



J&J Snack Foods Corp. (JJSF)

Updated August 12th, 2025, by Sure Dividend Analyst

Key Metrics

| | | | | | |
|-----------------------------|-------|--|------------------|----------------------------------|----------|
| Current Price: | \$109 | 5 Year CAGR Estimate: | 15.1% | Market Cap: | \$2.1 B |
| Fair Value Price: | \$144 | 5 Year Growth Estimate: | 7.0% | Ex-Dividend Date: | 09/15/25 |
| % Fair Value: | 76% | 5 Year Valuation Multiple Estimate: | 5.7% | Dividend Payment Date: | 10/07/25 |
| Dividend Yield: | 2.9% | 5 Year Price Target | \$201 | Years Of Dividend Growth: | 22 |
| Dividend Risk Score: | D | Sector: | Consumer staples | Rating: | Hold |

Overview & Current Events

J&J Snack Foods (JJSF) manufactures, markets, and distributes snack foods to retail supermarkets and food service locations throughout North America. The business's three segments are Retail Supermarkets, which includes sales to supermarkets, Food Service, which includes sales to non-supermarket locations, and Frozen Beverages, which includes sales of their frozen treats like Icee, Slush Puppie, and Parrot Ice. Food Service has historically accounted for the bulk of sales; in 2024, Food Service accounted for 62.6% of sales, Retail Supermarkets accounted for 14.1% of sales, and Frozen Beverages accounted for 23.3% of sales.

In 2022, J&J Snack Foods completed a \$222 million acquisition of Dippin' Dots, a powerful ice cream brand. Aside from strong brands, the business has strong distribution channels, which helps it get its products into supermarkets and various food service locations, including snack bars, malls, shopping centers, sports arenas, theme parks, convenience stores, movie theatres, schools, and more.

On August 5th, 2025, the company reported fiscal third-quarter 2025 results for the period ending June 28th, 2025. Earnings per diluted share rose to \$2.26, up 21% from \$1.87 in the prior year. Adjusted EPS was \$2.00, up 1% year-over-year. Net sales increased 3% to \$454.3 million, primarily due to growth in the Food Service and Frozen Beverage segments, which offset declines in Retail Supermarkets. Gross profit rose to \$150.0 million from \$147.8 million, with gross margin slightly contracting to 33.0% from 33.6%. Total operating expenses were \$89.4 million, or 19.7% of sales, compared to 22.2% in Q3 2024. Adjusted EBITDA increased 2% to \$72.0 million.

Retail Supermarket segment sales declined 7.1%, with frozen novelties down 8.5% and handheld sales down 21% due to ongoing capacity constraints from a prior-year facility fire. However, Food Service segment sales increased 4.8%, as pretzel sales grew 12.8% while churro sales fell 13.2%. Frozen Beverage segment sales rose 6.1%, with machine sales up 73.4% and beverage sales down 1.5%.

The company's cash position remained strong, with cash and cash equivalents at \$77.4 million, up from \$73.4 million at the end of fiscal 2024. Additionally, J&J Snack Foods continued its capital investment, with \$22.7 million in capital expenditures during the third quarter, focusing on enhancing production capabilities and supporting future growth.

Looking ahead, the company remains cautious about the fiscal fourth quarter, citing consumer backdrop challenges, tariff-related risks, and expectations for box office sales to be down. For fiscal 2026, management is focused on execution, innovation, and product launches across pretzels, churros, frozen beverages, and better-for-you products.

Growth on a Per-Share Basis

| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2030 |
|---------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------------|---------------|
| EPS | \$3.73 | \$4.05 | \$4.21 | \$4.46 | \$5.00 | \$0.96 | \$2.91 | \$2.46 | \$4.08 | \$4.45 | \$4.10 | \$5.75 |
| DPS | \$1.44 | \$1.56 | \$1.68 | \$1.80 | \$2.00 | \$2.30 | \$2.42 | \$2.60 | \$2.80 | \$3.12 | \$3.20 | \$3.89 |
| Shares¹ | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 20 | 20 |

¹ In millions

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.



J&J Snack Foods Corp. (JJSF)

Updated August 12th, 2025, by Sure Dividend Analyst

Over the past decade, J&J Snack Foods has seen earnings-per-share increase at an average annualized rate of 2.0%. The business saw a decrease in earnings-per-share in 2020 and 2021 due to decreased sales from the COVID-19 pandemic, but the business's performance has rebounded. From 2015 to 2024, the business saw annual earnings-per-share growth of 2.0%, but this accelerated to 33.4% when looking at last five years. We forecast earnings-per-share to grow at 7% annually. Over the past 10 years, dividend payments have grown at 9.0% annually. J&J Snack Foods has a 22-year consecutive track record of increasing its dividend payments. In August 2025, the quarterly dividend increased by 2.6% from \$0.78 to \$0.80 per share. Payments to repurchase common stock totaled \$5.0 million for the nine months ending June 28th, 2025.

Valuation Analysis

| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | Now | 2030 |
|-----------|------|------|------|------|------|-------|------|------|------|------|------|------|
| Avg. P/E | 28.8 | 27.9 | 30.7 | 32.0 | 32.3 | 161.8 | 54.3 | 41.2 | 26.9 | 29.5 | 26.5 | 35.0 |
| Avg. Yld. | 1.9% | 1.4% | 1.3% | 1.3% | 1.2% | 1.5% | 1.6% | 1.8% | 1.7% | 1.9% | 2.9% | 1.9% |

Over the past decade, J&J Snack Foods has averaged a P/E ratio of 46.5. Based on the steady history of valuation multiples and excluding the spike in 2020, we estimate that a P/E ratio of 35 is fair for the business. Today, the stock offers a 2.9% dividend yield, which could be low for investors who prioritize dividend income, but investors might consider the company if they are interested in the company's growth potential.

Safety, Quality, Competitive Advantage, & Recession Resiliency

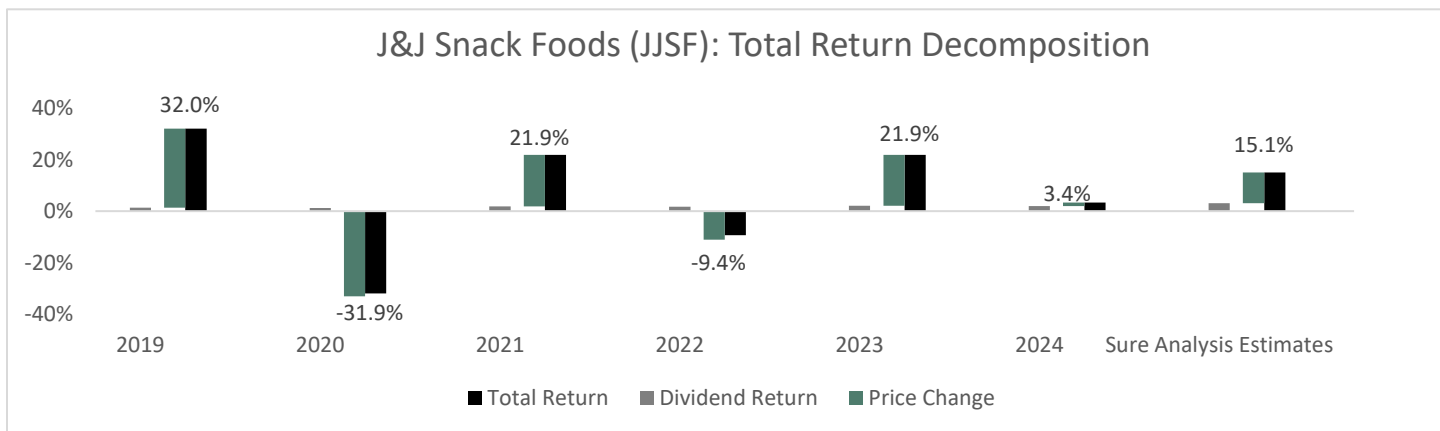
| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2030 |
|--------|------|------|------|------|------|------|------|------|------|------|------|------|
| Payout | 39% | 39% | 40% | 40% | 40% | 240% | 83% | 106% | 69% | 70% | 78% | 68% |

J&J Snack Foods has averaged a payout ratio of 77% over the past decade. Additionally, the business has a strong balance sheet, with more current assets on the balance sheet than total liabilities, even after the \$222 million Dippin' Dot acquisition. As a business in the Consumer Staple sector, this business has a certain degree of recession resiliency, because people are always going to seek out food products. The company has a competitive advantage due to the strong brand names that it owns.

Final Thoughts & Recommendation

J&J Snack Foods is a business with well-known snack food brands like Auntie Anne's, Luigi's, etc. The company has a strong distribution system to successfully get these products into retail supermarkets and food service locations. At today's price, we estimate total return potential of 15.1% per year for the next five years based on an 7.0% earnings-per-share growth, a 2.9% yield, and a valuation tailwind. Shares earn a hold rating.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.



J&J Snack Foods Corp. (JJSF)

Updated August 12th, 2025, by Sure Dividend Analyst

Income Statement Metrics

| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Revenue | 976 | 993 | 1,084 | 1,138 | 1,186 | 1,022 | 1,145 | 1,381 | 1,559 | 1,575 |
| Gross Profit | 301 | 304 | 331 | 336 | 350 | 238 | 299 | 370 | 470 | 486 |
| Gross Margin | 30.8% | 30.7% | 30.5% | 29.5% | 29.5% | 23.3% | 26.1% | 26.8% | 30.1% | 30.9% |
| SG&A Exp. | 190 | 191 | 213 | 225 | 233 | 215 | 226 | 307 | 359 | 369 |
| D&A Exp. | 38 | 40 | 42 | 46 | 49 | 53 | 49 | 53 | 63 | 71 |
| Operating Profit | 111 | 113 | 118 | 111 | 117 | 24 | 72 | 63 | 111 | 118 |
| Op. Margin | 11.4% | 11.4% | 10.9% | 9.7% | 9.9% | 2.3% | 6.3% | 4.6% | 7.1% | 7.5% |
| Net Profit | 70 | 76 | 79 | 104 | 95 | 18 | 56 | 47 | 79 | 87 |
| Net Margin | 7.2% | 7.7% | 7.3% | 9.1% | 8.0% | 1.8% | 4.9% | 3.4% | 5.1% | 5.5% |
| Free Cash Flow | 55 | 73 | 53 | 63 | 90 | 34 | 48 | -61 | 68 | 100 |
| Income Tax | 42 | 41 | 43 | 15 | 32 | 3 | 18 | 15 | 29 | 32 |

Balance Sheet Metrics

| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--------------------|------|------|------|------|-------|-------|-------|-------|-------|-------|
| Total Assets | 740 | 790 | 867 | 932 | 1,019 | 1,057 | 1,122 | 1,217 | 1,277 | 1,365 |
| Cash & Equivalents | 134 | 141 | 91 | 111 | 192 | 196 | 283 | 35 | 50 | 73 |
| Acc. Receivable | 103 | 98 | 125 | 132 | 141 | 127 | 163 | 208 | 198 | 189 |
| Inventories | 83 | 89 | 103 | 113 | 116 | 109 | 123 | 180 | 172 | 173 |
| Goodwill & Int. | 132 | 128 | 164 | 160 | 157 | 203 | 200 | 376 | 369 | 367 |
| Total Liabilities | 140 | 153 | 185 | 173 | 186 | 247 | 277 | 354 | 366 | 408 |
| Accounts Payable | 59 | 62 | 73 | 70 | 72 | 73 | 97 | 108 | 91 | 89 |
| Long-Term Debt | --- | --- | --- | --- | --- | --- | --- | 55 | 27 | --- |
| Total Equity | 600 | 638 | 682 | 759 | 834 | 809 | 846 | 863 | 912 | 957 |
| LTD/E Ratio | --- | --- | --- | --- | --- | --- | --- | 0.06 | 0.03 | --- |

Profitability & Per Share Metrics

| Year | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Return on Assets | 9.7% | 9.9% | 9.6% | 11.5% | 9.7% | 1.8% | 5.1% | 4.0% | 6.3% | 6.6% |
| Return on Equity | 12.1% | 12.3% | 12.0% | 14.4% | 11.9% | 2.2% | 6.7% | 5.5% | 8.9% | 9.3% |
| ROIC | 12.1% | 12.3% | 12.0% | 14.4% | 11.9% | 2.2% | 6.7% | 5.4% | 8.5% | 9.1% |
| Shares Out. | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19.5 |
| Revenue/Share | 51.88 | 52.89 | 57.62 | 60.49 | 62.58 | 53.70 | 59.82 | 71.86 | 80.67 | 80.97 |
| FCF/Share | 2.94 | 3.86 | 2.83 | 3.37 | 4.77 | 1.80 | 2.50 | -3.19 | 3.50 | 5.12 |

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

Disclaimer

Nothing presented herein is, or is intended to constitute, specific investment advice. Nothing in this research report should be construed as a recommendation to follow any investment strategy or allocation. Any forward-looking statements or forecasts are based on assumptions and actual results are expected to vary from any such statements or forecasts. No reliance should be placed on any such statements or forecasts when making any investment decision. While Sure Dividend has used reasonable efforts to obtain information from reliable sources, we make no representations or warranties as to the accuracy, reliability or completeness of third-party information presented herein. No guarantee of investment performance is being provided and no inference to the contrary should be made. There is a risk of loss from an investment in marketable securities. Past performance is not a guarantee of future performance.