
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended November 1, 2003

Commission file number 1-14170

NATIONAL BEVERAGE CORP.

(Exact name of registrant as specified in its charter)



Delaware

59-2605822

(State of incorporation)

(I.R.S. Employer Identification No.)

One North University Drive, Ft. Lauderdale, FL

33324

(Address of principal executive offices)

(Zip Code)

(954) 581-0922

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes (X) No ()

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes () No (X)

The number of shares of registrant's common stock outstanding as of December 8, 2003 was 18,255,328.

TABLE OF CONTENTS

PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED BALANCE SHEETS

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

ITEM 4. CONTROLS AND PROCEDURES

PART II — OTHER INFORMATION

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

CERTIFICATION OF CEO PURSUANT TO SECTION 302

CERTIFICATION OF PFO PURSUANT TO SECTION 302

CERTIFICATION OF CEO PURSUANT TO SECTION 906

CERTIFICATION OF PFO PURSUANT TO SECTION 906

**NATIONAL BEVERAGE CORP.
QUARTERLY REPORT ON FORM 10-Q**

INDEX

	Page
PART I — FINANCIAL INFORMATION	
Item 1. Financial Statements	
Condensed Consolidated Balance Sheets as of November 1, 2003 and May 3, 2003	3
Condensed Consolidated Statements of Income for the three months and six months ended November 1, 2003 and October 26, 2002	4
Condensed Consolidated Statements of Cash Flows for the six months ended November 1, 2003 and October 26, 2002	5
Notes to Condensed Consolidated Financial Statements	6
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations	8
Item 3. Quantitative and Qualitative Disclosures About Market Risk	11
Item 4. Controls and Procedures	11
PART II — OTHER INFORMATION	
Item 4. Submission of Matters to a Vote of Security Holders	12
Item 6. Exhibits and Reports on Form 8-K	12

PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

NATIONAL BEVERAGE CORP. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

AS OF NOVEMBER 1, 2003 AND MAY 3, 2003

(In thousands, except share amounts)

	(Unaudited)	
	November 1, 2003	May 3, 2003
Assets		
Current assets:		
Cash and equivalents	\$ 62,799	\$ 60,334
Trade receivables — net of allowances of \$590 (\$562 at May 3, 2003)	41,369	41,031
Inventories	29,640	28,695
Deferred income taxes	1,709	1,678
Prepaid and other	3,616	4,685
Total current assets	139,133	136,423
Property — net	60,710	60,432
Goodwill	13,145	13,145
Intangible assets — net	1,980	2,011
Other assets	5,470	6,184
	<u>\$ 220,438</u>	<u>\$218,195</u>
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 26,489	\$ 34,969
Accrued liabilities	17,079	18,657
Income taxes payable	1,804	1,862
Current maturities of long-term debt	900	1,150
Total current liabilities	46,272	56,638
Long-term debt	—	300
Deferred income taxes	15,288	14,843
Other liabilities	3,154	3,122
Shareholders' equity:		
Preferred stock, 7% cumulative, \$1 par value, aggregate liquidation preference of \$15,000 - 1,000,000 shares authorized; 150,000 shares issued; no shares outstanding	150	150
Common stock, \$.01 par value — authorized 50,000,000 shares; issued 22,283,712 shares (22,250,202 shares at May 3, 2003)	223	223
Additional paid-in capital	17,034	16,818
Retained earnings	156,317	143,846
Treasury stock — at cost:		
Preferred stock - 150,000 shares	(5,100)	(5,100)
Common stock - 4,032,784 shares (4,014,784 shares at May 3, 2003)	(12,900)	(12,645)
Total shareholders' equity	155,724	143,292
	<u>\$ 220,438</u>	<u>\$218,195</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

NATIONAL BEVERAGE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE MONTHS AND SIX MONTHS ENDED NOVEMBER 1, 2003 AND OCTOBER 26, 2002

(In thousands, except per share amounts)

	(Unaudited)			
	Three Months Ended		Six Months Ended	
	2003	2002	2003	2002
Net sales	\$129,373	\$127,348	\$275,038	\$270,225
Cost of sales	87,031	86,087	184,068	181,491
Gross profit	42,342	41,261	90,970	88,734
Selling, general and administrative expenses	35,962	35,174	71,070	69,725
Interest expense	34	109	70	229
Other income — net	148	241	285	466
Income before income taxes	6,494	6,219	20,115	19,246
Provision for income taxes	2,473	2,376	7,644	7,352
Net income	\$ 4,021	\$ 3,843	\$ 12,471	\$ 11,894
Net income per share -				
Basic	\$.22	\$.21	\$.68	\$.65
Diluted	\$.21	\$.20	\$.65	\$.62
Average common shares outstanding -				
Basic	18,427	18,396	18,422	18,396
Diluted	19,069	19,033	19,069	19,046

See accompanying Notes to Condensed Consolidated Financial Statements.

NATIONAL BEVERAGE CORP. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED NOVEMBER 1, 2003 AND OCTOBER 26, 2002
(In thousands)

	2003	(Unaudited) 2002
Operating Activities:		
Net income	\$12,471	\$ 11,894
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	5,559	5,519
Deferred income tax provision	414	520
(Gain) loss on sale of property	6	(6)
Changes in assets and liabilities:		
Trade receivables	(338)	2,606
Inventories	(945)	1,919
Prepaid and other assets	520	979
Accounts payable	(8,480)	(12,528)
Accrued and other liabilities, net	(1,465)	3,768
Net cash provided by operating activities	7,742	14,671
Investing Activities:		
Property additions	(4,554)	(3,675)
Proceeds from sale of assets	5	71
Net cash used in investing activities	(4,549)	(3,604)
Financing Activities:		
Debt repayments	(550)	(481)
Purchase of common stock	(255)	(22)
Proceeds from stock options exercised	77	19
Net cash used in financing activities	(728)	(484)
Net Increase in Cash and Equivalents	2,465	10,583
Cash and Equivalents — Beginning of Year	60,334	42,646
Cash and Equivalents — End of Period	<u>\$62,799</u>	<u>\$ 53,229</u>
Other Cash Flow Information:		
Interest paid	\$ 66	\$ 237
Income taxes paid	5,976	3,979

See accompanying Notes to Condensed Consolidated Financial Statements.

NATIONAL BEVERAGE CORP. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOVEMBER 1, 2003

(UNAUDITED)

1. BASIS OF PRESENTATION

National Beverage Corp. develops, manufactures, markets and distributes a complete portfolio of quality non-alcoholic beverage products throughout the United States. Incorporated in Delaware in 1985, National Beverage Corp. is a holding company for various operating subsidiaries. When used in this report, the terms "we," "us," "our," "Company" and "National Beverage" mean National Beverage Corp. and its subsidiaries.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information. The financial statements do not include all information and notes required by generally accepted accounting principles for complete financial statements. Except for the matters disclosed herein, there has been no material change in the information disclosed in the notes to consolidated financial statements for the fiscal year ended May 3, 2003. In our opinion, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Results for the interim periods presented are not necessarily indicative of results which might be expected for the entire fiscal year.

2. STOCK-BASED COMPENSATION

We apply Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" ("APB 25"), and related interpretations, in accounting for stock-based awards to employees. Under APB 25, we generally recognize no compensation expense with respect to such awards unless the exercise price of options granted is less than the market price on the date of grant. Had compensation cost for our option plans been determined and recorded consistent with the Black-Scholes option pricing model in accordance with SFAS 123, net income and earnings per share for the six-month periods ended November 1, 2003 and October 26, 2002 would have been reduced on a pro forma basis by less than \$100,000 and \$.01 per share for each period.

During the six months ended November 1, 2003, options for 33,510 shares were exercised at prices ranging from \$2.09 to \$9.88 per share. At November 1, 2003, options to purchase 904,166 shares at a weighted average exercise price of \$4.38 (ranging from \$.01 to \$9.88 per share) were outstanding and stock-based awards to purchase 1,172,374 shares of common stock were available for grant.

3. INVENTORIES

Inventories are stated at the lower of first-in, first-out cost or market. Inventories at November 1, 2003 are comprised of finished goods of \$15,693,000 and raw materials of \$13,947,000. Inventories at May 3, 2003 are comprised of finished goods of \$16,288,000 and raw materials of \$12,407,000.

4. PROPERTY

Property consists of the following:

	(In thousands)	
	November 1, 2003	May 3, 2003
Land	\$ 10,635	\$ 10,625
Buildings and improvements	36,550	36,331
Machinery and equipment	106,973	102,832
Total	154,158	149,788
Less accumulated depreciation	(93,448)	(89,356)
Property – net	\$ 60,710	\$ 60,432

Depreciation expense was \$2,140,000 and \$4,265,000 for the three and six month periods ended November 1, 2003, respectively, and \$2,183,000 and \$4,328,000 for the three and six month periods ended October 26, 2002, respectively.

5. DEBT

Certain subsidiaries maintain unsecured revolving credit facilities aggregating \$45 million (the "Credit Facilities") and an unsecured term loan facility ("Term Loan Facility") with banks. The Credit Facilities expire through December 10, 2004 and bear interest at 1/2% below the banks' reference rate or 1% above LIBOR, at the subsidiaries' election. At November 1, 2003, approximately \$42 million was available under the Credit Facilities. The Term Loan Facility is repayable in installments through July 31, 2004, and bears interest at the bank's reference rate or 1 1/4% above LIBOR, at the subsidiary's election. At November 1, 2003, the outstanding balance under the Term Loan Facility was \$900,000.

Debt agreements require subsidiaries to maintain certain financial ratios and contain other restrictions, none of which are expected to have a material impact on our operations or financial position. At November 1, 2003, retained earnings of approximately \$28 million were restricted from distribution and we were in compliance with all loan covenants.

6. COMMON STOCK

In January 1998, the Board of Directors authorized the purchase of up to 800,000 shares of National Beverage common stock. During the six months ended November 1, 2003, the Company purchased 18,000 shares and aggregate shares purchased since January 1998 was 502,060. Such shares are classified as treasury stock.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

National Beverage Corp. develops, manufactures, markets and distributes a complete portfolio of quality non-alcoholic beverage products throughout the United States. Our lines of multi-flavored soft drinks, including those of our flagship brands, Shasta® and Faygo®, emphasize distinctive flavor variety. In addition, we offer an assortment of premium beverages geared toward the health-conscious consumer, including Everfresh®, Home Juice®, and Mr. Pure® 100% juice and juice-based products; and LaCROIX®, Mt. Shasta™, Crystal Bay® and ClearFruit® flavored and spring water products. We also produce specialty products, including VooDoo Rain®, a line of alternative beverages geared toward young consumers, Ohana® fruit-flavored drinks and St. Nick's® holiday soft drinks. Substantially all of our brands are produced in 14 manufacturing facilities that are strategically located in major metropolitan markets throughout the continental United States. To a lesser extent, we develop and produce soft drinks for retail grocery chains, warehouse clubs, mass-merchandisers and wholesalers ("allied brands") as well as soft drinks for other beverage companies.

Our strategy emphasizes the growth of our branded products by offering a beverage portfolio of proprietary flavors; by supporting the franchise value of regional brands; by developing and acquiring innovative products tailored toward healthy lifestyles; and by appealing to the "quality-price" sensitivity factor of the family consumer. We believe that the "regional share dynamics" of our brands possess consumer loyalty within local markets and generate more aggressive retailer sponsored promotional activities.

Over the last several years, we have focused on increasing penetration of our brands in the convenience channel through Company-owned and independent distributors. The convenience channel is composed of convenience stores, gas stations and other smaller "up-and-down-the-street" accounts. Because of the higher retail prices and margins that typically prevail, we have undertaken specific measures to expand distribution in this channel. These include development of products specifically targeted to this market, such as VooDoo Rain, ClearFruit, Everfresh, Mr. Pure, Ritz® and Crystal Bay. Additionally, we have created proprietary and specialized packaging for these products with distinctive graphics. We intend to continue our focus on enhancing growth in the convenience channel through both specialized packaging and innovative product development.

Beverage industry sales are seasonal with the highest volume typically realized during the summer months. Additionally, our operating results are subject to numerous factors, including fluctuations in the costs of raw materials, changes in consumer preference for beverage products and competitive pricing in the marketplace.

RESULTS OF OPERATIONS

Three Months Ended November 1, 2003 (second quarter of fiscal 2004) compared to Three Months Ended October 26, 2002 (second quarter of fiscal 2003)

Net sales for the three months ended November 1, 2003 increased approximately 2% to \$129.4 million compared to the second quarter of fiscal 2003. This increase was primarily the result of volume growth of our branded soft drinks and favorable changes in product mix.

Gross profit approximated 32.7% of net sales for the second quarter of fiscal 2004 and 32.4% of net sales for the second quarter of fiscal 2003. This improvement was due to the volume increase of higher-margin branded business partially offset by increases in certain manufacturing costs.

Selling, general and administrative expenses were \$36.0 million or 27.8% of net sales for the second quarter of fiscal 2004, compared to \$35.2 million or 27.6% of net sales for last year. The increase is due to higher selling and marketing costs related to new product introductions.

Interest expense declined during the second quarter of fiscal 2004 compared to the prior year due to reductions in average debt outstanding and interest rates. Other income, which is comprised primarily of interest income, decreased due to lower investment yields and increased investments in tax-exempt securities.

The Company's effective rate for income taxes, based upon estimated annual income tax rates, approximated 38.1% of income before taxes for the second quarter of fiscal 2004 and 38.2% for fiscal 2003. The difference between the effective rate and the federal statutory rate of 35% was primarily due to the effects of state income taxes and non-deductible expenses.

Net income was \$4,021,000 for the second quarter of fiscal 2004, compared to \$3,843,000 for the second quarter of fiscal 2003.

Six Months Ended November 1, 2003 (first six months of fiscal 2004) compared to Six Months Ended October 26, 2002 (first six months of fiscal 2003)

Net sales for the six months ended November 1, 2003 increased 2% to \$275.0 million compared to the first six months of fiscal 2003. This increase was primarily the result of volume growth of our branded soft drinks, which was partially offset by a decline in allied branded volume.

Gross profit approximated 33.1% of net sales for the first six months of fiscal 2004 and 32.8% of net sales for the first six months of fiscal 2003. This improvement was due to the volume increase of higher-margin branded business partially offset by increases in certain raw material and manufacturing costs.

Selling, general and administrative expenses were \$71.1 million or 25.8% of net sales for the first six months of fiscal 2004, compared to \$69.7 million or 25.8% of net sales for last year. The increase is due to higher selling and marketing costs related to new product introductions.

[Table of Contents](#)

Interest expense declined during the first six months of fiscal 2004 compared to the prior year due to reductions in average debt outstanding and interest rates. Other income, which is comprised primarily of interest income, decreased due to lower investment yields and increased investments in tax-exempt securities.

The Company's effective rate for income taxes, based upon estimated annual income tax rates, approximated 38.0% of income before taxes for the first six months of fiscal 2004 and 38.2% for fiscal 2003. The difference between the effective rate and the federal statutory rate of 35% was primarily due to the effects of state income taxes and non-deductible expenses.

Net income was \$12,471,000 for the first six months of fiscal 2004, compared to \$11,894,000 for the first six months of fiscal 2003.

LIQUIDITY AND FINANCIAL CONDITION

Capital Resources

Our sources of capital are cash flow from operations and borrowings under existing credit facilities. We maintain unsecured revolving credit facilities aggregating \$45 million of which approximately \$42 million was available for future borrowings at November 1, 2003. We believe that existing capital resources are sufficient to meet our capital requirements and those of the parent company for the foreseeable future.

Cash Flows

During the first six months of fiscal 2004, we generated cash of \$7.7 million from operating activities, which was partially offset by \$4.5 million expended for investing activities and \$728,000 expended for financing activities. Cash provided by operating activities decreased \$6.9 million primarily due to changes in receivables, inventories and other liabilities resulting from an increase in working capital requirements. Cash used in investing activities increased \$945,000 due to an increase in property additions, while cash used in financing activities increased \$244,000 reflecting higher debt repayments and common stock purchases.

Financial Position

During the first six months of fiscal 2004, our working capital increased \$13.1 million to \$92.9 million from \$79.8 million, primarily due to cash generated from operations. The decrease in prepaid and other is due to changes in income tax refund receivables. The decrease in accounts payable is due to the timing of payments. At November 1, 2003, the current ratio was 3.0 to 1 compared to 2.4 to 1 at May 3, 2003.

Liquidity

We periodically evaluate capital projects designed to expand capacity and improve efficiency at our manufacturing facilities. We presently have no material commitments for capital expenditures and expect that fiscal 2004 capital expenditures will be slightly higher than fiscal 2003.

FORWARD-LOOKING STATEMENTS

Certain statements in this Quarterly Report on Form 10-Q (this "Form 10-Q"), including statements under "Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations," constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, but are not limited to, the following: general economic and business conditions; pricing of competitive products; success in acquiring other beverage businesses; success of new product and flavor introductions; fluctuations in the costs of raw materials; our ability to increase prices; continued retailer support for our products; changes in consumer preferences; success of implementing business strategies; changes in business strategy or development plans; government regulations; regional weather conditions; and other factors referenced in this Form 10-Q. We disclaim an obligation to update any such factors or to publicly announce the results of any revisions to any forward-looking statements contained herein to reflect future events or developments.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There are no material changes to the disclosures made on this matter in the Company's Annual Report on Form 10-K for the fiscal year ended May 3, 2003.

ITEM 4. CONTROLS AND PROCEDURES

National Beverage's Chief Executive Officer and Principal Financial Officer have concluded that disclosure controls and procedures are effective, based on their evaluation of these controls and procedures within 90 days of this report. There have been no significant changes in internal controls or in other factors that could significantly affect these controls subsequent to the date of their evaluation.

PART II — OTHER INFORMATION

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

At the company's Annual Meeting of Shareholders held October 3, 2003, Mr. Samuel C. Hathorn, Jr. and Mr. Joseph G. Caporella were re-elected to the Board of Directors for a three-year term. Of the 17,863,140 shares voted, 17,841,441 shares were voted for the election of Mr. Samuel C. Hathorn, Jr. (21,699 shares were withheld) and 17,510,800 shares were voted for the election of Mr. Joseph G. Caporella (352,340 shares were withheld).

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

- (a) Exhibits:
 - Exhibit 31.1 Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
 - Exhibit 31.2 Certification of Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
 - Exhibit 32.1 Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
 - Exhibit 32.2 Certification of Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- (b) Reports on Form 8-K:
 - On September 17, 2003, the Company filed a Form 8-K Current Report regarding a press release issued September 17, 2003, announcing the Company's earnings for the fiscal quarter ended August 2, 2003.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: December 16, 2003

National Beverage Corp.
(Registrant)

By: /s/ Dean A. McCoy

Dean A. McCoy
Senior Vice President – Chief
Accounting Officer

CERTIFICATION

I, Nick A. Caporella, certify that:

1. I have reviewed this quarterly report on Form 10-Q of National Beverage Corp.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosures controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and
 - c) disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 16, 2003

/s/ Nick A. Caporella

Nick A. Caporella
Chairman of the Board and
Chief Executive Officer

CERTIFICATION

I, George R. Bracken, certify that:

1. I have reviewed this quarterly report on Form 10-Q of National Beverage Corp.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosures controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and
 - c) disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: December 16, 2003

/s/ George R. Bracken

George R. Bracken
Senior Vice President – Finance
(Principal Financial Officer)

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

In connection with the Quarterly Report of National Beverage Corp. (the "Company") on Form 10-Q for the period ended November 1, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Nick A. Caporella, Chairman of the Board and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: December 16, 2003

/s/ Nick A. Caporella

Nick A. Caporella
Chairman of the Board and
Chief Executive Officer

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.

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

In connection with the Quarterly Report of National Beverage Corp. (the "Company") on Form 10-Q for the period ended November 1, 2003 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, George R. Bracken, Senior Vice President — Finance of the Company, certify, pursuant to 18 U.S.C. section 1350, as adopted pursuant to section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: December 16, 2003

/s/ George R. Bracken

George R. Bracken
Senior Vice President – Finance
(Principal Financial Officer)

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as part of the Report or as a separate disclosure document.