

**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 Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
 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](http://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

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

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**INDEX TO EXHIBITS**

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## 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 Chewtex™ 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 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:

Sales		1st QTR. FY2006		1st QTR. FY2005
Ingredients Segment	\$	22,450	\$	22,754
Distillery Products Segment		54,596		46,124



(Dollars in thousands)

	2005	2005
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 3,458	\$ 10,384
Receivables	32,985	28,097
Inventories	35,169	31,252
Prepaid expenses	2,130	628
Deferred income taxes	945	663
Refundable income taxes	213	2,622
Total Current Assets	74,900	73,646
PROPERTY AND EQUIPMENT, At Cost	324,357	317,626
Less accumulated depreciation	(204,970)	(201,997)
OTHER ASSETS	221	225
	\$ 194,508	\$ 189,500

(Dollars in thousands)

	2005	2005
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Line of credit	\$ 2,000	\$ —
Current maturities of long-term debt	3,583	4,705
Accounts payable	14,038	11,744
Accrued expenses	7,324	5,621
Deferred income	10,554	10,948
Income taxes payable	426	—
Total Current Liabilities	\$ 37,925	\$ 33,018
LONG-TERM DEBT	15,217	16,785
POST-RETIREMENT BENEFITS	6,469	6,342
DEFERRED INCOME TAXES	12,811	12,828
STOCKHOLDERS' EQUITY	122,086	120,527
	\$ 194,508	\$ 189,500