SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-K

(Mark One)

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 [FEE REQUIRED]
For the fiscal year ended September 30, 1995

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934 [NO FEE REQUIRED]
For the transition period from to

Commission File No. 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, New Jersey	08109
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (609-665-9533)

Securities registered pursuant to Section 12(b) of the Act:

Common Stock, par value: None	None
(Title of each class)	(Name of each exchange on which registered)

Securities registered pursuant to Section 12(g) of the Act: None

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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 and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K [ ].

As of November 30, 1995, the latest practicable date, 9,116,354 shares of the Registrant's common stock were issued and outstanding. The aggregate market value of shares held by non-affiliates of the Registrant on such date was $73,559,162, based on the last price on that date of $12.125 per share, which is an average of bid and asked prices.

DOCUMENTS INCORPORATED BY REFERENCE

The Registrant's 1995 Annual Report to Shareholders for the fiscal year ended September 30, 1995 and Proxy Statement for its Annual Meeting of Shareholders to be held on February 7, 1996 are incorporated herein by reference into Parts I, II, III and IV as set forth herein.

J & J SNACK FOODS CORP.
1995 FORM 10-K ANNUAL REPORT
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PART I

PART I

Item 1. Business

General

J & J Snack Foods Corp. (the "Company") manufactures nutritional snack foods which it markets nationally to the food service and retail supermarket industries. Its principal snack food products are soft pretzels marketed principally under the brand name SUPERPRETZEL. J & J believes it is the largest manufacturer of soft pretzels in the United States. The Company also markets frozen carbonated beverages to the food service industry under the brand names ICEE and ARCTIC BLAST in the Western United States, Mexico and Canada and under the brand names FROZEN COKE and ARCTIC BLAST in midwestern and eastern states. Other snack products include frozen juice treats and desserts, churros (a Hispanic pastry), funnel cake, popcorn, baked goods and whipped fruit drinks.

The Company's sales are made primarily to food service customers including snack bar and food stand locations in leading chain, department, discount, warehouse club and convenience stores; malls and shopping centers; fast food outlets; stadiums and sports arenas; leisure and theme parks; movie theatres; independent retailers; and schools, colleges and other institutions. The Company's retail supermarket customers are primarily supermarket chains. The Company sells direct to the public through its chain of specialty snack food retail outlets, Bavarian Pretzel Bakery, located primarily in the Mid-Atlantic States.

The Company was incorporated in 1971 under the laws of the State of New Jersey.

Products

Soft Pretzels

The Company's soft pretzels are sold under the SUPERPRETZEL, MR. TWISTER, SOFT PRETZEL BITES, SOFTSTIX and SOFT PRETZEL BUNS brand names and, to a lesser extent, under private labels. The Company sells its soft pretzels to the food service and the retail supermarket industries and direct to the public through Bavarian Pretzel Bakery, its chain of specialty snack food retail outlets. The Company's soft pretzels qualify under USDA regulations as the nutritional equivalent of bread for purposes of the USDA school lunch program, thereby enabling a participating school to obtain partial reimbursement of the cost of the Company's soft pretzels from the USDA. Soft pretzel sales amounted to 44% and 43% of the Company's revenue in fiscals 1995 and 1994, respectively.

The Company's soft pretzels are manufactured according to a proprietary formula. Regular soft pretzels, approximately 2-1/2 ounces in weight, and jumbo or king size soft pretzels, approximately 5-1/2 ounces in weight, are shaped and formed by the Company's proprietary twister machines. These soft pretzel tying machines are automated, high speed machines for twisting dough into the traditional pretzel shape. Soft pretzel nuggets, mini one ounce soft pretzels and soft pretzels in customized shapes and sizes are extruded or shaped by hand. Soft pretzels, after processing, are quick-frozen in either raw or baked form and packaged for delivery.

The Company's food service marketing program includes supplying ovens, mobil merchandisers, display cases, warmers and similar merchandising equipment to the retailer to prepare and promote the sale of soft pretzels. Some of this equipment is proprietary, including two models of a combination warmer and display case that reconstitute frozen soft pretzels while displaying them, thus eliminating the need for an oven. The Company retains ownership of the equipment placed in customer locations and, as a result, customers are not required to make an investment in equipment.

Frozen Carbonated Beverages

The Company markets, through its direct sales force, frozen carbonated beverages to the food service industry under the names ICEE and ARCTIC BLAST in fourteen western states, Mexico and Canada and under the trade names FROZEN COKE and ARCTIC BLAST in twenty five midwestern and eastern states and direct to the public through Bavarian Pretzel Bakery, its chain of specialty snack food retail outlets. Frozen carbonated beverage sales amounted to 23% and 24% of fiscal 1995 and fiscal 1994 revenue, respectively. Under the Company's marketing program, it installs frozen carbonated beverage dispensers at customer locations and thereafter services the machines, provides customers with ingredients required for production of the frozen carbonated beverages, and supports customer retail sales efforts with in-store promotions and point-of-sale materials. In most cases, the Company retains ownership of its dispensers and, as a result, customers are not required to make an investment in equipment or arrange for the ingredients and supplies necessary to produce and market the frozen carbonated beverages.

Each new customer location requires a frozen carbonated beverage dispenser supplied by the Company or by the customer. Company supplied dispensers are built new or rebuilt by the Company at an approximate cost of $5,500 each. The following shows the number of Company owned and customer owned frozen carbonated beverage dispensers at customer locations at the dates indicated:

	Company Owned	Customer Owned	Total
September 26, 1993	7,003	417	7,420
September 25, 1994	7,312	1,100	8,412
September 24, 1995	7,157	1,107	8,264

Frozen Juice Treats and Desserts

The Company's frozen juice treats and desserts are marketed under the SUPER JUICE, FROSTAR, SHAPE-UPS and LUIGI'S brand names to the food service and to the retail supermarket industries. Frozen juice treat and dessert sales were 15% and 12% of the Company's revenue in fiscals 1995 and 1994, respectively.

The Company's SUPER JUICE and SHAPE-UPS frozen juice bars are manufactured from an apple or pear juice base to which water, sweeteners, coloring (in some cases) and flavorings are added. The juice bars contain two ounces of apple or pear juice and the minimum daily requirement of vitamin C, and qualify as reimbursable items under the USDA school lunch program. The juice bars are produced in various flavors and are packaged in a sealed push-up paper container referred to as the Milliken M-pak, which the Company believes has certain sanitary and safety advantages.

The FROSTAR product line includes frozen juice and other frozen desserts on a stick and in a cup. The juice bar and FROSTAR products are sold primarily to the school portion of the food service industry.

LUIGI'S Real Italian ice is sold to the foodservice and to the retail supermarket industries. It is manufactured from water, sweeteners and fruit juice concentrates in various flavors and is packaged in six ounce paper cups for retail supermarket and in four and eight ounce squeeze up tubes for foodservice.

Churros

The Company sells frozen churros under the TIO PEPE'S brand name to both the food service and retail supermarket industries, primarily in the Western and Southwestern United States. Churro sales were 5% of the Company's sales in fiscal 1995 and 6% in 1994. Churros are Hispanic donuts in stick form which the Company produces in several sizes according to a proprietary formula. The churros are deep fried, frozen and packaged. At food service point-of-sale they are reheated and topped with a cinnamon sugar mixture. The Company supplies churro merchandising equipment similar to that used for its soft pretzels.

Baked Goods

The Company has a contract and private label bakery business which manufactures cookies, muffins and other baked goods for third parties. In addition, the Company produces and markets these products under its PRIDE O' THE FARM, MRS. GOODCOOKIE and MRS. GOODMUFFIN brand names. Baked goods sales amounted to 6% of the Company's sales in fiscals 1995 and 1994, respectively.

Other Products

The Company also markets to the food service industry and direct to the public products produced by others including soft drinks, funnel cakes sold under the FUNNEL CAKE FACTORY brand name, whipped fruit drinks sold under the TANGO WHIP brand name, popcorn sold under the AIRPOPT brand name, as well as smaller amounts of various other food products. In addition, J & J manufactures and markets machines and machine parts for sale primarily to other food and beverage companies.

Customers

The Company sells its products to two principal customer groups: food service and retail supermarkets. The primary products sold to the food service group are soft pretzels, frozen carbonated beverages, frozen juice treats and desserts, churros and baked goods. The primary products sold to the retail supermarket industry are soft pretzels and Italian ice. Additionally, the Company sells soft pretzels, frozen carbonated beverages and various other food products direct to the public through Bavarian Pretzel Bakery, its chain of specialty snack food retail outlets.

The Company's customers in the food service industry include snack bars and food stands in chain, department and discount stores such as KMart, Walmart, Woolworth, Bradlees, Clover, Caldor, Target and Venture Stores; malls and shopping centers; fast food outlets; stadiums and sports arenas; leisure and theme parks such as Disneyland, Walt Disney World, Opryland, Universal Studios, Sea World, Six Flags, Hershey Park and Busch Gardens; convenience stores such as 7-Eleven, Circle K, AM/PM, White Hen Pantry and Wawa; movie theatres; warehouse club stores such as Sam's Club, Price Costco and B.J.'s; schools, colleges and other institutions; and independent retailers such as Hot Sam. Food service concessionaires purchasing soft pretzels from the Company for use in sports arenas and for institutional meal services include ARAMARK, Ogden, Service America, Sportservice, Marriott and Volume Services. Machines and machine parts are sold to other food and beverage companies. Within the food service industry, the Company's products are purchased by the consumer primarily for consumption at the point-of-sale.

The Company's supermarket customers include A & P, Acme, Alpha

Beta, Food Lion, Giant, Kroger, Pathmark, Publix, Ralph's, Safeway, Shop Rite, Superfresh, Waldbaum's and Winn Dixie. Products sold to retail supermarket customers are primarily soft pretzel products, including SUPERPRETZEL, LUIGI'S Real Italian Ice and various secondary brands. Within the retail supermarket industry, the Company's frozen and prepackaged products are purchased by the consumer for consumption at home.

Several fast food chains continue to sell the Company's soft pretzels, churros and frozen carbonated beverages on a test basis and/or as an optional menu item. Presently, sales to fast food chains do not provide a significant portion of the Company's revenue. The Company cannot predict when, or if, sales to fast food chains will provide a significant portion of the Company's revenue.

Marketing and Distribution

The Company has developed a national marketing program for its products. For food service customers, this marketing program includes providing ovens, mobile merchandisers, display cases, warmers, frozen carbonated beverage dispensers and other merchandising equipment for the individual customer's requirements and point-of-sale materials as well as participating in trade shows. The Company's advertising and promotional campaigns for its retail supermarket products include trade shows, newspaper advertisements with coupons, in-store demonstrations and television advertisements.

The Company's products are sold through a network of about 160 food brokers and over 1,000 independent sales distributors and the Company's own direct sales force. The Company maintains warehouse and distribution facilities in Pennsauken, New Jersey; Vernon (Los Angeles) California; Scranton, Pittsburgh, Hatfield and Lancaster, Pennsylvania; and Solon, Ohio. Frozen carbonated beverages are distributed from 48 warehouse and distribution facilities located in 21 states, Mexico and Canada which allow the Company to directly service its customers in the surrounding areas. The Company's products are shipped in refrigerated and other vehicles from the Company's manufacturing and warehouse facilities on a fleet of Company operated tractor-trailers, trucks and vans, as well as by independent carriers.

Seasonality

The Company's sales are seasonal because frozen carbonated beverage sales are generally higher during the warmer months and sales of the Company's retail stores are generally higher in the Company's first quarter during the holiday shopping season.

Trademarks and Patents

The Company has numerous trademarks, the most important of which are SUPERPRETZEL, MR. TWISTER, SOFT PRETZEL BITES and SOFTSTIX for its soft pretzel products; FROSTAR, SHAPE-UPS and LUIGI'S for its frozen juice treats and desserts; TIO PEPE'S for its churros; ARCTIC BLAST for its frozen carbonated beverages; FUNNEL CAKE FACTORY for its funnel cake products, MRS. GOODCOOKIE and MRS. GOODMUFFIN for its cookies, muffins and other baked goods; and TANGO WHIP for its whipped fruit drinks. The trademarks, when renewed and continuously used, have an indefinite term and are considered important to the Company as a means of identifying its products.

The Company believes that it is currently the only entity marketing frozen carbonated beverages under the trademark ICEE in its fourteen state market area in the Continental Western United States and in Mexico and Canada. Additionally, the Company has the international rights to the trademark ICEE.

The Company has two design patents for display cases used in marketing the Company's soft pretzel and churro products. These patents expire in 1997 and 2000. The Company has two design patents which expire in 1997 and 1999 relating to the marketing of its funnel cake products. The Company also has four patents related to frozen carbonated beverage dispensers, including a countertop unit. One expires in 2005 and three expire in 2006.

Supplies

The Company's manufactured products are produced from raw materials which are readily available from numerous sources. With the exception of the Company's soft pretzel twisting equipment and funnel cake production equipment, which are made for J & J by independent third parties, and certain specialized packaging equipment, the Company's manufacturing equipment is readily available from various sources. Syrup for frozen carbonated beverages is purchased from the Coca Cola Company, the Pepsi Cola Company, and Western Syrup Company. Cups, straws and lids are readily available from various suppliers. Parts for frozen carbonated beverage dispensing machines are manufactured internally and purchased from other sources.

Competition

Snack food and baked goods markets are highly competitive. The Company's principal products compete against similar and different food products manufactured and sold by numerous other companies, some of which are substantially larger and have greater resources than the Company. As the soft pretzel, frozen juice treat and dessert, baked goods and related markets grow, additional competitors and new competing products may enter the markets. Competitive factors in these markets include product quality, customer service, taste, price, identity and brand name awareness, method of distribution and sales promotions.

The Company believes it is the only national distributor of food service soft pretzels. However, there are numerous regional and local manufacturers of food service soft pretzels and one national distributor of soft pretzels to the retail supermarket industry. Competition is also increasing in that there are several chains of retail pretzel stores which are aggressively expanding. These chains compete with the Company's products. The Company entered this area with its purchase of Bavarian Soft Pretzels, Inc. in fiscal 1994.

In Frozen Carbonated Beverages the Company competes directly with other frozen carbonated beverage companies. These include several companies which have the right to use the ICEE name in various territories. One such company, which also sells outside its ICEE territory using the Frozen Coke trademark, is believed to have frozen carbonated beverage sales similar to the Company's. There are many other regional frozen carbonated beverage competitors throughout the country and one large retail chain which uses its own frozen carbonated beverage brand.

The Company competes with large soft drink manufacturers for counter and floor space for its frozen carbonated beverage dispensing machines at retail locations and with products which are more widely known than the ICEE and ARCTIC BLAST frozen carbonated beverages.

The Company competes with a number of other companies in the frozen juice treat and dessert and baked goods markets.

Divestitures

During the third 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.

Employees

The Company had approximately 1,500 full and part time employees as of September 30, 1995. Certain production and distribution employees at the Pennsauken plant are covered by a collective bargaining agreement which expires in December 1995. The Company considers its employee relations to be good.

Item 2. Properties

The Company's primary east coast manufacturing facility is located in Pennsauken, New Jersey in a 70,000 square foot building on a two acre lot. Soft pretzels and churros are manufactured at this company-owned facility which also serves as the Company's corporate headquarters. In 1994, the Company increased the capacity of this manufacturing facility by approximately 30%; the facility now operates at approximately 80% of capacity. The Company leases a 101,200 square foot building adjacent to its manufacturing facility in Pennsauken, New Jersey through March 2012. The Company has constructed a large freezer within this facility for warehousing and distribution purposes. The warehouse has a utilization rate of 60-90% depending on product demand. The Company also leases through September 1998 16,000 square feet of office and warehouse space located next to the Pennsauken, New Jersey plant.

The Company owns a 150,000 square foot building on eight acres in Bellmawr, New Jersey. Approximately 60% of the facility is leased to a third party. The remainder is used by the Company to manufacture some of its products including funnel cake and pretzels.

The Company's primary west coast manufacturing facility is located in Vernon (Los Angeles), California. It consists of a 102,000 square foot facility in which soft pretzels, churros and various lines of baked goods are produced. The Company has recently leased 35,000 square feet of additional space in the same building in which it plans to construct a large freezer for warehousing and distribution purposes. The Company anticipates that the construction of the freezer will be completed in 1996. The combined facility is leased through November 2010. The manufacturing facility operates at approximately 50% of capacity.

The Company's midwest facility is a 52,700 square foot building located on five acres in Chicago Heights, Illinois. This company-owned facility serves as a sales office and distribution facility for frozen carbonated beverages. Approximately 80% of the facility is not utilized.

The Company owns a 26,000 square foot frozen juice treat and dessert manufacturing facility located on three acres in Scranton, Pennsylvania. The facility operates at less than 60% of capacity.

The Company owns a 25,000 square foot facility located on 11 acres in Hatfield, Pennsylvania. The facility is used for the production of soft pretzels and as a distribution center. The facility operates at approximately 80% of capacity.

The Company's Bavarian Pretzel Bakery headquarters and warehouse and distribution facilities are located in a 11,000 square foot owned building in Lancaster, Pennsylvania.

The Company also leases 48 warehouse and distribution facilities.

Item 3. Legal Proceedings

The Company has no material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the Company or any of its subsidiaries is a party or of which any of their property is subject.

Item 4. Submission Of Matters To A Vote Of Security Holders

None.

EXECUTIVE OFFICERS OF THE REGISTRANT

The following is a list of the executive officers of the Company and their principal past occupations or employment. All such persons serve at the pleasure of the Board of Directors and have been elected to serve until the Annual Meeting of Shareholders on February 1, 1995 or until their successors are duly elected.

Name	Age	Position
Gerald B. Shreiber	54	Chairman of the Board, President, Chief Executive Officer and Director
Dennis G. Moore	40	Senior Vice President, Chief Financial Officer, Secretary, Treasurer and Director
Robert M. Radano	46	Senior Vice President, Sales
John S. Schiavo	45	Senior Vice President, West
Donald M. Taylor	63	Vice President and General

Manager of Eastern Operations

Gerald B. Shreiber is the founder of the Company and has served as its Chairman of the Board, President, and Chief Executive Officer since its inception in 1971. His term as a director expires in 2000.

Dennis G. Moore joined the Company in 1984. He served in various controllership functions prior to becoming the Chief Financial Officer in June 1992. His term as a director expires in 1997.

Robert M. Radano joined the Company in 1972. His responsibilities include the coordination of food service sales and marketing activities of the Company's regional sales managers and handling of the Company's national accounts.

John S. Schiavo, who joined the Company in 1981, manages the manufacturing and sales activities of the Vernon, California facility.

Donald M. Taylor joined the Company in 1978. He is responsible for eastern region manufacturing, distribution and branch operations.

PART II

Item 5. Market For Registrant's Common Stock And Related Stockholder Matters

The Company's common stock is traded on the over-the-counter market on the NASDAQ National Market System under the symbol JJSF. The following table sets forth the high and low final sale price quotations as reported by NASDAQ for the common stock for each quarter of the years ended September 24, 1994 and September 30, 1995.

	High	Low
Fiscal 1994		
First quarter ended December 25, 1993	20-3/8	17-1/8
Second quarter ended March 26, 1994	20-3/4	17-3/8
Third quarter ended June 25, 1994	18-1/4	10-7/8
Fourth quarter ended September 24, 1994	13-1/4	12-1/8
Fiscal 1995		
First quarter ended December 24, 1994	12-7/8	11-1/4
Second quarter ended March 25, 1995	12	10
Third quarter ended June 24, 1995	13	10-1/8
Fourth quarter ended September 30, 1995	13-3/8	11-3/8

On November 30, 1995, there were 9,116,354 shares of common stock outstanding. Those shares were held of record by approximately 400 shareholders; that number does not reflect the number of beneficial shareholders whose shares are held in street name.

The Company has never paid a cash dividend on its common stock and does not anticipate paying cash dividends in the foreseeable future.

Item 6. Selected Financial Data

The information set forth under the caption "Financial Highlights" of the 1995 Annual Report to Shareholders is incorporated herein by reference.

Item 7. Management's Discussion And Analysis Of Financial Condition And Results Of Operations

The information set forth under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations" of the 1995 Annual Report to Shareholders is incorporated herein by reference.

Item 8. Financial Statements And Supplementary Data

The following consolidated financial statements of the Company set forth in the 1995 Annual Report to Shareholders are incorporated herein by reference:

Consolidated Balance Sheets as of September 30, 1995 and September 24, 1994
Consolidated Statements of Earnings for the fiscal years ended September 30, 1995, September 24, 1994 and September 25, 1993
Consolidated Statement of Stockholders' Equity for the three fiscal years ended September 30, 1995
Consolidated Statements of Cash Flows for the fiscal years ended September 30, 1995, September 24, 1994 and September 25, 1993
Notes to Consolidated Financial Statements
Report of Independent Certified Public Accountants

Item 9. Changes In And Disagreements With Accountants On Accounting And Financial Disclosure

None.

PART III

Item 10. Directors And Executive Officers Of The Registrant

Information concerning directors, appearing under the captions "Information Concerning Nominee For Election To Board" and "Information Concerning Continuing Directors And Executive Officers" in the Company's Proxy Statement filed with the Securities and Exchange Commission in connection with the Annual Meeting of Shareholders to be held on February 7, 1996, is incorporated herein by reference. Information concerning the executive officers is included on page 11 following Item 4 in Part I hereof.

Item 11. Executive Compensation

Information concerning executive compensation appearing in the Company's Proxy Statement under the caption "Management Remuneration" is incorporated herein by reference.

Item 12. Security Ownership Of Certain Beneficial Owners And Management

Information concerning the security ownership of certain beneficial owners and management appearing in the Company's Proxy Statement under the caption "Principal Shareholders" is incorporated herein by reference.

Item 13. Certain Relationships And Related Transactions

Not applicable.

PART IV

Item 14. Exhibits, Financial Statement Schedules And Reports On Form 8-K

(a) Financial Statements

The following are incorporated by reference in Part II of this report:

Report of Independent Certified Public Accountants
Consolidated Balance Sheets as of September 30, 1995 and September 24, 1994
Consolidated Statements of Earnings for the fiscal years ended September 30, 1995, September 24, 1994 and September 25, 1993
Consolidated Statement of Stockholders' Equity for the three fiscal years ended September 30, 1995
Consolidated Statements of Cash Flows for the fiscal years ended September 30, 1995, September 24, 1994 and September 25, 1993
Notes to Consolidated Financial Statements

Financial Statement Schedule

The following are included in Part IV of this report:

All other schedules are omitted either because they are not applicable or because the information required is contained in the financial statements or notes thereto.

Exhibits

3.1 Amended and Restated Certificate of Incorporation filed February 28, 1990. (Incorporated by reference from the Company's Form 10-Q dated May 4, 1990.)

3.2 Amended and Restated Bylaws adopted May 15, 1990. (Incorporated by reference from the Company's Form 10-Q dated August 3, 1990.)

4.1 New Jersey Economic Development Authority Economic Development Revenue Bonds Trust Indenture dated as of December 1, 1991. (Incorporated by reference from the Company's 10-K dated December 18, 1992.)

10.1 Proprietary Exclusive Manufacturing Agreement dated July 17, 1984 between J & J Snack Foods Corp. and Wisco Industries, Inc. (Incorporated by reference from the Company's Form S-1 dated February 4, 1986, file no. 33-2296.)

10.2* J & J Snack Foods Corp. Stock Option Plan. (Incorporated by reference from the Company's Form S-8 dated July 24, 1992, file no. 33-50036.)

10.3* J & J Snack Foods Corp. 401(K) Profit Sharing Plan, As Amended, Effective January 1, 1989. (Incorporated by reference from the Company's 10-K dated December 18, 1992.)

10.6 Lease dated September 24, 1991 between J & J Snack Foods Corp. of New Jersey and A & H Bloom Construction Co. for the 101,200 square foot building next to the Company's manufacturing facility in Pennsauken, New Jersey. (Incorporated by reference from the Company's Form 10-K dated December 17, 1991).

10.7 Lease dated August 29, 1995 between J & J Snack Foods Corp. and 5353 Downey Associates Ltd for the lease of the Vernon, CA facility. (Page 20.)

11.1 Computation of Earnings Per Common Share. (Page 47.)

13.1 Company's 1995 Annual Report to Shareholders (except for the captions and information thereof expressly incorporated by reference in this Form 10-K, the Annual Report to Shareholders is provided solely for the information of the Securities and Exchange Commission and is not deemed "filed" as part of the Form 10-K.) (Page 48.)

22.1 Subsidiaries of J & J Snack Foods Corp. (Page 77.)

24.1 Consent of Independent Certified Public Accountants. (Page 78.)

(b)Reports on Form 8-K

No reports on Form 8-K have been filed by the Company during the last quarter of the period covered by this report.

*Compensatory Plan

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

December 21, 1995

By /s/ Gerald B. Shreiber
Gerald B. Shreiber,
Chairman of the Board,
President, Chief Executive
Officer and Director

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

December 21, 1995

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

December 21, 1995

/s/ Stephen N. Frankel
Stephen N. Frankel, Director

December 21, 1995

/s/ Peter G. Stanley
Peter G. Stanley, Director

December 21, 1995

/s/ Leonard M. Lodish
Leonard M. Lodish, Director

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

December 21, 1995

By________________________________
Gerald B. Shreiber,
Chairman of the Board,
President, Chief Executive
Officer and Director

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

____

December 21, 1995

Dennis G. Moore, Senior Vice
President, Chief Financial
Officer and Director

____

December 21, 1995

Stephen N. Frankel, Director

December 21, 1995 Peter G. Stanley, Director

December 21, 1995 Leonard M. Lodish, Director

REPORT OF INDEPENDENT CERTIFIED PUBLIC
ACCOUNTANTS ON SCHEDULE

Board of Directors
J & J Snack Foods Corp.

In connection with our audit of the consolidated financial statements of J & J Snack Foods Corp. and Subsidiaries referred to in our report dated November 7, 1995, which is included in the Annual Report to Shareholders and incorporated by reference in Part II of this form, we have also audited Schedule II for each of the three years in the period ended September 30, 1995 (53 weeks, 52 weeks and 52 weeks, respectively). In our opinion, this schedule presents fairly, in all material respects, the information required to be set forth therein.

GRANT THORNTON LLP

Philadelphia, Pennsylvania
November 7, 1995

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS

Year	Description	Opening balance	Charged to expense	Deductions	Closing balance
1995	Allowance for doubtful accounts	$296,000	$ 81,000	$106,000(1)	$271,000
1994	Allowance for doubtful accounts	258,000	231,000	193,000(1)	296,000
1993	Allowance for doubtful accounts	226,000	160,000	128,000(1)	258,000

(1) Write-off uncollectible accounts receivable.

STANDARD INDUSTRIAL LEASE - NET
AMERICAN INDUSTRIAL REAL ESTATE ASSOCIATION

1. Parties. This Lease, dated, for reference purposes only, as of August 29, 1995, is made by and between 5353 Downey Associates Ltd., a California Limited Partnership (hereinafter called "Lessor") and J&J Snack Foods Corp. and J&J Snack Foods Corp. of California (hereinafter called "Lessee") and restates and amends the prior lease dated July 1, 1988 as Supplemented and Amended.

2. Premises. Lessor hereby leases to Lessee and Lessee leases from Lessor for the term, at the rental, and upon all of the conditions set forth herein, that certain real property situated in the County of Los Angeles, State of California, commonly known as Unit A and Unit B and as described as 5353 (Unit A), 5499 (Unit B) and 5477 (Unit C) Downey Road, Vernon, California, as more particularly described on Exhibit "A" attached hereto:

(a) The portion of the Premises at 5353 Downey Road is composed of a portion of a larger parcel(s) of land improved with a building(s) in which the demised space shown as Unit "A", Unit "B" and Unit "C" on Exhibit "A" contains approximately 136,564 square feet of ground floor area.

(b) The remaining land area of the larger parcels of which the Premises is composed not presently utilized for permanent improvements is hereby designated as "common areas" and is cross-hatched on Exhibit "A" attached hereto. Lessee is granted the non-exclusive right to use the common areas, in common with other tenants of the buildings located on the parcels of land on which the buildings are located.

Said real property including the land and all improvements therein, is herein called the "Premises".

3. Term.

3.1 Term. The term of this Lease shall be for fifteen (15) years commencing on December 1, 1995 and terminating on November 31, 2010.

3.2 Option To Renew. [DELETED.]

3.3 Early Possession. [DELETED.]

4. Rent. Commencing December 1, 1995 and continuing throughout the remainder of the lease term, Lessee shall pay to Lessor rent for the Premises, monthly payments as set forth below, in advance on the first day of each month of the term hereof:

YEAR	LEASE PERIOD	RENT PER S.F./MO.	TOTAL PER MONTH	TOTAL YEAR
1	12/01/95 - 11/30/96	26.5	36,190	434,280
2	12/01/96 - 11/30/97	27.0	36,872	442,464
3	12/01/97 - 11/30/98	27.5	37,555	450,660
4	12/01/98 - 11/30/99	28.0	38,238	458,856
5	12/01/99 - 11/30/00	28.5	38,921	467,052
6	12/01/00 - 11/30/01	29.0	39,604	475,248
7	12/01/01 - 11/30/02	29.5	40,286	483,432
8	12/01/02 - 11/30/03	30.0	40,969	491,628
9	12/01/03 - 11/30/04	31.25	42,676	512,112
10	12/01/04 - 11/30/05	32.0	43,700	524,400
11	12/01/05 - 11/30/06	32.5	44,383	532,596
12	12/01/06 - 11/30/07	33.25	45,408	544,896
13	12/01/07 - 11/30/08	33.75	46,090	553,080
14	12/01/08 - 11/30/09	34.0	46,432	557,184
15	12/01/09 - 11/30/10	34.5	47,115	565,380

Rent for any period during the term hereof which is for less than one month shall be a pro rata portion of the monthly installment. Rent shall be payable in lawful money of the United States to Lessor at the address stated herein or to such other persons or at such other places as Lessor may designate in writing.

5. Security Deposit. Lessee has deposited with Lessor the sum of

$18,421.48 as security for Lessee's faithful performance of Lessee's obligations hereunder. If Lessee fails to pay rent or other charges due hereunder, or otherwise defaults with respect to any provision of this Lease, Lessor may use, apply or retain all or any portion of said deposit for the payment of any rent or other charge in default or for the payment of any other sum to which Lessor may become obligated by reason of Lessee's default, or to compensate Lessor for any loss or damage which Lessor may suffer thereby. If Lessor so uses or applies all or any portion of said deposit, Lessee shall within ten (10) days after written demand therefor deposit cash with Lessor in an amount sufficient to restore said deposit to the full amount hereinabove stated and Lessee's failure to do so shall be a material breach of this Lease. Lessor shall not be required to keep said deposit separate from its general accounts. If Lessee performs all of Lessee's obligations hereunder, said deposit, or so much thereof as has not theretofore been applied by Lessor, shall be returned, without payment of interest or other increment for its use, to Lessee (or, at Lessor's option, to the last assignee, if any, of Lessee's interest hereunder) at the expiration of the term hereof, and after Lessee has vacated the Premises. No trust relationship is created herein between Lessor and Lessee with respect to said Security Deposit.

6. Use.

6.1 Use. The Premises shall be used and occupied only for the manufacturing and/or warehousing of food products and related uses, office use incidental thereto, or any other use which is reasonably comparable and for no other purpose.

6.2 Compliance With Law.

(a) Lessee acknowledges that it is in possession of the Premises and that Lessor is making no warranty regarding the compliance of the Premises with applicable laws.

(b) Except as provided in paragraph 6.2(a), Lessee shall, at Lessee's expense, comply promptly with all applicable statutes, ordinances, rules, regulations, orders, covenants and restrictions of record, and requirements in effect during the term or any part of the term hereof, regulating the use by Lessee of the Premises. Lessee shall not use nor permit the use of the Premises in any manner that will tend to create waste or a nuisance or, if there shall be more than one tenant in the building containing the Premises, shall tend to disturb such other tenants.

6.3 Condition Of Premises.

(a) Lessor shall deliver the Premises to Lessee clean and free of debris on Lease commencement date (unless Lessee is already in possession) and Lessor further warrants to Lessee that the plumbing, lighting, air conditioning, heating, and loading doors in the Premises shall be in good operating condition on the Lease commencement date. In the event that it is determined that this warranty has been violated, then it shall be the obligation of Lessor, after receipt of written notice from Lessee setting forth with specificity the nature of the violation, to promptly, at Lessor's sole cost, rectify such violation. Lessee's failure to give such written notice to Lessor within thirty (30) days after the Lease commencement date shall cause the conclusive presumption that Lessor has complied with all of Lessor's obligations hereunder. The warranty contained in this paragraph 6.3(a) shall be of no force or effect if prior to the date of this Lease, Lessee was the owner or occupant of the Premises.

(b) Except as otherwise provided in this Lease, Lessee hereby accepts the Premises in their condition existing as of the Lease commencement date or the date that Lessee takes possession of the Premises, whichever is earlier, subject to all applicable zoning, municipal, county and state laws, ordinances and regulations governing and regulating the use of the Premises, and any covenants or restrictions of record, and accepts this Lease subject thereto and to all matters disclosed thereby and by any exhibits attached hereto. Lessee acknowledges that neither Lessor nor Lessor's agent has made any representation or warranty as to the present or future suitability of the Premises for the conduct of Lessee's business. Except as hereafter provided (regarding common area and structural maintenance, and reimbursement by Lessee for its proportional share of the cost thereof), Lessor shall not be responsible for correcting any structural defects in the Premises, as Lessee is currently in possession of the Premises and it is responsible for all repairs and maintenance with respect thereto. Lessee hereby accepts said Premises in its "As Is" and "Where Is" condition and has not relied upon any representations of Lessor as to the condition or use of the Premises by Lessee. Lessee represents and warrants that all improvements made by Lessee to the Premises have been made and completed in accordance with all Governmental Codes and Ordinances and Lessee has obtained all necessary governmental approvals therefor.

7. Maintenance, Repairs and Alterations.

7.1 Lessee's Obligations.

(a) Lessee shall keep in good order, condition and repair all non-structural interior portions of the Premises and every part thereof, structural and non-structural, (whether or not such portion of the Premises requiring repair, or the means of repairing the same are reasonably or readily accessible to Lessee, and whether or not the need for such repairs occurs as a result of Lessee's use, any prior use, or the age of such portion of the Premises) including, without limiting the generality of the foregoing, all plumbing, heating, air conditioning, ventilating, electrical, lighting facilities and equipment within the Premises, fixtures, interior walls, interior ceilings, floors, windows, doors, plate glass and skylights located within the Premises.

(b) Notwithstanding anything in this Lease to the contrary, Lessor shall (the actual and reasonable cost thereof hereinafter sometimes being collectively called the "common expenses"): (i) keep in good order and repair (A) the common areas and shall keep the common areas clean and neat, and (B) all structural portions of the buildings of which the Premises are a part (including the Premises), the roof, foundations, the exterior and any utility lines serving more than one tenant, (ii) pay for all water supplied to the building(s) of which the Premises is a part as long as water is not separately metered to the Premises, (iii) pay for all reasonable and customary expenses incurred directly for the operation of the Property of which the Premises is a part, including accounting and/or management fees to third parties, if any, but excluding costs incurred in connection with one tenant or less than all tenants generally (such as tenant fit up work and legal fees for enforcement of or negotiation of a lease). Lessee shall reimburse Lessor for Lessee's proportionate share of Lessor's common expenses within ten (10) days of receipt of a bill for all or any portion thereof accompanied by copies of invoices and other reasonable evidence of the expenditures therefor. "Lessee's proportionate share" shall be a fraction, the numerator of which shall be the interior ground floor area of the Premises from centerline to centerline of walls and the denominator of which shall be the total aggregate ground floor area of the building(s) of which the Premises is a part. Lessor and Lessee have agreed that Lessee's proportionate share is 62.97%.

(c) It is intended that Lessee shall have full and complete responsibility for the payment of all maintenance expenses, structural and non-structural, relating to the Premises, either directly via paragraph 7.1(a), or via recoupment as a part of common expenses, notwithstanding that Lessor may be obligated under this Lease to perform some maintenance covering the Premises as set forth in paragraph 7.1(b).

7.2 Surrender. On the last day of the term hereof, or on any sooner termination, Lessee shall surrender the Premises to Lessor in the same condition as when received, ordinary wear and tear excepted, clean and free of debris. Lessee shall repair any damage to the Premises occasioned by the installation or removal of Lessee's trade fixtures, furnishings and equipment.

7.3 Lessor's Rights. If Lessee fails to perform Lessee's obligations under this Paragraph 7, or under any other paragraph of this Lease, Lessor may at is option (but shall not be required to) enter upon the Premises after ten (10) days prior written notice to Lessee (except in the case of an emergency, in which case no notice shall be required), perform such obligations on Lessee's behalf and put the same in good order, condition and repair, and the cost thereof together with interest thereon at 15% per annum shall become due and payable as additional rental to Lessor together with Lessee's next rental installment.

7.4 Lessor's Obligations. [DELETED.] (See paragraph 7.1 above)

7.5 Alterations and Additions.

(a) Lessee shall not, without Lessor's prior written consent, which consent shall not be unreasonably withheld or delayed, make any alterations, improvements, additions, or Utility Installations in, on or about the Premises, except for nonstructural alterations not exceeding $10,000 in cumulative costs during the term of this Lease. In any event, whether or not in excess of $10,000 in cumulative cost, Lessee shall make no change or alteration to the exterior of the Premises nor the exterior of the building(s) on the Premises without Lessor's prior written consent, which consent shall not be unreasonably withheld or delayed. As used in this Paragraph 7.5 the term "Utility Installation" shall mean carpeting, window coverings, air lines, power panels, electrical distribution systems, lighting fixtures, space heaters, air conditioning, plumbing, and fencing. All alterations, improvements, additions or Utility Installations may be left at the expiration of the term, and need not be removed by Lessee. Lessee may elect to remove any of the same provided Lessee repairs any damage caused by the installation or removal thereof. Lessor may require Lessee to provide Lessor, at Lessee's sole cost and expense, a lien and completion bond in an amount equal to one and one-half times the estimated cost of such improvements, to insure Lessor against any liability for mechanic's and materialmen's liens and to insure completion of the work. Should Lessee make any alterations, improvements, additions or Utility Installations without the prior approval of Lessor, Lessor may require that Lessee remove any or all of the same.

(b) Any alterations, improvements, additions or Utility Installations in, or about the Premises that Lessee shall desire to make and which requires the consent of the Lessor shall be presented to Lessor in written form, with proposed detailed plans. If Lessor shall give its consent, the consent shall be deemed conditioned upon Lessee acquiring a permit to do so from appropriate governmental agencies, the furnishing of a copy thereof to Lessor prior to the commencement of the work and the compliance by Lessee of all conditions of said permit in a prompt and expeditious manner.

(c) Lessee shall pay, when due, all claims for labor or materials furnished or alleged to have been furnished to or for Lessee at or for use in the Premises, which claims are or may be secured by any mechanics' or materialmen's lien against the Premises or any interest therein. Lessee shall give Lessor not less than ten (10) days notice prior to the commencement of any work in the Premises, and Lessor shall have the right to post notices of non-responsibility in or on the Premises as provided by law. If Lessee shall, in good faith, contest the validity of any such lien, claim or demand, then lessee shall, at its sole expense defend itself and Lessor against the same and shall pay and satisfy any such adverse judgment that may be rendered thereon before the enforcement thereof against the Lessor or the Premises, upon the condition that if Lessor shall require, Lessee shall furnish to Lessor a surety bond satisfactory to Lessor in an amount equal to such contested lien claim or demand indemnifying Lessor against liability for the same and holding the Premises free from the effect of such lien or claim. In addition, Lessor may require Lessee to pay Lessor's attorneys fees and costs in participating in such action if Lessor shall decide it is to its best interest to do so.

(d) All alterations, improvements, additions and Utility Installations (whether or not such Utility Installations constitute trade fixtures of Lessee), which are left on the Premises, shall become the property of Lessor at the expiration of the term. Notwithstanding the provisions of this Paragraph 7.5(d), Lessee's machinery and equipment, other than that which is affixed to the Premises so that it cannot be removed without material damage to the Premises, shall remain the property of Lessee and may be removed by Lessee subject to the provisions of Paragraph 7.2.

(e) Lessee is hereby granted the right to make nonstructural improvements to the Premises at its own cost upon prior written approval by Lessor of the plans and specifications for said improvements, such approval not to be unreasonably withheld or delayed, and upon submission of approved permits from the necessary governmental agencies. This paragraph is not intended to limit but to extend the requirements of Section 7.

(f) Lessee has installed an electric transformer and other improvements (the "Improvements") as set forth in that certain covenant and agreement with the City of Vernon dated September 27, 1994 on the parking area of the south side of the building on the premises without the Lessor's consent. Lessor has consented to the installation of the Improvements. Lessee specifically agrees, if requested in writing by Lessor at the expiration of the lease term, to remove the Improvements and reinstall the electrical power as per the City of Vernon requirements and to leave the premises broom clean and without contamination.

8. Insurance Indemnity.

8.1 Insuring Party. Since the Premises is part of a larger building or group of buildings, Lessor has agreed to maintain the casualty insurance therefor and Lessee has agreed to pay its proportionate share as hereafter provided.

8.2 Liability Insurance. Lessee shall, at Lessee's expense obtain and keep in force during the term of this Lease a policy of Combined Single Limit, Bodily Injury and Property Damage insurance insuring Lessor and Lessee against any liability arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be a combined single limit policy in an amount not less than $ 500,000 per occurrence. The policy shall insure performance by Lessee of the indemnity provisions of this Paragraph 8. The limits of said insurance shall not, however, limit the liability of Lessee hereunder.

8.3 Property Insurance.

(a) Lessor shall obtain and keep in force during the term of this Lease a policy or policies of insurance covering loss or damage to the Premises and the building(s) of which it is a part in the amount of the full replacement value thereof, as the same may exist from time to time, but in no event less than the total amount required by lenders having liens on the Premises, against all perils included within the classification of fire, extended coverage, vandalism, malicious mischief, flood (in the event same is required by a lender having a lien on the Premises), and special extended perils ("all risk" as such term is used in the insurance industry). Said insurance shall provide for payment of loss thereunder to Lessor or to the holders of mortgages or deeds of trust on the Premises. Lessor shall, in addition, obtain and keep in force during the term of this Lease a policy of rental value insurance covering a period of one year, with loss payable to Lessor, which insurance shall also cover all real estate taxes and insurance costs for said period. A stipulated value or agreed amount endorsement deleting the coinsurance provision of the policy shall be procured with said insurance. If Lessor shall fail to procure and maintain said insurance the other party may, but shall not be required to, procure and maintain the same, but at the expense of Lessor except for Lessee's proportionate share as hereafter provided. If such insurance coverage has a deductible clause, the deductible amount shall not exceed $1,000 per occurrence, and Lessee shall be liable for its proportionate share of such deductible amount.

(b) If the Premises are part of a larger building, or if the Premises are part of a group of buildings owned by Lessor which are adjacent to the Premises, then Lessee shall pay for any increase in the property insurance of such other building or buildings if said increase is caused by Lessee's acts, omissions, use or occupancy of the Premises; and if any increase is caused by the acts, omissions, use or occupancy of another tenant, or Lessor, such increase shall not be paid for by Lessee.

(c) Lessor will not insure Lessee's fixtures, equipment or tenant improvements unless the tenant improvements have become a part of the Premises under paragraph 7 hereof. Lessee shall insure its fixtures, equipment and tenant improvements.

(d) Lessee shall within ten (10) days after receipt of a bill therefor, accompanied by a copy of an insurance company invoice therefor, reimburse Lessor for Lessee's proportionate share of the costs of premiums for the casualty insurance which Lessor obtains pursuant to paragraph 8.3. Lessee shall have the right to require Lessor to entertain bids from insurance companies which satisfy the criteria set forth in paragraph 8.4 in order to insure that the costs for casualty insurance being charged to Lessee are reasonable and competitive.

8.4 Insurance Policies. Insurance required hereunder shall be in companies holding a "General Policyholders Rating" of at least B plus, or such other rating as may be required by a lender having a lien on the Premises, as set forth in the most current issue of "Best's Insurance Guide". The insuring party shall deliver to the other party copies of policies of such insurance or certificates evidencing the existence and amounts of such insurance with loss payable clauses as required by this paragraph 8. No such policy shall be cancelable or subject to reduction of coverage or other modification except after thirty (30) days' prior written notice to Lessor and Lessee. Lessor shall, at least thirty (30) days prior to the expiration of such policies, furnish Lessee with renewals or "binders" thereof, or Lessee may order such insurance and charge the cost thereof to Lessor with interest at 15% per annum (which amounts Lessee may deduct against payments due under this Lease) which amount shall be payable by Lessor upon demand except for Lessee's proportionate share as hereinafter provided. Lessee shall not do or permit to be done anything which shall invalidate the insurance policies referred to in Paragraph 8.3. If Lessee does or permits to be done anything which shall increase the cost of the insurance policies referred to in Paragraph 8.3, then Lessee shall forthwith upon Lessor's demand reimburse Lessor for any additional premiums attributable to any act or omission or operation of Lessee causing such increase in the cost of insurance. Lessor shall deliver to Lessee a written statement setting forth the amount of any such insurance cost increase and showing in reasonable detail the manner in which it has been computed; and any increase caused by the acts, omissions, use or occupancy of another tenant or Lessor, shall not be paid for by Lessee.

8.5 Waiver of Subrogation. Lessee and Lessor each hereby release and relieve the other, and waive their entire right of recovery against the other for loss or damage arising out of or incident to the perils insured against under paragraph 8.3, which perils occur in, on or about the Premises, whether due to the negligence of Lessor or Lessee or their agents, employees, contractors and/or invitees. Lessee and Lessor shall, upon obtaining the policies of insurance required hereunder, give notice to the insurance carrier or carriers that the foregoing mutual waiver of subrogation is contained in this Lease.

8.6 Indemnity. Lessee shall indemnify and hold harmless Lessor from and against any and all claims arising from Lessee's use of the Premises, or from the conduct of Lessee's business or from any activity, work or things done, permitted or suffered by Lessee in or about the Premises and shall further indemnity and hold harmless Lessor from and against any and all claims arising from any breach or default in the performance of any obligation on Lessee's part to be performed under the terms of this Lease, or arising from any negligence of the Lessee, or any of Lessee's agents, contractors, or employees, and from and against all costs, attorney's fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon; and in case any action or proceeding be brought against Lessor by reason of any such claim, Lessee upon notice from Lessor shall defend the same at Lessee's expense by counsel satisfactory to Lessor. Lessee, as a material part of the consideration to Lessor, hereby assumes all risk of damage to property or injury to persons, in or upon the Premises arising from any cause other than arising from the negligence of Lessor or its agents or employees or contractors or anyone acting by, through or under Lessor, and Lessee hereby waives all claims in respect thereof against Lessor.

8.7 Exemption of Lessor from Liability. Lessee hereby agrees that Lessor shall not be liable for injury to Lessee's business or any loss of income therefrom or for damage to the goods, wares, merchandise or other property of Lessee. Lessee's employees, agents or contractors, whether such damage or injury is caused by or results from fire, steam, electricity, gas, water or rain, or from the breakage, leakage, obstruction or other defects of pipes, sprinklers, wires, appliances, plumbing, air conditioning or lighting fixtures, or from any other cause, whether the said damage or injury results from conditions arising upon the Premises or upon other portions of the building of which the Premises are a part, or from other sources or places and regardless of whether the cause of such damage or injury or the means of repairing the same is inaccessible to Lessee. Lessor shall not be liable for any damages arising from any act or neglect of any other tenant, if any, of the building in which the Premises are located.

9. Damage or Destruction.

9.1 Partial Damage-Insured. Subject to the provisions of Paragraph 9.4, if the Premises are damaged and such damage was caused by a casualty covered under an insurance policy required to be maintained pursuant to Paragraph 8.3, Lessor shall at Lessor's expense repair such damage as soon as reasonably possible and this Lease shall continue in full force and effect.

9.2 Partial Damage-Uninsured. Subject to the provisions of Paragraph 9.4, if at any time during the term hereof the Premises are damaged, except by a negligent or willful act of Lessee, and such damage was caused by a casualty not covered under an insurance policy required to be maintained pursuant to Paragraph 8.3, Lessor may at Lessor's option either (i) repair such damage as soon as reasonably possible at Lessor's expense, in which event this Lease shall continue in full force and effect, or (ii) give written notice to Lessee within thirty (30) days after the date of the occurrence of such damage of Lessor's intention to cancel and terminate this Lease as of the date of the occurrence of such damage. In the event Lessor elects to give such notice of Lessor's intention to cancel and terminate this Lease, Lessee shall have the right within ten (10) days after the receipt of such notice to give written notice to Lessor of Lessee's intention to repair such damage at Lessee's expense, without reimbursement from Lessor, in which event this Lease shall continue in full force and effect, and Lessee shall proceed to make such repairs as soon as reasonably possible. If Lessee does not give such notice within such 10 day period, this Lease shall be canceled and terminated as of the date of the occurrence of such damage.

9.3 Total Destruction. If at any time during the term hereof the Premises are totally destroyed from any cause whether or not covered by the insurance required to be maintained pursuant to Paragraph 8.3 (including any total destruction required by any authorized public authority) this Lease shall automatically terminate as of the date of such total destruction.

9.4 Damage Near End Of Term. If the Premises are partially destroyed or damaged during the last six months of the term of this Lease, Lessor may at Lessor's option cancel and terminate this Lease as of the date of occurrence of such damage by giving written notice of Lessee of Lessor's election to do so within 30 days after the date of occurrence of such damage.

9.5 Abatement Of Rent; Lessee's Remedies.

(a) If the Premises are partially destroyed or damaged and Lessor or Lessee repairs or restores them pursuant to the provisions of this Article, the rent payable under Paragraph 4 for the period during which such damage, repair or restoration continues shall be abated in proportion to the degree to which Lessee's use of the Premises is impaired; provided, however, that the aggregate amount of abatement hereunder shall not exceed the total of rent payable under Paragraph 4 for a period of six months. Except for abatement of rent, if any, Lessee shall have no claim against Lessor for any damage suffered by reason of any such damage, destruction, repair or restoration.

(b) If Lessor shall be obligated to repair or restore the Premises under the provisions of this Paragraph 9 and shall not commence such repair or restoration within 90 days after such obligation shall accrue, Lessee may at Lessee's option cancel and terminate this Lease by giving Lessor written notice of Lessee's election to do so at any time prior to the commencement of such repair or restoration. In such event this Lease shall terminate as of the date of such notice. Any abatement in rent shall be computed as provided in Paragraph 9.5(a).

9.6 Termination-Advance Payments. Upon termination of this Lease pursuant to this Paragraph 9, an equitable adjustment shall be made concerning advance rent and any advance payments made by Lessee to Lessor. Lessor shall, in addition, return to Lessee so much of Lessee's security deposit as has not theretofore been applied by Lessor.

10. Real Property Taxes.

10.1 Payment of Taxes. Lessee shall pay all real property taxes applicable to the Premises during the term of this Lease. All such payments shall be made at least ten (10) days prior to the delinquency date of such payment. Lessee shall promptly furnish Lessor with satisfactory evidence that such taxes have been paid. If any such taxes paid by Lessee shall cover any period of time prior to or after the expiration of the term hereof, Lessee's share of such taxes shall be equitably prorated to cover only the period of time within the tax fiscal year during which this Lease shall be in effect, and Lessor shall reimburse Lessee to the extent required. If Lessee shall fail to pay any such taxes, Lessor shall have the right to pay the same, in which case Lessee shall repay such amount to Lessor with Lessee's next rent installment together with interest at the rate of 10% per annum.

10.2 Definition of "Real Property" Tax. As used herein, the term "real property tax" shall include any form of assessment, license fee, commercial rental tax, levy, penalty, or tax (other than inheritance or estate taxes), imposed by any authority having the direct or indirect power to tax, including any city, county, state or federal government, or any school, agricultural, lighting, drainage or other improvement district thereof, as against any legal or equitable interest of Lessor in the Premises or in the real property of which the Premises are a part, as against Lessor's right to rent or other income therefrom, or as against Lessor's business of leasing the Premises.

10.3 Joint Assessment. If the Premises are not separately assessed, Lessee's liability shall be an equitable proportion of the real property taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined as provided in Paragraph 7.1(b) above.

10.4 Personal Property Taxes.

(a) Lessee shall pay prior to delinquency all taxes assessed against and levied upon trade fixtures, furnishings, equipment and all other personal property of Lessee contained in the Premises, or elsewhere, if a lien is imposed against the Premises for non-payment thereof.

(b) [DELETED.]

10.5 Special Provision - Real Property Taxes. In the event the Premises, or the property of which the Premises are part, are reassessed following a change in ownership, as such term is defined in the California Revenue and Taxation Code, Section 60 et seq., Lessee shall be obligated to pay only 50% of Lessee's proportionate share of the increase in real property taxes resulting from such reassessment.

11. Utilities. Lessee shall pay for all water, gas, heat, light, power, telephone and other utilities and services supplied to the Premises, together with any taxes thereon. If any such services are not separately metered to Lessee, Lessee shall pay a reasonable proportion to be determined by Lessor of all charges jointly metered with other premises. All utility services other than water are separately metered to the Premises and supplied directly from the Utility company; however, water is not separately metered and is to be included as a common expense provided in paragraph 7.1.

12. Assignment And Subletting.

12.1 Lessor's Consent Required. Lessee shall not voluntarily or by operation of law assign, transfer, mortgage, sublet, or otherwise transfer or encumber all or any part of Lessee's interest in this Lease or in the Premises, without Lessor's prior written consent, which Lessor shall not unreasonably withhold. Lessor shall respond to Lessee's request for consent hereunder in a timely manner and any attempted assignment, transfer, mortgage, encumbrance or subletting without such consent shall be void, and shall constitute a breach of this Lease.

12.2 Lessee Affiliate. Notwithstanding the provisions of paragraph 12.1 hereof, Lessee may assign or sublet the Premises, or any portion thereof, without Lessor's consent, to any corporation which controls, is controlled by or is under common control with Lessee, or to any corporation resulting from the merger or consolidation with Lessee, or to any person or entity which acquires all the assets of Lessee as a going corporation resulting from the merger or consolidation with Lessee, or to any person or entity which acquires all the assets of Lessee as a going concern of the business that is being conducted on the Premises, provided that said assignee assumes, in full, the obligations of Lessee under this Lease. Any such assignment shall not, in any way, affect or limit the liability of Lessee under the terms of this Lease even if after such assignment or subletting the terms of this Lease are materially changed or altered without the consent of Lessee, the consent of whom shall not be necessary.

12.3 No Release Of Lessee. Regardless of Lessor's consent, no subletting or assignment shall release Lessee of Lessee's obligation or alter the primary liability of Lessee to pay the rent and to perform all other obligations to be performed by Lessee hereunder. The acceptance of rent by Lessor from any other person shall not be deemed to be a waiver by Lessor of any provision hereof. Consent to one assignment or subletting shall not be deemed consent to any subsequent assignment or subletting. In the event of default by any assignee of Lessee or any successor of Lessee, in the performance of any of the terms hereof, Lessor may proceed directly against Lessee without the necessity of exhausting remedies against said assignee.

12.4 Attorney's Fees. In the event Lessee shall assign or sublet the Premises or request the consent of Lessor to any assignment or subletting or if Lessee shall request the consent of Lessor for any act Lessee proposes to do then Lessee shall pay Lessor's reasonable attorneys fees incurred in connection therewith, such attorneys fees not to exceed $350.00 for each such request.

13. Defaults; Remedies.

13.1 Defaults. The occurrence of any one or more of the following events shall constitute a material default and breach of this Lease by Lessee:

(a) The abandonment of the Premises by Lessee. Vacating is permitted as long as Lessee continues to pay rent and otherwise complies with the provisions of this Lease.

(b) The failure by Lessee to make any payment of rent or any other payment required to be made by Lessee hereunder, as and when due, where such failure shall continue for a period of ten days after written notice thereof from Lessor to Lessee provided, however, that if under California law Lessee would have more than a ten (10) day period to cure by reason of the above change from three (3) days to ten (10) days, then Lessee only shall be entitled to the statutory notice period. In the event that Lessor serves Lessee with a Notice to Pay Rent or Quit pursuant to the applicable Unlawful Detainer statutes such Notice to Pay Rent or Quit shall also constitute the notice required by this subparagraph.

(c) The failure by Lessee to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Lessee, other than described in paragraph (b) above, where such failure shall continue for a period of 30 days after written notice thereof from Lessor to Lessee; provided, however, that if the nature of Lessee's default is such that more than 30 days are reasonably required for its cure, then Lessee shall not be deemed to be in default if Lessee commenced such cure within said 30-day period and thereafter diligently prosecutes such cure to completion.

(d) (i) The making by Lessee of any general arrangement or assignment for the benefit of creditors; (ii) Lessee becomes a "debtor" as defined in 11 U.S.C. # 101 or any successor statute thereto (unless, in the case of a petition filed against Lessee, the same is dismissed within 60 days); (iii) the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within 30 days; or (iv) the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where such seizure is not discharged within 30 days. Provided, however, in the event that any provision of this paragraph 13.1(d) is contrary to any applicable law, such provision shall be of no force or effect.

(e) The discovery by Lessor that any financial statement given to Lessor by Lessee, any assignee of Lessee, any subtenant of Lessee, any successor in interest of Lessee or any guarantor of Lessee's obligation hereunder, and any of them, was materially false.

13.2 Remedies. In the event of any such material default or breach by Lessee, Lessor may at any time thereafter, with or without notice or demand and without limiting Lessor in the exercise of any right or remedy which Lessor may have by reason of such default or breach;

(a) Terminate Lessee's right to possession of the Premises by any lawful means, in which case this Lease shall terminate and Lessee shall immediately surrender possession of the Premises to Lessor. In such event Lessor shall be entitled to recover from Lessee all damages incurred by Lessor by reason of Lessee's default including, but not limited to, the cost of recovering possession of the Premises; expenses of reletting, including necessary renovation and alteration of the Premises, reasonable attorney's fees, and any real estate commission actually paid; the worth at the time of award by the court having jurisdiction thereof of the amount by which the unpaid rent for the balance of the term after the time of such award exceeds the amount of such rental loss for the same period that Lessee proves could be reasonably avoided; that portion of the leasing commission paid by Lessor pursuant to Paragraph 15 applicable to the unexpired term of this Lease.

(b) Maintain Lessee's right to possession in which case this Lease shall continue in effect whether or not Lessee shall have abandoned the Premises. In such event Lessor shall be entitled to enforce all of Lessor's rights and remedies under his Lease, including the right to recover the rent as it becomes due hereunder.

(c) Pursue any other remedy now or hereafter available to Lessor under the laws or judicial decisions of the state wherein the Premises are located. Unpaid installments of rent and other unpaid monetary obligations of Lessee under the terms of this Lease shall bear interest from the date due at 15% per annum.

13.3 Default By Lessor. Lessor shall not be in default unless Lessor fails to perform obligations required of Lessor within a reasonable time, but in no event later than thirty (30) days after written notice by Lessee to Lessor and to the holder of any first mortgage or deed of trust covering the Premises whose name and address shall have theretofore been furnished to Lessee in writing, specifying wherein Lessor has failed to perform such obligation; provided, however, that if the nature of Lessor's obligation is such that more than thirty (30) days are required for performance then Lessor shall not be in default if Lessor commences performance within such 30-day period and thereafter diligently prosecutes the same to completion.

13.4 Late Charges. Lessee hereby acknowledges that late payment by Lessee to Lessor of rent and other sums due hereunder will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed on Lessor by the terms of any mortgage or trust deed covering the Premises. Accordingly, if any installment of rent or any other sum due from Lessee shall not be received by Lessor or Lessor's designee within ten (10) days after such amount shall be due or any other required payment is not made by Lessee within ten (10) days after notice from Lessor that the same is due then, without any requirement for notice to Lessee, Lessee shall pay to Lessor a late charge equal to 6% of such overdue amount. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of late payment by Lessee. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's default with respect to such overdue amount, nor prevent Lessor from exercising any of the other rights and remedies granted hereunder. In the event that a late charge is payable hereunder, whether or not collected, for three (3) consecutive installments of rent, then rent shall automatically become due and payable quarterly in advance, rather than monthly, notwithstanding paragraph 4 or any other provision of this Lease to the contrary.

13.5 Impounds. In the event that a late charge is payable hereunder, whether or not collected, for three (3) installments of rent or any other monetary obligation of Lessee under the terms of this Lease, Lessee shall pay to Lessor, if Lessor shall so request, in addition to any other payments required under this Lease, a monthly advance installment, payable at the same time as the monthly rent, as estimated by Lessor, for real property tax and insurance expenses on the Premises which are payable by Lessee under the terms of this Lease. Such fund shall be established to insure payment when due, before delinquency, of any or all such real property taxes and insurance premiums. If the amounts paid to Lessor by Lessee under the provisions of this paragraph are insufficient to discharge the obligations of Lessee to pay such real property taxes and insurance premiums as the same become due, Lessee shall pay to Lessor, upon Lessor's demand, such additional sums necessary to pay such obligations. All moneys paid to Lessor under this paragraph may be intermingled with other moneys of Lessor and shall not bear interest. In the event of a default in the obligations of Lessee to perform under this Lease, then any balance remaining from funds paid to Lessor under the provisions of this paragraph may, at the option of Lessor, be applied to the payment of any monetary default of Lessee in lieu of being applied to the payment of real property tax and insurance premiums.

14. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of said power (all of which are herein called "condemnation"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If more than 10% of the floor area of the improvements on the premises, or more than 25% of the land area of the Premises which is not occupied by any improvements, is taken by condemnation, Lessee may, at Lessee's option, to be exercised in writing only within ten (10) days after Lessor shall have given Lessee written notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Lessee does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining, except that the rent shall be reduced in the proportion that the floor area taken bears to the total floor area of the building situated on the Premises. Any award for the taking of all or any part of the Premises under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Lessor, whether such award shall be made as compensation for diminution in value of the leasehold or for the taking of the fee, or as severance damages; provided, however, that Lessee shall be entitled to any award for loss of or damage to Lessee's trade fixtures and removable personal property. In the event that this Lease is not terminated by reason of such condemnation, Lessor shall, to the extent of severance damages received by Lessor in connection with such condemnation, repair any damage to the Premises caused by such condemnation except to the extent that Lessee has been reimbursed therefor by the condemning authority. Lessee shall pay any amount in excess of such severance damages required to compete such repair.

15. Broker's Fee. [DELETED.]

16. Estoppel Certificate.

(a) Lessee shall at any time upon not less than fifteen (15) days prior written notice from Lessor execute, acknowledge and deliver to Lessor a statement in writing (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the date to which the rent and other charges are paid in advance, if any, and (ii) acknowledging that there are not, to Lessee's knowledge, any uncured defaults on the part of Lessor hereunder, or specifying such defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer of the Premises.

(b) At Lessor's option, Lessee's failure to deliver such statement within such time shall be a material breach of this Lease or shall be conclusive upon Lessee (i) that this Lease is in full force and effect, without modification except as may be represented by Lessor, (ii) that there are no uncured defaults in Lessor's performance, and (iii) that not more than one month's rent has been paid in advance or such failure may be considered by Lessor as a default by Lessee under this Lease.

(c) If Lessor desires to finance, refinance, or sell the Premises, or any part thereof, Lessee hereby agrees to deliver to any lender or purchaser designated by Lessor such financial statements of Lessee as may be reasonably required by such lender or purchaser. Such statements shall include the past three years' financial statements of Lessee. All such financial statements shall be received by Lessor and such lender or purchaser in confidence and shall be used only for the purposes herein set forth.

17. Lessor's Liability. The term "Lessor" as used herein shall mean only the owner or owners at the time in question of the fee title or a lessee's interest in a ground lease of the Premises, and except as expressly provided in Paragraph 15, in the event of any transfer of such title or interest, Lessor herein named (and in case of any subsequent transfers then the grantor) shall be relieved from and after the date of such transfer of all liability as respects Lessor's obligations thereafter to be performed, provided that any funds in the hands of Lessor or the then grantor at the time of such transfer, in which Lessee has an interest, shall be delivered to the grantee. The obligations contained in this Lease to be performed by Lessor shall, subject as aforesaid, be binding on Lessor's successors and assigns, only during their respective periods of ownership.

18. Severability. The invalidity of any provision of this Lease as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

19. Interest on Past-due Obligations. Except as expressly herein provided, any amount due to Lessor not paid when due shall bear interest at 15% per annum from the date due. Payment of such interest shall not excuse or cure any default by Lessee under this Lease, provided, however, that interest shall not be payable on late charges incurred by Lessee nor on any amounts upon which late charges are paid by Lessee.

20. Time of Essence. Time is of the essence.

21. Additional Rent. Any monetary obligations of Lessee to Lessor under the terms of this Lease shall be deemed to be rent.

22. Incorporation of Prior Agreements; Amendments. This Lease contains all agreements of the parties with respect to any matter mentioned herein. No prior agreement or understanding pertaining to any such matter shall be effective. This Lease may be modified in writing only, signed by the parties in interest at the time of the modification. Except as otherwise stated in this Lease, Lessee hereby acknowledges that neither the real estate broker listed in Paragraph 15 hereof nor any cooperating broker on this transaction nor the Lessor or any employees or agents of any of said persons has made any oral or written warranties or representations to Lessee relative to the condition or use by Lessee of said Premises and Lessee acknowledges that Lessee assumes all responsibility regarding the Occupational Safety Health Act, the legal use and adaptability of the Premises and the compliance thereof with all applicable laws and regulations in effect during the term of this Lease except as otherwise specifically stated in this Lease.

23. Notices. Any notice required or permitted to be given hereunder shall be in writing and may be given by personal delivery if to Lessee, only to a person with a title of Office Manager or higher, or by certified mail, and if given personally or by mail, shall be deemed sufficiently given if addressed to Lessee or to Lessor at the address noted below the signature of the respective parties, as the case may be. Either party may by notice to the other specify a different address for notice purposes except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's address for notice purposes. A copy of all notices required or permitted to be given to Lessor hereunder shall be concurrently transmitted to such party or parties at such addresses as Lessor may from time to time hereafter designate by notice to Lessee.

24. Waivers. No waiver by Lessor or any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Lessee of the same or any other provision. Lessor's consent to, or approval of, any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to or approval of any subsequent act by Lessee. The acceptance of rent hereunder by Lessor shall not be a waiver of any preceding breach by Lessee of any provision hereof, other than the failure of Lessee to pay the particular rent so accepted, regardless of Lessor's knowledge of

such preceding breach at the time of acceptance of such rent.

25. Recording. Either Lessor or Lessee shall, upon request of the other, execute, acknowledge and deliver to the other a "short form" memorandum of this Lease for recording purposes.

26. Holding Over. If Lessee, with Lessor's consent, remains in possession of the Premises or any part thereof after the expiration of the term hereof, such occupancy shall be a tenancy from month to month upon all the provisions of this Lease pertaining to the obligations of Lessee, but all options and rights of first refusal, if any, granted under the terms of this Lease shall be deemed terminated and be of no further effect during said month to month tenancy.

27. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

28. Covenants and Conditions. Each provisions of this Lease performable by Lessee shall be deemed both a covenant and a condition.

29. Binding Effect; Choice of Law. Subject to any provisions hereof restricting assignment or subletting by Lessee and subject to the provisions of Paragraph 17, this Lease shall bind the parties, their personal representatives, successors and assigns. This Lease shall be governed by the laws of the State wherein the Premises are located.

30. Non-Disturbance. Notwithstanding anything in this Lease to the contrary, Lessor shall use its best efforts to obtain the written agreement in recordable form from the holder of every mortgage and encumbrance with priority over this Lease, in form and content reasonably satisfactory to Lessee, that neither such holder nor its successors or assigns will take any action to interfere with the rights of Lessee, its successors or assigns, in the Premises so long as Lessee, its successors or assigns, are not in default, after expiration of applicable notice and/or grace provisions, under this Lease, and to make available insurance and condemnation proceeds for repair and restoration to enable Lessor to comply with its obligations under this Lease. Lessee agrees to subordinate this Lease to any mortgage encumbering the Premises subsequent to the date hereof, but only and if to the extent that the holder of such mortgage has agreed in writing with Lessee as in this paragraph 30 above described and only so long as such agreement is in effect.

31. Attorney's Fees. If either party or the broker named herein brings an action to enforce the terms hereof or declare rights hereunder, the prevailing party in any such action, on trial or appeal, shall be entitled to his reasonable attorney's fees to be paid by the losing party as fixed by the court. The provisions of this paragraph shall inure to the benefit of the broker named herein who seeks to enforce a right hereunder.

32. Lessor's Access. Lessor and Lessor's agents shall have the right to enter the Premises at reasonable times for the purpose of inspecting the same, showing the same to prospective purchasers, lenders, or lessees provided the same will and shall not interfere with the operations of Lessee from the Premises, but only upon the prior written consent of Lessee, such consent not to unreasonably be withheld, and making such alterations, repairs, improvements or additions to the Premises or to the building of which they are a part as Lessor may deem necessary or desirable. Lessor may at any time place on or about the Premises any ordinary "For Sale" signs and Lessor may at any time during the last 120 days of the term hereof place on or about the Premises any ordinary "For Lease" signs, all without rebate of rent or liability to Lessee.

33. Auctions. Lessee shall not conduct, nor permit to be conducted, either voluntarily or involuntarily, any auction upon the Premises without first having obtained Lessor's prior written consent. Notwithstanding anything to the contrary in this Lease, Lessor shall not be obligated to exercise any standard of reasonableness in determining whether to grant such consent.

34. Signs. Lessee shall not place any sign upon the Premises without Lessor's prior written consent except that Lessee shall have the right, without the prior permission of Lessor to place ordinary and usual for rent or sublet signs thereon. Existing

signs of Lessee are hereby deemed approved.

35. Merger. The voluntary or other surrender of this Lease by Lessee, or a mutual cancellation thereof, or a termination by Lessor, shall not work a merger, and shall, at the option of Lessor, terminate all or any existing subtenancies or may, at the option of Lessor, operate as an assignment to Lessor of any or all of such subtenancies.

36. Consents. Except for paragraph 33 hereof, wherever in this Lease the consent of one party is required to an act of the other party such consent shall not be unreasonably withheld or delayed.

37. Guarantor. In the event that there is a guarantor of this Lease, said guarantor shall have the same obligations as Lessee under this Lease.

38. Quiet Possession. Upon Lessee paying the rent for the Premises and observing and performing all of the covenants, conditions and provisions on Lessee's part to be observed and performed hereunder, Lessee shall have quiet possession of the Premises for the entire term hereof subject to all of the provisions of this Lease. The individuals executing this Lease on behalf of Lessor represent and warrant to Lessee that they are fully authorized and legally capable of executing this Lease on behalf of Lessor and that such execution is binding upon all parties holding an ownership interest in the Premises.

39. Options. [DELETED.]

40. Multiple Tenant Building. [DELETED.]

41. Security Measures. Lessee hereby acknowledges that the rental payable to Lessor hereunder does not include the cost of guard service or other security measures, and that Lessor shall have no obligation whatsoever to provide same. Lessee assumes all responsibility for the protection of Lessee, its agents and invitees from acts of third parties.

42. Easements. Lessor reserves to itself the right, from time to time, to grant such easements, rights and dedications that Lessor deems necessary or desirable, and to cause the recordation of Parcel Maps and restrictions, so long as such easements, rights, dedications, Maps and restrictions do not unreasonably interfere with the use of the Premises by Lessee.

43. Performance Under Protest. If at any time a dispute shall arise as to any amount or sum of money to be paid by one party to the other under the provisions hereof, the party against whom the obligation to pay the money is asserted shall have the right to make payment "under protest" and such payment shall not be regarded as a voluntary payment, and there shall survive the right on the part of said party to institute suit for recovery of such sum. If it shall be adjudged that there was no legal obligation on the part of said party to pay such sum or any part thereof, said party shall be entitled to recover such sum or so much thereof as it was not legally required to pay under the provisions of this Lease.

44. Authority. If Lessee is a corporation, trust, or general or limited partnership, each individual executing this Lease on behalf of such entity represents and warrants that he or she is duly authorized to execute and deliver this Lease on behalf of said entity. If Lessee is a corporation, trust or partnership, Lessee shall, within thirty (30) days after execution of this Lease, deliver to Lessor evidence of such authority satisfactory to Lessor.

45. Conflict. Any conflict between the printed provisions of this Lease and the typewritten or handwritten provisions shall be controlled by the typewritten or handwritten provisions.

46. Deleted.

47. Deleted.

48. Hazardous Materials/Hazardous Substances.

(a) Reportable Uses Require Consent. The term "Hazardous Materials/Hazardous Substances" as used in this Lease shall mean any product, substance, chemical, material or waste whose presence, nature, quantity and/or intensity of existence, use, manufacture, disposal, transportation, spill, release or effect, either by itself or in combination with other materials expected to be on the Premises, is either: (i) potentially injurious to the public health, safety or welfare, the environment or the Premises, (ii) regulated or monitored by any governmental authority, or (iii) a basis for liability of Lessor to any governmental agency or third party under any applicable statute or common law theory. Hazardous Materials/Hazardous Substances shall include, but not be limited to, hydrocarbons, petroleum, gasoline, crude oil or any products, by-products or fractions thereof. Lessee shall not engage in any activity in, on or about the Premises which constitutes a Reportable Use (as hereinafter defined) of Hazardous Materials/Hazardous Substances without the express prior written consent of Lessor and compliance in a timely manner (at Lessee's sole cost and expense) with all Applicable Law. "Reportable Use" shall mean (i) the installation or use of any above or below ground storage tank, (ii) the generation, possession, storage, use, transportation, or disposal of a hazardous Material/Hazardous Substance that requires a permit from, or with respect to which a report, notice, registration or business plan is required to be filed with, any governmental authority. Reportable Use shall also include Lessee's being responsible for the presence in, on or about the Premises of a Hazardous Material/Hazardous Substance with respect to which any Applicable Law requires that a notice be given to persons entering or occupying the Premises or neighboring properties. Notwithstanding any other provisions in this Lease, Lessee may, without Lessor's prior consent, but in compliance with all Applicable Law, use any ordinary and customary materials reasonable required to be used by Lessee in the normal course of Lessee's business permitted on the Premises, so long as such use does not expose the Premises or neighboring properties to any meaningful risk of contamination or damage or expose Lessor to any liability therefor. In addition, Lessor may (but without any obligation to do so) condition its consent to the use or presence of any Hazardous Material/Hazardous Substance, activity or storage tank by Lessee upon Lessee's giving Lessor such additional assurances as Lessor, in its reasonable discretion, deems necessary to protect itself, the public, the Premises and the environment against damage, contamination or injury and/or liability therefrom or therefor, including, but not limited to, the installation (and removal on or before Lease expiration or earlier termination) of reasonably necessary protective modification to the Premises (such as concrete encasements) and/or the deposit of an additional Security Deposit under Section 5 hereof.

(b) Duty to Inform Lessor. If Lessee Knows, or has reasonable cause to believe, that a Hazardous Material[Hazardous Substance, or a condition involving or resulting from same, has come to be located in, on, under or about the Premises, other than as previously consented to by Lessor, Lessee shall immediately give written notice of such fact to Lessor. Lessee shall also immediately give Lessor a copy of any statement, report, notice, registration, application, permit, business plan, license, claim, action or proceeding given to, or received from, any governmental authority or private party, or persons entering or occupying the Premises, concerning the presence, spill, release, discharge of, or exposure to, any Hazardous Material/Hazardous Substance or contamination in, on, or about the Premises, including but not limited to all such documents as may be involved in any Reportable Uses involving the Premises.

(c) Indemnification. Lessee shall immediately indemnify, protect, defend and hold Lessor, its agents, employees, lenders and ground lessor, if any, and the Premises, harmless against any and all loss of rents and/or damages, liabilities, judgments, costs, claims, liens, expenses, penalty permits and attorney's and consultant's fees arising out of or involving any Hazardous Material/Hazardous Substance or storage tank brought onto the Premises by or for or under Lessee's control. Lessee's obligations under this Section 48 shall include, but not be limited to, the effects of any contamination or injury to person, property or the environment created or suffered by Lessee, and the cost of investigation (including consultant's and attorney's fees and testing), removal, remediation, restoration and/or abatement thereof, or of any contamination therein involved, and shall survive the expiration or earlier termination of this Lease. No termination, cancellation or release agreement entered into by Lessor and Lessee shall release Lessee from its obligations under this Lease with respect to Hazardous Materials/Hazardous Substances or storage tanks, unless specifically so agreed by Lessor in writing at the time of such agreement.

(d) Lessee's Compliance with Law. Except as otherwise provided in this Lease, Lessee, shall, at Lessee's sole cost and expense, fully, diligently and in a timely manner, comply with all Applicable Law relating in any manner to the Premises including but not limited to matters pertaining to environmental conditions.

LESSOR AND LESSEE HAVE CAREFULLY READ AND REVIEWED THIS LEASE AND EACH TERM AND PROVISION CONTAINED HEREIN AND, BY EXECUTION OF THIS LEASE, SHOW THEIR INFORMED AND VOLUNTARY CONSENT THERETO. THE PARTIES HEREBY AGREE THAT, AT THE TIME THIS LEASE IS EXECUTED, THE TERMS OF THIS LEASE ARE COMMERCIALLY REASONABLE AND EFFECTUATE THE INTENT AND PURPOSE OF LESSOR AND LESSEE WITH RESPECT TO THE PREMISES.

IF THIS LEASE HAS BEEN FILLED IN IT HAS BEEN PREPARED FOR SUBMISSION TO YOUR ATTORNEY FOR HIS APPROVAL. NO REPRESENTATION OR RECOMMENDATION IS MADE BY THE AMERICAN INDUSTRIAL REAL ESTATE ASSOCIATION OR BY THE REAL ESTATE BROKER OR ITS AGENTS OR EMPLOYEES AS TO THE LEGAL SUFFICIENCY, LEGAL EFFECT, OR TAX CONSEQUENCES OF THIS LEASE OR THE TRANSACTION RELATING THERETO; THE PARTIES SHALL RELY SOLELY UPON THE ADVICE OF THEIR OWN LEGAL COUNSEL AS TO THE LEGAL AND TAX CONSEQUENCES OF THIS LEASE.

The parties hereto have executed this Lease at the place on the dates specified immediately adjacent to their respective signatures.

LESSOR:

Executed at Beverly Hills, CA	5353 DOWNEY ASSOCIATES LTD., a California limited Partnership
on , 1995	
Address: 9595 Wilshire Blvd. Suite 511 Beverly Hills, CA 90212	By: Michael L. Schwab General Partner

SIGNATURES CONTINUED ON THE NEXT PAGE

LESSEE:

Executed at	J & J SNACK FOODS CORP.
on , 1995	
Address:	By:
	Its: (Title)
	By:
	Its: (Title)
[Corporate Seal]	

Executed at	J & J SNACK FOODS CORP. OF CALIFORNIA
on , 1995	

Address:

By:

Its:

(Title)

By:

Its:

(Title)

[Corporate Seal]

EXHIBIT 11.1

J & J SNACK FOODS CORP.
COMPUTATION OF EARNINGS PER COMMON SHARE

Fiscal year ended	September 30, 1995	September24, 1994	September 25, 1993
Primary Earnings Per Share			
Net earnings	$ 5,804,000	$ 8,532,000	$8,350,000
Weighted average number of common shares outstanding during year	9,436,000	10,192,000	10,242,000
Add common equivalent shares (as determined by the application of the treasury stock method) representing shares issuable upon assumed exercise of stock options	108,000	238,000	189,000
Weighted average number of common shares used in calculation of primary earnings per share	9,544,000	10,430,000	10,431,000
Earnings per common share assuming no dilution	$.61	$.82	$.80
Fully Diluted Earnings Per Share			
Net earnings	$ 5,804,000	$ 8,532,000	$ 8,350,000
Weighted average number of common shares outstanding during year	9,436,000	10,192,000	10,242,000
Add common equivalent shares (as determined by the application of the treasury stock method) representing shares issuable upon assumed exercise of stock options	106,000	243,000	328,000
Weighted average number of common shares used in calcu- lation of fully diluted earnings per share	9,542,000	10,435,000	10,570,000
Earnings per common share assuming full dilution	$.61	$.82	$.79

J & J Snack Foods Corp.

Front cover page: Graphic of J&J Snack Foods Copr. LOGO and drawing of SuperPretzel

1995 Annual Report

Profile

J & J Snack Foods Corp. is a special niche company that manufactures, markets and distributes an expanding variety of nutritional, popularly priced snack foods and beverages to the food service and retail supermarket industries.

Our product offerings include soft pretzels; frozen carbonated beverages; frozen juice bars and desserts; churros, a cinnamon pastry; funnel cakes; cookies, muffins and baked health foods; popcorn and other snack foods and drinks.

These tasty products are available throughout the U.S. and a growing list of markets abroad. Consumers enjoy them in a variety of settings, including:

* Snack bars and food stands in leading chain, department, discount and convenience stores
* Malls and shopping centers
* Fast food outlets
* Stadiums and sports arenas
* Leisure and theme parks
* Movie theatres
* Schools, colleges and other institutions

In addition, a number of J & J's products are available through supermarkets and warehouse club stores for home consumption.

Financial Highlights

J & J Snack Foods Corp. and Subsidiaries

Fiscal year ended in September
(In thousands except per share data)

	1995	1994	1993	1992	1991
Sales	$185,362	$174,425	$147,190	$126,927	$109,666
Net Earnings	$5,804	$8,532	$8,350	$5,936	$6,079
Total Assets	$123,309	$127,366	$121,494	$112,447	$104,412
Long-Term Debt	$5,011	$5,028	$5,043	$5,068	$2,411
Stockholders' Equity	$96,084	$100,545	$97,956	$90,065	$86,437
Common Share Data					
Earnings Per Share	$.61	$.82	$.80	$.55	$.67
Book Value Per Share	$10.53	$10.17	$9.49	$8.66	$8.12
Common Shares Outstanding At Year End	9,126	9,889	10,318	10,400	10,641

Graphic: Chart representation of Sales, Net Earnings and Stockholders equity for the years 1991 through 1995. The information depicted is contained in the above chart.

Graphic: Photograph of Gerald B. Shreiber President and Chairman of J&J Snack Foods Corp.

Letter from the President

While preparing to write my President's Message for the year, I struggled with an appropriate tone to describe our performance for fiscal year 1995.

I didn't want to paint a glossed-over inaccurate picture of rose-colored puffery, supported by selective numbers and facts. Nor did I want to be too negative in view of our actual performance and, given the dedicated and tireless effort of our people.

Last year was, indeed, a year of challenges. Although our sales climbed to a record $185.4 million -- our 24th consecutive year of sales increases -- our earnings, impacted by a combination of unrelated factors, declined to $5.8 million.

1995 Results in brief:

All in all, the numbers look like this:
* Sales grew 6.3% to $185.4 million.
* Net income declined to $5.8 million from $8.5 million.
* Earnings per share decreased to $.61 from $.82.
* Book value increased to $10.53 per share.

During fiscal year 1995, a combination of factors, including higher costs of raw materials and packaging, increased competition in our supermarket business sector, and economic problems and the peso devaluation in Mexico, contributed to our earnings decline. While we didn't achieve the overall goals and objectives we had set for ourselves, we did, nevertheless, improve our position and foundation in several key areas. In fiscal year 1995, we:
* Expanded our core food service markets.
* Developed new products, including soft pretzel line extensions and fruit filled churros.
* Increased our manufacturing capability and improved our efficiencies.
* Developed new channels of distribution.
* Acquired international marketing rights for ICEE.

While dealing with challenges in 1995 that negatively impacted our earnings, we maintained our focus on expanding our markets for the long term. On the cover of this year's annual report is an illustration of a soft pretzel along with scenes depicting a variety of market settings for our products. Our products and business opportunities take us into a growing and diverse variety of settings to sell our products, competing for "share of stomach" at tens-of-thousands of locations including:

* Sports arenas, amusement and theme parks
* Mass merchandisers
* Malls and shopping centers
* Business and industry
* Schools, colleges and healthcare institutions
* Convenience stores
* Supermarkets and club stores

Over the years, we have improved our products and method of presentation to the consumer so as to make them more available, affordable and appealing.

Niche product leadership

SUPERPRETZEL soft pretzels is the recognized leader and has the dominant share of the growing soft pretzel category. As the low cost producer and market innovator, we plan on continuing our category development and leadership. Our other niche products, including TIO PEPE'S churros, LUIGI'S Real Italian Ice, SHAPE-UPS frozen juice bars, THE FUNNEL CAKE FACTORY funnel cakes and our ICEE and ARCTIC BLAST frozen carbonated beverages, are also the market leaders in their niche categories.

The above group, while impacted by increased costs of raw materials and packaging, continued to support and grow its niche markets while defending its market share.

We particularly addressed problems related to our frozen carbonated beverage business, which operates under the ICEE and ARCTIC BLAST brands. Beverage sales of this group rose 3%, reversing a decline in 1994 and operational efficiencies and other strategies were put in place to improve performance and profitability.

While competition is intense for the consumer discretionary dollar, our nutritional snack foods and beverages are unique. Our niche positioning and trade relations are excellent and our customer base continues to expand. Over the years, we have enhanced our position as a premier producer and have invested heavily to maintain that edge.

25th Anniversary

As we look to fiscal 1996, our 25th Anniversary year, we are enthusiastic and optimistic for the future. Nearly a quarter century of business experience, leadership and growth, coupled with our dedicated management, gives us great confidence for the future.

Our business remains fertile and growable. We are the market leaders in the snack food and beverage categories that we participate in. We believe our products are relatively resistant to cyclical recessionary pressures. We are financially sound and our cash flow is strong. We plan on continuing to grow our business through internal expansion and through possible acquisitions. We will continue to manage our business for the long term and we believe we are well positioned for the future.

Graphic of Mr. Shreiber's signature.

Gerald B. Shreiber
President and Chairman
December 1, 1995

Graphic: Picture of a box of SuperPretzel Bites and a SuperPretzel Graphic

Soft Pretzels

Graphic: Pictures of a box of SuperPretzel Bites, Softstix, SuperPretzel, and banners for Sweet Dough Soft Pretzels and Bavarian Pretzel Bakery

The right snacks for today.

In today's fast-paced world, people have less time. They're making the most of every minute and eating on the run wherever they go.

Today's health-conscious consumers want snacks that are nutritious, as well as delicious. And parents continue to search for ways to combat traditional "fast-food mania" by providing equally fun and tasty treats for their children.

J & J Snack Foods is ideally positioned to benefit from these two mega-trends. Our wide variety of wholesome and satisfying products are available in more and more of the places where consumers find themselves "grabbing a snack." At the local shopping mall; a sporting event; a theme park; at school; or even a quick bite at home.

As the largest producer of soft pretzels in the world, J & J Snack Foods' flagship brand, SUPERPRETZEL soft pretzels, is "the good-for-you snack." They're fat free, cholesterol free and all natural -- qualities that continue to fuel our soft pretzel sales in both our Food Service and Retail Supermarket divisions.

A growth strategy that works.

J & J's sales and marketing strategy for growth has produced outstanding results across our product lines, and consists of two fundamental principles:

* Create innovative new products for existing distribution channels
* Develop new distribution channels for existing products

Over the years, we have created innovative new products by introducing a number of line extensions to our flagship SUPERPRETZEL brand. These include such products as SOFT PRETZEL BITES, SOFTSTIX cheese-filled soft pretzel sticks, THE BIG CHEESE cheese-filled soft pretzels, king size and one ounce soft pretzels as well as proprietary and custom pretzel shapes.

Our second principle is visible in the number of new locations where our pretzels can be found. In the past year, we continued to expand soft pretzel distribution to consumers through various alternative product delivery systems through schools and home delivery services, which helped contribute to an overall 13% increase in food service soft pretzel sales.

SUPERPRETZEL: The gold standard.

SUPERPRETZEL soft pretzels are "the perfect snack." Recognized as the gold standard of soft pretzels, it is the brand consumers have come to know and trust. For customers with existing food service facilities, we provide the well known SUPERPRETZEL soft pretzel brand, which can stand alone or work together with other branded merchandising concepts.

SUPERPRETZEL generates revenue even for customers without traditional snack bar facilities, thanks to our branded concept programs and innovative use of specially designed mobile merchandising units. College campuses and warehouse club stores are among those enjoying added revenue generating food service operations.

Feeling the heat in the freezer case.

The SUPERPRETZEL product line, including SUPERPRETZEL soft pretzels, SOFT PRETZEL BITES and SOFTSTIX, is the number one brand of soft pretzels in the retail supermarket. These microwaveable pretzels make it easy for consumers to enjoy a soft, warm, delicious treat at home or at work -- in just seconds.

Graphic: Drawing of baseball park packed with fans eating SuperPretzels

This year, however, has been a challenging one. Significant and increased competition for freezer space from other soft pretzels and hot snacks, together with slower category growth, has impacted our performance.

Although overall supermarket sales of our soft pretzel products declined by 2% for the year, mostly due to volume declines of SOFTSTIX, our core retail SUPERPRETZEL soft pretzels grew slightly. We are in the process of implementing programs and marketing strategies which are designed to regain positive momentum in building the soft pretzel category in supermarkets.

A new twist on pretzels.

As the market leader and innovator, we are always working to further improve our existing soft pretzel products and introduce new items to the marketplace. Our research and development department continues to create soft pretzel line extensions in new flavors, shapes and sizes.

This year marked the introduction of a new soft pretzel product to our Food Service division: SWEET DOUGH soft pretzels. These soft pretzels offer an exciting twist on the conventional soft pretzel using a non-traditional sweet dough recipe. They're delicious plain or dipped in butter and topped with cinnamon sugar.

Near the end of our fourth quarter, tests were initiated on a new cinnamon raisin pretzel for an existing large food service customer. Other new products are in various stages of development and commercialization.

Snackin' at the pretzel shoppe.

Consumers continue to flock to our BAVARIAN PRETZEL BAKERY outlets for a healthy snack on the run. This J & J subsidiary operates approximately 80 retail outlets in regional malls primarily throughout the Mid-Atlantic states, all company owned and operated.

Retail sales at BAVARIAN PRETZEL BAKERY grew by 6% for the year. The menu offerings were expanded at many locations to include our new SWEET DOUGH soft pretzels along with a host of other J & J snack items. BAVARIAN PRETZEL BAKERY enables us to compete in the growing retail pretzel shoppe marketplace and provides a natural extension to our distribution channels.

It's Fun! It's Healthy! It's SUPERPRETZEL!

No wonder kids, parents and schools love SUPERPRETZEL! It's the perfect fat free school lunch or snack item. Our soft pretzel products meet the requirements for the U.S.D.A. National School Lunch/Breakfast Program.

Graphic: Drawing of a SuperPretzel

A Super Selling Tool

J & J offers a wide array of branded merchandising and equipment programs which are available to our thousands of food service customers.

These units, which prominently display our eye-catching SUPERPRETZEL logo, provide food service customers with everything they need. The result is higher consumer recognition and increased sales.

Graphic: Picture of a SuperPretzel display case

Frozen Desserts

Graphic: Picture of a LUIGI'S reqtail package, LUIGI'S, shap-ups and FROSTAR logos.

Our frozen products are hot! hot! hot!

Our two-fold growth strategy of product development and market expansion has resulted in healthy sales gains for J & J's other niche products, including frozen juice bars and desserts, marketed under the LUIGI'S, SHAPE-UPS and FROSTAR brands.

Frozen dessert products for the Food Service division experienced growth this year largely due to the new LUIGI'S Real Italian Ice squeeze-up tubes, which helped produce a sales increase of 26% for the year.

LUIGI'S is another good-for-you niche product benefitting from the consumer's desire to eat healthier foods. An excellent alternative to ice cream, it's a refreshing taste treat that is fat free, cholesterol free and dairy free.

We also enjoyed continued strength in our SHAPE-UPS and FROSTAR brands. These frozen treats are both made with real fruit juice and are sold primarily through school food service. Like our soft pretzels, SHAPE-UPS carry the Child Nutrition (CN) Label and are approved by the U.S.D.A. for the National School Lunch Program. They're nutritious, fun to eat, and a favorite of kids nationwide.

Graphic: Artist drawing of children

The squeeze is on!

LUIGI'S Real Italian Ice squeeze-up tubes, which were introduced last year in a 4 oz. size, were rolled out nationally this year with better than expected results. Squeeze-ups are currently being sold in snack bars, convenience stores, leisure and theme parks and pizzeria restaurants. And they're even being served on a major airline!

Made with real fruit juice, LUIGI'S 4 oz. squeeze-ups are also being sold in a wide variety of retail outlets to complement our other snack foods. A variety pack was designed for sale in warehouse club stores and is experiencing strong sales growth. And, to generate LUIGI'S sales at stadiums and arenas, we introduced an exclusive 8 oz. squeeze-up tube toward the end of our year.

A growing year in grocery.

Retail supermarket sales of LUIGI'S Real Italian Ice experienced another strong growth year, thanks in part to today's health conscious consumers. Sales and market share increased significantly. We also introduced and successfully gained distribution of a new variety pack to the marketplace.

Industry retail information reports indicate that this year's sales have resulted in LUIGI'S becoming the number one brand of Italian Ice in the supermarket freezer.

Sizing Up Each Market

LUIGI'S Real Italian Ice is available in 6-oz. cups for retail supermarkets, and 4-oz. and 8-oz. squeeze-up tubes for food service sales. No matter what the size, LUIGI'S is a delicious, fat free, cholesterol free and dairy free treat for kids of all ages.

Graphic: Pictures of three LUIGI'S products

Other Snack Foods

Graphic: Picture of Churros and Funnel Cake graphic

Viva TIO PEPE!

J & J Snack Foods Corp. produces a variety of other niche snack foods including TIO PEPE'S churros, a crispy, cinnamon-sugared, doughnut-like snack of Hispanic origin. Churro sales were down only slightly for the year despite a large decline in sales to one customer that discontinued the product offering.

Traditionally well known in the West and Southwest, churros are now becoming more familiar to consumers nationwide due to increased exposure. In keeping with our strategy to create new market niches for existing products, in 1995 we increased churro sales through warehouse club stores and in retail supermarkets in Western and Southwest markets.

In our continuing effort to expand our international business, a churro program was introduced in Mexico through our ICEE division. Additionally, our export sales of churros to the Far East continue to grow.

Graphic: Artist rendering of a Churros concession stand

Churros and fruit -- ole !

In our fourth quarter we developed a new food service line extension which is being introduced in fiscal '96, TIO PEPE'S fruit filled churros. They combine the traditional churro cinnamon pastry with delicious fruit and cream fillings. It's a scrumptious and wholesome combination!

Our filled churros will appeal to food service locations beyond traditional snack bars. They're also perfect for school food service, since they meet both bread and fruit requirements for the U.S.D.A. National School Breakfast/Lunch Program.

Funnel cakes made easy.

Funnel cakes are "the original carnival treat" that J & J has turned into a growing business, marketing a line of frozen pre-cooked and dry mix funnel cakes under THE FUNNEL CAKE FACTORY brand name. Our unique, frozen funnel cakes make preparation easier than ever before. In fact, just heat and serve -- no more mixing, measuring or frying required.

Our funnel cakes are also approved by the U.S.D.A. for the National School Breakfast Program. They are sold through our Food Service division to school food service, snack bars and amusement parks.

Churros on the Move!

We've placed our innovative new mobile merchandising carts at warehouse club stores nationwide.

These carts give thousands of shoppers the chance to try our churros, which can then be purchased from the frozen foods section for home consumption.

Graphic: Picture of a Churros display case

Frozen Carbonated Beverages (FCB)

Graphic: Picture of a box of Churros and Churros and Funnel Cake Graphics

A refreshing way to chill out.

Ice-cold and bubbly, our ICEE and ARCTIC BLAST brands are among the most refreshing drinks available in what has become a fiercely competitive beverage market.

These semi-frozen beverages, which are served from our proprietary dispensing equipment, are marketed and distributed by ICEE-USA, the FCB division of J & J Snack Foods Corp. Whether sipped through a straw or eaten with a spoon, they're a growing favorite of consumers of all ages.

We're continually working to put our frozen beverages in the hands of more consumers in more locations. Today, they can be found in thousands of outlets throughout North America, including many outlets where our soft pretzels and other snack foods are sold.

Finding liquidity in frozen assets.

Sales this year resulted in a modest increase of 1% in frozen carbonated beverages and related products, despite a sharp sales decline at our Mexican FCB subsidiary due to the troubled Mexican economy and peso devaluation.

Graphic: Drawing of a snack food stand that is in the shape of a giant ICEE Frozen Carbonated Beverage dispensing machine. The stand is staffed by a sales person who is dispensing SuperPretzels and ICEE beverages to customers.

In order to provide for future gains by the frozen carbonated beverage product line, we made key improvements throughout the year. These included an aggressive new promotional program and the development of a new kiosk designed for a mass merchandiser. We also improved the efficiency of our syrup distribution system by utilizing third party distribution, where appropriate, for a segment of our customers. This plan will be expanded on a selective basis.

New, "friendlier" dispensers.

The proprietary dispensing equipment manufactured by the FCB division is a major factor in expanding our customer base. In 1995, we made several design and operational improvements in both our standard ICEE floor model dispenser and our counter top dispenser, which is used where space is a limitation. The results have been improved reliability and more "user-friendly" machines.

A warm reception for a cool product.

The distribution of ARCTIC FREEZE, a new frozen beverage product, was expanded to both school locations and other retailers this past year. ARCTIC FREEZE is offered in two formulations, one of which contains 50% fruit juice and carries the U.S.D.A. approved Child Nutrition (CN) Label.

An expanding cold front.

Our ICEE-USA subsidiary is the largest distributor of frozen carbonated beverages in North America, with branches and warehouses positioned to serve our customers. Our ICEE products are distributed in the western United States, Canada and Mexico, while ARCTIC BLAST is sold primarily in the East.

During the year, we acquired the international rights for the sale of ICEE products and are currently exploring opportunities to develop the international market for FCB.

A Promotional Blast

To support our customers' retail sales efforts, we provide topical in-store promotions and attention-getting point-of-sale materials.

Graphic: Pictures of ICEE and ARCTIC BLAST promotional material

J & J Snack Foods Corp. and Subsidiaries

Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations

Fiscal 1995 (53 weeks) Compared to Fiscal 1994 (52 weeks)

Net sales increased $10,937,000 or 6% in fiscal 1995 compared to fiscal 1994 to $185,362,000. Net sales, excluding sales of Western Syrup Company in both years, increased $13,084,000 or 8% to $184,431,000 for the year.

During the third 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.

Sales to food service customers increased $10,455,000 or 15% to $79,382,000 in fiscal 1995. Soft pretzel sales to the food service market increased 13% to $51,032,000 and churro sales decreased 1% to $9,512,000. Excluding a large sales decline to one customer, sales of churros increased $824,000 or 10%. New channels of distribution and new products accounted for most of the added pretzel volume. Frozen juice bar and dessert sales increased 26% to $13,571,000 due to expanded distribution and new products.

Sales of products to retail supermarkets increased $2,897,000 or 8% to $41,300,000 in fiscal 1995 due to higher unit volume. Total soft pretzel sales to retail supermarkets were $26,043,000, a decrease of 2% from fiscal 1994. Sales of the flagship SUPERPRETZEL brand soft pretzels, excluding SOFTSTIX, increased 3% to $21,708,000. The increase was substantially less than in prior years due to increased competition. SOFTSTIX sales decreased $1,340,000 or 26% to $3,839,000 from the previous year. LUIGI'S Real Italian Ice sales increased $3,533,000 or 33% to $14,358,000 due to increased distribution and market share.

Frozen carbonated beverage and related product sales increased $590,000 or 1% to $43,600,000 in fiscal 1995 even though sales of the Company's Mexican frozen carbonated beverage subsidiary were down $1,232,000 or 39% for the year due to the devaluation of the peso and the business downturn in Mexico. Beverage sales alone increased 3% to $41,736,000.

Bakery sales decreased $1,471,000 or 13% to $9,485,000 in fiscal 1995 due to lower unit volume. The decline was due to a reduction in purchases by a single customer. Bavarian Pretzel Bakery sales increased 6% to $10,664,000 for the year.

Gross profit on sales declined to 50% for fiscal 1995 compared to 53% for fiscal 1994. The percentage decrease is primarily attributable to higher packaging and raw material costs and increased manufacturing overhead costs due to recent expansions of production capacities.

Total operating expenses increased $6,196,000 to $85,481,000 in fiscal 1995 and as a percentage of sales increased to 46% from 45% in fiscal 1994. Marketing expenses as a percent of sales increased approximately 2% of sales to 32% of sales in 1995 from 29% in 1994 due primarily to higher retail supermarket promotional and advertising spending and increased equipment costs, which includes depreciation, installation and service costs, in our frozen carbonated beverage division. Distribution expenses decreased to 10% of sales in 1995 from 11% in 1994 due primarily to the use of alternate channels of distribution and more efficient operations in our frozen carbonated beverage division. Administrative expenses decreased approximately 1/2% of sales to 4% of sales in 1995 due to higher sales volume and reduced expenses.

Operating income decreased $5,395,000 or 43% to $7,008,000 in fiscal 1995. Decreases in operating income and increases in operating losses were across all product lines.

Investment income increased in fiscal year 1995 due to a higher level of invested funds and higher interest and dividend rates on investments. Interest expense decreased $52,000 to $399,000 because of debt reduction.

Sundry income increased $789,000 to $1,365,000 for the fiscal year principally due to gains on disposals of certain property and equipment.

The effective income tax rate was 38% in both fiscal 1995 and 1994.

Net earnings decreased $2,728,000 or 32% in fiscal 1995 to $5,804,000.

The Financial Accounting Standards Board (the FASB) issued a new standard, FAS No. 107, "Disclosure About Fair Value of Financial Instruments," which requires all entities to disclose the estimated fair value of their financial instrument assets and liabilities. The Company will be required to implement this new standard in its fiscal year 1996. Implementation of this standard will have no effect on earnings.

The FASB issued a new standard, FAS No. 123, "Accounting for Stock-Based Compensation," which contains a fair value-based method for valuing stock-based compensation that entities may use, which measures compensation cost at the grant date based on the fair value of the award. Compensation is then recognized over the service period, which is usually the vesting period. Alternatively, the standard permits entities to continue accounting for employee stock options and similar equity instruments under APB Opinion 25, "Accounting for Stock Issued to Employees." Entities that continue to account for stock options using APB Opinion 25 are required to make pro forma disclosures of net income and earnings per share, as if the fair value-based method of accounting defined in FAS No. 123 had been applied. The Company has not determined which method it will follow in the future. The Company will be required to adopt the new standard in its fiscal year 1997.

The FASB issued a new standard, FAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of," which provides guidance on when to recognize and how to measure impairment losses of long-lived assets and certain identifiable intangibles and how to value long-lived assets to be disposed of. The Company anticipates that the impact of FAS No. 121 on the financial position and results of operations of the Company, when adopted, will not be material. The Company is required to adopt this new standard in its fiscal year 1997.
The Company adopted FAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities," which provides guidance on accounting and reporting for investments in equity securities with readily determinable fair values and for all investments in debt securities. The Company adopted this new standard in the first quarter of the current fiscal year with no impact on earnings.

Results of Operations

Fiscal 1994 (52 weeks) Compared to Fiscal 1993 (52 weeks)
Net sales increased $27,235,000 or 19% in fiscal 1994 compared to fiscal 1993 to $174,425,000. Net sales, excluding sales of Bavarian Pretzel Bakery, increased $17,184,000 or 12% to $164,374,000 for the year.

Sales to food service customers increased $9,950,000 or 17% to $68,927,000 in fiscal 1994. Soft pretzel sales to the food service market increased 21% to $45,246,000 and churro sales increased 18% to $9,603,000. Expanded unit volume accounted for virtually all of the dollar increases and resulted from increased warehouse club store, fast food chain, convenience store, school, movie theatre and stadium business. Frozen juice bar and dessert sales increased 13% to $10,806,000.

Sales of products to retail supermarkets increased $8,426,000 or 28% to $38,403,000 in fiscal 1994 primarily due to higher unit volume. Total soft pretzel sales to retail supermarkets were $26,453,000, an increase of 36% from fiscal 1993. Sales of the flagship SUPERPRETZEL brand soft pretzels, excluding SOFTSTIX, increased 29% to $20,977,000. SOFTSTIX sales increased $2,008,000 to $5,179,000 in the year primarily due to expanded distribution. LUIGI'S Real Italian Ice sales increased $1,299,000 or 14% to $10,825,000 due to higher unit volume and a price increase. The price increase accounted for approximately 50% of the dollar sales increase.

Frozen carbonated beverage and related product sales decreased $2,463,000 or 5% to $43,010,000 in fiscal 1994. Beverage sales alone decreased 6% to $40,371,000 even though there were an increased number of our frozen carbonated beverage dispensers at customer locations. The sales decrease was caused by continuing significant declines in unit sales to the division's largest customer and by temporary and permanent removals and relocations of our frozen carbonated beverage dispensers at chain and convenience store accounts, as well as by other less directly identifiable factors.

Bakery sales increased $1,697,000 or 18% to $10,956,000 in fiscal 1994 due to higher unit volume. One customer accounted for substantially all of the increase. Syrup and topping product sales decreased $426,000 or 12% to $3,078,000 due to lower unit volume. Gross profit on sales was 53% for fiscal 1994 compared to 55% for fiscal 1993. Excluding Bavarian, gross profit as a percentage of sales was 55% in both fiscal years.

Total operating expenses increased $10,400,000 in fiscal 1994 and as a percentage of sales decreased to 45% from 47% in fiscal 1993. Excluding Bavarian, operating expenses as a percentage of sales increased 1% to 48% in 1994. Marketing expenses, exclusive of Bavarian, increased from 29% to 31% for the year primarily because of higher frozen carbonated beverage marketing expenses combined with lower frozen carbonated beverage sales compared to last year. Distribution expenses, exclusive of Bavarian, were 12% of sales in both years. Administrative expenses, exclusive of Bavarian, decreased less than 1% to 4% of sales in the current year from 5% last year primarily because of higher sales volume.

Group health insurance costs for fiscal year 1994 decreased approximately $1,000,000 from last year's amounts due to a change in programs effected during last year's third quarter. Most of the decreases were in operating expenses.

Operating income increased $196,000 or 2% to $12,403,000 in fiscal 1994.

Investment income increased slightly in fiscal year 1994 due to a higher level of invested funds. Interest expense increased $86,000 to $451,000 in 1994 because of the Bavarian acquisition and because interest on the borrowings related to the expansion of the East Coast freezer storage warehouse was capitalized during the construction period in 1993 but was fully expensed in 1994.

Sundry income increased $403,000 to $576,000 for the fiscal year principally due to the sale of idle land.

The effective income tax rates were 38% in fiscal 1994 and 36% in fiscal 1993. The increase of slightly more than 1% in the effective income tax rate was caused by higher federal income tax rates in 1994 and miscellaneous factors. The Financial Accounting Standards Board (the FASB) issued a new standard, FAS No. 109, "Accounting for Income Taxes," which significantly changes the accounting for deferred income taxes. The statement provides for a liability approach under which deferred income taxes are provided based upon enacted tax laws and rates applicable to the periods in which the taxes become payable. The Company adopted this new standard in the quarter ended December 25, 1993. The adoption of the standard did not have a significant impact on net earnings for fiscal year 1994.

Net earnings increased $182,000 or 2% in fiscal 1994 to $8,532,000.

Acquisitions, Liquidity and Capital Resources

In May 1994, the Company acquired the assets of The Funnel Cake Factory, Inc., a manufacturer and distributor of funnel cake products. The acquisition was paid for with cash and stock.

In October 1993, all of the common stock of Bavarian Soft Pretzels, Inc., a specialty snack food retailer operating in malls, was acquired. The acquisition was paid for with cash.

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 in December 1994 caused a reduction of $1,121,000 in stockholders' equity for the 1995 fiscal year because of the revaluation of the net assets of the Company's Mexican frozen carbonated beverage subsidiary. The Company experienced a dollar decline in the sales of this subsidiary of about 50% since the devaluation. The Company anticipates that the sales decline from prior year levels will continue at least through the first quarter of the 1996 fiscal year. In 1995, sales of the Mexican subsidiary decreased to $1,966,000 from $3,198,000 in 1994.

Under share repurchase programs initiated in fiscal year 1992, the Company purchased and retired 709,000 shares of its common stock at a cost of $8,467,000 in fiscal years 1994 and 1993. Under an additional share repurchase program initiated in fiscal year 1994, the Company is authorized to acquire an additional 1,000,000 shares of its common stock. The Company repurchased and retired 854,600 shares at a cost of $10,118,000 in fiscal years 1995 and 1994 under this authorization. Total purchases of Company stock in 1995 under the repurchase programs were 801,000 shares at a cost of $9,447,000.

Available to the Company are unsecured general purpose bank lines of credit totalling $25,000,000. There were no borrowings under these general bank lines of credit at September 30, 1995.

Fiscal 1995 Compared to Fiscal 1994

The combined balance of cash and cash equivalents and marketable securities increased $3,456,000 from $11,064,000 in 1994 to $14,520,000 in 1995 primarily because of the investment of proceeds from long-term investments into cash equivalents.

Receivables increased $328,000 to $16,846,000 primarily because of higher sales levels.

Inventories decreased $510,000 to $11,009,000 primarily because of the sale of Western Syrup Company.

Property, plant and equipment increased $7,717,000 primarily because of expenditures for dispensers required for the expansion of the frozen carbonated beverage business, for ovens and portable merchandisers required for the expansion of the food service business and for the expansion and upgrading of production capability at the Company's manufacturing facilities which were offset by declines resulting from the sale of Western Syrup Company, disposals and a foreign currency translation adjustment recorded because of the devaluation of the Mexican peso.

Goodwill, trademarks and rights, net of accumulated amortization decreased $1,149,000 to $8,644,000 primarily because of amortization. Long-term investments decreased $2,429,000 to $8,335,000 primarily because of the investment of proceeds from long-term investments into cash equivalents. Sundry assets increased by $302,000 from 1994 primarily because of a note receivable accepted as part of the payment for the purchase of Western Syrup Company by a third party offset by use of bond trust funds.

Accounts payable decreased $1,247,000 primarily because of a decline in deposits received for equipment purchases, a decline in vendor advances and the sale of Western Syrup Company.

Accrued liabilities increased $1,385,000 in 1995 from $4,537,000 in 1994 due to higher sales rebates due customers, higher income taxes accrued and a provision for closed stores at Bavarian Pretzel Bakery.

Common stock decreased $9,144,000 in 1995 to $40,802,000 because of payments by the Company to repurchase and retire its stock.

A foreign currency translation adjustment of ($1,121,000) was recorded in 1995 due to the revaluation of the net assets of the Company's Mexican frozen carbonated beverage subsidiary. The revaluation was necessitated by the sharp devaluation of the Mexican peso.

Net cash provided by operating activities decreased $2,579,000 to $20,588,000 in 1995 from $23,167,000 in 1994 primarily because of lower net earnings.

Net cash used in investing activities decreased $10,382,000 to $7,353,000 in 1995 from $17,735,000 in 1994 primarily because of lower capital expenditures of $5,651,000, no payments for purchases of companies compared to $1,523,000 in 1994, an increase of $4,282,000 in net proceeds from investments, and higher proceeds of $323,000 from the sales of operations and disposals of property and equipment offset by the lower use of funds from the bond trust fund of $1,287,000. Capital expenditures decreased by

$5,651,000 in 1995 from 1994 primarily because of lower expenditures by our frozen carbonated beverage division.

Net cash used in financing activities increased to $9,160,000 in 1995 compared to $7,268,000 used in 1994 primarily because of an increase in the purchase of the Company's common stock of $2,168,000.

Fiscal 1994 Compared to Fiscal 1993

The combined balance of cash and cash equivalents and marketable securities decreased $4,724,000 from $15,788,000 in 1993 to $11,064,000 in 1994 primarily because funds were redirected to long-term investments.

Receivables increased $1,037,000 to $17,176,000 primarily because of higher sales levels.

Inventories increased $1,019,000 to $11,519,000 because of higher sales levels and inventory required for Bavarian Pretzel Bakery.

Prepaid expenses and deposits increased to $1,611,000 in 1994 from $1,035,000 in 1993 because of deposits made for equipment purchases.

Property, plant and equipment increased $18,532,000 primarily because of expenditures for additional dispensers required for the expansion of the frozen carbonated beverage business, for ovens and portable merchandisers required for the expansion of the food service business and for the expansion of production capacity at the Company's primary East Coast manufacturing facility.

Goodwill, trademarks and rights, net of accumulated amortization increased $441,000 to $9,793,000 because of the acquisitions of Bavarian Pretzel Bakery and The Funnel Cake Factory, Inc. Long-term investments increased $4,138,000 to $10,764,000 because of the long-term investment of excess funds. Sundry assets decreased by $2,330,000 from 1994 primarily because of the use of $1,942,000 of bond trust funds.

Accounts payable increased $2,693,000 primarily because of increased production requirements and deposits received for equipment purchases.

Deferred income of $692,000 was recorded on the sale of the Company's Hawaiian ICEE operations.

Common stock decreased $5,943,000 in 1994 to $49,946,000 because of payments by the Company to repurchase and retire its stock.

Net cash provided by operating activities increased $2,948,000 to $23,167,000 in 1994 from $20,219,000 in 1993 because of increased depreciation and amortization of fixed assets, accounts payable and accrued liabilities.

Net cash used in investing activities increased $6,182,000 to $17,735,000 in 1994 from $11,553,000 in 1993 primarily because increased capital expenditures of $3,167,000, higher payments for purchases of companies of $1,322,000 and a decline of $4,670,000 in net proceeds from investments offset an increase in proceeds of $1,500,000 from the sales of operations, property and equipment and the increased use of funds from the bond trust fund of $1,110,000. Capital expenditures increased by $3,167,000 in 1994 from 1993 primarily because of expenditures to increase production capacity at the Company's primary East Coast manufacturing facility.

Net cash used in financing activities increased to $7,268,000 in 1994 compared to $774,000 used in 1993 primarily because of an increase in the purchase of the Company's common stock of $5,421,000.

Consolidated Statements of Earnings

	Fiscal year ended		
	September 30, 1995 (53 weeks)	September 24, 1994 (52 weeks)	September 25, 1993 (52 weeks)
Net sales	$185,362,000	$174,425,000	$147,190,000
Cost of goods sold	92,873,000	82,737,000	66,098,000

Gross profit	92,489,000	91,688,000	81,092,000
Operating expenses			
Marketing	58,444,000	51,428,000	43,364,000
Distribution	18,591,000	19,071,000	17,351,000
Administrative	7,585,000	7,936,000	7,321,000
Amortization of intangibles and deferred costs	861,000	850,000	849,000
	85,481,000	79,285,000	68,885,000
Operating income	7,008,000	12,403,000	12,207,000
Other income (deductions)			
Investment income	1,327,000	1,145,000	1,113,000
Interest expense	(399,000)	(451,000)	(365,000)
Sundry	1,365,000	576,000	173,000
	2,293,000	1,270,000	921,000
Earnings before income taxes	9,301,000	13,673,000	13,128,000
Income taxes	3,497,000	5,141,000	4,778,000
NET EARNINGS	$5,804,000	$8,532,000	$8,350,000
Earnings per common share	$.61	$.82	$.80
Weighted average number of shares	9,544,000	10,430,000	10,431,000

The accompanying notes are an integral part of these statements.

Consolidated Balance Sheets

	September 30, 1995	September 24, 1994
Assets		
Current Assets		
Cash and cash equivalents	$10,696,000	$6,621,000
Marketable securities available for sale	3,824,000	4,443,000
Receivables		
Trade, less allowance of $271,000 and $296,000, respectively	16,846,000	16,518,000
Other	621,000	658,000
Inventories	11,009,000	11,519,000
Prepaid expenses and deposits	1,498,000	1,611,000
Total current assets	44,494,000	41,370,000
Property, Plant and Equipment, at cost	130,633,000	122,916,000
Less accumulated depreciation and amortization	71,410,000	59,788,000
	59,223,000	63,128,000
Other Assets		
Goodwill, trademarks and rights, less accumulated amortization of $5,147,000 and $4,353,000, respectively	8,644,000	9,793,000
Long-term investments available for sale	990,000	--
Long-term investments held to maturity	7,345,000	10,764,000
Sundry	2,613,000	2,311,000
	19,592,000	22,868,000
	$123,309,000	$127,366,000
Liabilities and Stockholders' Equity		
Current Liabilities		
Current maturities of long-term debt	$16,000	$15,000
Accounts payable	10,607,000	11,854,000
Accrued liabilities	5,922,000	4,537,000
Total current liabilities	16,545,000	16,406,000
Long-Term Debt, less current maturities	5,011,000	5,028,000

Deferred Income	666,000	692,000
Deferred Income Taxes	5,003,000	4,695,000
Commitments	--	--
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, 9,126,000 and 9,889,000, respectively	40,802,000	49,946,000
Foreign currency translation adjustment	(1,121,000)	--
Retained earnings	56,403,000	50,599,000
	96,084,000	100,545,000
	$123,309,000	$127,366,000

The accompanying notes are an integral part of these statements.

Consolidated Statement of Stockholders' Equity

	Common Stock Shares	Common Stock Amount	Foreign Currency Translation Adjustment	Retained Earnings	Total
Balance at September 27, 1992	10,400,000	$56,348,000	$ --	$33,717,000	$90,065,000
Issuance of common stock upon exercise of stock options	151,000	1,399,000	--	--	1,399,000
Repurchase of common stock.	(233,000)	(1,858,000)	--	--	(1,858,000)
Net earnings for the fiscal year ended September 25, 1993	--	--	--	8,350,000	8,350,000
Balance at September 25, 1993	10,318,000	55,889,000	--	42,067,000	97,956,000
Issuance of common stock					
Exercise of stock options	80,000	936,000	--	--	936,000
Acquisition	20,000	400,000	--	--	400,000
Repurchase of common stock	(529,000)	(7,279,000)	--	--	(7,279,000)
Net earnings for the fiscal year ended September 24, 1994	--	--	--	8,532,000	8,532,000
Balance at September 24, 1994	9,889,000	49,946,000	--	50,599,000	100,545,000
Issuance of common stock upon exercise of stock options	38,000	303,000	--	--	303,000
Foreign currency translation adjustment	--	--	(1,121,000)	--	(1,121,000)
Repurchase of common stock.	(801,000)	(9,447,000)	--	--	(9,447,000)
Net earnings for the fiscal year ended September 30, 1995	--	--	--	5,804,000	5,804,000
Balance at September 30, 1995	9,126,000	$40,802,000	$(1,121,000)	$56,403,000	$96,084,000

The accompanying notes are an integral part of these statements.

Consolidated Statements of Cash Flows

	Fiscal year ended September 30, 1995 (53 weeks)	September 24, 1994 (52 weeks)	September 25, 1993 (52 weeks)
Cash flows from operating activities:			
Net earnings	$5,804,000	$8,532,000	$8,350,000
Adjustments to reconcile net			

earnings to net cash provided by operating activities:			
Depreciation and amortization of fixed assets	15,040,000	13,797,000	11,815,000
Amortization of intangibles and deferred costs	1,016,000	1,011,000	1,017,000
Gains from disposals of property and equipment	(1,222,000)	(416,000)	(82,000)
Increase (decrease) in deferred income taxes	308,000	(73,000)	496,000
Other adjustments	(123,000)	--	(61,000)
Changes in assets and liabilities, net of effects from purchase of companies			
Increase in accounts receivable	(443,000)	(1,184,000)	(2,013,000)
Increase in inventories	(235,000)	(400,000)	(827,000)
Decrease (increase) in prepaid expenses	15,000	(556,000)	339,000
Increase in accounts payable and accrued liabilities	428,000	2,456,000	1,185,000
Net cash provided by operating activities	20,588,000	23,167,000	20,219,000
Cash flows from investing activities:			
Capital expenditures	(12,935,000)	(18,586,000)	(15,419,000)
Proceeds from sales of operations	405,000	1,100,000	--
Payments for purchase of companies, net of cash acquired and debt assumed	--	(1,523,000)	(201,000)
Proceeds from investments held to maturity	405,000	4,606,000	210,000
Payments for investments held to maturity	(1,000,000)	(4,171,000)	(2,609,000)
Proceeds from investments available for sale	6,609,000	6,020,000	15,910,000
Payments for investments available for sale	(2,981,000)	(7,704,000)	(10,090,000)
Decrease in bond trust fund	655,000	1,942,000	832,000
Proceeds from disposals of property and equipment	1,620,000	602,000	202,000
Other	(131,000)	(21,000)	(388,000)
Net cash used in investing activities	(7,353,000)	(17,735,000)	(11,553,000)
Cash flows from financing activities:			
Proceeds from issuance of common stock	303,000	786,000	1,204,000
Payments to repurchase common stock	(9,447,000)	(7,279,000)	(1,858,000)
Payments of long-term debt	(16,000)	(775,000)	(137,000)
Other	--	--	17,000
Net cash used in financing activities	(9,160,000)	(7,268,000)	(774,000)
Net increase (decrease) in cash and cash equivalents	4,075,000	(1,836,000)	7,892,000
Cash and cash equivalents at beginning of year	6,621,000	8,457,000	565,000
Cash and cash equivalents at end of year	$10,696,000	$6,621,000	$8,457,000

The accompanying notes are an integral part of these statements.

Notes to Consolidated Financial Statements

Note A -- Summary of Accounting Policies

J & J Snack Foods Corp. and Subsidiaries (the Company) manufactures, markets and distributes a variety of nutritional snack foods and beverages to the food service and retail supermarket industries. A summary of the significant accounting policies consistently applied in the preparation of the accompanying consolidated financial statements follows.

1. Principles of Consolidation
The consolidated financial statements include the accounts of J & J Snack Foods Corp. and all its wholly-owned subsidiaries. All material intercompany balances and transactions have been eliminated in the consolidated statements.

2. Revenue Recognition

The Company recognizes revenue when its product is shipped.

3. Foreign Currency
Assets and liabilities in foreign currencies are translated into U.S. dollars at the rate of exchange prevailing at the balance sheet date. Revenues and expenses are translated at the average rate of exchange for the period. The cumulative translation adjustment is recorded as a separate component of stockholders' equity.

4. Cash Equivalents
Cash equivalents are short-term, highly liquid investments with original maturities of three months or less. Cash equivalents were $11,524,000 and $4,895,000 at September 30, 1995 and September 24, 1994, respectively.

5. Concentrations of Credit Risk
Concentrations of credit risk with respect to trade receivables are limited due to the dispersion of the Company's customers over different industries and geographies.

6. Inventories
Inventories are valued at the lower of cost (determined by the first-in, first-out method) or market.

7. Depreciation and Amortization
Depreciation of equipment and buildings is provided for by the straight-line and accelerated methods over estimated useful lives. Amortization of improvements is provided for by the straight-line method over the term of the lease or the estimated useful life, whichever is shorter. Goodwill, trademarks and rights arising from acquisitions are being amortized by the straight-line method over periods ranging from 5 to 30 years. Management reviews the realization of goodwill based upon past and expected performance of acquired businesses.

The FASB issued a new standard, FAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of," which provides guidance on when to recognize and how to measure impairment losses of long-lived assets and certain identifiable intangibles and how to value long-lived assets to be disposed of. The Company anticipates that the impact of FAS No. 121 on the financial position and results of operations of the Company, when adopted, will not be material. The Company is required to adopt this new standard in its fiscal year 1997.

8. Financial Instruments
The FASB issued a new standard, FAS No. 107, "Disclosure About Fair Value of Financial Instruments," which requires all entities to disclose the estimated fair value of their financial instrument assets and liabilities. The Company will be required to implement this new standard in its fiscal year 1996.

9. Income Taxes
The Company adopted, effective September 26, 1993, FAS No. 109, "Accounting For Income Taxes." Under the liability method specified by FAS No. 109, deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities as measured by the enacted tax rates which will be in effect when these differences reverse. Deferred tax expense is the result of changes in deferred tax assets and liabilities. The principal types of differences between assets and liabilities for financial statement and tax return purposes are vacation accruals, insurance reserves, deferred income and accumulated depreciation.

The deferred method, used in years prior to fiscal 1994, required the Company to provide for deferred tax expense based on certain items of income and expense which were reported in different years in the financial statements and the tax returns as measured by the tax rate in effect for the year the difference occurred. The cumulative effect of the change in accounting on years prior to fiscal 1994 did not have a material impact on the Company's net earnings for the year ended September 24, 1994.

10. Investments in Debt and Equity Securities
The Company adopted, effective September 25, 1994, FAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities," which provides guidance on accounting and reporting for investments in equity securities with readily determinable fair values and for all investments in debt securities. The

adoption of FAS No. 115 did not have a material impact on the financial position and results of operations of the Company.

11. Earnings Per Common Share
Earnings per share are based on the weighted average number of common shares outstanding, including common stock equivalents (stock options).

12. Accounting for Stock-Based Compensation
The FASB issued a new standard, FAS No. 123, "Accounting for Stock-Based Compensation," which contains a fair value-based method for valuing stock-based compensation that entities may use, which measures compensation cost at the grant date based on the fair value of the award. Compensation is then recognized over the service period, which is usually the vesting period. Alternatively, the standard permits entities to continue accounting for employee stock options and similar equity instruments under APB Opinion 25, "Accounting for Stock Issued to Employees." Entities that continue to account for stock options using APB Opinion 25 are required to make pro forma disclosures of net income and earnings per share, as if the fair value-based method of accounting defined in FAS No. 123 had been applied. The Company has not determined which method it will follow in the future. The Company will be required to adopt the new standard in its fiscal year 1997.

Note B -- Acquisitions

In May 1994, the Company acquired the assets of The Funnel Cake Factory, Inc., a manufacturer and distributor of funnel cake products. The acquisition was paid for with cash and stock.

In October 1993, all of the common stock of Bavarian Soft Pretzels, Inc., a specialty snack food retailer operating in malls, was acquired. The acquisition was paid for with cash.

The acquisitions were accounted for under the purchase method of accounting and the operations are included in the consolidated financial statements from the respective acquisition dates. The impact of the acquisitions on the results of operations is not significant.

Note C -- Credit Arrangements

The Company has available general unsecured bank lines of credit of $25,000,000 at rates below the prime rate. The loan agreements specify net worth and other financial covenants. The entire amounts of these lines of credit were available at September 30, 1995.

Note D -- Marketable Securities

The Company adopted FAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities," effective September 25, 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 $6,600,000 in the year ended September 30, 1995 with a gain of $21,000 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 September 30, 1995 are summarized as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
Available for sale securities				
Equity securities	$ --	$12,000	$ --	$12,000

Corporate debt securities	996,000	--	46,000	950,000
Municipal government securities	3,818,000	6,000	8,000	3,816,000
	$4,814,000	$18,000	$54,000	$4,778,000
Held to maturity securities				
Corporate debt securities	$1,015,000	$8,000	$15,000	$1,008,000
Municipal government securities	5,830,000	11,000	195,000	5,646,000
Other	500,000	--	--	500,000
	$7,345,000	$19,000	$210,000	$7,154,000

The following table lists the maturities of debt securities held at September 30, 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	$3,824,000	$3,816,000	$ --	$ --
Due after one year through five years	495,000	500,000	7,345,000	7,154,000
Due after five years	495,000	450,000	--	--
Total	$4,814,000	$4,766,000	$7,345,000	$7,154,000

Note E -- Inventories

Inventories consist of the following:

	September 30, 1995	September 24, 1994
Finished goods	$5,669,000	$5,538,000
Raw materials	1,019,000	1,293,000
Packaging materials	1,947,000	1,777,000
Equipment parts and other	2,374,000	2,911,000
	$11,009,000	$11,519,000

Note F -- Property, Plant and Equipment

Property, plant and equipment consist of the following:

	September 30, 1995	September 24, 1994	Estimated Useful Lives
Land	$819,000	$973,000	--
Buildings	5,119,000	5,119,000	15-39.5 years
Plant machinery and equipment	39,006,000	35,045,000	5-10 years
Marketing equipment	75,085,000	70,311,000	5 years
Transportation equipment	2,086,000	2,622,000	5 years
Office equipment	3,002,000	3,355,000	3-5 years
Improvements	5,036,000	4,741,000	5-20 years
Construction in progress	480,000	750,000	--
	$130,633,000	$122,916,000	

Note G -- Accrued Liabilities

Included in accrued liabilities is accrued compensation of $2,423,000 and $2,263,000 as of September 30, 1995 and September 24, 1994, respectively.

Note H -- Long-Term Debt

Long-term debt consists of the following:

	September 30, 1995	September 24, 1994
7.25% redeemable economic development revenue bonds payable December 2005; interest payable semi-annually (subject to debt limitation and minimum stockholders' equity covenants)	$5,000,000	$5,000,000

Other	27,000	43,000
	5,027,000	5,043,000
Less current maturities	16,000	15,000
	$5,011,000	$5,028,000

Annual principal payments of long-term debt as of September 30, 1995 are as follows:

1996	$16,000
1997	7,000
1998	4,000
1999	--
2000	--
2001 and thereafter	5,000,000
	$5,027,000

Note I -- Deferred Income

Deferred income consists of the Company's unrecognized gain on the sale of its ICEE operations in Hawaii to the former President of ICEE-USA Corp. in July 1994 for $1,100,000 in cash. Under the terms of the sale, the Company has guaranteed the payment of a bank note by the newly formed company, ICEE of Hawaii, Inc., through the issuance of a letter of credit. The Company's guarantee is collateralized by the assets of ICEE of Hawaii, Inc. The Company recognizes gain on the sale as the principal due on the bank note is reduced through payments by ICEE of Hawaii, Inc. During the year ended September 30, 1995, $25,000 was recognized.

Note J -- Income Taxes

Effective September 26, 1993, the Company changed its method of accounting for income taxes from the deferred method to the liability method. The income tax provision for fiscal year 1993 has not been restated and there was no material cumulative effect.

	Fiscal year ended		
	September 30, 1995 (liability method)	September 24, 1994 (liability method)	September 25, 1993 (deferred method)
Current			
U.S. Federal	$2,841,000	$4,829,000	$3,305,000
Foreign	63,000	98,000	261,000
State	285,000	449,000	248,000
	3,189,000	5,376,000	3,814,000
Deferred (Benefit)			
U.S. Federal	359,000	(259,000)	905,000
Foreign	(43,000)	33,000	(71,000)
State	(8,000)	(9,000)	130,000
	308,000	(235,000)	964,000
	$3,497,000	$5,141,000	$4,778,000

The deferred income tax provision as of September 25, 1993 (deferred method) was comprised of the following:

Fixed asset accounting and depreciation methods	$529,000
Benefit of tax carry forwards	233,000
Provision for workers' compensation	(34,000)
Other	236,000
	$964,000

The provisions for income taxes differ from the amounts computed by applying the federal income tax rate of approximately 34% to earnings before income taxes for the following reasons:

	Fiscal year ended		
	September 30, 1995 (liability method)	September 24, 1994 (liability method)	September 25, 1993 (deferred method)
Income taxes at statutory rates	$3,162,000	$4,649,000	$4,464,000
Increase (decrease) in taxes resulting from:			
State income taxes, net of federal income tax benefit	194,000	282,000	238,000
Non-taxable income	(315,000)	(310,000)	(278,000)
Other	456,000	520,000	354,000
	$3,497,000	$5,141,000	$4,778,000

Deferred tax assets and liabilities consist of the following:

	September 30, 1995	September 24, 1994
Deferred tax assets		
Vacation accrual	$256,000	$231,000
Insurance reserve	222,000	226,000
Deferred income	247,000	256,000
Other, net	449,000	420,000
	1,174,000	1,133,000
Deferred tax liabilities		
Depreciation of property and equipment	6,115,000	5,774,000
Other, net	62,000	54,000
	6,177,000	5,828,000
	$5,003,000	$4,695,000

Note K -- Lease Commitments

The following is a summary of approximate future minimum rental commitments for non-cancelable operating leases with terms of more than one year as of September 30, 1995:

	Plants and Offices	Equipment	Total
1996	$2,935,000	$1,838,000	$4,773,000
1997	2,590,000	1,456,000	4,046,000
1998	2,310,000	1,109,000	3,419,000
1999	2,075,000	738,000	2,813,000
2000	1,823,000	613,000	2,436,000
2001 and thereafter	11,696,000	613,000	12,309,000
	$23,429,000	$6,367,000	$29,796,000

Total rent expense was $6,141,000, $6,407,000 and $3,598,000 for fiscal years 1995, 1994 and 1993, respectively. Rent expense in 1995 and 1994 includes approximately $2,300,000 each year for Bavarian's retail stores.

Note L -- Capital Stock

Under share repurchase programs initiated in fiscal year 1992, the Company purchased and retired 709,000 shares of its common stock at a cost of $8,467,000 in fiscal years 1994 and 1993. Under an additional share repurchase program initiated in fiscal year 1994, the Company is authorized to acquire an additional 1,000,000 shares of its common stock. The Company repurchased and retired 854,600 shares at a cost of $10,118,000 in fiscal years 1995 and 1994 under this authorization. Total purchases of Company stock in 1995 under the repurchase programs were 801,000 shares at a cost of $9,447,000.

Note M -- Stock Options

In fiscal year 1992, the Company adopted a Stock Option Plan (the "Plan") which replaces the former Incentive Stock Option Plan. Pursuant to the Plan, stock options may be granted to officers and key employees of the Company which qualify as incentive stock options as well as stock options which are non-qualified. The exercise price of incentive stock options is at least the fair market value of the common stock on the date of grant. The exercise price for non-qualified options is determined by a committee of the Board of Directors. The options are generally exercisable after three years and expire no later than ten years from date of grant. There were 1,000,000 shares reserved under the Plan; options for 504,000 shares remain unissued as of September 30, 1995.

In fiscal year 1991, the Company adopted a nonstatutory stock option plan for non-employee directors and the Chief Executive Officer of the Company whereby a total of 340,000 shares of common stock may be issued. Under the plan, each non-employee director is granted options to purchase 3,000 shares of common stock and the Chief Executive Officer is granted options to purchase 25,000 shares annually. The option price is equal to the fair market value of the common stock at the date of grant and the options expire ten years after date of grant. Other non-qualified options have been issued to the Chief Executive Officer, directors and certain employees.

The following is a summary of stock options:

	Incentive	Non-Qualified

	Stock Options	Stock Options
Balance at September 27, 1992		
Shares	550,129	225,026
Prices	$5.75-14.16	$2.50-12.88
Granted		
Shares	119,500	37,000
Prices	$13.63-15.75	$13.63
Exercised		
Shares	139,250	11,786
Prices	$5.75-12.88	$7.50-9.81
Cancelled		
Shares	31,800	958
Prices	$7.25-12.88	$5.89

	Incentive Stock Options	Non-Qualified Stock Options
Balance at September 25, 1993		
Shares	498,579	249,282
Prices	$5.75-15.75	$2.50-13.63
Granted		
Shares	147,691	37,000
Prices	$11.00	$11.00
Exercised		
Shares	76,067	4,282
Prices	$5.75-14.00	$5.89
Cancelled		
Shares	20,125	--
Prices	$7.25-14.00	--
Balance at September 24, 1994		
Shares	550,078	282,000
Prices	$7.25-15.75	$2.50-13.63
Granted		
Shares	147,500	47,000
Prices	$11.00-12.50	$11.75-11.88
Exercised		
Shares	37,675	--
Prices	$7.25-8.63	--
Cancelled		
Shares	17,091	--
Prices	$11.00-13.63	--
Balance at September 30, 1995		
Shares	642,812	329,000
Prices	$7.25-15.75	$2.50-13.63

Note N -- 401(k) Profit Sharing Plan

The Company maintains a 401(k) profit sharing plan for its employees. Under the plan, the Company may make discretionary profit-sharing and matching 401(k) contributions. Contributions of $242,000, $204,000 and $146,000 were made in fiscal years 1995, 1994 and 1993, respectively.

Note O -- Cash Flow Information

The following is supplemental cash flow information:

	Fiscal year ended		
	September 30, 1995	September 24, 1994	September 25, 1993
Cash paid for:			
Interest (net of amount capitalized)	$395,000	$451,000	$367,000
Income taxes	2,826,000	5,024,000	4,425,000

Non-cash investing and financing activities:
During 1993, $17,000 of capital lease obligations were incurred when the Company entered into leases for new equipment.

Report of Independent Certified Public Accountants

The Shareholders and Board of Directors
J & J SNACK FOODS CORP.

Graphic: Grant Thornton Letterhead

We have audited the accompanying consolidated balance sheets of J & J Snack Foods Corp. and Subsidiaries as of September 30, 1995 and September 24, 1994, and the related consolidated statements of earnings, stockholders' equity, and cash flows for each of the fiscal years in the three year period ended September 30, 1995 (53 weeks, 52 weeks and 52 weeks, respectively). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of J & J Snack Foods Corp. and Subsidiaries at September 30, 1995 and September 24, 1994, and the consolidated results of their operations and their cash flows for each of the fiscal years in the three year period ended September 30, 1995 in conformity with generally accepted accounting principles.

As disclosed in Note D, the Company adopted Financial Accounting Standard No. 115, "Accounting for Certain Investments in Debt and Equity Securities," effective September 25, 1994.

Graphic: Grant Thornton signature

Grant Thornton LLP
Philadelphia, Pennsylvania
November 7, 1995

Corporate Information

Officers
Gerald B. Shreiber
Chairman of the Board,
President and Chief Executive Officer
Dennis G. Moore
Senior Vice President,
Chief Financial Officer,
Secretary and Treasurer
Robert M. Radano
Senior Vice President, Sales
John S. Schiavo
Senior Vice President, West
Donald M. Taylor
Vice President and General Manager of Eastern Operations

Directors
Gerald B. Shreiber
Chairman of the Board,
President and Chief Executive Officer
Dennis G. Moore
Senior Vice President,
Chief Financial Officer,
Secretary and Treasurer
Stephen N. Frankel
President, Stephen N. Frankel Realtor, Inc.
Peter G. Stanley
Executive Vice President,
Tri-Arc Financial Services, Inc.
Leonard M. Lodish
Samuel R. Harrell Professor,
Marketing Department of the Wharton
School, University of Pennsylvania

Quarterly Common Stock Data

	Market Price	
Fiscal 1995	High	Low
1st Quarter	12 7/8	11 1/4
2nd Quarter	12	10
3rd Quarter	13	10 1/8
4th Quarter	13 3/8	11 3/8
Fiscal 1994		
1st Quarter	20 3/8	17 1/8
2nd Quarter	20 3/4	17 3/8
3rd Quarter	18 1/4	10 7/8

4th Quarter	13 1/4	12 1/8

Stock Listing

The common stock of J & J Snack Foods Corp. is traded on the over-the-counter market on the NASDAQ National Market System with the symbol JJSF.

Transfer Agent and Registrar
Midlantic National Bank
Metro Park Plaza
P.O. Box 600
Edison, NJ 08818

Auditors
Grant Thornton LLP

Counsel
Blank, Rome, Comisky & McCauley

Annual Meeting

The Annual Meeting of Shareholders is scheduled for Wednesday, February 7, 1996 at 10:00 a.m. at the Hilton at Cherry Hill, 2349 W. Marlton Pike, Cherry Hill, New Jersey

Form 10-K

Copies of the Company's Annual Report to the Securities and Exchange Commission on Form 10-K may be obtained without charge by writing to:

J & J Snack Foods Corp.
6000 Central Highway
Pennsauken, NJ 08109
Attention: Dennis G. Moore

EXHIBIT 21.1 - SUBSIDIARIES OF J & J SNACK FOODS CORP.

	Place of Incorporation
J & J Snack Foods Investment Corp.	Delaware
ICEE-USA Corp.	Delaware
J & J Snack Foods Corp. of New Jersey	New Jersey
J & J Snack Foods Corp. of California	California
J & J Snack Foods Corp./Midwest	Illinois
J & J Snack Foods Corp./Mia	Pennsylvania
J & J Snack Foods Corp. of Pennsylvania	Pennsylvania
J & J Snack Foods Sales Corp.	New Jersey
J & J Snack Foods Sales Corp. of Texas	Texas
J & J Snack Foods Transport Corp.	New Jersey
Trotter Soft Pretzels, Inc.	Pennsylvania
American Snack Foods Corp.	Pennsylvania
Snack Foods Acquisition Corp.	Delaware
ICEE-Canada, Inc.	Canada
ICEE DE MEXICO, S.A. DE C.V.	Mexico
Bavarian Soft Pretzels, Inc.	Pennsylvania

EXHIBIT 23.1

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We have issued our reports dated November 7, 1995 accompanying the consolidated financial statements and schedules incorporated by reference or included in the Annual Report of J & J Snack Foods Corp. and Subsidiaries on Form 10-K for the year ended September 30, 1995. We hereby consent to the incorporation by reference of said reports in the Registration Statement of J & J Snack Foods Corp. and Subsidiaries on Form S-8 (File No. 33-87532, effective December 16, 1994 and File No. 33-50036, effective July 24, 1992).

Graphic: Grant Thornton singnature

GRANT THORNTON LLP

Philadelphia, Pennsylvania
December 21, 1995

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