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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

Annual Report Pursuant to Section 13
of the Securities Exchange Act of 1934

For the Fiscal Year Ended June 30, 1996

MIDWEST GRAIN PRODUCTS, INC.

1300 Main Street
Box 130
Atchison, Kansas 66002
Telephone: (913) 367-1480

Incorporated in the State of Kansas

COMMISSION FILE NO. 0-17196

IRS No. 48-0531200

The Company has no securities registered pursuant to Section 12(b) of the Act. The only class of common stock outstanding consists of Common Stock having no par value, 9,765,172 shares of which were outstanding at June 30, 1996.

The Common Stock is registered pursuant to Section 12(g) of the Act.

The aggregate market value of the Common Stock of the Company held by non-affiliates, based upon the last sales price of such stock on September 12, 1996, was \$102,819,510.

The Company has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and has been subject to such filing requirements for the past 90 days.

As indicated by the following check mark, disclosure of delinquent filers pursuant to Rule 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge in a definitive proxy or information statement incorporated by reference in Part III of this Form 10-K: [X].

The following documents are incorporated herein by reference:

- (1) Midwest Grain Products, Inc. 1996 Annual Report to Stockholders, pages 10 through 28 [incorporated into Part II and contained in Exhibit 10(c)].
 - (2) Midwest Grain Products, Inc. Proxy Statement for the Annual Meeting of Stockholders to be held on October 10, 1996, dated September 19, 1996 (incorporated into Part III).
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MIDWEST GRAIN PRODUCTS, INC.

FORM 10-K

For the Fiscal Year Ended June 30, 1996

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The calculation of the aggregate market value of the Common Stock of the Company held by non-affiliates is based on the assumption that non-affiliates do not include directors. Such assumption does not constitute an admission by the Company or any director that any director is an affiliate of the Company.

PART I

Item 1. Business.

General Information

Midwest Grain Products, Inc. (the Company) is a Kansas corporation headquartered in Atchison, Kansas. It is the successor to a business founded in 1941 by Cloud L. Cray, Sr.

The Company is a fully integrated producer of vital wheat gluten, premium wheat starch, and alcohol products. These grain products are processed at plants located in Atchison, Kansas, and Pekin, Illinois. Wheat is purchased directly from local and regional farms and grain elevators and milled into flour. The flour is processed with water to extract vital wheat gluten which is dried into a tan powder and sold in packaged or bulk form. The resulting starch slurry is further processed to extract premium wheat starch which is also dried into a powder and sold in packaged or bulk form. The remaining slurry is mixed with corn or milo and water and then cooked, fermented and distilled into alcohol. The residue of the distilling operations is dried and sold as a high protein additive for animal feed. Carbon dioxide which is produced during the fermentation process is trapped and sold. As a result of these processing operations, the Company sells approximately 95% (by weight) of grain processed.

The table below shows the Company's sales from continuing operations by product group for each of the five years ended June 30, 1996, as well as such sales as a percent of total sales. The table does not reflect the sales of McCormick Distilling Company, a business that was sold as of December 31, 1992.

<TABLE>

PRODUCT GROUP SALES

<CAPTION>

Year Ended June 30,									
1996		1995		1994		1993		1992	
(thousands of dollars)									
Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
-----	---	-----	---	-----	---	-----	---	-----	---

<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Vital Wheat Gluten.....	\$ 39,514	20.3	\$ 49,957	27.7	\$ 70,966	38.2	\$ 54,156	33.1	\$ 46,941	30.1
Premium wheat starch.....	26,354	13.5	23,403	13.0	21,110	11.3	18,423	11.3	17,578	11.3
Alcohol Products:										
Food Grade Alcohol										
Beverage Alcohol.....	39,465	20.3	32,573	18.1	29,536	15.9	27,142	16.6	26,437	17.0
Food Grade Industrial..	32,064	16.5	23,379	13.0	22,585	12.1	17,123	10.5	17,974	11.5
Fuel Grade Alcohol.....	25,347	13.0	28,120	15.6	19,273	10.4	24,468	15.0	21,069	13.6
Alcohol by-products.....	28,449	14.6	19,583	10.9	18,146	9.8	19,288	11.8	17,791	11.4
	-----	----	-----	----	-----	----	-----	----	-----	----
Total alcohol products.....	125,325	64.4	103,655	57.5	89,540	48.2	88,021	53.9	83,271	53.5
	-----	----	-----	----	-----	----	-----	----	-----	----
Flour and other mill products.....	3,445	1.8	3,327	1.8	4,352	2.3	2,826	1.7	8,004	5.1
	-----	----	-----	----	-----	----	-----	----	-----	----
Net sales	\$194,638	100.0	\$180,252	100.0	\$185,968	100.0	\$163,426	100.0	\$155,794	100.0
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====

</TABLE>

Although fiscal 1996 sales increased in 1996 by \$14.4 million, income from operations declined by \$15.0 million to produce a \$3.4 million net loss for the year. The loss, which was the first annual loss in the Company's 55 year history, was due primarily to unusually high grain costs in the face of greatly increased competition from foreign exporters of vital wheat gluten and a relatively flat market for fuel grade alcohol. The combination of these factors significantly restricted the ability of the Company to adjust the price of its gluten and fuel alcohol to compensate for the increased grain costs.

During fiscal 1995 the Company completed \$96.8 million of expansion programs started in 1992 which have more than doubled the Company's 1991 capacity to produce all of its products. Although the Company expects that it will take a number of years to develop profitable markets for all of the new capacity, management believes that the expanded facilities have positioned the Company for profitable growth as conditions in the market place improve.

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The bulk of the Company's sales are made under informal arrangements direct to large institutional food and beverage processors or distributors with respect to which the Company has longstanding relationships. Under these arrangements products are usually ordered, produced, sold and shipped within 30 days. As a consequence, the Company's backlog of orders at any time is usually less than 10 percent of annual sales.

Generally, the Company's sales are not seasonal except for variations affecting alcohol and gluten sales. Fuel alcohol sales increase during the period August through March due to requirements of the Clean Air Act which inhibit the sale of ethanol in certain areas of the country during May 1 through September 15 each year. Certain environmental regulations also favor greater use of ethanol during the winter months of the year. See "Alcohol Products- Fuel Grade Alcohol." Beverage alcohol sales tend to peak in the fall as distributors order stocks for the holiday season, while gluten sales tend to increase during the second half of the fiscal year as demand increases for hot dog buns, hamburger buns, and similar bakery products.

For further information, see the Consolidated Financial Statements of the Company and Management's Discussion and Analysis of the Company's Financial Condition and Results of Operations which appear at pages 11 through 17 of the Annual Report.

Vital Wheat Gluten

Vital wheat gluten is a light tan powder which contains approximately 75% to 80% protein. It is the only commercially available high protein food additive which possesses vitality. The vitality of the Company's vital wheat gluten results from its elastic and cohesive characteristics when added to dough or otherwise reconstituted with water.

Vital wheat gluten is added by bakeries and food processors to baked goods such as wheat breads, and to pet foods, cereals, processed meats, fish, and poultry to improve the nutritional content, texture, strength, shape, and volume of the product. The neutral flavor and color of wheat gluten also enhances, but does not change, the flavor and color of food. It has been increasingly used in breads and pet foods. The cohesiveness and elasticity of the gluten enables the dough in wheat and other high protein breads to rise and to support added ingredients such as whole cracked grains, raisins and fibers.

This allows the baker to make an array of different breads by varying the gluten content of the dough. Vital wheat gluten is also added to white breads, and hot dog and hamburger buns to improve the hinge strength and cohesiveness of the product.

The Company ships its vital wheat gluten throughout the continental United States in bulk and in 50 to 100 pound bags. Approximately 53% of fiscal

1996 gluten sales were made to a distributor for the bakery industry, the Ben C. Williams Bakery Services Company, which in turn distributes vital wheat gluten to independent bakeries. The remainder is sold directly to major food processors and bakeries such as Kellogg Co., Interstate Baking Company, Inc. and H. J. Heinz Co.

The Company's principal competitors in the U.S. vital wheat gluten market consist of three other domestic producers and a number of foreign importers. Foreign exporters provide significant competition from time to time due to low U.S. tariffs and export incentives provided by foreign countries to their wheat starch producers. Based on industry data, the Company believes that in terms of fiscal 1996 sales it is the largest producer of vital wheat gluten in the United States.

Competition in the vital wheat gluten industry is based primarily upon price, quality, and service. Historically, gluten prices have been affected by grain prices, grain quality, excess foreign capacity and by subsidies provided to certain European exporters by their host governments.

The Company's vital wheat gluten processing operations are believed to produce a quality of vital wheat gluten that is equal to or better than that of any other wheat gluten on the market. The Company's location in the center of the United States grain belt, its production capacity and years of operating experience, enable it to provide a consistently high level of cost effective service to customers.

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The Company's sales of vital wheat gluten decreased by \$10.4 million during fiscal 1996 and \$21.0 million during fiscal 1995 from the high levels of fiscal 1994, due to reduced marketing opportunities resulting from significantly increased European gluten imports which began during the second half of calendar 1994. The high level of fiscal 1994 Gluten sales resulted from a worldwide shortage of gluten due to poor quality, low protein-yielding wheat following the extremely wet weather in the spring and summer of 1993. The surge of low priced foreign gluten occurred concurrent with significantly rising wheat costs which began in the third quarter in fiscal 1995. Between March, 1995 and the end of June, 1996, the average per bushel cost of wheat rose from \$4.10 to \$6.53. Because of the flood of low priced foreign gluten, US wheat gluten prices failed to adjust to the rising grain costs with a resulting negative impact on the profitability of the Company's gluten operations.

The substantial increase in European gluten imports are due to sizable increases in European capacity to produce starch and gluten, high subsidies that enable the sale of excess European gluten in the U.S. at low prices and low U.S. tariffs on that gluten. The Company and the United States Wheat Gluten Council have engaged in a number of initiatives to combat the dumping of foreign gluten. Due to these efforts the United States and the European Union ratified an agreement on July 22, 1996, that states: "If the market share of European Community origin wheat gluten exports into the United States increases in comparison to their average 1990-1992 market share, the European Commission and

the United States government shall consult with a view to finding a mutually acceptable solution." Consultations pursuant to that agreement have begun, and the Company is hopeful that they will ultimately result in the creation of a more level playing field. However, until the intensity of competitive conditions subside, pursuant to the outcome of consultations or otherwise, and wheat costs substantially decrease, the Company plans to limit the production of gluten to those amounts necessary for the production of other more profitable wheat by products. In addition, the Company has intensified its efforts to develop additional modified vital wheat gluten products that may be marketed in niches that will be less affected by grain costs and foreign competition.

During fiscal 1995 the Company substantially completed the construction of new wheat gluten production facilities at the Pekin Illinois plant. The expansion has increased the Company's total gluten capacity by approximately 40%. That project, together with other gluten expansion projects that were completed at the Atchison facilities during 1993 and 1994, have approximately doubled the gluten capacity that was available at June 30, 1991. However, as mentioned above, due to the unusually high gluten imports from Europe, and unusually high grain costs, the Company does not expect to immediately use the increased capacity.

Premium Wheat Starch

Wheat starch constitutes the carbohydrate-bearing portion of wheat flour. The Company produces a pure white premium wheat starch powder by extracting the starch from the starch slurry substantially free of all impurities and fibers and then by spray, flash or drum drying the starch. Premium wheat starch differs from low grade or B wheat starches which are extracted along with impurities and fibers and are used primarily as a binding agent for industrial applications such as the manufacture of charcoal briquettes. The Company does not produce low grade or B starches since its integrated processing facilities are able to process the remaining slurry after

the extraction of premium wheat starch into alcohol, animal feed and carbon dioxide. Premium wheat starch differs from corn starch in its granular structure, color, granular size and name identification.

An increasing portion of the Company's premium wheat starch is also chemically altered during processing to produce certain unique modified wheat starches designed for special applications.

The Company's premium wheat starches are used primarily as an additive in a variety of food products to affect their appearance, texture, tenderness, taste, palatability, cooking temperature, stability, viscosity, binding and freeze-thaw characteristics. For example, the Company's starches are used to improve the taste and mouth feel of cream puffs, eclairs, puddings, pie fillings, breadings and batters; to improve the size, symmetry and taste of angel food cakes; to alter the viscosity of soups, sauces and gravies; to improve the freeze-thaw stability and shelf life of fruit pies and other frozen foods; to improve moisture retention in microwavable foods; and to add stability and to improve spreadability in frostings, mixes, glazes and sugar coatings. The Company's specialty starches are also sold for a number of industrial and non-food uses, such as an ink bearing coating in carbonless paper.

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The Company's premium wheat starch is sold nationwide to food processors, such as International Multi-Foods Corp., Pillsbury Company and

Keebler Company, to distributors, and for export to countries such as Japan, Mexico and Malaysia which do not have wheat-based economies.

The Company believes that it is the largest producer of premium wheat starch in the United States. Although wheat starch enjoys a relatively small portion of the total United States starch market, the market is one which is continuing to grow. Growth in the wheat starch market reflects a growing appreciation for the unique characteristics of wheat starch which provide it with a number of advantages over corn and other starches for certain baking and other end uses. The Company has developed a number of different modified wheat starches and continues to explore the development of additional starch products with the view to increasing sales of higher margin modified starches.

Premium wheat starch competes primarily with corn starch, which dominates the United States market. Competition is based upon price, name, color and differing granular and chemical characteristics which affect the food product in which it is used. Premium wheat starch prices usually enjoy a price premium over corn starches and low grade wheat starches. Wheat starch price fluctuations generally track the fluctuations in the corn starch market, except in the case of modified wheat starches. The wheat starch market also usually permits pricing consistent with costs which affect the industry in general, including increased grain costs. The Company's strategy is to market its premium wheat starches in special market niches where the unique characteristics of premium wheat starch or one of the Company's modified wheat starches are better suited to a customer's requirements for a specific use.

Starch sales increased during fiscal 1996 by approximately \$3.0 million, due primarily to higher volumes permitted by increased starch production capacity and increased sales of modified wheat starches.

During June, 1995, the Company completed the construction of a new starch production facility at the Pekin plant. Previously that Plant was equipped only to produce gluten, alcohol and alcohol byproducts. The expansion has increased total starch production capacity by 70%.

Alcohol Products

The Company's Atchison and Pekin plants process corn and milo, mixed with the starch slurry from gluten and starch processing operations, into food grade alcohol, fuel grade alcohol, animal feed and carbon dioxide.

Food grade alcohol, or grain neutral spirits, consists of beverage alcohol and industrial food grade alcohol that are distilled to remove all impurities and all but approximately 5% of the water content to yield high quality 190 proof alcohol. Fuel grade alcohol, or "ethanol," is a lower grade of grain alcohol that is distilled to remove all water to yield 200 proof alcohol suitable for blending with gasoline.

Food Grade Alcohol

Beverage Alcohol. Food grade beverage alcohol consists primarily of grain neutral spirits and gin. Grain neutral spirits is sold in bulk or processed into vodka and gin and sold in bulk quantities at various proof concentrations to bottlers and rectifiers, such as Heublein, Inc. and James B. Beam Distilling Co., which further process the alcohol for sale to consumers under numerous labels.

The Company believes that in terms of fiscal 1996 net sales, it is one of the two largest bulk sellers of grain neutral spirits, vodka and gin in the United States. The Company's principal competitors in the beverage alcohol market are Grain Processing Company of Muscatine, Iowa and Archer Daniels Midland of Decatur, Illinois. Competition is based primarily upon price and service, and in the case of gin, formulation. The Company believes that the centralized location of its Illinois and Kansas distilleries and the capacity of its dual production facilities combine to provide the Company with a customer service advantage that is unique within the industry.

Food Grade Industrial Alcohol. Food grade alcohol which is not sold as beverage alcohol is marketed as food grade industrial alcohol. Food grade industrial alcohol is sold as an ingredient in foods (e.g., vinegar and food flavorings), personal care products (e.g., hair sprays and deodorants), cleaning solutions, biocides, insecticides,

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fungicides, pharmaceuticals, and a variety of other products. Although grain alcohol is chemically the same as petroleum-based or synthetic alcohol, certain customers prefer a natural grain-based alcohol. Food grade industrial alcohol is sold in tank truck or rail car quantities direct to a number of industrial processors, such as Integrated Ingredients, a division of Burns Philip Foods, Inc., 7-Up Company, and Lehn & Fink, a producer of Lysol based household cleaners, from both the Atchison and Pekin plants.

The Company is a minor competitor in the total United States market for food grade industrial alcohol, which is dominated by petroleum-based or synthetic alcohol. Food grade industrial alcohol prices are normally consistent with prices for synthetic industrial alcohol.

Food grade alcohol sales increased by approximately \$6.9 million during fiscal 1996 due primarily to volume increases. Those increases were primarily due to increased demand and the availability of increased capacity derived from the distillery expansion at the Pekin plant.

Fuel Grade Alcohol

Fuel grade alcohol, which is commonly referred to as ethanol, is sold primarily for blending with gasoline to increase the oxygen and octane levels of the gasoline. As an octane enhancer, ethanol can serve as a substitute for lead and petroleum based octane enhancers. As an oxygenate, ethanol permits gasoline to meet certain environmental regulations and laws that regulate air quality by reducing carbon monoxide, hydrocarbon particulate and other toxic emissions generated from the burning of gasoline ("toxics"). Because ethanol is produced from grain, a renewable resource, it also provides a fuel alternative that tends to reduce the country's dependence on foreign oil.

Although ethanol can be blended directly with gasoline as an oxygenate to enable it to reduce toxic air emissions, it also increases the volatility of gasoline or its tendency to evaporate and release volatile organic compounds ("VOC's"). This latter characteristic has precluded it from meeting certain clean air act requirements for gasoline that pertain to nine of the smoggiest US metropolitan areas during the summer months (May 1 through September 15). As a consequence, the demand for ethanol increases during the period from August through March of each fiscal year as gasoline blenders acquire stocks for blending with gasoline to be marketed in the period September 16 through April 30.

The cost of producing ethanol has historically exceeded the cost of producing gasoline and gasoline additives, such as MTBE, all of which are derived from fossil non-renewable fuels such as petroleum. Accordingly, to encourage the production of ethanol for use in gasoline, the Federal government and various states have enacted tax and other incentives designed to make ethanol competitive with gasoline and gasoline additives. Under the internal revenue code, and until October 1, 1999, gasoline that has been blended in qualifying proportions with ethanol provide sellers of the blend with certain income tax credits and excise tax reductions that amount to up to \$0.54 per gallon of ethanol that is mixed with the gasoline. A mix of at least 10% ethanol by volume is required to receive the maximum credit. Although the Federal tax benefits are not directly available to the Company, they allow it to sell its ethanol at prices competitive with less expensive additives and gasoline. From time to time legislation is proposed to eliminate or reduce the tax benefits enjoyed by the ethanol industry, and indirectly by producers of the grain that is converted into ethanol. No assurance can be given that such proposals and complaints will not be successful or that Congress will continue the current subsidies beyond September 30, 1999.

The Kansas Qualified Agricultural Ethyl Alcohol Producer Incentive Fund, which expires in 1999, provides incentives for sales of ethanol produced in Kansas to gasoline blenders. Fiscal 1996 payments to the Company out of the fund totaled \$297,000 for the ethanol produced by the Company at the Atchison plant during that year. A few other states offer ethanol blending incentives, which, in the aggregate, did not materially add to the Company's ethanol revenues during fiscal 1996.

The Fuel grade alcohol market is dominated by Archer Daniels Midland. In recent years the Company and other competitors have significantly increased domestic fuel grade alcohol distillation capacity. During fiscal 1995 the Company more than tripled its fuel grade alcohol production capacity through the expansion of its distillery operations at the Pekin plant. As a consequence, it moved from a very small competitor in the fuel grade market to the smaller

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of a few other larger second tier ethanol producers. The Company competes with other producers of fuel grade alcohol on the basis of price and delivery service. Fuel alcohol prices traditionally follow the movement of gasoline prices.

During 1996 fuel alcohol prices remained flat in the face of rising gasoline prices, in part due to increased industry wide capacity. At the same time the cost of grain escalated to extraordinary levels. The combination of circumstances had a major negative impact on the Company's fuel grade alcohol operations and those of the entire ethanol industry. A number of producers shut down plants or otherwise significantly curtailed ethanol production. The Company's response to the circumstance was to shift as much of its alcohol production as possible into food grade alcohol products where prices were adjusting to increased grain costs and to shut down its Pekin plant for the entire month of June in order to perform extended maintenance.

Alcohol By-Products

The bulk of fiscal 1996 sales of alcohol by-products consist of distillers feeds. Distillers feeds are the residue of corn, milo and wheat from alcohol processing operations. The residue is dried and sold primarily to processors of animal feeds as a high protein additive. The Company competes with other distillers of alcohol as well as a number of other producers of animal food additives in the sale of distillers feeds and mill feeds. The \$8.9 million increase in 1996 sales of alcohol by-products is primarily due to the 1995 expansion of the distillery at the Pekin plant, which approximately doubled the capacity of the Company to produce distillers feeds.

The balance of alcohol by-products consists primarily of carbon dioxide. During the production of alcohol, the Company traps carbon dioxide gas that is emitted in the fermentation process. The gas is purchased and liquefied on site by two principal customers, one at the Atchison Plant and one at the Pekin Plant, who own and operate the carbon dioxide processing and storage equipment under long term contracts with the Company. The liquefied gas is resold by these processors to a variety of industrial customers and producers of carbonated beverages.

Flour and Other Mill Products

The Company owns and operates a flour mill at the Atchison plant. All of the mill's output of flour is used internally for the production of vital wheat gluten and premium wheat starch. In 1993 the Company completed the first of a two-phase expansion of the mill. The second phase of the expansion was completed during the first quarter of fiscal 1995. The entire project increased the mill's total production capacity by approximately 80%.

In addition to flour, the wheat milling process generates mill feeds or midds and a small quantity of wheat germ. Midds are sold to processors of animal feeds as a feed additive. Wheat germ is sold primarily for use in vitamin E production.

Transportation

The Company's output is transported to customers by truck, rail and barge transportation equipment, most of which is provided by common carriers through arrangements made by the Company. The Company leases 250 rail cars which may be dispatched on short notice. Shipment by barge is offered to customers through barge loading facilities on the Missouri and Illinois Rivers. The barge facility on the Illinois River is adjacent to the Pekin plant and owned by the Company. The facility on the Missouri River, which is not company-owned, is approximately one mile from the Atchison plant.

Raw Materials

The Company's principal raw material is grain, consisting of wheat which is processed into all of the Company's products and corn and milo which are processed into alcohol, animal feed and carbon dioxide. Grain is purchased directly from surrounding farms, primarily at harvest time, and throughout the year from grain elevators. Historically, the cost of grain is subject to substantial fluctuations depending upon a number of factors which affect commodity prices in general, including crop conditions, weather, government programs, and purchases by foreign

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governments. Although significant variations in grain prices may temporarily affect positively or negatively the results of the Company's operations, the Company has usually, but not always, been able to compensate for such variations through adjustments in prices charged for the Company's grain products.

Beginning in fiscal 1995 and continuing through fiscal 1996 wheat, corn and milo prices increased to unusually high levels in the face of intense competition from foreign exporters of vital wheat gluten and relatively flat to depressed markets for fuel grade ethanol. In fiscal 1996, the Company's corn and milo costs averaged 44% more per bushel than those costs in fiscal 1995, and wheat costs in fiscal 1996 averaged 32% more per bushel. While the Company used only 2.3 million more bushels of grain in fiscal 1996, its total combined cost for wheat, corn and milo for fiscal 1996 rose approximately \$27 million above grain expenditures in the prior year. The increase in grain prices appears to be primarily due to historically low US stocks of grain reserves caused by weather and increased worldwide demand. The combination of these factors have significantly restricted the ability of the company to adjust the price of its gluten and fuel grade alcohol to compensate for the high grain costs. The Company is responding to these circumstances by shifting as much of its production as is possible to starch and food grade alcohol production, by restricting the production of gluten and fuel grade alcohol and through the implementation of other cost-cutting measures.

Historically the Company has not engaged in the purchase of commodity futures to hedge economic risks associated with fluctuating grain and grain products prices. However, due to the significantly increased volumes of grain and grain products that are expected as a result of the expansion of the Company's production facilities and the fact that the markets for an increasing portion of the Company's products are not adjusting to fluctuations in grain costs, the Company began during 1995 to make limited purchases of commodity futures, including wheat, corn and gasoline futures. It expects to increase such hedging activity in the future.

Energy

Because energy comprises a major cost of operations, the Company seeks to assure the availability of fuels for the Pekin and Atchison plants at competitive prices.

All of the natural gas demand for the Atchison plant is transported by a wholly-owned subsidiary which owns a gas pipeline. The subsidiary procures the gas in the open market from various suppliers. The Atchison boilers may also be oil fired.

In the past, the Company's Pekin plant generated the bulk of its energy needs from coal and gas fired boilers. However, due to the expansion of the Pekin plant, the Company entered into a long-term arrangement in 1995 with an Illinois utility to satisfy the energy needs of the entire plant with a new gas fired plant. Under the arrangement, the utility constructed at the Pekin plant on ground leased from the Company a gas powered electric and steam generating facility. The utility sells to the Company steam and electricity, generally at fixed rates, using gas procured by the Company.

Employees

As of June 30, 1996, the Company had 385 employees, 263 of whom are covered by three collective bargaining agreements with two labor unions. On August 31, 1996, the Company successfully negotiated a contract covering 168 employees at the Atchison Plant. A contract covering 93 employees expires at the Pekin plant on October 31, 1996, and the third contract covering 2 employees expires on June 30, 1997. As of June 30, 1995, the Company had 429 employees. The decline in employees resulted primarily from measures taken during fiscal

1996 to reduce the size of the workforce due to adverse economic circumstances affecting the Company's operations.

During fiscal 1995, the Company reduced compensation expense for non-union personnel, including managers and executives by over \$2.0 million. An additional \$1.2 million reduction was implemented in 1996. The reductions include reductions of base salary in 1996 of approximately 8%, major reductions in cash bonuses and ESOP contributions in 1995 and the elimination of all bonus programs and ESOP contributions in 1996. These reductions were implemented in response to the decline in the Company's operating results during the last two fiscal years.

The Company considers its relations with its personnel to be good and has not experienced a work stoppage since 1978.

Regulation

The Company's beverage and industrial alcohol business is subject to regulation by the Bureau of Alcohol, Tobacco and Firearms ("BATF") and the alcoholic beverage agencies in the States of Kansas and Illinois. Such regulation covers virtually every aspect of the Company's alcohol operations, including production facilities, marketing, pricing, labeling, packaging, and advertising. Food products are also subject to regulation by the Food and Drug Administration. BATF regulation includes periodic BATF audits of all production reports, shipping documents, and licenses to assure that proper records are maintained. The Company is also required to file and maintain monthly reports with the BATF of alcohol inventories and shipments.

Item 2. Properties.

The Company maintains the following principal plants, warehouses and office facilities:

Location -----	Purpose -----	Plant Area (in sq. ft.) -----	Tract Area (in acres) -----
Atchison, Kansas	Principal executive offices, grain processing, warehousing, and research and quality control laboratories.	494,640	25
Pekin, Illinois	Grain processing, warehousing, and quality control laboratories.	462,926	49

Except as otherwise reflected under Item 1, the facilities mentioned above are generally in good operating condition, are currently in normal operation, are generally suitable and adequate for the business activity conducted therein, and have productive capacities sufficient to maintain prior levels of production. Except as otherwise reflected under Item 1, all of the plants, warehouses and office facilities are owned. Although none are subject to any major encumbrance, the Company has entered into loan agreements which contain covenants against the pledging of such facilities to others. The Company also owns transportation equipment and a gas pipeline described under Transportation and Energy.

Item 3. Legal Proceedings.

There are no material legal proceedings pending as of June 30, 1996. Legal proceedings which are pending consist of matters normally incident to the business conducted by the Company and taken together do not appear material.

Item 4. Submissions of Matters to a Vote of Security Holders.

No matters have been submitted to a vote of stockholders during the fourth quarter of fiscal year covered by this report.

PART II

Item 5. Market for Registrants Common Equity and Related Stockholders Matters.

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The Common Stock of the Company has been traded on the NASDAQ National Market System under the symbol MWGP since November 1988.

The following table reflects the cash dividends paid and the high and low closing prices of the Common Stock for each quarter of fiscal 1996 and 1995:

	Quarterly Cash Dividends -----	Sales Price High	Low ---
1995:			
First Quarter.....	\$.125	\$ 36.25	\$ 27.25
Second Quarter.....	.125	28.50	22.50
Third Quarter.....	.125	24.00	17.00
Fourth Quarter.....	.125	18.75	17.00

	\$.50		
	=====		
1996:			
First Quarter.....	\$.000	\$ 19.50	\$ 16.50
Second Quarter.....	.000	17.00	10.75
Third Quarter.....	.000	15.00	12.00
Fourth Quarter.....	.000	13.50	11.38

	\$.000		
	=====		

At June 30, 1996, there were approximately 1,000 holders of record of the Company's Common Stock. It is believed that the Common Stock is held by more than 2,000 beneficial owners.

Item 6. Selected Financial Data.

Incorporated by reference to the information under Selected Financial Information on page 10 of the Annual Report, a copy of which page is included in Exhibit 10(c) to this Report.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Incorporated by reference to the information under Managements Discussion and Analysis of Financial Condition and Results of Operations on pages 11 through 17 of the Annual Report, copies of which pages are included in Exhibit 10(c) to this Report.

Item 8. Financial Statements and Supplementary Data.

Incorporated by reference to the consolidated financial statements and related notes on pages 18 through 28 of the Annual Report, copies of which pages are included in Exhibit 10(c) to this Report.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

Not applicable.

PART III

Item 10. Directors and Executive Officers of the Registrant.

The directors and executive officers of the Company are as follows:

Name	Age	Position
-----	---	-----
Cloud L. Cray, Jr.	73	Chairman of the Board and Director

Laidacker M. Seaberg	50	President, Chief Executive Officer and Director
Sukh Bassi, Ph.D.	55	Vice President - Vital Wheat Gluten Marketing, Research and Development and Corporate Technical Director
Robert G. Booe	59	Vice President - Administration, Controller, Treasurer and Chief Financial Officer
Gerald Lasater	58	Vice President - Wheat Starch Marketing
Raymond Miller	62	Vice President - Purchasing and Energy and President of Midwest Grain Pipeline, Inc.
Anthony J. Petricola	60	Vice President - Engineering
Randy M. Schrick	46	Vice President - Operations and Director
Robert L. Swaw	66	Vice President - Alcohol Marketing
Michael Braude	60	Director
Richard J. Bruggen	70	Director
F.D. "Fran" Jabara	71	Director
Tom MacLeod, Jr.	48	Director
Robert J. Reintjes	64	Director
Eleanor B. Schwartz, D.B.A.	59	Director

Mr. Cray, Jr. has been a Director since 1957, and has served as Chairman of the Board since 1980. He served as Chief Executive Officer from 1980 to September, 1988, and has been an officer of the Company and its affiliates for more than thirty years.

Mr. Seaberg, a Director since 1979, joined the Company in 1969 and has served as the President of the Company since 1980 and as Chief Executive Officer since September, 1988. He is the son-in-law of Mr. Cray, Jr.

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Dr. Bassi has served as Vice President of Research and Development since 1985, Technical Director since 1989 and Vice President - Vital Wheat Gluten Marketing since 1992. From 1981 to 1992 he was Manager of the Vital Wheat Gluten Strategic Business Unit. He was previously a professor of biology at Benedictine College for ten years.

Mr. Booe has served as Vice President, Treasurer and Chief Financial Officer of the Company since 1988. He joined the Company in 1966 as its Treasurer and became the Controller and Treasurer in 1980. In 1992 he was assigned the additional task of Vice President - Administration.

Mr. Lasater joined the Company in 1962. He has served as Vice President - Starch Marketing since 1992. Previously he served as Vice President in charge of the Wheat Starch Strategic Business Unit.

Mr. Miller joined the Company in 1956. He has served as Vice President - Purchasing and Energy since 1992, President of Midwest Grain Pipeline, Inc. since 1987, and as Vice President of the Company since 1967.

Mr. Petricola joined the Company in 1985. He has served as Vice President - Engineering since 1992. Previously he served as Corporate Director of Engineering.

Mr. Schrick, a Director since 1987, joined the Company in 1973. He has served as Vice President - Operations since 1992. From 1984 to 1992 he served as Vice President and General Manager of the Pekin plant. From 1982 to 1984 he was the Plant Manager of the Pekin Plant. Prior to 1982, he was Production Manager at the Atchison plant.

Mr. Swaw joined the Company in 1989. He has served as Vice President-Alcohol Marketing since September 1, 1995. Previously he was sales manager of the Company's industrial alcohol division. Before joining the Company, Mr. Swaw was general manager for the bulk alcohol division of Sofecia, S.A. and general sales manager with Publicker Industries in Philadelphia.

Mr. Bruggen has been a Director since 1976 and is a member of the Audit and Human Resources committees. He was Senior Vice President of Atchison Casting Corporation from 1991 until his retirement in 1992. Previously he was the

General Manager of Rockwell International Plants at Atchison, Kansas and St. Joseph, Missouri.

Mr. Braude has been a Director since 1991 and is Chairman of the Audit Committee and a member of the Nominating Committee. He has been the President and Chief Executive Officer of the Kansas City Board of Trade, a commodity futures exchange, since 1984. Previously he was Executive Vice President of American Bank & Trust Company of Kansas City. Mr. Braude is a director of Country Club Bank, Kansas City, Missouri and National Futures Association, a member and immediate Past Chairman of the National Grain Trade Council and a trustee of the University of Missouri-Kansas City and of Midwest Research Institute.

Mr. Jabara has been a director since October 6, 1994, and is Chairman of the Human Resources Committee and a member of the Audit Committee. He is President of Jabara Ventures Group, a venture capital firm. From September 1949 to August 1989 he was a distinguished professor of business at Wichita State University, Wichita, Kansas. He is also a director of Commerce Bank, Wichita, Kansas and NPC International, Inc., an operator of numerous Pizza Hut and other quick service restaurants throughout the United States.

Mr. MacLeod, Jr. has been a Director since 1986 and is a member of the Audit and Nominating Committees. He has been the President and Chief Operating Officer of Iams Company, a manufacturer of premium pet foods, since 1989. Previously, he was President and Chief Executive Officer of Kitchens of Sara Lee, a division of Sara Lee Corporation, a food products company.

Mr. Reintjes has been a Director since 1986, and is a member of the Audit and Human Resources Committees. He has served as President of Geo. P. Reintjes Co., Inc., of Kansas City, Missouri, for the past 23 years. The Geo. P. Reintjes Co., Inc. is engaged in the business of refractory construction. He is a director of Butler Manufacturing Company, a manufacturer of pre-engineered buildings, and Commerce Bank of Kansas City.

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Dr. Schwartz has been a director since June 3, 1993. She is Chairman of the Nominating Committee and a member of the Audit Committee. She has been the Chancellor of the University of Missouri-Kansas City since May 1992, and was previously the Vice Chancellor for Academic Affairs. She is a Trustee of Midwest Research Institute and a director of ANNUHCO, Inc. and Waddell, Reed, Torchmart and United Funds Group, Inc.

The Board of Directors is divided into two groups (Groups A and B) and three classes. Group A directors are elected by the holders of Common Stock and Group B directors are elected by the holders of Preferred Stock. One class of directors is elected at each annual meeting of stockholders for three-year terms. The present directors' terms of office expire as follows:

Group A Directors	Term Expires	Group B Directors	Term Expires
Mr. Bruggen	1997	Mr. Cray, Jr.	1998
Mr. MacLeod	1998	Mr. Reintjes	1998
Dr. Schwartz	1996	Mr. Braude	1997
		Mr. Jabara	1997
		Mr. Schrick	1996
		Mr. Seaberg	1996

Item 11. Executive Compensation.

Incorporated by reference to the information under "Executive Compensation" on pages 15 through 19 of the Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management.

Incorporated by reference to the information under "Principal Stockholders" beginning on page 20 of the Proxy Statement.

Item 13. Certain Relationships and Related Transactions.

None.

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PART IV

Item 14. Exhibits, Financial Statement Schedules and Reports on Form 8-K.

The following documents are filed as part of this report:

(a) Financial Statements:

Auditors Report on Financial Statements.
Consolidated Balance Sheets at June 30, 1996 and 1995.
Consolidated Statements of Income - for the Three Years Ended
June 30, 1996, 1995 and 1994.
Consolidated Statements of Stockholders Equity for the Three
Years Ended June 30, 1996, 1995 and 1994.
Consolidated Statements of Cash Flow - for the Three Years
Ended June 30, 1996, 1995 and 1994.
Notes to Consolidated Financial Statements.

The foregoing have been incorporated by reference to the Annual
Report as indicated under Item 8.

(b) Financial Statement Schedules:

Auditors Report on Financial Statement Schedules:
VIII - Valuation and Qualifying Accounts

All other schedules are omitted because they are not applicable
or the information is contained in the Consolidated
Financial Statements or notes thereto.

(c) Exhibits:

Exhibit No. -----	Description -----
3(a)	Articles of Incorporation of the Company (Incorporated by reference to Exhibit 3(a) of the Company's Registration Statement No. 33-24398 on Form S-1).
3(b)	Bylaws of the Company (Incorporated by reference to Exhibit 3(b) of the Company's Registration Statement No. 33-24398 on Form S-1).
4(a)	Copy of Note Agreement dated as of August 1, 1993, providing for the issuance and sale of \$25 million of 6.68% term notes ("Term Notes", incorporated by reference to Exhibit 4.1 to the Company's Report on Form 10-Q for the quarter ended September 30, 1993).
4(b)	Copy of Term Notes dated August 27, 1993 (incorporated by reference to Exhibit 4.2 to the Company's Report on Form 10-Q for the quarter ended September 30, 1993).
4(c)	Copy of Third Amended Line of Credit Loan Agreement providing for the Issuance of a Line of Credit Note in the amount of \$27,000,000.
4(d)	Copy of Line of Credit Note Under Third Amended Line of Credit Loan Agreement.
9(a)	Copy of Cray Family Trust (Incorporated by reference to Exhibit 1 of Amendment No. 1 to Schedule 13D of Cloud L. Cray, Jr. dated November 17, 1995).
10(a)	Summary of informal cash bonus plan (incorporated by reference to the summary contained in the Company's Proxy Statement dated September 19, 1996, which is incorporated by reference into Part III of this Form 10-K).
10(b)	Executive Stock Bonus Plan as amended June 15, 1992 (incorporated by reference to Exhibit 10(b) to the Company's Form 10-K for the year ended June 30, 1992).
10(c)	Information contained in the Midwest Grain Products, Inc. 1996 Annual Report to Stockholders that is incorporated herein by

reference.

- 10(d) Copy of Midwest Grain Products, Inc. Stock Incentive Plan of 1996, as amended as of August 26, 1996 (incorporated by reference to Exhibit A to Midwest Grain Products, Inc. Notice of 1996 Annual Meeting and Proxy Statement under definitive Schedule 14A filed September 17, 1996).
- 10(e) Form of Stock Option with respect to stock options granted under the Midwest Grain Products, Inc. Stock Incentive Plan of 1996.
- 10(f) Copy of Midwest Grain Products, Inc. 1996 Stock Option Plan for Outside Directors, as amended as of August 26, 1996 (incorporated by reference to Exhibit B to Midwest Grain Products, Inc. Notice of 1996 Annual Meeting and Proxy Statement under definitive Schedule 14A filed September 17, 1996).
- 22 Subsidiaries of the Company other than insignificant subsidiaries:

Subsidiary -----	State of Incorporation or Organization -----
Midwest Solvents Company of Illinois, Inc.	Illinois
Midwest Grain Pipeline, Inc.	Kansas
Midwest Grain Products of Illinois, Inc.	Illinois
Midwest Purchasing Company, Inc.	Illinois

- 25 Powers of Attorney executed by all officers and directors of the Company who have signed this report on Form 10-K (incorporated by reference to the signature pages of this report).
- 27 Midwest Grain Products Financial Data Schedule as at June 30, 1996 and for the year then ended.

No reports on Form 8-K have been filed during the quarter ended June 30, 1996.

SIGNATURES

Pursuant to requirements of Section 13 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, in the city of Atchison, State of Kansas, on this 19th day of September, 1996.

MIDWEST GRAIN PRODUCTS, INC.

By /s/Laidacker M. Seaberg

 Laidacker M. Seaberg, President

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Cloud L. Cray, Jr., Laidacker M. Seaberg and Robert G. Booe and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and re-substitution, for him and in his name, place and stead, in any and all capacities, to sign any and all reports of the Registrant on Form 10-K and to sign any and all amendments to such reports and to file the same with all exhibits thereto, and other documents in connection therewith, with the Securities & Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant in the capacities indicated on the dates indicated.

Name	Title	Date
----	-----	----
/s/ Laidacker M. Seaberg ----- Laidacker M. Seaberg	President (Principal Executive Officer) and Director	September 19, 1996
/s/ Robert G. Booe ----- Robert G. Booe	Vice President, Treasurer and Controller (Principal Financial and Accounting Officer)	September 19, 1996
/s/ Michael Braude ----- Michael Braude	Director	September 19, 1996
/s/ Richard J. Bruggen ----- Richard J. Bruggen	Director	September 19, 1996
/s/ Cloud L. Cray, Jr. ----- Cloud L. Cray, Jr.	Director	September 19, 1996
/s/ F. D. Jabara ----- F. D. "Fran" Jabara	Director	September 19, 1996
/s/ Tom MacLeod ----- Tom MacLeod, Jr.	Director	September 19, 1996
/s/ Robert J. Reintjes ----- Robert J. Reintjes	Director	September 19, 1996
/s/ Randy M. Schrick ----- Randy M. Schrick	Director	September 19, 1996
/s/ Eleanor B. Schwartz ----- Eleanor B. Schwartz	Director	September 19, 1996

MIDWEST GRAIN PRODUCTS, INC.

Consolidated Financial Statement Schedules
(Form 10-K)

June 30, 1996, 1995 and 1994

(With Auditors' Report Thereon)

BAIRD,
KURTZ &
DOBSON

Report of Independent Accountants

on Financial Statement Schedule

Certified Board of Directors and Stockholders
Public Midwest Grain Products, Inc.
Accountants Atchison, Kansas

In connection with our audit of the financial statements of MIDWEST GRAIN PRODUCTS, INC. for each of the three years in the period ended June 30, 1996, we have also audited the following financial statement schedule. This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement schedule based on our audits of the basic financial statements. The schedule is presented for purposes of complying with the Securities and Exchange Commission's rules and regulations and is not a required part of the consolidated financial statements.

In our opinion, the financial statement schedule referred to above, when considered in relation to the basic financial statements taken as a whole, presents fairly, in all material respects, the information required to be included therein.

/s/Baird, Kurtz & Dobson

Kansas City, Missouri
August 9, 1996

City Center Square
Suite 2700
1100 Main
Kansas City,
Missouri 64105
816 221-6300

FAX: 816 221-6380

With Offices in:

Arkansas
Colorado
Kansas
Kentucky
Missouri
Nebraska
Oklahoma

Member of
Moore's Rowland
International

MIDWEST GRAIN PRODUCTS, INC.

VIII. VALUATION AND QUALIFYING ACCOUNTS

Balance, Beginning of Period -----	Additions -----		Deductions Write-Offs -----	Balance, End of Period -----
	Charged to Costs and Expenses -----	Charged to Other Accounts -----		

(In Thousands)

YEAR ENDED	JUNE 30, 1996	\$85	\$214	\$14	\$285
Allowance for doubtful accounts		==	===	==	===
YEAR ENDED	JUNE 30, 1995	\$25	\$101	\$41	\$ 85
Allowance for doubtful accounts		==	===	==	==
YEAR ENDED	JUNE 30, 1994	\$25	\$ 59	\$59	\$ 25
Allowance for doubtful accounts		==	===	==	===

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EXHIBIT INDEX

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Exhibit No. -----	Description -----										
22	Subsidiaries of the Company other than insignificant subsidiaries: <table border="0" style="margin-left: 40px;"><thead><tr><th style="text-align: left;">Subsidiary -----</th><th style="text-align: left;">State of Incorporation or Organization -----</th></tr></thead><tbody><tr><td>Midwest Solvents Company of Illinois, Inc.</td><td>Illinois</td></tr><tr><td>Midwest Grain Pipeline, Inc.</td><td>Kansas</td></tr><tr><td>Midwest Grain Products of Illinois, Inc.</td><td>Illinois</td></tr><tr><td>Midwest Purchasing Company, Inc.</td><td>Illinois</td></tr></tbody></table>	Subsidiary -----	State of Incorporation or Organization -----	Midwest Solvents Company of Illinois, Inc.	Illinois	Midwest Grain Pipeline, Inc.	Kansas	Midwest Grain Products of Illinois, Inc.	Illinois	Midwest Purchasing Company, Inc.	Illinois
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25	Powers of Attorney executed by all officers and directors of the Company who have signed this report on Form 10-K (incorporated by reference to the signature pages of this report).										
27	Midwest Grain Products Financial Data Schedule as at June 30, 1996 and for the year then ended.										

Exhibit 4(d)

LINE OF CREDIT NOTE

\$27,000,000

FOR VALUE RECEIVED, the undersigned, MIDWEST GRAIN PRODUCTS, INC., a Kansas corporation ("Borrower") hereby promises to pay to the order of Commerce Bank, N.A. ("Bank") at its offices in Kansas City, Missouri, the aggregate unpaid principal amount and accrued interest of all borrowings hereunder. The aggregate unpaid principal amount shall also become immediately due and payable, without demand or further action on the part of Bank upon the occurrence of an event of default as set forth in Section 4.1 of the Third Amended Line of Credit Loan Agreement, as amended, dated as of July 16, 1996 (the "Agreement").

Interest on this note shall be calculated on the actual number of days on the basis of a year of 360 days. If the outstanding balance is less than \$500,000, the line of credit shall bear interest at a per annum rate equal to the Prime Rate. If the outstanding balance is \$500,000 or greater, the line of credit shall bear interest at the greater of either (1) the Prime Rate, minus 1 %, or (2) the Federal Funds Rate plus 1.50%.

Interest will be payable monthly, in arrears, and at maturity, whether by acceleration or otherwise, beginning August 1, 1996, and on the first day of each month thereafter. Interest will be computed on the actual days outstanding based upon a year consisting of 360 days. If any interest payment on this note shall become due and payable on a day which is not a business day of Bank, payment shall be made on the next succeeding business day of Bank.

"Prime Rate" means the Prime Rate of interest established from time to time by Commerce Bank and designated as such for its internal convenience, and no representation is made that the Prime Rate is the best, the lowest or a favored

rate of interest. The rate of interest, if tied to the Prime Rate, shall change with and be effective on the date of each change in the Prime Rate.

"Federal Funds Rate" means the effective Federal Funds Rate as quoted by the Federal Reserve Bank of New York on a daily basis. The Federal Funds Rate is adjusted daily.

So long as the Agreement has not been terminated, Borrower may, from the date of this note through October 1, 1998 borrow, repay and reborrow sums, at any one time outstanding, not to exceed \$27,000,000. All advances and repayments hereunder shall be endorsed on the reverse hereof (or an attached schedule) by the Bank or holder, and between the undersigned and Bank, such endorsements and the balances derived from such endorsements shall be conclusively presumed to reflect the amounts advanced and repaid hereunder and the then outstanding and unpaid balance of sums advanced or readvanced hereunder.

The undersigned hereby waives presentment, protest, demand and notice of dishonor or default.

This note is issued pursuant to the terms of the Agreement, to which Agreement, and any amendments thereto, reference is hereby made for a statement of the terms and conditions under which this borrowing was made, and is to be repaid.

MIDWEST GRAIN PRODUCTS, INC.

By: /s/Ladd M. Seaberg

Title: President and CEO

By: /s/Robert G. Booe

Title: Vice President and Chief
Financial Officer

Exhibit 4(d)

LINE OF CREDIT NOTE

\$27,000,000

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The undersigned hereby waives presentment, protest, demand and notice of dishonor or default.

This note is issued pursuant to the terms of the Agreement, to which Agreement, and any amendments thereto, reference is hereby made for a statement of the terms and conditions under which this borrowing was made, and is to be repaid.

MIDWEST GRAIN PRODUCTS, INC.

By: /s/Ladd M. Seaberg

Title: President and CEO

By: /s/Robert G. Booe

Title: Vice President and Chief
Financial Officer

Exhibit 10(e)

MIDWEST GRAIN PRODUCTS, INC.
INCENTIVE STOCK OPTION
GRANTED UNDER THE STOCK INCENTIVE PLAN OF 1996

Date of Grant: January 5, 1996

12,000 Shares

Time of Grant: 10:15 a.m. CST

THIS OPTION IS NOT ASSIGNABLE

Grant. Midwest Grain Products, Inc., a Kansas corporation (the "Company"), hereby grants to the optionee named below an option to purchase, in accordance with and subject to the terms and restrictions set forth in the Midwest Grain Products, Inc. Stock Incentive Plan of 1996 (the "Plan") and in this option, the number of shares of Common Stock, no par value, of the Company ("Shares") set forth below, at the price set forth below and expiring at the date set forth below:

Optionee: Robert G. Booe

Number of Shares subject to option: 12,000

Number of such Shares to be Incentive Options: 9,000

Number of such Shares to be Nonqualified Options: 3,000

Option price per Share: \$14.00

Incentive Stock Option. This option is intended to qualify as an incentive stock option under Section 422 of the Code, as amended from time to time ("Incentive Option") as to the shares specified above to be Incentive Options and as a nonqualified option as to the remainder of such shares ("Nonqualified Option"); provided that to the extent that the aggregate fair market value (as defined in the Code), of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by you during any calendar year under the Plan or any other Company plan exceeds \$100,000, this Option shall be treated as a Nonqualified Option in accordance with the provisions of Section 422 of the Code, as amended.

Exercisability.

(a) Incentive Option Installments. Subject to the \$100,000 limitation, the Incentive options shall become exercisable as to all or any part of 3,000 shares upon the first anniversary of the Date of Grant, 3,000 shares upon the second anniversary of the Date of Grant, 1,500 shares on the third anniversary of the Date of Grant and 1,500 shares on the fourth anniversary of the Date of Grant.

(b) Nonqualified Option Installments. The Nonqualified options shall become exercisable as to all or any part of 0 shares upon the first anniversary of the Date of Grant, 0 shares upon the second anniversary of the Date of Grant, 1,500 shares on the third anniversary of the Date of Grant and 1,500 shares on the fourth anniversary of the Date of Grant.

(c) Other Provision concerning Exercisability. The options shall otherwise be exercisable to the extent permitted in the Plan, including provisions therein relating to a Change In Control, death, retirement or other termination of employment. Installments or portions thereof not exercised in earlier periods shall be cumulative and shall be available for exercise in later periods.

Term. All options granted to you under this grant must be exercised, if at all, within five years after the date of this grant. In the event of your death, retirement from the Company or other termination of employment, whether voluntary or involuntary, the options will expire and may be exercised in the manner specified in Section 6 of the Plan.

Exercise. Upon exercise of an option, you may pay all or any part of the option price in cash, by check satisfactory to the Company or by transfer to the Company of shares of Mature Stock or other Common Stock which was not obtained through the exercise of a stock option owned by the Optionee or by the withholding of shares to be distributed in connection with the exercise of this Option. Notwithstanding the foregoing, Shares issued under an Incentive Stock Option may not be withheld to pay any portion of the purchase price. Common Stock transferred to the Company or withheld from shares to be distributed in payment of the option price or withholding taxes shall be valued at the Fair Market Value of the Common Stock on the date of the exercise.

Option Not Assignable. This Option is not transferable by you otherwise than by will or the laws of descent and distribution, and is exercisable, during your lifetime, only by you.

Not a 10% Owner. You hereby certify that, at the date hereof, you believe that you do not own stock of the Company that possesses more than 10 percent of the total combined voting power of all classes of stock of the Company or of any parent or subsidiary of the Company.

Payment of Taxes. The Plan grants the Company the authority to make such provision as the Company deems appropriate for the collection of any taxes which the Company may withhold in connection with the grant or exercise of options. Pursuant to that authority, the Company authorizes you to settle withholding taxes generated upon the exercise of Nonqualified Options by allowing you to pay the taxes with cash or shares of the Company's Common Stock in accordance with the following guidelines:

1. You may satisfy obligations to pay to the Company the amount of any federal, state or local income tax imposed on you as a result of the exercise of this option by either:

(a) Delivering to the Company a personal check satisfactory to the Company in the amount of the tax liability on the date that the amount of the tax to be withheld is to be determined (the "Tax Date"); or by

(b) Electing to pay the tax liability in shares of the Company's Common Stock ("Stock Payment Election") by

(1) directing the Company at or prior to the Tax Date to withhold from the number of shares to be issued to the optionee in connection with the exercise of a Nonqualified Option that number of shares equal to the amount of the tax liability divided by the fair market value (as defined by the Plans) of one share of the Company's common stock on the Tax Date; or

(2) delivering to the Company on the Tax Date good and marketable title to that number of shares of Mature Stock (as defined in the Plan) or other Stock which was not obtained through the exercise of a stock option owned by you, as shall equal the amount of the tax liability divided by the fair market value of one share of the Company's common stock on the Tax Date.

2. If you are subject to the provisions of Section 16 of the Securities Exchange Act of 1934, then you may settle the tax liability pursuant to a Stock Payment Election only in accordance with the following additional restrictions so long as Rule 16b-3, as amended, imposes such requirements:

(a) A Stock Payment Election that is made by delivering pre owned shares under 1(b)(2) above may be made by delivering the shares concurrent with the exercise of the option whether or not the option is exercised during the third through the twelfth business days following the release of quarterly financial information ("window period)." However, a Stock Payment Election that is made by directing the Company to withhold shares to satisfy the taxes must be made either (i) during a window period in which the option is exercised or before such window period so long as the election takes effect in that window period or (ii) six months before the date the option is exercised.

(b) A Stock Payment Election must be made in writing and shall be irrevocable by you once made;

(c) The Committee shall have the right at any time to disapprove the election at any time after it is made; and

(d) The election must be made at least six months after the Date of Grant.

3. No fractional shares will be issued in connection with any election to satisfy a tax liability by paying in shares. The balance of any tax liability representing a fraction of a share will be settled in cash.

4. The amount of tax which may be paid by an optionee pursuant to a Stock Payment Election will be the federal, state and local income taxes (including FICA taxes) applicable to the exercise of the option determined by applying the higher of either (a) the rate normally applied to the optionee's regular wages by the Company or (b) the employee's highest applicable maximum marginal tax rate, such rate to be selected by the optionee at the time of the election to pay the taxes with surrendered or withheld shares.

3

5. The provisions of these rules relating to the use of stock to satisfy obligations may be unilaterally revised by the Committee from time to time to conform the same to any applicable laws or regulations.

Compliance With Law. When the issue or transfer of the shares covered by this option may, in the opinion of the Company, conflict or be inconsistent with any applicable law or regulation of any governmental agency having jurisdiction, the Company reserves the right to refuse to issue or transfer said stock. The Company may also legend certificates covering shares purchase hereunder with usual and customary transfer restrictions to insure compliance with applicable securities laws, and may issue the same subject to its prior receipt of written representations from optionee in form and substance satisfactory to the Company.

Option Subject to Stockholder Approval. This Stock Option shall become null and void if the Plan is not approved by the Stockholders of the Company prior to January 5, 1997, in accordance with the terms of the Plan. In such event all benefits conferred hereunder shall be deemed canceled and you shall have no further rights hereunder or by virtue hereof.

IN WITNESS WHEREOF, this instrument has been executed by the Company as of

this 5th day of January, 1996.

MIDWEST GRAIN PRODUCTS, INC.

By /s/Laidacker M. Seaberg

Laidacker M. Seaberg
President and Chief Executive
Officer

ACKNOWLEDGEMENT

I hereby acknowledge receipt of the above option and a copy of the Plan referred to in said option. I am familiar with the terms of the Plan, and I understand my rights under the option are subject to and governed by the terms of the Plan, as well as by the terms set forth in the foregoing option itself.

4

1-5-96

Date Acknowledged

/s/Robert G. Booe

Signature of Optionee

5

Exhibit 10(e)

MIDWEST GRAIN PRODUCTS, INC.
INCENTIVE STOCK OPTION
GRANTED UNDER THE STOCK INCENTIVE PLAN OF 1996

Date of Grant: January 5, 1996

12,000 Shares

Time of Grant: 10:15 a.m. CST

THIS OPTION IS NOT ASSIGNABLE

Grant. Midwest Grain Products, Inc., a Kansas corporation (the "Company"), hereby grants to the optionee named below an option to purchase, in accordance with and subject to the terms and restrictions set forth in the Midwest Grain Products, Inc. Stock Incentive Plan of 1996 (the "Plan") and in this option, the number of shares of Common Stock, no par value, of the Company ("Shares") set forth below, at the price set forth below and expiring at the date set forth below:

Optionee: Robert G. Booe

Number of Shares subject to option: 12,000

Number of such Shares to be Incentive Options: 9,000

Number of such Shares to be Nonqualified Options: 3,000

Option price per Share: \$14.00

Incentive Stock Option. This option is intended to qualify as an incentive stock option under Section 422 of the Code, as amended from time to time ("Incentive Option") as to the shares specified above to be Incentive Options and as a nonqualified option as to the remainder of such shares ("Nonqualified Option"); provided that to the extent that the aggregate fair market value (as defined in the Code), of Common Stock with respect to which Incentive Stock Options are exercisable for the first time by you during any calendar year under the Plan or any other Company plan exceeds \$100,000, this Option shall be treated as a Nonqualified Option in accordance with the provisions of Section 422 of the Code, as amended.

Exercisability.

(a) Incentive Option Installments. Subject to the \$100,000 limitation, the Incentive options shall become exercisable as to all or any part of 3,000 shares upon the first anniversary of the Date of Grant, 3,000 shares upon the second anniversary of the Date of Grant, 1,500 shares on the third anniversary of the Date of Grant and 1,500 shares on the fourth anniversary of the Date of Grant.

(b) Nonqualified Option Installments. The Nonqualified options shall become exercisable as to all or any part of 0 shares upon the first anniversary of the Date of Grant, 0 shares upon the second anniversary of the Date of Grant, 1,500 shares on the third anniversary of the Date of Grant and 1,500 shares on the fourth anniversary of the Date of Grant.

(c) Other Provision concerning Exercisability. The options shall otherwise be exercisable to the extent permitted in the Plan, including provisions therein relating to a Change In Control, death, retirement or other termination of employment. Installments or portions thereof not exercised in earlier periods shall be cumulative and shall be available for exercise in later periods.

Term. All options granted to you under this grant must be exercised, if at all, within five years after the date of this grant. In the event of your death, retirement from the Company or other termination of employment, whether voluntary or involuntary, the options will expire and may be exercised in the manner specified in Section 6 of the Plan.

Exercise. Upon exercise of an option, you may pay all or any part of the option price in cash, by check satisfactory to the Company or by transfer to the Company of shares of Mature Stock or other Common Stock which was not obtained through the exercise of a stock option owned by the Optionee or by the withholding of shares to be distributed in connection with the exercise of this Option. Notwithstanding the foregoing, Shares issued under an Incentive Stock Option may not be withheld to pay any portion of the purchase price. Common Stock transferred to the Company or withheld from shares to be distributed in payment of the option price or withholding taxes shall be valued at the Fair Market Value of the Common Stock on the date of the exercise.

Option Not Assignable. This Option is not transferable by you otherwise than by will or the laws of descent and distribution, and is exercisable, during your lifetime, only by you.

Not a 10% Owner. You hereby certify that, at the date hereof, you believe that you do not own stock of the Company that possesses more than 10 percent of the total combined voting power of all classes of stock of the Company or of any parent or subsidiary of the Company.

Payment of Taxes. The Plan grants the Company the authority to make such provision as the Company deems appropriate for the collection of any taxes which the Company may withhold in connection with the grant or exercise of options. Pursuant to that authority, the Company authorizes you to settle withholding taxes generated upon the exercise of Nonqualified Options by allowing you to pay the taxes with cash or shares of the Company's Common Stock in accordance with the following guidelines:

1. You may satisfy obligations to pay to the Company the amount of any federal, state or local income tax imposed on you as a result of the exercise of this option by either:

(a) Delivering to the Company a personal check satisfactory to the Company in the amount of the tax liability on the date that the amount of the tax to be withheld is to be determined (the "Tax Date"); or by

(b) Electing to pay the tax liability in shares of the Company's Common Stock ("Stock Payment Election") by

(1) directing the Company at or prior to the Tax Date to withhold from the number of shares to be issued to the optionee in connection with the exercise of a Nonqualified Option that number of shares equal to the amount of the tax liability divided by the fair market value (as defined by the Plans) of one share of the Company's common stock on the Tax Date; or

(2) delivering to the Company on the Tax Date good and marketable title to that number of shares of Mature Stock (as defined in the Plan) or other Stock which was not obtained through the exercise of a stock option owned by you, as shall equal the amount of the tax liability divided by the fair market value of one share of the Company's common stock on the Tax Date.

2. If you are subject to the provisions of Section 16 of the Securities Exchange Act of 1934, then you may settle the tax liability pursuant to a Stock Payment Election only in accordance with the following additional restrictions so long as Rule 16b-3, as amended, imposes such requirements:

(a) A Stock Payment Election that is made by delivering pre owned shares under 1(b)(2) above may be made by delivering the shares concurrent with the exercise of the option whether or not the option is exercised during the third through the twelfth business days following the release of quarterly financial information ("window period)." However, a Stock Payment Election that is made by directing the Company to withhold shares to satisfy the taxes must be made either (i) during a window period in which the option is exercised or before such window period so long as the election takes effect in that window period or (ii) six months before the date the option is exercised.

(b) A Stock Payment Election must be made in writing and shall be irrevocable by you once made;

(c) The Committee shall have the right at any time to disapprove the election at any time after it is made; and

(d) The election must be made at least six months after the Date of Grant.

3. No fractional shares will be issued in connection with any election to satisfy a tax liability by paying in shares. The balance of any tax liability representing a fraction of a share will be settled in cash.

4. The amount of tax which may be paid by an optionee pursuant to a Stock Payment Election will be the federal, state and local income taxes (including FICA taxes) applicable to the exercise of the option determined by applying the higher of either (a) the rate normally applied to the optionee's regular wages by the Company or (b) the employee's highest applicable maximum marginal tax rate, such rate to be selected by the optionee at the time of the election to pay the taxes with surrendered or withheld shares.

3

5. The provisions of these rules relating to the use of stock to satisfy obligations may be unilaterally revised by the Committee from time to time to conform the same to any applicable laws or regulations.

Compliance With Law. When the issue or transfer of the shares covered by this option may, in the opinion of the Company, conflict or be inconsistent with any applicable law or regulation of any governmental agency having jurisdiction, the Company reserves the right to refuse to issue or transfer said stock. The Company may also legend certificates covering shares purchase hereunder with usual and customary transfer restrictions to insure compliance with applicable securities laws, and may issue the same subject to its prior receipt of written representations from optionee in form and substance satisfactory to the Company.

Option Subject to Stockholder Approval. This Stock Option shall become null and void if the Plan is not approved by the Stockholders of the Company prior to January 5, 1997, in accordance with the terms of the Plan. In such event all benefits conferred hereunder shall be deemed canceled and you shall have no further rights hereunder or by virtue hereof.

IN WITNESS WHEREOF, this instrument has been executed by the Company as of

this 5th day of January, 1996.

MIDWEST GRAIN PRODUCTS, INC.

By /s/Laidacker M. Seaberg

Laidacker M. Seaberg
President and Chief Executive
Officer

ACKNOWLEDGEMENT

I hereby acknowledge receipt of the above option and a copy of the Plan referred to in said option. I am familiar with the terms of the Plan, and I understand my rights under the option are subject to and governed by the terms of the Plan, as well as by the terms set forth in the foregoing option itself.

4

1-5-96

Date Acknowledged

/s/Robert G. Booe

Signature of Optionee

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EXHIBIT 27

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM MIDWEST GRAIN PRODUCTS, INC. CONSOLIDATED STATEMENT OF INCOME FOR THE YEAR ENDED JUNE 30, 1996 AND CONSOLIDATED BALANCE SHEET AS AT JUNE 30, 1996, AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

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<MULTIPLIER> 1,000

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