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 28, 1996

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

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, 1996, the latest practicable date, 8,749,970 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 $63,119,430, based on the last price on that date of $11.00 per share, which is an average of bid and asked prices.

DOCUMENTS INCORPORATED BY REFERENCE

The Registrant's 1996 Annual Report to Shareholders for the fiscal year ended September 28, 1996 and Proxy Statement for its Annual Meeting of Shareholders to be held on February 5, 1997 are incorporated herein by reference into Parts I, II, III and IV as set forth herein.

J & J SNACK FOODS CORP.
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PART I

Item 1. Business

General

J & J Snack Foods Corp. (the "Company" or "J & J") 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 chains of specialty snack food retail outlets, BAVARIAN PRETZEL BAKERY and PRETZEL GOURMET, 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, SOFT PRETZEL BUNS, HOT KNOTS and ORIGINAL PHILADELPHIA 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 and PRETZEL GOURMET, its chains 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 45% and 44% of the Company's revenue in fiscals 1996 and 1995, 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 primarily 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 fifteen western states, Mexico and Canada and under the trade names FROZEN COKE and ARCTIC BLAST in twenty nine midwestern and eastern states and direct to the public through BAVARIAN PRETZEL BAKERY and PRETZEL GOURMET, its chains of specialty snack food retail outlets. Frozen carbonated beverage sales amounted to 23% of revenue in both fiscal 1996 and fiscal 1995. 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 purchased from outside vendors, 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 24, 1994	7,312	1,100	8,412
September 30, 1995	7,157	1,107	8,264
September 28, 1996	7,823	901	8,724

Frozen Juice Treats and Desserts

The Company's frozen juice treats and desserts are marketed under the SUPER JUICE, FROSTAR, SHAPE-UPS, MAZZONE'S and LUIGI'S brand names to the food service and to the retail supermarket industries. Frozen juice treat and dessert sales were 15% of the Company's revenue in each of fiscals 1996 and 1995.

The Company's SUPER JUICE, SHAPE-UPS and MAZZONE 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 plastic cups for retail supermarket and foodservice 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 6% of the Company's sales in fiscal 1996 and 5% in 1995. 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 also sells fruit and creme filled churros. 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 brand name. Baked goods sales amounted to 4% and 5% of the Company's sales in fiscals 1996 and 1995, respectively.

Other Products

The Company also markets to the food service industry and direct to the public other products 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 and PRETZEL GOURMET, its chains 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, 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 and other products 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 sells its products to over 90% of supermarkets in the United States. 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.

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 ongoing advertising and promotional campaigns for its retail supermarket products include trade shows, newspaper advertisements with coupons, and in-store demonstrations and, periodically, 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; Cicero, Illinois; Scranton, Pittsburgh, Hatfield and Lancaster, Pennsylvania; and Solon, Ohio. Frozen carbonated beverages are distributed from 42 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, MAZZONE'S 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, PRIDE O' THE FARM 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 fifteen 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 soft pretzels. However, there are numerous regional and local manufacturers of food service and retail supermarket soft pretzels. Competition is also increasing in that there are several chains of retail pretzel stores which have been aggressively expanding over the past several years. These chains compete with the Company's products.

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 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 of fiscal year 1995, 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 28, 1996. Certain production and distribution employees at the Pennsauken plant are covered by a collective bargaining agreement which expires in September 1999. Production employees at the Cicero plant are covered by a collective bargaining agreement which expires in September 1997. 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. This facility 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 137,000 square foot facility in which soft pretzels, churros and various lines of baked goods are produced and warehoused. Included in the 137,000 square foot facility is a 30,000 square foot freezer used for warehousing and distribution purposes which was constructed in 1996. The facility is leased through November 2010. The manufacturing facility operates at approximately 50% of capacity.

The Company owns a 52,700 square foot building located on five acres in Chicago Heights, Illinois which is leased to a third party.

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 leases a 9,000 square foot Italian ice and frozen dessert manufacturing facility in Cicero, Illinois through May 1997. The facility operates at approximately 50% 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 42 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 5, 1997 or until their successors are duly elected.

Name	Age	Position
Gerald B. Shreiber	55	Chairman of the Board, President, Chief Executive Officer and Director
Dennis G. Moore	41	Senior Vice President, Chief Financial Officer, Secretary, Treasurer and Director
Robert M. Radano	47	Senior Vice President, Sales, Chief Operating Officer and Director
Robyn Shreiber Cook	36	Senior Vice President, West
Dan Fachner	36	Senior Vice President of ICEE-USA Corp. Subsidiary

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 and in May 1996 was named Chief Operating Officer of the Company. Prior to becoming Chief Operating Officer, he was Senior Vice President, Sales responsible for national foodservice sales of J & J.

Robyn Shreiber Cook joined the Company in 1982 and in February 1996 was named Senior Vice President, West with operating and sales responsibilities for the Company's West Coast foodservice and bakery business. Prior to becoming Senior Vice President, West she was responsible for Western region food service sales.

Dan Fachner has been an employee of ICEE-USA Corp., which was acquired by the Company in May 1987, since 1979. Prior to becoming Senior Vice President of ICEE-USA Corp. in April 1994, he had various operational responsibilities.

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 30, 1995 and September 28, 1996.

	High	Low
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
Fiscal 1996		
First quarter ended December 30, 1995	13-1/4	11
Second quarter ended March 30, 1996	12-3/4	11
Third quarter ended June 29, 1996	13-3/4	11-3/8
Fourth quarter ended September 28, 1996	12-1/8	9-7/8

On November 30, 1996, there were 8,749,970 shares of common stock outstanding. Those shares were held by approximately 2,500 beneficial shareholders and shareholders of record.

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 1996 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 1996 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 1996 Annual Report to Shareholders are incorporated herein by reference:

- Consolidated Balance Sheets as of September 28, 1996 and September 30, 1995
- Consolidated Statements of Earnings for the fiscal years ended September 28, 1996, September 30, 1995 and September 24, 1994
- Consolidated Statement of Stockholders' Equity for the three fiscal years ended September 28, 1996
- Consolidated Statements of Cash Flows for the fiscal years ended September 28, 1996, September 30, 1995 and September 24, 1994
- 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 5, 1997, 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 28, 1996 and September 30, 1995
Consolidated Statements of Earnings for the fiscal years ended September 28, 1996, September 30, 1995 and September 24, 1994
Consolidated Statement of Stockholders' Equity for the three fiscal years ended September 28, 1996
Consolidated Statements of Cash Flows for the fiscal years ended September 28, 1996, September 30, 1995 and September 24, 1994
Notes to Consolidated Financial Statements

Financial Statement Schedule

The following are included in Part IV of this report:

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Report of Independent Certified Public Accountants on Schedule	19
Schedule:	
II. Valuation and Qualifying Accounts	20

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.)

10.4* First, Second and Third Amendments to the J & J Snack Foods Corp. 401(k) Profit Sharing Plan (Page 21).

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. (Incorporated by reference from the Company's Form 10-K dated December 21, 1995).

10.8* J & J Snack Foods Corp. Employee Stock Purchase Plan (Incorporated by reference from the Company's Form S-8 dated May 16, 1996).

11.1 Computation of Earnings Per Common Share. (Page 31.)

13.1 Company's 1996 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 32.)

*Compensatory Plan

22.1 Subsidiaries of J & J Snack Foods Corp. (Page 65.)

24.1 Consent of Independent Certified Public Accountants. (Page 66.)

(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.

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 19, 1996 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 19, 1996 /s/ Robert M. Radano
Robert M. Radano, Senior Vice
President, Sales, Chief Operating
Officer and Director

December 19, 1996 /s/ Dennis G. Moore
Dennis G. Moore, Senior Vice
President, Chief Financial
Officer and Director

December 19, 1996 /s/ Stephen N. Frankel
Stephen N. Frankel, Director

December 19, 1996 /s/ Peter G. Stanley
Peter G. Stanley, Director

December 19, 1996 /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 19, 1996 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 19, 1996 Robert M. Radano
Senior Vice President, Sales,
Chief Operating Officer and
Director

December 19, 1996	_______________________________ Dennis G. Moore, Senior Vice President, Chief Financial Officer and Director
December 19, 1996	_______________________________ Stephen N. Frankel, Director
December 19, 1996	_______________________________ Peter G. Stanley, Director
December 19, 1996	_______________________________ 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 5, 1996, 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 28, 1996 (52 weeks, 53 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 5, 1996

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS

Year	Description	Opening balance	Charged to expense	Deductions	Closing balance
1996	Allowance for doubtful accounts	$271,000	$ 64,000	$ 78,000(1)	$257,000
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

(1) Write-off uncollectible accounts receivable. Also includes $10,000 allowance from an acquired business.

EXHIBIT 11.1

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

	Fiscal year ended September 28, 1996	September 30, 1995	September 24, 1994
Primary Earnings Per Share			
Net earnings	$ 5,843,000	$ 5,804,000	$ 8,532,000
Weighted average number of common shares outstanding during year	8,940,000	9,436,000	10,192,000
Add common equivalent shares (as determined by the application of the treasury stock method) representing shares issuable upon assumed exercise of stock options	73,000	108,000	238,000
Weighted average number of common shares used in calculation of primary earnings per share	9,013,000	9,544,000	10,430,000
Earnings per common share assuming no dilution	$.65	$.61	$.82
Fully Diluted Earnings Per Share			
Net earnings	$ 5,843,000	$ 5,804,000	$ 8,532,000
Weighted average number of common shares outstanding during year	8,940,000	9,436,000	10,192,000
Add common equivalent shares (as determined by the application of the treasury stock method) representing shares issuable upon assumed exercise of stock options	75,000	106,000	243,000
Weighted average number of common shares used in calcu- lation of fully diluted earnings per share	9,015,000	9,542,000	10,435,000
Earnings per common share assuming full dilution	$.65	$.61	$.82

(Photograph and J&J Logo)

25Years of Bringing Together Good Friends and Good-For-You Snacks

Profile

J&J Snack Foods Corp. is a leading "niche" company in the dynamic snack food industry, manufacturing, marketing and distributing an expanding variety of nutritional, popularly priced snack foods and beverages to the food service and retail supermarket industries. J&J was founded twenty-five years ago in 1971 as a single, soft pretzel manufacturing facility in Pennsauken, New Jersey.

Today, listed on the NASDAQ exchange as "JJSF", the Company serves national and international markets with a wide variety of quality, branded snack foods from multiple facilities. 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.

The Company's growth is the result of a strategy that emphasizes active development of new and innovative products, penetration into existing market channels and expansion of established products into new markets.

Now, a quarter century after its modest beginnings in 1971, J&J is a company whose wholesome, delicious products are enjoyed by millions of consumers around the world every day.

(Graphic, five years of sales, net earnings and stockholders' equity)

25 & Beyond (Photographs and graphic inserts pages 1 through 12)

Fiscal 1996 marked a truly significant milestone. Our Silver Anniversary. 25 years of bringing together good friends and good-for-you snacks.

Our fiscal 1996 financial performance results were mixed. Although we achieved record sales in 1996 -- for the 25th consecutive year, and increased, albeit modestly, our earnings over fiscal 1995 -- a combination of factors impacted our ability to achieve our goals.

1996 RESULTS IN BRIEF

Sales grew to $186 million
Net income rose to $5.84 million
Earnings per share increased to $.65 from $.61
Book value climbed to $11.05 per share

We invested significantly in the development of new products. And, like other major bakers and users of flour, we were impacted by tremendous cost increases in our primary ingredients. We made a conscious decision to absorb these cost increases to protect and expand our market share as part of our long-term strategy.

A bright spot for fiscal 1996 was our ICEE-USA division, which improved dramatically over last year, including increased sales and a sharp increase in earnings.

Additionally, we made three small but key acquisitions: Pretzel Gourmet Corp., a hand-rolled soft pretzel specialty retailer; Mazzone Enterprises, a producer of frozen desserts including Italian ice, juice bars and sorbet; and Bakers Best, a manufacturer of soft pretzels selling to the food service and retail supermarket industries.

These are among the reasons we begin fiscal 1997 -- our next quarter century -- with high hopes and optimism.

25. . . We recently concluded our annual sales and management meetings where we initiated plans for fiscal 1997 and beyond. These included four days of intense work sessions, meetings and presentations, punctuated by evening business and social events and a 25th Silver Anniversary Celebration. Amidst the energy of

today and the proud heritage and experiences of yesterday, we enthusiastically prepared for the future.

25. . . THE BEGINNING: The J & J we know today started out humble. Plenty humble. 25 years ago, I acquired the assets of a bankrupt soft pretzel company located in Pennsauken, NJ, with sales of $400,000 and eight employees.

Early on, we adopted criteria that became fundamental to our success and growth. Today, these criteria are recognized as our strengths: Produce niche quality products; be the low cost producer; and develop strong marketing and distribution channels.

J & J's early operation was simple. We made and sold one product. Soft pretzels. In one size and two varieties -- raw and baked. Distribution covered only New Jersey and parts of Pennsylvania. We believed then, as we do now, that we had a niche with tremendous potential for growth and expansion. Everywhere.

25. . . THE HISTORY: An overnight success? Hardly. Hard work, discipline and a never quit attitude were the basics. All the while, keeping competitors at bay with guerilla-like marketing and survival tactics. Our soft pretzel business grew and we consistently applied the fundamental criteria we had established. Key acquisitions of two regional soft pretzel producers in 1978, in St. Louis and Los Angeles, gave us a quasi-national presence. More importantly, manufacturing and distribution were enhanced and expansion capabilities were heightened.

In 1981, we entered the churro business with a "contract" to produce this cinnamon pastry for others. It was canceled on New Year's Eve, 1980. We were devastated...for about two days. We recovered quickly. Again, recognizing an opportunity, we acquired the assets to produce these churros and TIO PEPE'S churros were born.

1982 and 1983 were watershed years for J & J. The combination of exclusive license rights acquired from AMF for pretzel twisters (a coup), our plant expansion and the acquisition of Bachman Soft Pretzel Co. catapulted our manufacturing efficiency and made us truly the low cost producer.

In 1984, we began selling frozen juice bars as part of our school food service sales program. Today, SHAPE-UPS, LUIGI'S, FROSTAR and MAZZONE juice bars and frozen desserts form the nucleus of another leading category of J & J.

Becoming a public company -- a large public company -- was always a goal, a dream. We went public in 1986 and remain deeply committed to this goal of building a successful, large public company.

Also in 1986, we entered the retail supermarket business with a single SUPERPRETZEL product. Through effective selling, product line extensions and skilled marketing strategies and programs, we are establishing categories out of both soft pretzels and LUIGI'S Real Italian Ice.

Our frozen beverage business began when we acquired ICEE-USA in 1987. Originally selling the ICEE brand in the western states, today, our FCB business, including ICEE and ARCTIC BLAST, covers the entire U.S. as well as Canada and Mexico.

In fiscal year 1994, we acquired BAVARIAN PRETZEL BAKERY, which now includes PRETZEL GOURMET, a specialty snack food retail operation in malls concentrated in the Mid-Atlantic states. This opened our newest channel of business -- retail snack bars.

25. . . THE FUTURE: Today, our business is divided into four business divisions: Food Service; Retail Supermarkets; Frozen Carbonated Beverages; and Retail Snack Bars. Each division is dedicated to playing a significant role in the continued growth and success of J & J Snack Foods. What started as a "simple single product" -- soft pretzels -- has evolved into a growing array of nutritional snack foods and beverages.

Looking ahead, J & J has significant growth and operational improvement opportunities in all of our core businesses. Internal expansion, new product development and future acquisitions to complement our divisions are planned.

Our leadership and staff is skilled and dedicated. Our Company is solid and experienced. We are proud of our past and both determined and excited about our future.

Gerald B. Shreiber
President and Chairman
December 1, 1996

Soft Pretzels

SUPERPRETZEL: The brand of the quarter-century!

After 25 years, we've learned that when you've got a winner, you keep developing and supporting it all the way. Expanding into new distribution channels. Creating new product variations. And gaining access to new territories and geographic areas, including global markets. That's one of the formulas that have made SUPERPRETZEL soft pretzels AMERICA'S FAVORITE SOFT PRETZEL.

The flagship SUPERPRETZEL brand continues to benefit from consumers' desire for good tasting, "good-for-you" products that fit in with today's busy lifestyles. SUPERPRETZEL soft pretzels are fat-free, cholesterol-free and all natural. They're the "good-for-you snack" that consumers have come to know and trust.

With attributes like these, it's no surprise that our Food Service division's soft pretzel sales grew by 7% in 1996. During the year, however, we experienced tremendous cost increases--unparalleled in two decades--in flour, our primary product ingredient. Although this had a significant impact on profitability, we continued our efforts to expand the marketplace.

There's a SUPERPRETZEL for every taste and occasion

Consumers want variety. And SUPERPRETZEL provides an ideal vehicle for a wide range of flavor enhancements.

We continue to place strong emphasis on soft pretzel line extensions and new product development to gain new channels of distribution and increased consumption.

Such exciting new products as SUPERPRETZEL Cinnamon Raisin, Jalapeno and Sweet Dough soft pretzels have made their debut this year. Other delicious varieties are in various stages of product development and testing.

We've also added a scrumptious new peanut butter and jelly variety to our food service line of SUPERPRETZEL SOFTSTIX Filled Soft Pretzel Sticks. It's an all-American classic that kids and adults alike find irresistible.

A mini pretzel with maxi potential

Sometimes, growing larger means going smaller. That's why we introduced SUPERPRETZEL CINNAMON RAISIN MINI'S as an extension to the retail supermarket SUPERPRETZEL product line in selected test markets in the second quarter of fiscal 1996.

These taste-tempting mini's come complete with do-it-yourself squeeze-on icing packets and are co-branded with SUN-MAID raisins. A splendid combination!

At the end of our fiscal year, we initiated a roll-out of CINNAMON RAISIN MINI'S to a substantial portion of the country as a result of positive test market results.

They're everywhere! They're everywhere!

Success in snack food marketing is a matter of being in the right place, with the right product, at the right time. So we continue to expand our soft pretzel distribution through traditional food service channels such as 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; warehouse club stores; schools, colleges and other institutions. Alternative product delivery channels through schools and home delivery services also continue to help fuel our growth.

And when people start gathering on the moon, you can be sure that SUPERPRETZEL will be there, too.

Delicious in any language

Though our interplanetary strategy may have to wait, our global expansion is underway. This year, we successfully expanded our food service soft pretzel sales internationally with introductions into the United Kingdom, Israel, United Arab Emirates and Japan. And we continue to seek new opportunities around the world.

Putting our brands out front

J&J is meeting today's increasing demand for branded food concept programs in the food service industry, drawing on our 25-year history of success in developing, producing, branding and merchandising successful snack food systems. Innovative ideas such as our mobile merchandisers, which serve as portable snack bars, have allowed non-traditional locations to add a food service operation.

Our branded concept program, under the PRETZEL GOURMET and PRETZEL GOURMET EXPRESS names, feature flavored and filled soft pretzel products which offer a comprehensive, turn-key marketing and promotional program for retail-oriented environments. Watch for exciting new developments in this market during the year ahead.

Winning a tough battle in the supermarket

The SUPERPRETZEL brand maintains its strong leadership position in the competitive retail supermarket channel, and has defended its market share despite significant increased competition and deep discounting.

Overall category declines continue to impact our sales volume, as do the many new product introductions into the hot snack/appetizer category. Although retail soft pretzel sales declined by 9%, we have been able to maintain the bottom line due to the marketing strategies that were implemented over the year. We are optimistic that our strategies and positioning will prevail for the future.

Why hide our pride?

We're proud to be the "good-for-you snack", and new graphics on our retail package reflect that attitude.

It now features a new statement, AMERICA'S FAVORITE SOFT PRETZEL, as well as the very topical Food Guide Pyramid, to enhance consumer recognition of our leadership position and the healthy benefits of our grain-based food products.

Shopping for growth at the mall

At BAVARIAN PRETZEL BAKERY, we've added general management strength by hiring a divisional President to improve overall operations and oversee future growth and expansion.

Currently, this subsidiary operates about 80 company-owned retail outlets in regional malls primarily throughout the Mid-Atlantic states.

And with the recent acquisition of PRETZEL GOURMET CORP., a retailer operating in malls selling freshly baked, hand-rolled soft pretzels, we now have an excellent vehicle for entering the growing specialty segment.

These steps should help strengthen this subsidiary after a year in which severe winter weather and a disappointing shopping mall environment led to flat sales overall.

Frozen Desserts

Another hot year in Food Service

In the Food Service channel, it was a good year for frozen desserts, as sales of our frozen juice bars and desserts, marketed under the LUIGI'S, SHAPE-UPS, FROSTAR and MAZZONE brands, grew by 18%.

LUIGI'S Real Italian Ice squeeze-up tubes and cups are the stars of this recent growth with increased distribution and sales to warehouse club stores, convenience stores and leisure and theme parks. On the strength of their growth, we have further expanded the LUIGI'S squeeze-up product line into new international markets such as Canada, where our bilingual packaging adds a French and English twist to this popular treat.

SHAPE-UPS continue to ship out

It was another strong year for SHAPE-UPS frozen fruit juice bars, which are sold primarily through schools. SHAPE-UPS carry the U.S.D.A. approved Child Nutrition (CN) Label and are a nutritious product for school food service programs.

Of course, the approval that matters most in this category is that of school children themselves. And the reputation of SHAPE-UPS as a delicious treat continues to be passed along by smiling faces nationwide.

A warm welcome to MAZZONE

To capitalize on the ongoing strength of our frozen desserts category, we've added a new company to our family. It's MAZZONE ENTERPRISES, INC. of Cicero, Illinois, which J&J acquired during the third quarter, and which contributed significantly to the overall sales growth in frozen desserts.

MAZZONE contributes a name that is recognized and respected in the frozen dessert industry, as well as brands that complement our own. MAZZONE'S Italian ice, juice bars and sorbet are delicious and nutritious--a perfect fit with their new J&J siblings.

Supermarket sales a bit under the weather

Retail supermarket sales of LUIGI'S Real Italian Ice experienced a decline due to a cool, rainy summer which negatively impacted overall frozen novelty sales.

Still, LUIGI'S remains the number one selling Italian ice and has significant appeal to today's health-conscious consumer. And we believe this good-tasting, fat-free, cholesterol-free, frozen dessert is well positioned for continued future growth.

In the meantime, here's to the return of long, hot summers!

Other Snacks

A melting pot of great tastes

As America becomes more diverse every day, the popularity of ethnically inspired foods and snacks continues to grow. J&J is capitalizing on this trend through an expanding family of snack foods that are based on traditional recipes, yet designed to appeal to a broad range of tastes.

Cheers for churros

Our leading brand in this category is TIO PEPE'S churros, a crispy, cinnamon-sugared, doughnut-like snack of Hispanic origin.

In 1996, this brand once again experienced sales gains in its markets.

In the best J&J tradition, TIO PEPE'S churros achieved these gains in part by blazing new territories. Traditionally well known in the West and Southwest, our food service churros have now gained a strong foothold in the Eastern United States. And, they continued their international growth through increased food service points of distribution.

To further penetrate this proven market, we also introduced TIO PEPE'S fruit filled churros to the food service marketplace in 1996. This line extension combines the traditional cinnamon churro with delicious fruit and creme fillings.

Funnel cakes go to school

Borrowing a recipe from the Pennsylvania Dutch and their German ancestors, J&J has also enjoyed success with THE FUNNEL CAKE FACTORY funnel cakes. This niche snack food is sold through our Food Service division, and is available as frozen pre-cooked, pre-shaped funnel cakes as well as dry mix.

Where traditional funnel cakes require a deep fryer and lots of preparation time, our frozen, pre-cooked funnel cakes are available pre-shaped and need only be warmed. We plan for further expansion to leisure and theme parks nationwide.

In addition, U.S.D.A. guidelines for the school lunch program have been expanded to include funnel cakes as a snack item, which should help grow school food service sales.

New management recipes out west

In fiscal year 1996, our West Coast Bakery experienced a sales decline of 18%. To put the Bakery back on the road to growth, we are concentrating our efforts on organizational restructuring and strategic new product entries.

This past year, for instance, we introduced PRETZELCOOKIES, a line of pretzel-shaped cookies in five delicious flavors, and a bulk crumb ingredient line used for pie crusts and toppings. The promising initial results for these products point to a brighter future.

The Bakery continues to produce a variety of fat-free, fruit juice-sweetened cookies and other bakery items, frozen raw cookie dough, and contract private label products.

Frozen Carbonated Beverages (FCB)

Hot performance from our frozen beverages

It was a good year for our FCB division, whose ICEE and ARCTIC BLAST brands are marketed and distributed by ICEE-USA, the largest distributor of frozen carbonated beverages in North America. In the western United States, as well as Canada and Mexico, we distribute both ICEE and ARCTIC BLAST brands while ARCTIC BLAST is also distributed in the remainder of the United States. Our network of branch offices is positioned to service our customers across the country.

Improved management of operations and control of costs in this division helped deliver a modest sales increase and a sharp improvement to the bottom line.

The efficiency of our syrup distribution system has been significantly enhanced by utilizing third party distribution to reach a growing segment of our customers. Additional benefits have been realized by redeploying under-producing dispensing equipment to higher-volume retail locations. Our centralized, automated customer service dispatch system was improved to provide more efficient handling of our customers' needs.

Having acquired the international rights for the sale of ICEE products, we continue to explore opportunities to develop the international market of our FCB division.

An ICEE toast

Shortly after the close of the year, ICEE-USA entered into a strategic alliance with IMI Cornelius, Inc., the world's largest manufacturer of beverage dispensing equipment. We believe that this combination of ICEE-USA's marketing strengths and Cornelius' manufacturing capability will produce added long-term opportunities and benefits.

Our ICEE and ARCTIC BLAST brands can be found in thousands of locations, many of which complement sales of our soft pretzels and other niche snack foods including our BAVARIAN PRETZEL BAKERY retail outlets.

Consumers can enjoy these unique semi-frozen carbonated beverages, which are served from our proprietary dispensing equipment, by sipping them through a straw or eating with a spoon.

These popular beverages are cold, bubbly, and festive. Which makes them the perfect beverages for toasting the first 25 years of J&J Snack Foods Corp. and an even more exciting future!

1971
September 27
Gerald B. Shreiber purchases J&J Soft Pretzel Co. at Bankruptcy Auction. J&J Snack Foods Corp. established in Pennsauken, NJ.

1972
Los Angeles Branch opens. Business activity is initiated in Western U.S.

1973
SUPERPRETZEL soft pretzel trademark registered.

1974
J&J introduces animated carousel display cases.
Sales break $1 million mark.

1975
Plant expanded, production capacity doubled.

1976-77
National network of distributors developed. Soft Pretzel markets expanded.

1978
Acquisitions of two soft pretzel manufacturers give J&J a national presence:
  Frampton Corp. - St. Louis, MO
  Pretzel Man Corp. - Los Angeles, CA
"King Size" soft pretzels introduced.

1980-81
Churro product acquired from subsidiary of Rapid American Corp.
TIO PEPE's Churros created.

1982
Exclusive license rights for the manufacture and sale of AMF pretzel twisters acquired.

1983-84
New building acquired and major expansion completed. Capacity increases fourfold.
Acquisition of BSP Soft Pretzel Co. (formerly Bachman Soft Pretzel Co.)
SUPER JUICE Juice Bar product line introduced.

1985-86
J&J expands into retail supermarket business.
Company completes successful initial public offering of 600,000 shares. Stock is traded on NASDAQ.
DUTCHIE soft pretzel business acquired.
Southern Food Products acquired and western soft pretzel operations relocated to its facility in Vernon, CA.
Sales go over $25 million.

1987
At first Annual Shareholders' Meeting Gerald B. Shreiber, Chairman, announces $100 million sales goal by 1992.
Company completes successful $20 million Convertible Debenture offering.
Controlling interest in ICEE-USA is acquired, adding Frozen Carbonated Beverages to our niche products.
J&J acquires FROSTAR frozen novelties from Schwan's.
Sales climb to over $47 million.

1988
J&J is recognized by Forbes magazine as one of the 200 Best Small Companies in America.
Acquisitions of:
- Trotter Soft Pretzel Co.
- Western Syrup
- American Snack Foods
- MIA Products Co.

1989
New generation of soft pretzel twisters developed. King size soft pretzel production automated.
$20 million Convertible Debentures converted to common stock 2 years after issuance.
LUIGI'S Real Italian Ice introduced to supermarkets.

1990
Frozen Carbonated Beverage business expanded through the acquisition of Michigan Carbonic Company.

1991
Company logo updated; retail SUPERPRETZEL package redesigned.
Additional common stock offering raises $29 million.
Company breaks $100 million sales mark.
J&J is again recognized by Forbes magazine.

1992
SOFTSTIX Cheese Filled Soft Pretzel Sticks added to SUPERPRETZEL line.
ARCTIC BLAST frozen carbonated beverage introduced.

1993
New 104,000 square foot state-of-the-art distribution center opened at Pennsauken facility.

1994
Acquisitions of:
- The Funnel Cake Factory, Inc.
- Bavarian Soft Pretzels, Inc.

1995
ICEE international rights acquired.

1996
Introduction of SUPERPRETZEL cinnamon raisin soft pretzels.
Acquisitions of:
- Pretzel Gourmet Corp.
- Mazzone Enterprises,Inc.
- Bakers Best Snack Food Corp.

New frozen warehouse and distribution center opened in Vernon, CA.

Contents

Financial Highlights

Fiscal year ended in September

(In thousands except per share data)

	1996	1995	1994	1993	1992
Net Sales	$186,018	$185,362	$174,425	$147,190	$126,927
Net Earnings	$ 5,843	$ 5,804	$ 8,532	$ 8,350	$ 5,936
Total Assets	$123,128	$123,309	$127,366	$121,494	$112,447
Long-Term Debt	$ 5,010	$ 5,011	$ 5,028	$ 5,043	$ 5,068
Stockholders' Equity	$ 96,708	$ 96,084	$100,545	$ 97,956	$ 90,065
Common Share Data					
Earnings Per Share	$ .65	$ .61	$ .82	$ .80	$ .55
Book Value Per Share	$ 11.05	$ 10.53	$ 10.17	$ 9.49	$ 8.66
Common Shares Outstanding At Year End	8,749	9,126	9,889	10,318	10,400

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

Results of Operations

Fiscal 1996 (52 weeks) Compared to Fiscal 1995 (53 weeks)

Net sales increased $656,000, or less than 1%, to $186,018,000 in fiscal 1996 from $185,362,000 in fiscal 1995.

Sales to food service customers increased $7,122,000 or 9% to $86,504,000 in fiscal 1996. Soft pretzel sales to the food service market increased 7% to $54,704,000. Two customers accounted for essentially all of the soft pretzel sales increase. Churro sales increased 6% to $10,113,000. Frozen juice bar and dessert sales increased 18% to $16,033,000. Approximately 40% of the juice bar and dessert sales increase resulted from sales of an acquired business.

Sales of products to retail supermarkets decreased $4,382,000 or 11% to $36,918,000 in fiscal 1996. Total soft pretzel sales to retail supermarkets were $23,799,000, a decrease of 9% from fiscal 1995. The sales decline was due to increased competition and a decline in overall supermarket soft pretzel sales. Sales of the flagship SUPERPRETZEL brand soft pretzels, excluding SOFTSTIX, decreased 10% to $19,478,000. SOFTSTIX sales decreased $1,120,000 or 29% to $2,719,000 from the previous year. LUIGI'S Real Italian Ice sales decreased $2,140,000 or 15% to $12,218,000 due to a cold and rainy summer in the eastern half of the United States and increased competition. Excepting LUIGI'S Real Italian Ice, the retail supermarket decreases were due primarily to changes in unit volume. A price increase accounted for approximately $900,000 of LUIGI'S Real Italian Ice sales for the year.

Frozen carbonated beverage and related product sales increased $757,000 or 2% to $44,357,000 in fiscal 1996. Beverage sales alone increased less than 1% to $41,914,000 for the year. A pricing adjustment to one customer and increased sales of promotional cups to another customer accounted for essentially all of the sales increases. Sales of the Company's Mexican frozen carbonated beverage subsidiary were down $193,000 or 10% for the year due to the devaluation of the peso and continuing economic problems in Mexico.

Bakery sales decreased $1,754,000 or 18% to $7,731,000 in fiscal 1996 due to lower unit volume. Sales of our BAVARIAN PRETZEL BAKERY decreased 1% to $10,508,000 for the year. Excluding sales from an acquired business, BAVARIAN PRETZEL BAKERY sales decreased 7% or $734,000 for the year.

Gross profit on sales declined less than one-half of one percent to 49% for fiscal 1996 compared to 50% for fiscal 1995. The percentage decrease is entirely attributable to higher flour costs.

Total operating expenses decreased $1,411,000 to $84,070,000 in fiscal 1996 and as a percentage of sales decreased to 45% from 46% in fiscal 1995. Marketing expenses as a percent of sales were 32% in both years. Distribution expenses decreased to 9% of sales in 1996 from 10% in 1995 due to the use of alternate channels of distribution in our food service business and changes in methods of distribution in our frozen carbonated beverage division. Administrative expenses were 4% of sales in 1996 and 1995.

Operating income increased $940,000 or 13% to $7,948,000 in fiscal 1996. Excluding a pricing adjustment to frozen carbonated beverage sales, operating income increased $415,000 or 6% to $7,423,000 for the year.

Investment income increased $99,000 or 7% in fiscal year 1996 due to a higher level of invested funds. Interest expense decreased $34,000 to $365,000 for the year.

Sundry income decreased $1,331,000 in 1996 to $34,000 for the year. Sundry income last year included gains on insurance settlements, gains on sales of land and a gain on the sale of Western Syrup Company.

The effective income tax rate was 35% in 1996 and 38% in 1995.

Net earnings increased $39,000 or 1% in fiscal 1996 to $5,843,000.

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.

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 of fiscal year 1995, 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.

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 one-half of one percent 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 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 quarter ended December 24, 1994.

Acquisitions, Liquidity and Capital Resources

In November 1996, the Company acquired all of the common stock of Pretzels, Inc. for cash. Trading as Texas Twist, Pretzels, Inc. is a soft pretzel manufacturer selling to both the food service and retail supermarket industries.

In October 1996, the Company acquired the assets of Bakers Best Snack Food Corp. for cash. Bakers Best is a manufacturer of soft pretzels selling to both the food service and retail supermarket industries.

During the third quarter, the Company acquired the assets of Pretzel Gourmet Corp. for cash. PRETZEL GOURMET is a chain of retail stores specializing in freshly baked hand-rolled soft pretzels.

During the third quarter, the Company acquired the assets of Mazzone Enterprises, Inc. for cash and the assumption of liabilities. Mazzone Enterprises is a manu-facturer and distributor of Italian ices and other specialty frozen desserts.

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.

Beginning in December 1994, the devaluation of the Mexican peso caused reductions of $235,000 and $1,121,000 in stockholders' equity for the 1996 and 1995 fiscal years, respectively, 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% in fiscal year 1995 after the devaluation. In 1995, sales of the Mexican subsidiary decreased to $1,966,000 from $3,198,000 in 1994. In 1996, sales decreased 10% to $1,773,000.

Under various share repurchase programs authorized by the Board of Directors, the Company purchased and retired 433,000 shares of its common stock at a cost of $5,029,000 in fiscal year 1996, 801,000 shares at a cost of $9,447,000 in fiscal year 1995, and 529,000 shares at a cost of $7,279,000 in fiscal year 1994. Under the most recent share repurchase authorization, 712,000 shares remain to be repurchased.

During the third quarter of fiscal year 1995, 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.

Available to the Company are unsecured general purpose bank lines of credit totalling $30,000,000. There were no borrowings under these general bank lines of credit at September 28, 1996.

Fiscal 1996 Compared to Fiscal 1995

The combined balance of cash and cash equivalents and marketable securities decreased $2,756,000 from $14,520,000 in 1995 to $11,764,000 in 1996 primarily because of the investment of proceeds from short-term investments into long-term investments.

Receivables and inventories increased slightly from last year.

Prepaid expenses and deposits decreased $518,000 to $980,000 because there were deposits of $585,000 at the end of last year for equipment being manufactured for resale for the Company by an outside vendor.

Property, plant and equipment increased $11,467,000 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 and warehousing capability at the Company's manufacturing facilities.

Goodwill, trademarks and rights, net of accumulated amortization increased $682,000 to $9,326,000 primarily because of goodwill and restrictive covenants acquired in the Mazzone Enterprises, Inc. and Pretzel Gourmet Corp. acquisitions. Long-term investments increased $2,152,000 to $9,497,000 primarily because of the investment of proceeds from short-term investments into long-term investments. Sundry assets increased by $270,000 from 1995 primarily because of an increase in parts inventory used by our ICEE-USA Corp. subsidiary for the remanufacture of frozen carbonated beverage machines.

Accrued liabilities increased $1,116,000 in 1996 from $5,922,000 in 1995 due to an increase in income taxes accrued.

Deferred income decreased $99,000 primarily as a result of the reduction in the Company's guarantees related to the sale of its Hawaiian ICEE operations.

Deferred income taxes decreased $1,600,000 substantially as a result of changes to book versus tax depreciation timing differences.

Common stock decreased $4,984,000 in 1996 to $35,818,000 because of payments by the Company to repurchase and retire its stock.

A foreign currency translation adjustment of ($235,000) was recorded in 1996 due to the revaluation of the net assets of the Company's Mexican frozen carbonated beverage subsidiary. The revaluation was necessitated by the continuing devaluation of the Mexican peso.

Net cash provided by operating activities increased $1,292,000 to $21,880,000 in 1996 from $20,588,000 in 1995 primarily because of an increase in depreciation and amortization of fixed assets and amortization of intangibles and deferred costs.

Net cash used in investing activities increased $9,809,000 to $17,162,000 in 1996 from $7,353,000 in 1995 primarily because of higher capital expenditures of $1,545,000, payments for purchases of companies of $2,739,000 in 1996 compared to none in 1995, a decrease of $2,653,000 in net proceeds from investments, a decrease in proceeds of $1,834,000 from the sales of operations and disposals of property and equipment, and the lower use of funds from the bond trust fund of $654,000. Capital expenditures increased by $1,545,000 in 1996 from 1995 primarily because of increased expenditures on marketing equipment for our food service business.

Net cash used in financing activities decreased to $4,867,000 in 1996 compared to $9,160,000 used in 1995 primarily because of a decrease in the purchase of the Company's common stock of $4,418,000.

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 and marketing allowances 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.

Consolidated Statements of Earnings

	Fiscal year ended		
	September 28, 1996 (52 weeks)	September 30, 1995 (53 weeks)	September 24, 1994 (52 weeks)
Net sales	$186,018,000	$185,362,000	$174,425,000
Cost of goods sold	94,000,000	92,873,000	82,737,000
Gross profit	92,018,000	92,489,000	91,688,000
Operating expenses			
Marketing	58,604,000	58,444,000	51,428,000
Distribution	17,264,000	18,591,000	19,071,000
Administrative	7,309,000	7,585,000	7,936,000
Amortization of intangibles and deferred costs	893,000	861,000	850,000
	84,070,000	85,481,000	79,285,000
Operating income	7,948,000	7,008,000	12,403,000
Other income (deductions)			
Investment income	1,426,000	1,327,000	1,145,000
Interest expense	(365,000)	(399,000)	(451,000)
Sundry	34,000	1,365,000	576,000
	1,095,000	2,293,000	1,270,000
Earnings before income taxes	9,043,000	9,301,000	13,673,000
Income taxes	3,200,000	3,497,000	5,141,000
NET EARNINGS	$5,843,000	$5,804,000	$8,532,000
Earnings per common share	$.65	$.61	$.82
Weighted average number of shares	9,013,000	9,544,000	10,430,000

The accompanying notes are an integral part of these statements.

Consolidated Balance Sheets

	September 28, 1996	September 30, 1995
Assets		
Current Assets		
Cash and cash equivalents	$10,547,000	$10,696,000
Investment securities available for sale	1,217,000	3,824,000
Receivables		
Trade, less allowance of $257,000 and $271,000, respectively	17,277,000	16,846,000
Other	925,000	621,000
Inventories	11,276,000	11,009,000
Prepaid expenses and deposits	980,000	1,498,000
Total current assets	42,222,000	44,494,000
Property, Plant and Equipment, at cost	142,100,000	130,633,000
Less accumulated depreciation and amortization	83,890,000	71,410,000
	58,210,000	59,223,000
Other Assets		
Goodwill, trademarks and rights, less accumulated amortization of $6,064,000 and $5,147,000, respectively	9,326,000	8,644,000
Long-term investment securities available for sale	990,000	990,000
Long-term investment securities held to maturity	9,497,000	7,345,000
Sundry	2,883,000	2,613,000
	22,696,000	19,592,000
	$123,128,000	$123,309,000
Liabilities and Stockholders' Equity		
Current Liabilities		
Current maturities of long-term debt	$8,000	$16,000
Accounts payable	10,394,000	10,607,000
Accrued liabilities	7,038,000	5,922,000
Total current liabilities	17,440,000	16,545,000
Long-Term Debt, less current maturities	5,010,000	5,011,000
Deferred Income	567,000	666,000
Deferred Income Taxes	3,403,000	5,003,000
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, 8,749,000 and 9,126,000, respectively	35,818,000	40,802,000
Foreign currency translation adjustment	(1,356,000)	(1,121,000)
Retained earnings	62,246,000	56,403,000
	96,708,000	96,084,000
	$123,128,000	$123,309,000

The accompanying notes are an integral part of these statements.

Consolidated Statements of Stockholders' Equity

	Common Stock Shares	Common Stock Amount	Foreign Currency Translation Adjustment	Retained Earnings	Total
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
Issuance of common stock upon exercise of stock options	56,000	199,000	--	--	199,000
Adjustments to common stock for acquisition	--	(154,000)	--	--	(154,000)
Foreign currency translation adjustment	--	--	(235,000)	--	(235,000)
Repurchase of common stock	(433,000)	(5,029,000)	--	--	(5,029,000)
Net earnings for the fiscal year ended September 28, 1996	--	--	--	5,843,000	5,843,000
Balance at September 28, 1996	8,749,000	$35,818,000	$(1,356,000)	$62,246,000	$96,708,000

The accompanying notes are an integral part of this statement.

Consolidated Statements of Cash Flows

	Fiscal year ended		
	September 28, 1996 (52 weeks)	September 30, 1995 (53 weeks)	September 24, 1994 (52 weeks)
Operating activities:			
Net earnings	$ 5,843,000	$5,804,000	$8,532,000
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization of fixed assets	15,613,000	15,040,000	13,797,000
Amortization of intangibles and deferred costs	1,262,000	1,016,000	1,011,000
(Gains) losses from disposals of property & equipment	44,000	(1,222,000)	(416,000)
Increase (decrease) in deferred income taxes	(1,600,000)	308,000	(73,000)
Other adjustments	(24,000)	(123,000)	--
Changes in assets and liabilities net of effects from purchase of companies			
Increase in accounts receivable	(488,000)	(443,000)	(1,184,000)
Increase in inventories	(30,000)	(235,000)	(400,000)
Decrease (increase) in prepaid expenses	572,000	15,000	(556,000)
Increase in accounts payable and accrued liabilities	688,000	428,000	2,456,000
Net cash provided by operating activities	21,880,000	20,588,000	23,167,000
Investing activities:			
Purchases of property, plant and equipment	(14,480,000)	(12,935,000)	(18,586,000)
Proceeds from sales of operations	--	405,000	1,100,000
Payments for purchase of companies, net of cash acquired and debt assumed	(2,739,000)	--	(1,523,000)
Proceeds from investments held to maturity	575,000	405,000	4,606,000
Payments for investments held to maturity	(2,750,000)	(1,000,000)	(4,171,000)

Proceeds from investments available for sale	7,133,000	6,609,000	6,020,000
Payments for investments available for sale	(4,578,000)	(2,981,000)	(7,704,000)
Decrease in bond trust fund	1,000	655,000	1,942,000
Proceeds from disposals of property and equipment	191,000	1,620,000	602,000
Other	(515,000)	(131,000)	(21,000)
Net cash used in investing activities	(17,162,000)	(7,353,000)	(17,735,000)
Financing activities:			
Proceeds from issuance of common stock	183,000	303,000	786,000
Payments to repurchase common stock	(5,029,000)	(9,447,000)	(7,279,000)
Payments of long-term debt	(21,000)	(16,000)	(775,000)
Net cash used in financing activities	(4,867,000)	(9,160,000)	(7,268,000)
Net increase (decrease) in cash and cash equivalents	(149,000)	4,075,000	(1,836,000)
Cash and cash equivalents at beginning of year	10,696,000	6,621,000	8,457,000
Cash and cash equivalents at end of year	$ 10,547,000	$ 10,696,000	$ 6,621,000

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. The Company sells service contracts covering frozen carbonated beverage machines sold. The terms of coverage range between 12 and 48 months. The Company records deferred income on service contracts and amortizes these contracts by the straight-line method over the term of the contracts.

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. Use of Estimates

In preparing financial statements in conformity with generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

5. Cash Equivalents

Cash equivalents are short-term, highly liquid investments with original maturities of three months or less.

6. 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.

7. Inventories

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

8. 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 individual 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.

9. Fair Value of Financial Instruments

The Company adopted, effective October 1, 1995 FAS No. 107, "Disclosures About Fair Value of Financial Instruments," which requires entities to disclose the estimated fair value of their assets and liabilities considered to be financial instruments. Financial instruments consist primarily of cash and cash equivalents, investments and long-term debt. Based on the borrowing rates currently available to the Company, long-term debt approximates fair value at September 28, 1996.

10. Income Taxes

The Company accounts for its income taxes under the liability method. Under the liability method, 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.

11. 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 havea material impact on the financial position and results of operations of the Company.

12. Earnings Per Common Share

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

13. 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.

14. Advertising Costs

Advertising costs are expensed as incurred. Total advertising expense was $4,119,000, $3,971,000, and $2,656,000 for the fiscal years 1996, 1995 and 1994, respectively.

Note B -- Acquisitions

In November 1996, the Company acquired all of the common stock of Pretzels, Inc. for cash. Trading as Texas Twist, Pretzels, Inc. is a soft pretzel manufacturer selling to both the food service and retail supermarket industries.

In October 1996, the Company acquired the assets of Bakers Best Snack Food Corp. for cash. Bakers Best is a manufacturer of soft pretzels selling to both the food service and retail supermarket industries.

During the third quarter, the Company acquired the assets of Pretzel Gourmet Corp. for cash. PRETZEL GOURMET is a chain of retail stores specializing in freshly baked hand-rolled soft pretzels.

During the third quarter, the Company acquired the assets of Mazzone Enterprises, Inc. for cash and the assumption of liabilities. Mazzone Enterprises is a manufacturer and distributor of Italian ices and other specialty frozen desserts.

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 $30,000,000 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 28, 1996.

Note D -- Investment Securities

The Company adopted FAS No. 115, "Accounting for Certain Investments in Debt and Equity Securities" effective September 25, 1994. This 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 $7,133,000, $6,609,000 and $6,020,000 for fiscal years 1996, 1995 and 1994, respectively. No gains or losses were realized on these security sales. 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 28, 1996 are summarized as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Market Value
Available for sale				
Equity securities	$ --	$ 9,000	$ --	$ 9,000
Corporate debt securities	495,000	--	52,000	443,000
Municipal government securities	1,712,000	6,000	2,000	1,716,000
	$2,207,000	$15,000	$54,000	$2,168,000
Held to maturity				
Corporate debt securities	$ 992,000	$ 9,000	$ 8,000	$ 993,000
Municipal government securities	8,005,000	28,000	67,000	7,966,000
Other debt securities	500,000	--	--	500,000
	$9,497,000	$37,000	$75,000	$9,459,000

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				
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				
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 debt securities	500,000	--	--	500,000
	$7,345,000	$19,000	$210,000	$7,154,000

The following table lists the maturities of investment securities classified as available for sale and held to maturity at September 28, 1996:

	Available for Sale		Held to Maturity	
	Amortized Cost	Fair Market Value	Amortized Cost	Fair Market Value
Due in one year or less	$1,217,000	$1,216,000	$ --	$ --
Due after one year through five years	495,000	500,000	9,497,000	9,459,000
Due after five years	495,000	443,000	--	--
	2,207,000	2,159,000	9,497,000	9,459,000
Equity securities	--	9,000	--	--
	$2,207,000	$2,168,000	$9,497,000	$9,459,000

Note E -- Inventories

Inventories consist of the following:

	September 28, 1996	September 30, 1995
Finished goods	$ 5,534,000	$ 5,669,000
Raw materials	1,387,000	1,019,000
Packaging materials	2,009,000	1,947,000
Equipment parts and other	2,346,000	2,374,000
	$11,276,000	$11,009,000

Note F -- Property, Plant and Equipment

Property, plant and equipment consist of the following:

	September 28, 1996	September 30, 1995	Estimated Useful Lives
Land	$ 819,000	$ 819,000	--
Buildings	5,119,000	5,119,000	15-39.5 years
Plant machinery and equipment	41,158,000	39,006,000	5-10 years
Marketing equipment	81,144,000	75,085,000	5 years
Transportation equipment	1,754,000	2,086,000	5 years
Office equipment	3,727,000	3,002,000	3-5 years
Improvements	7,053,000	5,036,000	5-20 years
Construction in progress	1,326,000	480,000	--
	$142,100,000	$130,633,000	

Note G -- Accrued Liabilities

Included in accrued liabilities is accrued compensation of $2,560,000 and $2,423,000 as of September 28, 1996 and September 30, 1995, respectively.

Note H -- Long-Term Debt

Long-term debt consists of the following:

	September 28, 1996	September 30, 1995
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	18,000	27,000
	5,018,000	5,027,000
Less current maturities	8,000	16,000
	$5,010,000	$5,011,000

Annual principal payments of long-term debt as of September 28, 1996 are as follows:

1997	$8,000
1998	7,000
1999	3,000
2000	--
2001	--
2002 and thereafter	5,000,000
	$5,018,000

Note I -- Deferred Income

1. Sale of ICEE Hawaii Operations

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 28, 1996, $83,000 was recognized.

2. Service Contracts

During the year ended September 28, 1996, the Company sold $143,000 of service contracts related to its frozen carbonated beverage machines. At September 28, 1996, deferred income on service contracts was $129,000, of which $51,000 is reflected as short-term and included in accrued liabilities on the consolidated balance sheet. During the year ended September 28, 1996, $14,000 of service contract income was recognized.

Note J -- Income Taxes

Income tax expense is as follows:

	Fiscal year ended September 28, 1996	September 30, 1995	September 24 1994
Current (Benefit)			
U.S. Federal	$ 4,538,000	$2,841,000	$4,829,000
Foreign	(31,000)	63,000	98,000
State	293,000	285,000	449,000
	4,800,000	3,189,000	5,376,000
Deferred (Benefit)			
U.S. Federal	(1,552,000)	359,000	(259,000)
Foreign	--	(43,000)	33,000
State	(48,000)	(8,000)	(9,000)
	(1,600,000)	308,000	(235,000)
	$ 3,200,000	$3,497,000	$5,141,000

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 28, 1996	September 30, 1995	September 24, 1994
Income taxes at statutory rates	$3,075,000	$3,162,000	$4,649,000
Increase (decrease) in taxes resulting from:			
State income taxes, net of federal income tax benefit	193,000	194,000	282,000
Non-taxable income	(343,000)	(315,000)	(310,000)
Other	275,000	456,000	520,000
	$3,200,000	$3,497,000	$5,141,000

Deferred tax assets and liabilities consist of the following:

	September 28, 1996	September 30, 1995
Deferred tax assets		
Vacation accrual	$ 257,000	$ 256,000
Insurance reserve	355,000	222,000
Deferred income	280,000	247,000
Other, net	501,000	449,000
	1,393,000	1,174,000
Deferred tax liabilities		
Depreciation of property and equipment	4,720,000	6,115,000
Other, net	76,000	62,000
	4,796,000	6,177,000
	$3,403,000	$5,003,000

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 28, 1996:

	Plants and Offices	Equipment	Total
1997	$ 3,153,000	$1,865,000	$ 5,018,000
1998	2,885,000	1,545,000	4,430,000
1999	2,610,000	1,156,000	3,766,000
2000	2,345,000	874,000	3,219,000
2001	1,942,000	538,000	2,480,000

2002 and thereafter	11,980,000	112,000	12,092,000
	$24,915,000	$6,090,000	$31,005,000

Total rent expense was $5,748,000, $5,860,000 and $6,407,000 for fiscal years 1996, 1995 and 1994, respectively.

Note L -- Capital Stock

Under various share repurchase programs authorized by the Board of Directors, the Company purchased and retired 433,000 shares of its common stock at a cost of $5,029,000 in fiscal year 1996, 801,000 shares at a cost of $9,447,000 in fiscal year 1995, and 529,000 shares at a cost of $7,279,000 in fiscal year 1994. Under the most recent share repurchase authorization, 712,000 shares remain to be repurchased.

Note M -- Stock Options

The Company has a Stock Option Plan (the "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 356,000 shares remain unissued as of September 28, 1996.

The Company has a nonqualified 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 this 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 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	44,000
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	--

	Incentive Stock Options	Non-Qualified Stock Options
Balance at September 30, 1995		

Shares	642,812	326,000
Prices	$7.25-15.75	$2.50-13.63
Granted		
Shares	292,826	34,000
Prices	$9.75-12.75	$12.25
Exercised		
Shares	21,000	45,000
Prices	$7.25-12.00	$2.50
Cancelled		
Shares	169,145	--
Prices	$9.75-13.63	--
Balance at September 28, 1996		
Shares	745,493	315,000
Prices	$7.25-15.75	$5.88-13.63
Exercisable Shares at September 28, 1996	299,112	281,000

Note N -- 401(k) Profit-Sharing Plan

The Company maintains a 401(k) Profit-Sharing plan for its employees. Under this plan, the Company may make discretionary profit-sharing and matching 401(k) contributions. Contributions of $313,000, $242,000 and $204,000 were made in fiscal years 1996, 1995 and 1994, respectively.

Note O -- Cash Flow Information

The following is supplemental cash flow information:

	Fiscal year ended September 28, 1996	September 30, 1995	September 24, 1994
Cash paid for:			
Interest	$ 367,000	$ 395,000	$ 451,000
Income taxes	$3,077,000	$2,826,000	$5,024,000

Report Of Independent Certified Public Accountants
The Stockholders and
Board of Directors
J & J SNACK FOODS CORP.

We have audited the accompanying consolidated balance sheets of J & J Snack Foods Corp. and Subsidiaries as of September 28, 1996 and September 30, 1995, 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 28, 1996 (52 weeks, 53 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 28, 1996 and September 30, 1995, and the consolidated results of their operations and their cash flows for each of the fiscal years in the three year period ended September 28, 1996 in conformity with generally accepted accounting principles.

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

Philadelphia, Pennsylvania
November 5, 1996

Corporate Information

Quarterly Common Stock Data

Market Price

Fiscal 1996	High	Low
1st Quarter	13 1-4	11
2nd Quarter	12 3-4	11
3rd Quarter	13 3-4	11 3-8
4th Quarter	12 1-8	9 7-8
Fiscal 1995		
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

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

American Stock Transfer & Trust Company
6201 15th Avenue
Brooklyn, NY 11219

Auditors
Grant Thornton LLP

Counsel
Blank, Rome, Comisky & McCauley

Annual Meeting
The Annual Meeting of Shareholders is scheduled for Wednesday, February 5, 1997 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

BOARD OF 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

Robert M. Radano
Senior Vice President and Chief Operating Officer

Stephen N. Frankel
President, Stephen N. Frankel Realtor, Inc.

Leonard M. Lodish, Ph.D.
Samuel R. Harrell Professor,Marketing Department of the Wharton School, University of Pennsylvania

Peter G. Stanley
Consultant

Photograph (Seated left to right:) A. Fred Ruttenberg, General Counsel, Gerald B. Shreiber, Robert M. Radano. (Standing left to right:) Dennis G. Moore, Stephen N. Frankel, Peter G. Stanley, Leonard M. Lodish.

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 and Chief Operating Officer

Robyn Shreiber Cook
Senior Vice President, West

Paul L. Hirschman
Vice President, Information Systems

Photograph (Seated left to right:) Gerald B. Shreiber, Dennis G. Moore. (Standing left to right:) Robert M. Radano, Robyn Shreiber Cook, Paul L. Hirschman.

OFFICERS OF SUBSIDIARY COMPANIES

J & J SNACK FOODS CORP. OF NEW JERSEY

Anthony P. Harrison II
Vice President, Quality Control and Research & Development

John P. Heim
Vice President, Engineering & Manufacturing

Michael Karaban
Vice President, Marketing

H. Robert Long
Vice President, Distribution

Craig S. Parker
Vice President, School Food Service

Milton L. Segal
Vice President, Purchasing

ICEE-USA CORP.

Dan Fachner
Senior Vice President

Kent Galloway
Vice President and Chief Financial Officer

ICEE de MEXICO, S.A. de C.V.
Andres Gonzalez
Vice President

BAVARIAN PRETZEL BAKERY

Robert F. Puccio
President

Photograph (Seated left to right:) Craig S. Parker, Milton L. Segal, Michael Karaban, Kent Galloway. (Standing left to right:) Anthony P. Harrison II, H. Robert Long, John P. Heim, Dan Fachner, Robert F. Puccio.

Design: Verona Design, Inc.

J&J Snack Foods
6000 Central Highway
Pennsauken, NJ 08109
(609) 665-9533

EXHIBIT 22.1 - 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
Mazzone Enterprises, Inc.	Illinois
BBFC Acquisition Company Inc.	Pennsylvania
Pretzels, Inc.	Texas

EXHIBIT 24.1

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We have issued our reports dated November 5, 1996 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 28, 1996.

We hereby consent to the incorporation by reference of said reports in the Registration Statement of J & J Snack Foods Corp. and Subsidiaries on Forms S-8 (File No. 333-03833, effective May 16, 1996, File No. 33-87532, effective December 16, 1994 and File No. 33-50036, effective July 24, 1992).

GRANT THORNTON LLP

Philadelphia, Pennsylvania
December 19, 1996

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SEP-28-1996
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