.

Since the Company adopted Statement 123(R) using the modified-prospective transition method, prior periods have not been restated. Under this method, we are required to record compensation expense for all awards granted after the date of adoption and for the unvested portion of previously granted awards that remain outstanding as of the beginning of the period of adoption. We measured share-based

compensation cost using the Black-Scholes option pricing model.

At June 24, 2006, the Company has two stock-based employee compensation plans. Share-based compensation of $277,000, net of a tax benefit of $73,000, or $.015 per share, was recognized for the three months ended June 24, 2006. For the nine months ended June 24, 2006, share-based compensation expense of $699,000, net of a tax benefit of $268,000, or $.037 per share was recognized. The Company anticipates that share-based compensation will not exceed $1,000,000, net of tax benefits, or approximately $.053 per share for the year ending September 30, 2006. At June 24, 2006, the Company has unrecognized compensation expense of approximately $1.8 million to be recognized over the next three fiscal years. Reported net income, adjusting for share-based compensation that would have been recognized in last year's quarter if Statement 123(R) had been followed is (all share amounts reflect the 2-for-1 stock split effective January 5, 2006):

	Three Months Ended		Nine Months Ended	
	June 24, 2006	June 25, 2005	June 24, 2006	June 25, 2005
Net income, as reported	$10,786	$9,879	$17,933	$16,151
Less: stock-based compensation costs determined under fair value based method for all awards, net of tax	-	210	-	629
Adjusted net income	$10,786	$9,669	$17,933	$15,522
Earnings per share				

of common stock - basic				
As reported	$ .58	$ .54	$ .97	$ .89
Share-based compensation costs	-	(.01)	-	(.04)
Adjusted net earnings	$ .58	$ .53	$ .97	$ .85
Earnings per share of common stock - diluted:				
As reported	$ .57	$ .53	$ .95	$ .87
Share-based compensation costs	-	(.01)	-	(.03)
Adjusted net earnings	$ .57	$ .52	$ .95	$ .84

The fair value of each option grant is estimated on the date of grant using the Black-Scholes options-pricing model with the following weighted average assumptions used for grants in fiscal 2006: expected volatility of 34%; risk-free interest rate of 4.38% and expected lives ranging between 5 and 10 years.

Expected volatility is based on the historical volatility of the price of our common shares over the past 53 months for 5 year options and 10 years for 10 year options. We use historical information to estimate expected life and forfeitures within the valuation model. The expected term of awards represents the period of time that options granted

are expected to be outstanding. The risk-free rate for periods within the expected life of the option is based on the U.S. Treasury yield curve in effect at the time of grant. Compensation cost is recognized using a straight-line method over the vesting or service period and is net of estimated forfeitures.

Note 6 In December 2004, the FASB issued Statement 151, "Inventory Costs, an amendment of ARB No. 43, Chapter 4".

Statement 151 retains the general principle of ARB 43, Chapter 4, "Inventory Pricing (AC Section I78)", that inventories are presumed to be stated at cost; however, it amends ARB 43 to clarify that

- abnormal amounts of idle facilities, freight, handling costs, and spoilage should be recognized as charges of the current period
- allocation of fixed production overheads to inventories should be based on the normal capacity of the production facilities.

Statement 151 defines normal capacity as the production expected to be achieved over a number of periods or seasons under normal circumstances, taking into account the loss of capacity resulting from planned maintenance. The Board concluded that normal capacity refers to a range of production levels that will vary based on business- and industry-specific factors. Accordingly, an entity will have to use judgment to determine when production is outside the range of expected variation in production (either abnormally low or abnormally high). In periods of abnormally low production (for example, periods in which there is significantly lower demand, labor and material shortages exist, or there is unplanned equipment downtime) the amount of fixed overhead allocated to each unit of production should not be increased.

However, in periods of abnormally high production the amount of fixed overhead allocated to each unit of production is decreased to assure inventories are not measured above cost.

The guidance in Statement 151 is effective for inventory costs during fiscal years beginning after

June 15, 2005 and should be applied prospectively. Since we essentially follow the guidelines of Statement 151, the adoption did not have a material impact on our financial statements.

In June 2006, the FASB issued Interpretation No. 48 (FIN 48), Accounting for Uncertainty in Income Taxes, an Interpretation of FASB Statement No. 109 (SFAS 109).

FIN 48 clarifies the accounting for uncertainty in income taxes recognized in an entity's financial statements in accordance with SFAS 109. FIN 48 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FIN 48 also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition.

FIN 48 also provides guidance on financial reporting and classification of differences between tax positions taken in a tax return and amounts recognized in the financial statements.

FIN 48 is effective for fiscal years beginning after December 15, 2006; earlier application is encouraged. We are currently evaluating the provisions of FIN 48 to determine its impact on our financial statements, but presently we anticipate that its adoption will not have a material impact on our financial statements.

Note 7 Inventories consist of the following:

	June 24, 2006	September 24, 2005
	(in thousands)	
Finished goods	$21,563	$16,016
Raw materials	5,508	4,935
Packaging materials	3,866	3,485
Equipment parts & other	9,873	9,248
	$40,810	$33,684

Note 8 Operating expenses include an impairment charge of $1,193,000 in the foodservice segment in the three and nine month periods for the writedown of robotic

packaging equipment based on a determination made during the quarter that we would not be able to make the equipment work as intended.

Note 9 We principally sell our products to the food service and retail supermarket industries. We also distribute our products directly to the consumer through our chain of retail stores referred to as The Restaurant Group. Sales and results of our frozen beverages business are monitored separately from the balance of our food service business and restaurant group because of different distribution and capital requirements. We maintain separate and discrete financial information for the four operating segments mentioned above which is available to our Chief Operating Decision Makers. We have applied no aggregate criteria to any of these operating segments in order to determine reportable segments. Our four reportable segments are Food Service, Retail Supermarkets, The Restaurant Group and Frozen Beverages. All inter-segment net sales and expenses have been eliminated in computing net sales and operating income (loss). These segments are described below.

Food Service

The primary products sold to the food service group are soft pretzels, frozen juice treats and desserts, churros and baked goods. Our customers in the food service industry include snack bars and food stands in chain, department and discount stores; malls and shopping centers; fast food outlets; stadiums and sports arenas; leisure and theme parks; convenience stores; movie theatres; warehouse club stores; schools, colleges and other institutions. Within the food service industry, our products are purchased by the consumer primarily for consumption at the point-of-sale.

Retail Supermarkets

The primary products sold to the retail supermarket industry are soft pretzel products, including

SUPERPRETZEL, LUIGI'S Real Italian Ice, MINUTE MAID Juice Bars and Soft Frozen Lemonade, ICEE frozen novelties and TIO PEPE'S Churros. Within the retail supermarket industry, our frozen and prepackaged products are purchased by the consumer for consumption at home.

The Restaurant Group

We sell direct to the consumer through our Restaurant Group, which operates BAVARIAN PRETZEL BAKERY and PRETZEL GOURMET, our chain of specialty snack food retail outlets.

Frozen Beverages

We sell frozen beverages to the food service industry, including our restaurant group, primarily under the names ICEE and ARCTIC BLAST in the United States, Mexico and Canada.

The Chief Operating Decision Maker for Food Service, Retail Supermarkets and The Restaurant Group and the Chief Operating Decision Maker for Frozen Beverages monthly review and evaluate operating income and sales in order to assess performance and allocate resources to each individual segment. In addition, the Chief Operating Decision Makers review and evaluate depreciation, capital spending and assets of each segment on a quarterly basis to monitor cash flow and asset needs of each segment. Information regarding the operations in these four reportable segments is as follows:

	Three Months Ended June 24, 2006	Three Months Ended June 25, 2005	Nine Months Ended June 24, 2006	Nine Months Ended June 25, 2005
	(in thousands)			
Sales to External Customers:				
Food Service	$ 82,979	$ 78,031	$228,969	$202,966
Retail Supermarket	14,510	12,742	32,204	29,478
Restaurant Group	824	1,152	3,079	4,379
Frozen Beverages	41,819	37,527	96,495	90,500
	$140,132	$129,452	$360,747	$327,323
Depreciation and Amortization:				
Food Service	$ 3,492	$ 3,605	$ 10,510	$ 10,202
Retail Supermarket	-	-	-	-
Restaurant Group	24	52	82	170
Frozen Beverages	2,593	2,629	7,753	7,711
	$ 6,109	$ 6,286	$ 18,345	$ 18,083
Operating Income(Loss):				
Food Service (1)	$ 9,283	$ 8,115	$ 21,097	$ 18,340
Retail Supermarket (2)	729	1,191	1,003	1,667
Restaurant Group	(81)	(110)	(45)	(347)
Frozen Beverages (3)	6,817	6,341	4,884	5,224
	$ 16,748	$ 15,537	$ 26,939	$ 24,884
Capital Expenditures:				
Food Service	$ 2,756	$ 2,256	$ 7,843	$ 6,450
Retail Supermarket	-	-	-	-
Restaurant Group	2	-	2	40
Frozen Beverages	1,940	3,499	4,947	9,093
	$ 4,698	$ 5,755	$ 12,792	$ 15,583
Assets:				
Food Service	$204,117	$200,682	$204,117	$200,682
Retail Supermarket	-	-	-	-
Restaurant Group	871	1,062	871	1,062
Frozen Beverages	124,395	96,167	124,395	96,167
	$329,383	$297,911	$329,383	$297,911

(1) Includes share-based compensation expense of $248 and $686 for the three and nine months ended June 24, 2006, respectively.
(2) Includes share-based compensation expense of $17 and $47 for the three and nine months ended June 24, 2006, respectively.
(3) Includes share-based compensation expense of $85 and $234 for the three and nine months ended June 24, 2006, respectively.

Note 10 We follow SFAS No. 142 "Goodwill and Intangible Assets". SFAS No. 142 includes requirements to test goodwill and indefinite lived intangible assets for impairment rather than amortize them; accordingly, we do not amortize goodwill.

Our four reporting units, which are also reportable segments, are Food Service, Retail Supermarkets, The Restaurant Group and Frozen Beverages.

The carrying amount of acquired intangible assets for the Food Service, Retail Supermarkets, The Restaurant Group and Frozen Beverage segments as of June 24, 2006 are as follows:

	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
	(in thousands)		
FOOD SERVICE			
Amortized intangible assets			
Licenses and rights	$ 9,013	$2,748	$ 6,265

RETAIL SUPERMARKETS			
Amortized intangible assets			
Licenses and rights	$ -	$ -	$ -
THE RESTAURANT GROUP			
Amortized intangible assets			
Licenses and rights	$ -	$ -	$ -
FROZEN BEVERAGES			
Indefinite lived intangible assets			
Licenses and rights	$ 8,960	$ -	$ 8,960
Amortized intangible assets			
Licenses and rights	$ 8,175	$ 254	$ 7,921
	$17,135	$ 254	$16,881

Licenses and rights are being amortized by the straight-line method over periods ranging from 4 to 20 years and amortization expense is reflected throughout

operating expenses. In January 2006, intangible assets of $1,746,000 were acquired in the ICEE of Hawaii acquisition and a product license agreement for $100,000 was entered into by the food service segment. In May 2006, intangible assets of $15,188,000 were acquired in the SLUSH PUPPIE acquisition. Aggregate amortization expense of intangible assets for the three months ended June 24, 2006 and June 25, 2005 was $356,000 and $403,000, respectively and for the nine months ended June 24, 2006 and June 25, 2005 was $931,000 and $681,000, respectively.

Estimated amortization expense for the next five fiscal years is approximately $1,400,000 in 2006, $1,900,000 in 2007 and 2008 and $1,600,000 in 2009 and 2010. The weighted average amortization period of the intangible assets is 10.24 years.

Goodwill

The carrying amounts of goodwill for the Food Service, Restaurant Group and Frozen Beverage segments are as follows:

	Food Service	Retail Supermarket	Restaurant Group	Frozen Beverages	Total
			(in thousands)		
Balance at June 24, 2006	$21,386	$ -	$386	$35,337	$57,109

Goodwill of $500,000 in the frozen beverages segment was acquired in the January 2006 acquisition of ICEE of Hawaii. Goodwill of $2,987,000 in the frozen beverages segment was acquired in the May 2006 acquisition of the SLUSH PUPPIE branded business.

Note 11 The amortized cost, unrealized gains and losses, and fair market values of our investment securities available for sale at June 24, 2006 are summarized as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
	(in thousands)			
Available for Sale Securities				
Equity Securities	$40,650	$ -	$ -	$40,650
Municipal Government Securities	5,000	-	-	5,000
	$45,650	$ -	$ -	$45,650

The amortized cost, unrealized gains and losses, and fair market values of the Company's investment securities available for sale at September 24, 2005 are summarized as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
	(in thousands)			
Available for Sale Securities				
Equity Securities	$49,225	$ -	$ -	$49,225
Municipal Government Securities	5,000	-	-	5,000
	$54,225	$ -	$ -	$54,225

Because of the short term nature of our investment securities held at June 24, 2006 and September 24, 2005, they do not fluctuate from par.

Proceeds from the sale of marketable securities were $17,100,000 and $32,650,000 in the three and nine months ended June 24, 2006, respectively, with no gain or loss recognized. We use the specific identification method to determine the cost of securities sold.

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

Liquidity and Capital Resources

Our current cash and marketable securities balances and cash expected to be provided by future operations are our primary sources of liquidity. We believe that these sources, along with our borrowing capacity, are sufficient to fund future growth and expansion.

The Company's Board of Directors declared a regular quarterly cash dividend of $.075 per share of its common stock payable on July 6, 2006 to shareholders of record as of the close of business on June 15, 2006.

In the three months ended June 24, 2006 and June 25, 2005, fluctuations in the valuation of the Mexican peso caused a decrease of $197,000 and a increase of $116,000, respectively, in stockholders' equity because of the translation of the net assets of the Company's Mexican frozen beverage subsidiary. In the nine month periods, there was a decrease of $203,000 in fiscal year 2006 and a increase of $172,000 in fiscal year 2005.

In March 2005, we acquired all of the assets of Snackworks LLC, d/b/a Bavarian Brothers, a manufacturer of soft pretzels which operates a production facility in Chambersburg, Pennsylvania and markets its products under the brand names SERIOUSLY TWISTED!, BAVARIAN BROTHERS and CINNAPRETZEL. Snackworks sells throughout the continental United States primarily to mass merchandisers and theatres.

On January 31, 2006, we acquired the stock of ICEE of Hawaii. ICEE of Hawaii, headquartered in Waipahu, Hawaii, distributes ICEE frozen beverages and related products throughout the Hawaiian islands. Annual sales are approximately $2.3 million.

On May 26, 2006, The ICEE Company, our frozen carbonated beverage distribution company, acquired the SLUSH PUPPIE branded business from Dr. Pepper/Seven Up, Inc., a Cadbury Schweppes Americas Beverages Company for $18.1 million plus approximately $4.7 in working capital. SLUSH PUPPIE, North America's leading brand for frozen non-carbonated beverages, is sold through an existing established distributor network to over 20,000 locations in the United States and Canada as well

as to certain international markets. Sales of the SLUSH PUPPIE business were approximately $18 million in 2005. The allocation of the purchase price is as follows:

	(in thousands)
Working capital	$ 4,650
Property, plant and equipment	25
Prepaid license	1,400
Trade names	7,460
Customer relationships	6,180
Covenant not to compete	148
Goodwill	2,987
	$22,850

These acquisitions were accounted for under the purchase method of accounting, and their operations are included in the consolidated financial statements from their respective acquisition dates.

Our general-purpose bank credit line provides for up to a $50,000,000 revolving credit facility. The agreement contains restrictive covenants and requires commitment fees in accordance with standard banking practice. There were no outstanding balances under this facility at June 24, 2006.

Results of Operations

Net sales increased $10,680,000 or 8% for the three months to $140,132,000 and $33,424,000 or 10% to $360,747,000 for the nine months ended June 24, 2006 compared to the three and nine months ended June 25, 2005. Excluding sales from the acquisitions of Snackworks, LLC in March 2005, ICEE of Hawaii in January 2006 and SLUSH PUPPIE in May 2006, net sales increased $8,092,000 or 6% for the three months and $24,804,000 or 8% for the nine months ended June 24, 2006 compared to the three and nine months ended June 25, 2005.

FOOD SERVICE

Sales to food service customers increased $4,948,000 or 6% in the third quarter to $82,979,000 and increased $26,003,000 or 13% for the nine months. Excluding sales from the acquisition of Snackworks, LLC, sales to food service customers increased $20,262,000 or 10% for the nine months. Soft pretzel sales to the food service market increased 7% to $25,937,000 in the third quarter and 14% to $73,369,000 in the nine months. Excluding sales from the acquisition of Snackworks, LLC, soft pretzel sales

increased 5% for the nine months. Much of the increase for the quarter and year to date resulted from new business generated by Snackworks' products. Italian ice and frozen juice treat and dessert sales increased 2%, or $290,000, to $13,692,000 in the three months and increased 8%, or $2,052,000, to $29,061,000 in the nine months due primarily to strong sales increases to school foodservice customers, offset somewhat in the third quarter by lower sales to warehouse club stores. Churro sales to food service customers increased 60% to $6,101,000 in the third quarter and increased 52% to $16,257,000 in the nine months primarily due to increased sales to one customer. Sales of bakery products were essentially flat at $33,896,000 in the third quarter and increased $8,477,000 or 9% for the nine months due primarily to increased sales to private label customers. Bakery product sales were impacted by the loss of one customer which accounted for $1.2 million of sales in last year's third quarter. In the third quarter, sales of our funnel cake product were up $568,000, or 23%, and in the nine months were up $606,000, or 14% due to increased sales to one customer. The changes in sales throughout the food service segment were from a combination of volume changes and price increases.

RETAIL SUPERMARKETS

Sales of products to retail supermarkets increased $1,768,000 or 14% to $14,510,000 in the third quarter and increased $2,726,000, or 9%, in the nine months. Soft pretzel sales increased 1% to $4,976,000 for the quarter and increased 2% to $17,411,000 for the nine months due entirely to price increases. Sales of frozen juices and ices increased $1,201,000 or 14% to $9,881,000 in the third quarter and $753,000 or 5% to $15,732,000 in the nine months. Case sales of frozen juices and ices products were up 17% in the quarter and 11% for the nine months due to the introduction of several new products. Coupon costs, a reduction of sales, decreased by $563,000, or 54%, in the third quarter and by $1,671,000, or 54% in the nine months.

THE RESTAURANT GROUP

Sales of our Restaurant Group decreased 28% to $824,000 in the third quarter and 30% to $3,079,000 for the nine month period. The sales decreases were caused primarily by the closing or licensing of unprofitable stores in the past year. Sales of stores open for both year's quarter and nine months were down about 3% from last year. Operating income was impacted by approximately

$18,000 of store closing and related costs in the nine month period compared to $108,000 in the year ago period.

FROZEN BEVERAGES

Frozen beverage and related product sales increased

$4,292,000 or 11% to $41,819,000 in the third quarter and $5,995,000 or 7% to $96,495,000 in the nine months. Excluding the benefit of sales from the acquisitions of ICEE of Hawaii and SLUSH PUPPIE, frozen beverages and related product sales would have been up 5% for the quarter and 3% for the nine months. Beverage sales alone were up 8% to $28,911,000 in the third quarter and 3% to $63,636,000 in the nine months. Excluding the benefit of sales from the acquisitions, beverage sales alone would have been unchanged in the quarter and down 1% in the nine months due to a change in a pricing program to a major customer. Service revenue increased 5% to $6,911,000 in the third quarter and 2% to $17,846,000 in the nine months even though sales to one customer were down about $300,000 in the quarter and $1,600,000 for the nine months. Sales of beverage machines were $3,868,000 higher this year than last in the nine month period with two customers accounting for more than half of the increase. In the third quarter, sales of machines were higher by $1,759,000 compared to last year.

CONSOLIDATED

Gross profit as a percentage of sales increased to 36.20% in the three month period from 35.75% last year but decreased to 33.01% in the nine month period from 33.14% a year ago. The nine month drop in gross profit percentage resulted from increased sales of lower margin beverage machines in our frozen beverages segment. The third quarter improvement in gross profit percentage resulted from efficiencies from higher volume and pricing, which included reduced coupon expense in our retail supermarkets segment, which more than offset continuing commodity and utility cost increases as well as slotting expense to introduce new retail supermarket products. We were impacted by higher commodity and packaging costs of approximately $1,500,000 and $3,100,000 and higher utility costs of approximately $450,000 and $1,700,000 for the three and nine month periods, respectively. We expect to continue to be impacted by higher commodity and packaging pricing, utility cost increases and slotting costs over the short term.

Total operating expenses increased $3,247,000 in the third quarter but as a percentage of sales were 24% in both year's quarters. For the nine months, operating expenses increased $8,554,000 but as a percentage of sales were 26% for both years. Marketing expenses were at 12% in both years' three month period although they dropped about 3/4 of a percentage point as a percent of sales in the period. For the nine months, marketing expenses dropped about 4/10% of a percentage point to 12% from 13% last year. The percentage decreases were the result of controlled spending throughout all of our businesses and the increased level of sales. Distribution expenses increased about 1/2 of a percentage point to 9% in the three months, primarily because of higher fuel and third party trucking costs and were 9% of sales in both year's nine month period. We expect higher gasoline costs and third party trucking costs to continue to impact our operating income over the short term. Administrative expenses as a percent of sales were 3% in both years' third quarter and were 4% for the nine months in both years. Operating expenses include an impairment charge of $1,193,000 in the food service segment in the three and nine month periods for the writedown of robotic packaging equipment based on a determination made during the quarter that we would not be able to make the equipment work as intended.

Operating income increased $1,211,000 or 8% to $16,748,000 in the third quarter and $2,055,000 or 8% to $26,939,000 in the nine months as a result of the aforementioned. Operating income also benefitted by lower group health insurance costs of about $300,000 in the quarter and $850,000 for the nine months. Excluding the impact of share-based compensation expense recognized this year and not last year, operating income increased 10% for the quarter and 12% for the nine months. Excluding the impact of share-based compensation expense recognized this year and not last year and excluding the impact of the writedown of impaired robotic packaging equipment, operating income increased 18% for the quarter and 17% for the nine months.

Investment income increased by $357,000 to $786,000 in this year's third quarter and by $1,101,000 to $2,244,000 in the nine months primarily due to an increase in the general level of interest rates.

The effective income tax rate has been estimated at 38% for the third quarter and nine months this year compared to 37% in last year's periods due a higher level

of state taxes and a lower tax benefit on share-based compensation.

Net earnings increased $907,000 or 9% in the three month period to $10,786,000 and increased 11% or $1,782,000 in the nine months this year from $16,151,000 last year. Excluding the impact of share-based compensation expense recognized this year and not last year, net earnings increased 12% for the quarter and 15% for the year. Excluding the impact of share-based compensation expense recognized this year and not last year and excluding the impact of the writedown of impaired robotic packaging equipment, net earnings increased 19% for the quarter and 20% for the year.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

There has been no material change in the Company's assessment of its sensitivity to market risk since its presentation set forth, in item 7a. "Quantitative and Qualitative Disclosures About Market Risk," in its 2004 annual report on Form 10-K filed with the SEC.

Item 4. Controls and Procedures

The Chief Executive Officer and the Chief Financial Officer of the Company (its principal executive officer and principal financial officer, respectively) have concluded, based on their evaluation as of June 24, 2006, that the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in the reports filed or submitted by it under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and include controls and procedures designed to ensure that information required to be disclosed by the Company in such reports is accumulated and communicated to the Company's management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

There were no changes in the Company's internal controls over financial reporting or in other

factors that could significantly affect these controls subsequent to the date of such evaluation.

PART II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

a) Exhibits

31.1 & 31.2 Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

99.5 & 99.6 Certification Pursuant to the 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

b) Reports on Form 8-K - Reports on Form 8-K were filed on April 21, 2006, May 25, 2006 and May 31, 2006

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: July 24, 2006 /s/ Gerald B. Shreiber
Gerald B. Shreiber
President

Dated: July 24, 2006 /s/ Dennis G. Moore
Dennis G. Moore
Senior Vice President and
Chief Financial Officer

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Dennis G. Moore, certify that:

1. I have reviewed this report on Form 10-Q of J & J Snack Foods Corp.;

2. Based on my knowledge, this 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 report;

3. Based on my knowledge, the financial statements, and other financial information included in this 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 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-15(e) and 15d-15(e)) and internal controls and procedures for financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, 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 report is being prepared;

b) designed such internal controls and procedures for financial reporting, or caused such internal controls over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's third fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, 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 and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; 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 over financial reporting.

Date: July 24, 2006

/s/ Dennis G. Moore
Dennis G. Moore
Chief Financial Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO
SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002

I, Gerald B. Shreiber, certify that:

1. I have reviewed this report on Form 10-Q of J & J Snack Foods Corp.;

2. Based on my knowledge, this 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 report;

3. Based on my knowledge, the financial statements, and other financial information included in this 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 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-15(e) and 15d-15(e)) and internal controls and procedures for financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, 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 report is being prepared;

b) designed such internal controls and procedures for financial reporting, or caused such internal controls over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's third fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, 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 and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; 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 over financial reporting.

Date: July 24, 2006

/s/ Gerald B. Shreiber
Gerald B. Shreiber
Chief Executive Officer

Exhibit 99.5

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Section 1350 of Chapter 63 of Title 18 of the United States Code), the undersigned officer of J & J Snack Foods Corp. (the "Company"), does hereby certify with respect to the Quarterly Report of the Company on Form 10-Q for the quarter ended June 24, 2006 (the "Report") that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: July 24, 2006

/s/ Dennis G. Moore
Dennis G. Moore
Chief Financial Officer

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Section 1350 of Chapter 63 of Title 18 of the United States Code) and is not being filed as part of the Report or as a separate disclosure document.

Exhibit 99.6

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Section 1350 of Chapter 63 of Title 18 of the United States Code), the undersigned officer of J & J Snack Foods Corp. (the "Company"), does hereby certify with respect to the Quarterly Report of the Company on Form 10-Q for the quarter ended June 24, 2006 (the "Report") that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: July 24, 2006

/s/ Gerald B. Shreiber
Gerald B. Shreiber
Chief Executive Officer

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (Section 1350 of Chapter 63 of Title 18 of the United States Code) and is not being filed as part of the Report or as a separate disclosure document.