



## Hansen Natural Corporation Reports Record Third Quarter Sales And Profits

### -- Net Sales Double, Net Income More Than Triples --

Corona, CA - November 9, 2005 - Hansen Natural Corporation (NASDAQ:HANS) today reported record sales and profits for the third quarter ended September 30, 2005.

Gross sales for the 2005 third quarter increased 88.3% to \$126.4 million from \$67.1 million a year earlier. Net sales for the third quarter doubled to \$105.4 million from \$52.6 million a year ago.

Operating income for the 2005 third quarter advanced 238.3% to \$33.6 million from \$9.9 million a year ago. Net income for the third quarter increased 249.1% to \$20.2 million, or \$0.83 per diluted share, from \$5.8 million, or \$0.24 per diluted share, last year.

Gross sales for the nine months ended September 30, 2005 rose 85.9% to \$301.8 million from \$162.3 million a year earlier. Net sales for the nine months ended September 30, 2005 were up 93.0% to \$250.9 million from \$130.0 million a year earlier.

Operating income for the nine months ended September 30, 2005 advanced 235.2% to \$73.7 million from \$22.0 million a year ago. Net income for the first nine months of 2005 increased 239.5% to \$44.3 million, or \$1.84 per diluted share, from \$13.1 million, or \$0.56 per diluted share, last year.

Gross profit as a percentage of net sales for the 2005 third quarter increased to 52.5% from 45.2% for the comparable 2004 quarter. Gross profit as a percentage of net sales for the nine months ended September 30, 2005 rose to 52.1% from 45.0% a year ago.

Rodney C. Sacks, chairman and chief executive officer, said, "Our continued exceptional performance reflects the company's growing position in the energy drink market. Consumer demand continues to increase for Monster Energy™ drinks, which include Lo-Carb Monster Energy™ drinks, Monster Energy™ "Assault"™ drinks, (introduced in September 2004) and Monster Energy™ Khaos drinks (introduced in August 2005). All of these products contributed significantly to the increase in sales."

Sacks said that the net sales increase also reflects higher sales of Lost® energy drinks (introduced in January 2004), along with Hansen's® apple juice and juice blends, sales of Joker™ energy drinks (introduced in January 2005), and Rumba™ energy juice (introduced in December 2004), as well as increased sales of Hansen's® children's juice drinks in aseptic packaging.

The sales increase was partially off-set by lower sales primarily of smoothies in cans, natural sodas and Hansen's® energy and functional drinks.

Hansen Natural Corporation markets and distributes Hansen's® Natural Sodas, Signature Sodas, fruit juice Smoothies, Energy drinks, Energade® energy sports drinks, E20 Energy Water®, functional drinks, Sparkling Lemonades and Orangeades, multi-vitamin juice drinks in aseptic packaging, Junior Juice® juice, iced teas, lemonades and juice cocktails, apple juice, cider and juice blends, Blue Sky® brand carbonated beverages and Monster Energy™ brand, Lost™ Energy brand and Joker™ Energy brand energy drinks. Hansen can be found on the Web at [www.hansens.com](http://www.hansens.com).

Certain statements made in this announcement may constitute "forward looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, regarding the expectations of management with respect to revenues and profitability. Management cautions that these statements are qualified by their terms/or important factors, many of which are outside of the control of the company, that could cause actual results and events to differ materially from the statements made herein, including, but not limited to, the following: Changes in consumer preferences, changes in demand that are weather related, particularly in areas outside of California, competitive pricing pressures, changes in the price and/or availability of raw materials for the company's products, the availability of production and/or suitable facilities, the marketing efforts of the distributors of the company's products, most of which distribute products that are competitive with the products of the company, the introduction of new products, as well as unilateral decisions that may be made by grocery chain stores, specialty chain stores, club stores and other customers to discontinue carrying all or any of the company's products that they are carrying at any time. Management further notes that the company's plans and results may be affected by any change in the availability of the company's credit facilities and the actions of its creditors.

**HANSEN NATURAL CORPORATION**  
**Consolidated Statements of Income**  
**For the Three and Nine Months Ended September 30, 2005 and 2004**  
*(Unaudited)*

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2005	2004	2005	2004
GROSS SALES, net of discounts & returns	\$ 126,384,787	\$ 67,128,607	\$ 301,846,541	162,337,851
LESS: Promotional and other allowances	20,963,333	14,487,130	50,970,260	32,334,048
NET SALES	105,421,454	52,641,477	250,876,281	130,003,803
COST OF SALES	50,077,785	28,832,269	120,276,216	71,527,845
GROSS PROFIT	55,343,669	23,809,208	130,600,065	58,475,958
OPERATING EXPENSES:				
Selling, general and administrative	21,752,406	13,865,099	56,902,380	36,443,831
Amortization of trade mark	16,008	19,278	44,092	58,643
Total operating expenses	21,768,414	13,884,377	56,946,472	36,502,474
OPERATING INCOME	33,575,255	9,924,831	73,653,593	21,973,484
NET NONOPERATING INCOME (EXPENSE)	323,452	(8,104)	694,846	(27,152)
INCOME BEFORE PROVISION FOR INCOME TAXES	33,898,707	9,916,727	74,348,439	21,946,332
PROVISION FOR INCOME TAXES	13,653,339	4,118,079	30,012,660	8,886,254
NET INCOME	<u>\$ 20,245,368</u>	<u>\$ 5,798,648</u>	<u>\$ 44,335,779</u>	<u>\$ 13,060,078</u>
NET INCOME PER COMMON SHARE:				
Basic	\$ 0.92	\$ 0.27	\$ 2.01	\$ 0.62
Diluted	<u>\$ 0.83</u>	<u>\$ 0.24</u>	<u>\$ 1.84</u>	<u>\$ 0.56</u>
NUMBER OF COMMON SHARES USED IN PER SHARE COMPUTATIONS:				
Basic	22,119,949	21,632,314	22,008,204	21,182,718
Diluted	<u>24,334,342</u>	<u>23,685,608</u>	<u>24,127,346</u>	<u>23,472,094</u>

**HANSEN NATURAL CORPORATION**  
**Condensed Consolidated Balance Sheets**  
*As of September 30, 2005 and December 31, 2004*  
*(Unaudited)*

	<b>September 30, 2005</b>	<b>December 31, 2004</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 41,282,143	\$ 3,676,119
Short-term investments	8,651,544	17,300,000
Accounts receivable (net of reserve for doubtful accounts, sales returns and cash discounts of \$1,284,999 in 2005 and \$1,252,101 in 2004 and reserve for promotional allowances of \$8,853,753 in 2005 and \$6,269,744 in 2004)	34,418,030	12,650,055
Inventories, net	28,856,129	22,406,054
Prepaid expenses and other current assets	645,273	638,967
Prepaid income taxes	3,513,671	
Deferred income tax asset	5,107,676	3,708,942
Total current assets	122,474,466	60,380,137
PROPERTY AND EQUIPMENT, net	3,719,187	2,964,064
<b>INTANGIBLE AND OTHER ASSETS:</b>		
Trademarks (net of accumulated amortization of \$263,356 in 2005 and \$219,264 in 2004)	18,411,080	18,351,804
Deposits and other assets	736,479	326,312
Total intangible and other assets	19,147,559	18,678,116
	<b>\$ 145,341,212</b>	<b>\$ 82,022,317</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 29,036,921	\$ 14,542,753
Accrued liabilities	2,680,959	1,582,968
Accrued compensation	2,372,357	1,831,627
Current portion of long-term debt	717,792	437,366
Income taxes payable		346,449
Total current liabilities	34,808,029	18,741,163
LONG-TERM DEBT, less current portion	13,143	146,486
DEFERRED INCOME TAX LIABILITY	5,264,649	4,563,439
COMMITMENTS AND CONTINGENCIES	-	-
<b>SHAREHOLDERS' EQUITY:</b>		
Common stock - \$0.005 par value; 30,000,000 shares authorized; 22,575,146 shares issued, 22,161,624 outstanding in 2005; 11,119,864 shares issued, 10,913,013 outstanding in 2004 -	112,876	55,599
Additional paid-in capital	18,160,907	15,813,541
Retained earnings	87,796,153	43,516,634
Common stock in treasury, at cost; 413,522 shares in 2005 and 206,761 shares in 2004	(814,545)	(814,545)
Total shareholders' equity	105,255,391	58,571,229
	<b>\$ 145,341,212</b>	<b>\$ 82,022,317</b>

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