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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2004

OR

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

For the transition period from   to

Commission file number 0-7647

HAWKINS, INC.
(Exact name of registrant as specified in its charter)

MINNESOTA	**41-0771293**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

3100 EAST HENNEPIN AVENUE, MINNEAPOLIS, MINNESOTA 55413
(Address of principal executive offices, including zip code)

(612) 331-6910
(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 ☒ NO o

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

YES ☒ NO o

Indicate the number of shares outstanding of each of the issuer’s classes of common stock, as of the latest practicable date.

CLASS	OUTSTANDING AT NOVEMBER 9, 2004
Common Stock, par value $.05 per share	10,257,341

HAWKINS, INC.
INDEX TO FORM 10-Q

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

HAWKINS, INC.
CONDENSED BALANCE SHEETS

	SEPTEMBER 30, 2004 (UNAUDITED)	MARCH 28, 2004 (DERIVED FROM AUDITED FINANCIAL STATEMENTS)
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 4,518,079	$ 1,558,969
Investments available-for-sale	22,088,047	22,364,439
Trade receivables—net	11,578,109	11,308,851
Inventories	11,752,663	8,887,081
Prepaid expenses and other current assets	1,712,034	3,566,891
Total current assets	51,648,932	47,686,231
PROPERTY, PLANT AND EQUIPMENT—net	31,411,930	29,532,485
INTANGIBLE ASSETS—less accumulated amortization of $1,726,614 and $1,584,871, respectively	2,636,435	2,778,178
OTHER ASSETS	2,434,110	2,620,011
	$ 88,131,407	$ 82,616,905
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable – trade	$ 6,974,169	$ 4,752,049
Dividends payable	1,846,321	1,839,004
Other current liabilities	6,372,566	6,417,231
Total current liabilities	15,193,056	13,008,284
OTHER LONG-TERM LIABILITIES	15,854	89,133
DEFERRED INCOME TAXES	1,564,343	1,614,843
COMMITMENTS AND CONTINGENCIES		
SHAREHOLDERS' EQUITY:		
Common stock, par value $.05 per share; 10,257,341 and 10,216,688 shares issued and outstanding	512,867	510,834
Additional paid-in capital	38,224,758	37,747,492
Unearned compensation	(438,747)	—
Accumulated other comprehensive income	120,218	196,328
Retained earnings	32,939,058	29,449,991
Total shareholders' equity	71,358,154	67,904,645
	$ 88,131,407	$ 82,616,905

See accompanying notes to condensed financial statements.

HAWKINS, INC.
CONDENSED STATEMENTS OF INCOME

	THREE MONTHS ENDED SEPTEMBER 30 (UNAUDITED) 2004	2003	SIX MONTHS ENDED SEPTEMBER 30 (UNAUDITED) 2004	2003
Sales	$ 28,631,601	$ 28,645,014	$ 58,587,419	$ 57,711,881
Cost of sales	20,313,977	20,282,707	41,684,319	40,913,441
Gross margin	8,317,624	8,362,307	16,903,100	16,798,440
Selling, general and administrative expenses	4,724,648	4,405,588	8,929,493	8,598,243
Income from operations	3,592,976	3,956,719	7,973,607	8,200,197
Investment income	140,608	190,854	336,781	413,392
Income before income taxes	3,733,584	4,147,573	8,310,388	8,613,589
Provision for income taxes	1,327,500	1,556,000	2,975,000	3,230,000
Net income	$ 2,406,084	$ 2,591,573	$ 5,335,388	$ 5,383,589
Weighted average number of shares outstanding – basic	10,216,688	10,216,688	10,216,688	10,216,688
Weighted average number of shares outstanding – diluted	10,217,793	10,216,688	10,217,234	10,216,688
Earnings per share - basic and diluted	$ 0.24	$ 0.25	$ 0.52	$ 0.53
Cash dividends declared per common share	$ 0.18	$ 0.18	$ 0.18	$ 0.18

See accompanying notes to condensed financial statements.

HAWKINS, INC.
CONDENSED STATEMENTS OF CASH FLOWS

	SIX MONTHS ENDED SEPTEMBER 30 (UNAUDITED) 2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	$ 5,335,388	$ 5,383,589
Reconciliation to cash flows:		
Depreciation and amortization	1,573,558	1,452,008
Restricted stock compensation expense	40,552	—
(Gain) loss from property disposals	(31,565)	47,329
Changes in operating accounts (requiring) providing cash:		
Trade receivables	(269,258)	(216,092)
Inventories	(2,865,582)	(2,162,321)
Accounts payable	2,222,120	539,110
Other liabilities	(117,944)	(245,742)
Other	1,838,670	742,249
Net cash provided by operating activities	7,725,939	5,540,130
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to property, plant and equipment	(3,349,878)	(1,767,785)
Purchases of investments	(8,297,515)	(2,393,015)
Sale of investments	8,547,297	4,281,966
Proceeds from property disposals	70,183	29,800
Payments received on notes receivable	102,088	94,325
Net cash (used in) provided by investing activities	(2,927,825)	245,291
CASH FLOWS FROM FINANCING ACTIVITIES:		
Cash dividends paid	(1,839,004)	(1,839,004)

Net cash used in financing activities	(1,839,004)	(1,839,004)
INCREASE IN CASH AND CASH EQUIVALENTS	2,959,110	3,946,417
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	1,558,969	1,353,720
CASH AND CASH EQUIVALENTS, END OF PERIOD	$ 4,518,079	$ 5,300,137
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Issuance of restricted stock	$ 479,299	$ —
Cash paid for income taxes	$ 1,079,798	$ 2,533,498

See accompanying notes to condensed financial statements.

HAWKINS, INC.
NOTES TO CONDENSED FINANCIAL STATEMENTS

1. The accompanying unaudited condensed financial statements have been prepared in accordance with the instructions for Form 10-Q and, accordingly, do not include all information and footnotes required by generally accepted accounting principles for complete financial statements. These statements should be read in conjunction with the financial statements and footnotes included in the Company's Annual Report on Form 10-K for the fiscal year ended March 28, 2004, previously filed with the Securities and Exchange Commission (the Commission). In the opinion of management, the accompanying unaudited condensed financial statements contain all adjustments necessary to present fairly the Company's financial position and the results of its operations and cash flows for the periods presented. All adjustments made to the interim financial statements were of a normal recurring nature.

   The accounting policies followed by the Company are set forth in Note 1 to the Company's financial statements in the Company's Annual Report on Form 10-K for the fiscal year ended March 28, 2004 filed with the Commission on June 10, 2004.

2. The results of operations for the period ended September 30, 2004 are not necessarily indicative of the results that may be expected for the full year.

3. Certain reclassifications have been made to the prior year's financial statements to conform to the current year presentation. Such reclassifications had no effect on net income or shareholders' equity as previously reported.

4. Inventories, principally valued by the LIFO method, are less than current cost by approximately $777,000 at September 30, 2004. Inventory consists principally of finished goods.

5. The Company has two reportable segments: Industrial and Water Treatment. Reportable segments are defined by product and type of customer. Each segment is responsible for the sales, marketing and development of its products and services. The segments do not have separate accounting, administration, customer service or purchasing functions.

REPORTABLE SEGMENTS	INDUSTRIAL	WATER TREATMENT	TOTAL
THREE MONTHS ENDED SEPTEMBER 30, 2004			
Sales	$ 16,701,204	$ 11,930,397	$ 28,631,601
Gross margin	4,036,142	4,281,482	8,317,624
Income from operations	834,038	2,758,938	3,592,976
THREE MONTHS ENDED SEPTEMBER 30, 2003			
Sales	$ 16,525,608	$ 12,119,406	$ 28,645,014
Gross margin	4,044,521	4,317,786	8,362,307
Income from operations	1,274,119	2,682,600	3,956,719
SIX MONTHS ENDED SEPTEMBER 30, 2004			
Sales	$ 34,817,320	$ 23,770,099	$ 58,587,419
Gross margin	8,373,054	8,530,046	16,903,100
Income from operations	2,438,923	5,534,684	7,973,607
SIX MONTHS ENDED SEPTEMBER 30, 2003			
Sales	$ 34,362,349	$ 23,349,532	$ 57,711,881
Gross margin	8,468,939	8,329,501	16,798,440
Income from operations	2,992,086	5,208,111	8,200,197

6. During the six months ended September 30, 2004, the Company issued 40,653 shares of restricted stock to certain employees of the Company. The restricted stock awards are recorded as compensation cost over the requisite vesting periods based on the market value on the date of grant. Unearned compensation cost on restricted stock awards is shown as a reduction to shareholders' equity.

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

FORWARD-LOOKING INFORMATION

The information contained in this Quarterly Report on Form 10-Q for the period ended September 30, 2004 contains statements that we believe to be “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements give our current expectations or forecasts of future events. Forward-looking statements generally can be identified by the use of forward-looking terminology such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe,” “project,” or “continue,” or the negative thereof or similar words. From time to time, we also may provide oral or written forward-looking statements in other materials we release to the public. Any or all of our forward-looking statements in this Quarterly Report on Form 10-Q and in any public statements we make could be materially different from actual results. They can be affected by assumptions we might make or by known or unknown risks or uncertainties, including those described below under “Risk Factors” and other factors disclosed throughout this Quarterly Report on Form 10-Q and the Company’s other filings with the Securities and Exchange Commission. Consequently, we cannot guarantee any forward-looking statements and undertake no obligation to revise any forward-looking statements in order to reflect events or circumstances that may arise after the date of this Quarterly Report on Form 10-Q. Investors are cautioned not to place undue reliance on any forward-looking statements. Investors should also understand that it is not possible to predict or identify all factors that may affect actual results and should not consider the risk factors listed below to be a complete statement of all potential risks and uncertainties.

RISK FACTORS

In addition to specific factors which may be described in connection with any of the Company’s forward-looking statements, factors which could cause actual results to differ materially include, but are not limited to, the following items.

- Reduced profit margins due to the cyclical nature of commodity chemical prices. The cyclicality of commodity chemical markets, such as caustic soda, primarily results from changes in the balance between supply and demand and the level of general economic activity. The Company cannot predict with any certainty whether the markets for its commodity chemicals will favorably impact the Company’s operations or whether the Company will experience losses due to excess production resulting in oversupply and lower prices.

- Unforeseen liabilities arising from litigation, particularly liabilities that may arise from claims under environmental laws which may impose liability for the release of hazardous materials whether or not the Company had knowledge of or was responsible for such release.

- Changes in governmental and regulatory policies that affect the Company which may entail significant cost increases relating to the handling, storage, transportation, treatment or disposal of hazardous materials.

- Increased competition which could affect our ability to raise prices or successfully enter certain markets.

- Changes in customer demand which may significantly reduce revenues and income.

- Changes in product costs or operating expenses which may reduce our operating margins.

- The financial condition of our customers and their ability to purchase our products at comparable prices.

- Unforeseen problems in our ability to develop, introduce and gain market acceptance for new products.

- Significant changes in our business strategies, including acquisition, divestiture and restructuring activities which may affect our ability to focus on operating activities or increase costs.

- General economic and political conditions, such as political instability or the rate of economic growth in the Company’s principal geographic or product markets.

- Changes in operating factors, such as our ability to make continued improvements in distribution efficiencies and inventory risks due to shifts in market demand.

- Unforeseen or recurring operational problems or natural disasters at any of our facilities causing significant lost production and/or increased costs.

- Technology risks, such as the failure to successfully implement new technology that will allow us to make process improvements to reduce costs or to analyze the business.

- Loss of senior management or other key personnel and the Company’s ability to hire suitable replacements in a timely manner.

- The Company is currently implementing an Enterprise Resource Planning (ERP) system. The ERP system implementation is critical for the Company to make its internal control certifications required by the end of fiscal 2005 pursuant to Section 404 of the Sarbanes-Oxley Act. The Company's implementation of its ERP system, originally targeted for October of 2004, is currently scheduled for the latter part of the fourth quarter of fiscal 2005. The timing of the implementation makes it likely that the Company will not be able to make an unqualified certification regarding the Company's internal controls pursuant to Section 404 of the Sarbanes-Oxley Act at the end of fiscal 2005.

These factors are not exhaustive and new factors may emerge or existing factors may change in a manner that impacts our business. We assume no obligation and disclaim any duty to update the forward-looking statements in this Quarterly Report on Form 10-Q or any other public statement.

RESULTS OF OPERATIONS

The following table sets forth the percentage relationship of certain items to sales for the period indicated (in thousands, except percentages):

	THREE MONTHS ENDED SEPTEMBER 30, 2004		SIX MONTHS ENDED SEPTEMBER 30, 2004	
Sales	$ 28,632	100.0%	$ 58,587	100.0%
Cost of sales	20,314	70.9	41,684	71.1
Gross margin	8,318	29.1	16,903	28.9
Selling, general and administrative expenses	4,725	16.5	8,929	15.2
Income from operations	3,593	12.5	7,974	13.6
Investment income	141	0.5	337	0.6
Income before income taxes	3,734	13.0	8,310	14.2
Provision for income taxes	1,328	4.6	2,975	5.1
Net income	$ 2,406	8.4%	$ 5,335	9.1%

	THREE MONTHS ENDED SEPTEMBER 30, 2003		SIX MONTHS ENDED SEPTEMBER 30, 2003	
Sales	$ 28,645	100.0%	$ 57,712	100.0%
Cost of sales	20,283	70.8	40,913	70.9
Gross margin	8,362	29.2	16,798	29.1
Selling, general and administrative expenses	4,406	15.4	8,598	14.9
Income from operations	3,957	13.8	8,200	14.2
Investment income	191	0.7	413	0.7
Income before income taxes	4,148	14.5	8,614	14.9
Provision for income taxes	1,556	5.4	3,230	5.6
Net income	$ 2,592	9.0%	$ 5,384	9.3%

Sales remained relatively flat at $28,631,601 for the three months ended September 30, 2004, and increased $875,538, or 1.5%, in the six months ended September 30, 2004 as compared to the same periods a year ago. Industrial segment sales increased by $175,596 in the three months ended September 30, 2004 and increased by $454,971 in the six-month period ended September 30, 2004 as compared to the same respective periods in 2003. The Industrial segment increase in sales was related to slight improvements along several product lines compared to the prior year and the continued integration of new products. There was an approximate 13% decrease in caustic soda volumes sold, which was offset by an increase in caustic soda selling prices. Water Treatment segment sales decreased by $189,009 in the three month ended September 30, 2004 and increased $420,567 in the six-month period ended September 30, 2004, as compared to the same periods in 2003. The Water Treatment segment was challenged by cooler summer conditions during the current three-month period in comparison to the prior year, however this was offset by increased sales in existing product lines and successful expansion of new product lines for the six-month period ending September 30, 2004 as compared to the prior year.

Gross margin, as a percentage of sales, for the three and six months ended September 30, 2004 was 29.1% and 28.9%, respectively, compared to 29.2% and 29.1%, respectively, for the comparable periods of 2003. For the Industrial segment, gross margin, as a percentage of sales, was 24.2% for the three months ended September 30, 2004 compared to 24.5% in the prior year and 24.0% for the six months ended September 30, 2004 compared to 24.6% for the comparable period in 2003. These fluctuations relate to changes in the cost and selling price of caustic soda during fiscal 2004 and 2005 and a highly competitive market environment. Changes in product mix in all product lines also contributed to the fluctuations in gross margin. The Company attempts to maintain relatively constant dollar margins as the cost of caustic soda increases or decreases. The cost of this product is normally subject to fluctuations, which are expected to continue in future periods. By maintaining relatively stable dollar margins, the gross margin percentage will decrease when the cost of the product is increasing and will increase when the cost of the product is decreasing. Gross margin, as a percentage of sales, for the Water Treatment segment was 35.9% for the three months ended September 30, 2004 compared to 35.6% in the comparable period of 2003 and 35.9% for the six-month period ended September 30, 2004 compared to 35.7% for the comparable period of 2003.

Selling, general and administrative expenses, as a percentage of sales, for the three and six months ended September 30, 2004 were 16.5% and 15.2%, respectively, compared to 15.4% and 14.9% for the comparable periods a year ago. The Company will continue to incur expenses associated with the Company's efforts to comply with the requirements of the Sarbanes-Oxley Act and for the Company's investment in an Enterprise Resource Planning system, including expenses for additional staffing and outside professional services. Employee compensation and benefits comprise the majority of the selling, general and administrative expenditures.

INVESTMENT INCOME

Investment income decreased by $76,611 for the six months ended September 30, 2004, compared to the same period one year ago. The decrease was primarily due to a realized loss on an investment that was sold during the current quarter that was reinvested in an investment that is expected to have a higher rate of return.

PROVISION FOR INCOME TAXES

The effective income tax rate was 35.6% for the three months ended September 30, 2004 and 35.8% for six months ended September 30, 2004 compared to 37.5% for the three and six months ended September 30, 2003.

LIQUIDITY AND CAPITAL RESOURCES

For the six-month period ended September 30, 2004, cash provided by operations was $7,725,939 compared to $5,540,130 for the same period one year ago. Fluctuations in timing of vendor payments, year over year variances in tax payments, and an increase in net income were principally responsible for the increase in cash provided by operating activities.

Cash used in investing activities increased by $3,173,116 primarily due to an increase in property, plant, and equipment additions and the reinvestment of additional cash during the six-month period ended September 30, 2004 compared to the prior year. This

reinvestment of cash resulted in a $1,639,169 increase in cash used in investing activities compared to one year ago. The Company had an additional $1,582,093 in property and equipment purchases during the six-month period ended September 30, 2004 compared to the same period one year ago. Capital expenditures during the six months ended September 30, 2004 consisted primarily of expenditures related to the Company's implementation of an Enterprise Resource Planning system and the purchase of four water treatment trucks. Anticipated capital expenditures in the second half of fiscal 2005 are expected to be approximately $2.5 million, which are primarily related to implementation of the Enterprise Resource Planning system, new route sales trucks and general maintenance projects.

Cash and investments available-for-sale increased by $2,682,718 from March 28, 2004 to $26,606,126 as of September 30, 2004. The increase was primarily attributable to cash generated by operations in excess of capital expenditures and financing uses. Cash equivalents consist of money market accounts and certificates of deposit at a financial institution. Investments consist of investment contracts with highly-rated, stable insurance companies, marketable securities consisting of municipal bonds, U.S. Government agency securities and mutual funds carried at fair value. Investments are highly liquid and are available upon demand generally with a minor penalty.

At September 30, 2004, the Company had an investment portfolio of fixed income securities of $11,375,687 and mutual funds of $9,964,185, excluding $5,897,898 of those classified as cash and cash equivalents and variable rate securities. The fixed income securities, like all fixed income instruments, are subject to interest rate risks and will decline in value if market interest rates increase. However, while the value of the investment may fluctuate in any given period, the Company intends to hold its fixed income investments until maturity. Consequently, the Company would not expect to recognize an adverse impact on net income or cash flows or the amount ultimately realized on the investment. The value of the mutual funds, like all mutual funds, may increase or decrease due to market volatility.

Expected future cash flows from operations, coupled with the Company's strong financial position, puts the Company in a position to fund both short and long-term working capital and capital investment needs with internally generated funds. Management does not, therefore, anticipate the need to engage in significant financing activities in either the short or long-term. If the need to obtain additional capital does arise, however, management is confident that the Company's total debt to capital ratio at September 30, 2004 puts it in a position to obtain debt financing on favorable terms.

Management regularly reviews opportunities to enhance the value of the Company through strategic acquisitions, other capital investments and strategic divestitures; and at this time, no material commitments for such investments or divestitures exist. Until appropriate investment opportunities are identified, the Company will invest excess cash in conservative investments.

The Company will continue to incur significant expenditures in fiscal 2005 associated with the implementation of the Enterprise Resource Planning system and to meet the requirements of the Sarbanes-Oxley Act. Fiscal 2005 expenses in these areas, including additional staffing and outside professional services, are expected to significantly exceed the additional fiscal 2004 expense of approximately $750,000 relating to these items.

Other than as discussed above, management is not aware of any matters that have materially affected the Company's financial results for the six months ended September 30, 2004, nor is management aware of other matters not affecting this period but are expected to have a material effect on future periods.

CRITICAL ACCOUNTING POLICIES

The significant accounting policies followed by the Company are set forth in Note 1 to the Company's financial statements in the Company's Annual Report on Form 10-K for the fiscal year ended March 28, 2004. The accounting policies used in preparing the Company's interim fiscal 2005 financial statements are the same as those described in the Company's Annual Report.

In preparing the financial statements, the Company follows accounting principles generally accepted in the United States. The preparation of these financial statements requires the Company to make estimates and judgments that affect the reported amounts of assets, liabilities, sales and expenses, and related disclosure of contingent assets and liabilities. The Company re-evaluates its estimates on an on-going basis. The Company's estimates are based on historical experience and on various other assumptions that are

believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions and conditions. The Company believes its critical accounting policies are those related to:

Revenue Recognition - - The Company recognizes revenue when the product has been shipped to the customer if there is evidence that the customer has agreed to purchase the products, performance has occurred, the price and terms of sale are fixed, and collection of the receivable is expected.

Allowance for Doubtful Accounts - - Accounts receivable are reduced by an allowance for amounts that may become uncollectible in the future. Substantially all of the Company's receivables are due from customers located in the United States. The estimated allowance for doubtful accounts is based upon the age of the outstanding receivables and the payment history and credit worthiness of each customer. Management evaluates the adequacy of the reserve for doubtful accounts on a quarterly basis.

Inventories - Inventories are valued at the lower of cost or market. On a quarterly basis, management assesses the inventory quantities on hand to estimated future usage and sales and, if necessary, writes down to market the value of inventory deemed obsolete or excess.

Property, Plant and Equipment - - Property, plant and equipment are stated at cost and depreciated over the lives of the assets using primarily the straight-line method. Major replacements and improvements are capitalized, while maintenance and repairs which do not improve or extend the useful lives of the respective assets are charged to operations. The assets and related accumulated depreciation accounts are adjusted for asset retirements and disposals with the resulting gain or loss, if any, recorded in the statement of income at the time of disposal.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable.

ITEM 4. CONTROLS AND PROCEDURES

As of the end of the period covered by this report, the Company conducted an evaluation, under the supervision and with the participation of its management, including the principal executive officer and principal financial officer, of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act")). Based on this evaluation, the principal executive officer and principal financial officer concluded that the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms. There was no change in the Company's internal control over financial reporting during the Company's most recently completed fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATION

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

The annual meeting of the shareholders of the Company was held on August 17, 2004. Proxies for the annual meeting were solicited pursuant to Regulation 14A of the Exchange Act. There was no solicitation in opposition to the Board of Director nominees listed in the proxy statement and all of the nominees for director were elected with the following votes:

	For	Withheld	Abstain	Broker Non-votes
John R. Hawkins	8,455,812	731,599	0	0
Howard M. Hawkins	8,450,061	737,350	0	0
Dean L. Hahn	8,372,296	815,115	0	0
Donald L. Shipp	8,427,422	759,969	0	0
John S. McKeon	8,591,638	595,773	0	0
Duane M. Jergenson	8,551,884	635,527	0	0
G. Robert Gey	8,551,684	635,727	0	0
Daryl I. Skaar	8,549,577	637,834	0	0

The shareholders also voted to approve the Hawkins, Inc. 2004 Omnibus Stock Plan with the following votes:

For	Against	Abstain	Broker Non-votes
4,841,636	745,444	1,228,256	2,372,075

ITEM 6. EXHIBITS

Exhibit Index

Exhibit	Description	Method of Filing
3.1	Amended and Second Restated Articles of Incorporation as amended through February 27, 2001. (1)	Incorporated by Reference
3.2	Second Amended and Superseding By-Laws as amended through February 15, 1995. (2)	Incorporated by Reference
10.1	Hawkins, Inc. 2004 Omnibus Stock Plan. (3)	Incorporated by Reference
10.2	Form of Hawkins, Inc. 2004 Omnibus Stock Plan Restricted Stock Agreement.	Filed Electronically
31.1	Certification by Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act.	Filed Electronically
31.2	Certification by Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act.	Filed Electronically
32.1	Section 1350 Certification by Chief Executive Officer.	Filed Electronically
32.2	Section 1350 Certification by Chief Financial Officer.	Filed Electronically

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(1) Incorporated by reference to Exhibit 3.1 to the Company's Annual Report on Form 10-K for the year ended September 30, 2001.
(2) Incorporated by reference to Exhibit 3.2 to the Company's Annual Report on Form 10-K for the year ended October 1, 1995.
(3) Incorporated by reference to Appendix B to the Company's Proxy Statement filed with the Securities and Exchange Commission on July 23, 2004.

SIGNATURES

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

HAWKINS, INC.

By: /s/ Marvin E. Dee

Marvin E. Dee

Vice President, Chief Financial Officer, Secretary and Treasurer
(On behalf of the Registrant and as principal financial officer)

Dated: November 9, 2004

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31.1	Certification by Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act.	Filed Electronically
31.2	Certification by Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act.	Filed Electronically
32.1	Section 1350 Certification by Chief Executive Officer.	Filed Electronically
32.2	Section 1350 Certification by Chief Financial Officer.	Filed Electronically

(1) Incorporated by reference to Exhibit 3.1 to the Company’s Annual Report on Form 10-K for the year ended September 30, 2001.
(2) Incorporated by reference to Exhibit 3.2 to the Company’s Annual Report on Form 10-K for the year ended October 1, 1995.
(3) Incorporated by reference to Appendix B to the Company’s Proxy Statement filed with the Securities and Exchange Commission on July 23, 2004.

EXHIBIT 10.2

HAWKINS, INC.

2004 OMNIBUS STOCK PLAN

Restricted Stock Agreement

Name of Employee:

No. of Shares Covered: Date of Issuance:

Vesting Schedule pursuant to Section 3:

Vesting Date(s)	No. of Shares Which Become Vested as of Such Date

This is a RESTRICTED STOCK AGREEMENT ("Agreement") between Hawkins, Inc., a Minnesota corporation (the "Company"), and the above-named employee of the Company (the "Employee").

Recitals

WHEREAS, the Company maintains the Hawkins, Inc. 2004 Omnibus Stock Plan (as amended from time to time, the "Plan");

WHEREAS, the Board of Directors of the Company has appointed the Compensation Committee (the "Committee") with the authority to determine the awards to be granted under the Plan; and

WHEREAS, the Committee or its designee has determined that the Employee is eligible to receive an award under the Plan in the form of restricted stock and has set the terms thereof;

NOW, THEREFORE, the Company and the Employee mutually agree as follows:

Terms and Conditions*

1. Grant of Restricted Shares.

(a) Grant. The Company hereby issues to the Employee the number of shares specified at the beginning of this Agreement (the "Restricted Shares") on the terms and conditions and subject to

* Unless the context indicates otherwise, terms that are not defined in this Agreement shall have the meaning set forth in the Plan as it currently exists or as it is amended in the future.

the restrictions set forth in this Agreement. The term "Restricted Shares" also refers to all securities received by the Employee in replacement of or in connection with the Restricted Shares granted hereby pursuant to a recapitalization, reclassification, stock dividend, stock split, stock combination or other relevant event.

(b) Certificate. Within a reasonable time after the execution of this Agreement by the Employee and the Company, the Company shall have a certificate or certificates representing the Restricted Shares issued in the name of the Employee and delivered to the Company to hold until the vesting and other conditions set forth in this Agreement have been satisfied. The Company shall pay all original issue or transfer taxes, if any, with respect to the issue or transfer of the Restricted Shares and all fees and expenses necessarily incurred by the Company in connection therewith. All Restricted Shares so issued shall be fully paid and nonassessable. Notwithstanding anything to the contrary in this Agreement, the Company shall not be required to deliver a certificate or certificates representing any Restricted Shares prior to (i) the vesting of such Restricted Shares in accordance with Section 3 and (ii) the completion of such registration or other qualification of such Restricted Shares for sale under the laws, rules or regulations of any state or other jurisdiction as the Company shall determine to be necessary or desirable. Upon the vesting of Restricted Shares in accordance with Section 3 and provided that the other conditions set forth in the previous sentence and elsewhere in this Agreement have been satisfied, the Company shall deliver a certificate or certificates representing such vested Restricted Shares to the Employee as promptly as practicable.

2. Forfeiture Events and Transfer Restrictions.

(a) Forfeiture Events. Upon the occurrence of a "Forfeiture Event" (as defined below), the Employee shall forfeit to the Company all of the Restricted Shares that have not become vested pursuant to Section 3, and upon such forfeiture the Employee shall immediately return any stock certificates representing Restricted Shares then held by the Employee and execute and deliver such stock powers as the Company may request. The Restricted Shares that are forfeited pursuant to the previous sentence shall become authorized but unissued shares of the Company's capital stock. A Forfeiture Event means any of the following events:

(i) termination of the Employee's employment with the Company or its Affiliates for any reason, whether by the Company with or without cause, voluntarily or involuntarily by the Employee or otherwise ("Termination of Employment"); or

(ii) any attempt to transfer or otherwise dispose of any of the Restricted Shares, or to levy any attachment or pursue any similar involuntary process with respect to any Restricted Shares, in violation of Section 2(b) of this Agreement.

For purposes of this Agreement, neither the transfer of the Employee between any combination of the Company and its Affiliates, nor a leave of absence granted to the Employee by the Company, shall be deemed a Termination of Employment.

(b) Limitation on Transfer. Until such time as the Restricted Shares have become vested under Section 3 of this Agreement, the Employee shall not transfer the Restricted Shares and the Restricted Shares shall not be subject to pledge, hypothecation, execution, attachment or similar process. Any attempt to assign, transfer, pledge, hypothecate or otherwise dispose of any Restricted Shares contrary to the provisions hereof, and any attempt to levy any attachment or pursue any similar process with respect to them, shall be null and void.

3. **Vesting.** The Restricted Shares shall cease to be subject to forfeiture under Section 2 hereof in the numbers and on the dates specified in the vesting schedule at the beginning of this Agreement; provided, however, that the Restricted Shares shall immediately cease to be subject to forfeiture under Section 2 hereof (i) upon the occurrence of a Fundamental Change or (ii) if the Employee's employment with the Company or an Affiliate terminates because of death or disability. Restricted Shares that have so ceased to be subject to forfeiture are sometimes referred to as "vested" or as "Vested Shares" in this Agreement

4. **Shareholder Rights.** As of the date of issuance specified at the beginning of this Agreement, the Employee shall have all of the rights of a shareholder of the Company with respect to the Restricted Shares, except as otherwise specifically provided in this Agreement.

5. **Tax Withholding.** The parties hereto recognize that the Company or a subsidiary of the Company may be obligated to withhold federal and state taxes or other taxes upon the vesting of the Restricted Shares, or, in the event that the Employee elects under Code Section 83(b) to report the receipt of the Restricted Shares as income in the year of receipt, upon the Employee's receipt of the Restricted Shares. The Employee agrees that, at such time, if the Company or a subsidiary is required to withhold such taxes, the Employee will promptly pay, in cash upon demand to the Company or the subsidiary having such obligation, such amounts as shall be necessary to satisfy such obligation. The Employee further acknowledges that the Company has directed the Employee to seek independent advice regarding the applicable provisions of the Code,

the income tax laws of any municipality, state or foreign country in which the Employee may reside, and the tax consequences of the Employee's death.

6. **Restrictive Legends and Stop-Transfer Orders.**

(a) Legends. **The certificate or certificates representing the Restricted Shares shall bear the following legend (as well as any legends required by applicable state and federal corporate and securities laws) noting the existence of the restrictions set forth in this Agreement:**

"THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO FORFEITURE AND MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF A RESTRICTED STOCK AGREEMENT BETWEEN THE COMPANY AND THE EMPLOYEE, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY."

(b) Stop-Transfer Notices. **The Employee agrees that, in order to ensure compliance with the restrictions referred to herein, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and that, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.**

(c) Refusal to Transfer. The Company shall not be required (i) to transfer on its books any Restricted Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of the Restricted Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom the Restricted Shares shall have been so transferred.

7. **Interpretation of This Agreement**. All decisions and interpretations made by the Committee with regard to any question arising hereunder or under the Plan shall be binding and conclusive upon the Company and the Employee. If there is any inconsistency between the provisions of this Agreement and the Plan, the provisions of the Plan shall govern.

8. **Not Part of Employment Contract; Discontinuance of Employment**. This Agreement awards restricted stock to the Employee, but does not impose any obligation on the Company to make any future grants or issue any future awards to the Employee or otherwise continue the participation of the

Employee under the Plan. This Agreement shall not give the Employee a right to continued employment with the Company or any Affiliate, and the Company or Affiliate employing the Employee may terminate his or her employment and otherwise deal with the Employee without regard to the effect it may have upon him or her under this Agreement.

By executing this Agreement, the Employee expressly acknowledges the above.

9. **Binding Effect**. This Agreement shall be binding in all respects on the heirs, representatives, successors and assigns of the Employee.

10. **Choice of Law**. This Agreement is entered into under the laws of the State of Minnesota and shall be construed and interpreted thereunder (without regard to its conflict-of-law principles).

11. **Entire Agreement**. This Agreement and the Plan set forth the entire agreement and understanding of the parties hereto with respect to the issuance and sale of the Restricted Shares and the administration of the Plan and supersede all prior agreements, arrangements, plans, and understandings relating to the issuance and sale of these Restricted Shares and the administration of the Plan.

12. **Amendment and Waiver**. Except as provided in the Plan, this Agreement may be amended, waived, modified, or canceled only by a written instrument executed by the parties or, in the case of a waiver, by the party waiving compliance.

13. **Acknowledgment of Receipt of Copy**. By execution hereof, the Employee acknowledges having received a copy of the Plan.

IN WITNESS WHEREOF, the Employee and the Company have executed this Agreement as of the date of issuance specified at the beginning of this Agreement.

EMPLOYEE

____

HAWKINS, INC.

By ______________________________
Its ______________________________

EXHIBIT 31.1

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

CERTIFICATIONS

I, John R. Hawkins, Chief Executive Officer of Hawkins, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hawkins, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying 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 we have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

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

   c) disclosed in this report any change in the registrant's internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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.

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 the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2004

/s/ John R. Hawkins

John R. Hawkins
Chief Executive Officer

EXHIBIT 31.2

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

CERTIFICATIONS

I, Marvin E. Dee, Chief Financial Officer of Hawkins, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Hawkins, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying 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 we have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

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

   c) disclosed in this report any change in the registrant's internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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.

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 the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2004

/s/ Marvin E. Dee

Marvin E. Dee
Chief Financial Officer

EXHIBIT 32.1

**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 Hawkins, Inc. (the “Company”) on Form 10-Q for the period ended September 30, 2004 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, John R. Hawkins, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

/s/ John R. Hawkins

John R. Hawkins
Chief Executive Officer
November 9, 2004

EXHIBIT 32.2

**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 Hawkins, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2004 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Marvin E. Dee, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

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

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

/s/ Marvin E. Dee

Marvin E. Dee
Chief Financial Officer
November 9, 2004