UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) November 9, 2005

MGP Ingredients, Inc.

(Exact name of registrant as specified in its charter)

KANSAS (State or other jurisdiction of incorporation) **0-17196** (Commission File Number)

48-0531200 (IRS Employer Identification No.)

1300 Main Street
Box 130
Atchison, Kansas 66002
(Address of principal executive offices) (Zip Code)

(913) 367-1480 (Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the F	form 8-K filing is intended to simu	ltaneously satisfy the filing	obligation of the registrant
under any of the following provisions (se	ee General Instruction A.2. below):	:	

	Written communications	pursuant to Rule	425 under the Securities	Act (17 CFR 230.425)
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- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Conditions.

On November 9, 2005, MGP Ingredients, Inc. (the "Company") issued a press release, incorporated into this Item 2.02 by reference, relating to financial results for the first quarter of fiscal year 2006, which ended September 30, 2005. The press release, dated November 9, 2005, is furnished pursuant to Item 2.02, "Results of Operations and Financial Conditions," Item 7.01, "Regulation FD Disclosure" and Item 9.01, "Financial Statements and Exhibits."

Item 7.01 Regulation FD Disclosure.

Attached as Exhibit 99.1, and incorporated into this Item 7.01 by reference, is a press release relating to the Company's financial results for the first quarter of fiscal year 2005, which ended September 30, 2005.

An investors' conference call will take place at 10:00 a.m. central standard time on Wednesday, November 9, 2005. The Company's senior management will discuss the Company's first quarter results and certain forward looking information during the conference call. Interested persons may listen to the conference call via telephone by dialing (800) 322-0079 before 9:50 a.m. central time, or access it on the Internet at www.mgpingredients.com.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits.

99.1 Press Release dated November 9, 2005, furnished solely for the purpose of incorporation by reference into Items 2.02, 7.01 and 9.01.

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 hereunto duly authorized.

MGP INGREDIENTS, INC.

Date: November 9, 2005

/s/ Brian Cahill Brian Cahill Vice President and Chief Financial Officer

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INDEX TO EXHIBITS

99.1 $Press\ Release\ dated\ November\ 9,\ 2005,\ furnished\ solely\ for\ the\ purpose\ of\ incorporation\ by\ reference\ into\ Items\ 2.02,\ 7.01\ and\ 9.01.$



NEWS RELEASE

1300 Main Street, P.O. Box 130 Atchison, Kansas 66002-0130 913-367-1480 800-255-0302 Fax 913-367-0192 www.mgpingredients.com Symbol/Market: MGPI/NASDAQ

Contact: Steve Pickman

913-367-1480

FOR IMMEDIATE RELEASE:

MGP INGREDIENTS ANNOUNCES FISCAL 2006 FIRST QUARTER RESULTS

ATCHISON, Kan., November 9, 2005—MGP Ingredients, Inc. (Nasdaq: MGPI) today reported net income of \$3,731,000, or \$0.23 per common share, for its fiscal 2006 first quarter, which ended September 30. This compares to net income of \$291,000, or \$0.02 per share, for the first quarter of fiscal 2005. Net sales in the current year's first quarter totaled \$77,046,000 compared to net sales of \$68,878,000 in the prior year's first quarter.

The company's improved first quarter performance was driven by increased sales of distillery products, which rose approximately 18 percent compared to distillery products sales in the first quarter of fiscal 2005. Sales of ingredients were down slightly due to lower sales of specialty ingredients, which principally consist of specialty wheat proteins and wheat starches. Sales of commodity ingredients, which consist primarily of commodity wheat gluten and wheat starches, rose compared to the year-ago quarter.

"External and internal factors contributed to strength in our distillery business in the first quarter," said Ladd Seaberg, president and chief executive officer. "High gasoline prices and growing interest in the use of renewable fuels have continued to buoy ethanol prices. More importantly, a planned shift toward greater, more efficient production of high quality food grade alcohol drove our performance within the distillery segment."

Ingredient sales in the first quarter were impacted by a decline in sales of the company's ChewtexTM line of specialty protein- and starch-based resins, produced for use in the manufacture of pet chews and related treats. This decrease was partially offset by increased sales of commodity wheat gluten during the first quarter. While gluten sales are no longer an emphasis, the company had more gluten available for sale because specialty starch sales have outpaced specialty proteins sales.

"Sales of our Fibersym™ line of resistant starches, which we market for incorporation in fiber-enriched, reduced carbohydrate and lower calorie foods, increased in the quarter, while performance of our Arise® line of specialty wheat protein isolates declined compared to the year-ago quarter," said Michael Trautschold, executive vice president of marketing and sales. "Even though we experienced sequential gains compared to the fourth quarter of fiscal 2005 in sales of Arise® and our Wheatex® line of textured proteins, our focus remains on developing additional profitable applications for proteins to keep pace with strengthening specialty starch sales."

Distillery Products

Total sales of distillery products in the first quarter of fiscal 2006 rose by approximately \$8.5 million, or 18 percent, compared to the first quarter of fiscal 2005. This improvement resulted from higher selling prices for both food grade and fuel grade alcohol combined with a net volume increase driven by higher unit sales of food grade alcohol for industrial applications.

Sales of food grade alcohol rose by 74 percent, while sales of fuel grade alcohol increased by 5 percent compared to a year ago. Sales of distillers feed, the principal by-product on the alcohol production process, decreased by 17 percent due to lower prices.

Price improvements and higher unit sales resulted in a 124 percent increase in sales of food grade alcohol for industrial applications. Sales of food grade alcohol for beverage applications rose by approximately by 5 percent due to higher prices, which offset a slight reduction in unit sales. The increased sales of fuel grade alcohol also resulted from higher average selling prices, which more than offset lower unit sales compared to a year ago.

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ADD 1—MGP INGREDIENTS ANNOUNCES

Ingredients

Total ingredient sales in the first quarter of fiscal 2006 decreased by approximately \$304,000, or 1 percent, compared to the prior year's first quarter. This was due to a nearly 18 percent decline in sales of specialty ingredients for non-food applications. "We believe this decline is attributable to the impact of higher gas costs and a weakening labor market, which has contributed to weaker consumer spending and declining consumer confidence, resulting in a slowdown in pet industry sales," he added.

Sales of specialty ingredients for food applications were just slightly lower than a year ago, while sales of mill feeds and other mill products decreased by 39 percent. Sales of commodity ingredients, on the other hand, increased by approximately 47 percent compared to a year ago. This increase resulted from a significant rise in sales of commodity gluten, which more than offset a decrease in sales of commodity starches.

The decrease in sales of specialty ingredients for non-food applications principally occurred in sales of the company's protein- and starch-based resins for use in pet industry products. Sales of specialty ingredients for food applications benefited from higher sales of specialty starches and a small increase in sales of the company's Wheatex® line of textured wheat proteins that are sold for use in meat analog and meat extension applications. These improvements offset a decline in sales of MGPI's Arise® line of wheat protein isolates during the quarter. The reduction in sales of commodity starches resulted from the company's decision to place increased emphasis on the production and marketing of specialty starches. The reduction in sales of mill feeds (which is a by-product in the manufacture of flour) and other mill products resulted from the processing of less flour in the current year's first quarter for use in producing specialty proteins.

The increase in commodity gluten sales was due to higher unit sales resulting from higher quantities on hand compared to the prior year's first quarter. This increase adversely affected the company's profitability, as market prices for gluten have been below the company's cost of production. Although MGPI has deemphasized gluten sales because of such poor market conditions, gluten remains a co-product from the processing of flour. Because the company's sales of specialty proteins have not kept pace proportionately with its specialty starch sales, more gluten was available for sale during the first quarter of fiscal 2006 than in the first quarter of fiscal 2005 as less gluten has been processed into specialty proteins.

Segment Data

Complete sales and pre-tax income data by segments for the first quarter ended September 30 follow below. Pre-tax operating income for each segment is based on net sales less identifiable operating expenses. Interest expense, investment income and other general miscellaneous expenses have been excluded from segment operations and classified as Corporate:

	1st QTR.	1st QTR.		
Sales	FY2006	 FY2005		
Ingredients Segment	\$ 22,450	\$ 22,7	54	
Distillery Products Segment	54,596	46,1	24	

Pre-tax income (loss)		
Ingredients Segment	\$ (219) \$	(115)
Distillery Products Segment	6,949	874
Corporate	(536)	(278)

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ADD 2-MGP INGREDIENTS ANNOUNCES

The company also announced that plans are underway for the implementation of upgrades at its recently acquired manufacturing facility on Onaga, Kan. that it expects to use as a platform for growth of its eco-friendly, plant-based biopolymers. "Along with our recently-announced plans for a new corporate headquarters and technical center to enhance our research and development functions, these investments will position us well to pursue the exciting growth opportunities available to us in the specialty ingredients arena," added Trautschold.

Outlook

"Looking ahead, we expect that distillery sales will continue to drive our performance in the first half of fiscal 2006," Seaberg said, noting that "strong cash flow from our distillery business has given us the flexibility to pursue our growth objectives on the ingredients side. This will be even more important in the current quarter, as we continue to experience a decline in our non-food ingredients business." He further noted that "we also expect our results in the current quarter will be affected by increased energy and wheat costs compared to this year's first quarter."

Conference Call Information

The company will host an investor conference call today at 10 a.m. central time to review the first quarter results. Stockholders and other interested parties may listen to the call live via telephone by dialing 800-322-0079 by 9:50 a.m. central time, or access it on the Internet at www.mgpingredients.com. To see the Earnings Statement and Consolidated Balance Sheet information in .PDF format, click here.

About MGP Ingredients

In business since 1941, MGP Ingredients, Inc. is a recognized pioneer in the development and production of natural grain-based products. The Company has facilities in Atchison, Kan., Pekin, Ill., Onaga, Kan. and Kansas City, Kan. that utilize the latest technologies to assure high quality products and to maintain efficient production and service capabilities.

Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking statements as well as historical information. Forward-looking statements are usually identified by or are associated with such words such as "intend," "plan", "believe," "estimate," "expect," "anticipate," "hopeful," "should," "may," "will", "could" and or the negatives of these terms or variations of them or similar terminology. They reflect management's current beliefs and estimates of future economic circumstances, industry conditions, company performance and financial results and are not guarantees of future performance. All such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include, among others: (i) the availability and cost of grain, (ii) fluctuations in gasoline prices, (iii) fluctuations in energy costs, (iv) competitive environment and related market conditions, (vi) our ability to realize operating efficiencies, (vii) the effectiveness of our hedging programs; (viii) access to capital and (ix) actions of governments. For further information on these and other risks and uncertainties that may affect the company's business, see Item 1. Business — Risks and Uncertainties of the company's Annual Report on Form 10-K for the fiscal year ended June 30, 2005.

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CONSOLIDATED STATEMENT OF EARNINGS

(unaudited)	Three Months Ended September 30			
(Dollars in thousands, except per share)		2005		2004
NET SALES	<u> </u>	77,046	\$	68,878
COST OF SALES		64,862		63,804
GROSS PROFIT		12,184		5,074
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES		5,709		4,882
OTHER OPERATING INCOME		168		286
INCOME FROM OPERATIONS		6,643		478
OTHER INCOME (EXPENSE)				
OTHER INCOME (NET)		116		309
INTEREST EXPENSE		(565)		(306)
INCOME BEFORE INCOME TAXES		6,194		481
PROVISION FOR INCOME TAXES		2,463		190
NET INCOME	\$	3,731	\$	291
OTHER COMPREHENSIVE LOSS		(135)		(313)
COMPREHENSIVE INCOME (LOSS)		3,596		(22)
BASIC EARNINGS PER COMMON SHARE	\$	0.23	\$	0.02
DILUTED EARNINGS PER COMMON SHARE	\$	0.23	\$	0.01
Weighted average shares outstanding - Basic		16,006,923		15,932,913
Weighted average shares outstanding — Diluted		16,491,244		16,648,019

CONSOLIDATED BALANCE SHEETS

(unaudited) Sept. 30 June 30 (unaudited) Sept. 30 June 30

(Dollars in thousands)	2005	2005	(Dollars in thousands)		2005	2005
ASSETS	 		LIABILITIES AND STOCKHOLDERS'	_		
			EQUITY			
CURRENT ASSETS:			CURRENT LIABILITIES:			
Cash and cash equivalents	\$ 3,458 \$	10,384	Line of credit	\$	2,000 \$	_
Receivables	32,985	28,097	Current maturities of long-term debt		3,583	4,705
Inventories	35,169	31,252	Accounts payable		14,038	11,744
			Accrued expenses		7,324	5,621
Prepaid expenses	2,130	628	Deferred income		10,554	10,948
Deferred income taxes	945	663	Income taxes payable		426	_
Refundable income taxes	213	2,622	Total Current Liabilities	\$	37,925 \$	33,018
Total Current Assets	74,900	73,646				
PROPERTY AND EQUIPMENT, At Cost	324,357	317,626				
Less accumulated depreciation	(204,970)	(201,997)	LONG-TERM DEBT		15,217	16,785
	119,387	115,629	POST-RETIREMENT BENEFITS		6,469	6,342
OTHER ASSETS	221	225	DEFERRED INCOME TAXES		12,811	12,828
			STOCKHOLDERS' EQUITY		122,086	120,527
	\$ 194,508 \$	189,500		S	194,508 \$	189,500