

**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): May 8, 2014

MGP Ingredients, Inc.

(Exact name of registrant as specified in its charter)

KANSAS
(State or other jurisdiction
of incorporation)

0-17196
(Commission
File Number)

45-4082531
(IRS Employer
Identification No.)

**Cray Business Plaza
100 Commercial 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))
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Item 2.02. Results of Operations and Financial Condition.

On May 8, 2014, MGP Ingredients, Inc. (the "Company") issued a Press Release relating to financial results for the first quarter of 2014, which ended March 31, 2014 (the "Press Release"). The Press Release is furnished herewith as Exhibit 99.1 and is incorporated herein by reference. The Press Release is furnished pursuant to Item 2.02, "Results of Operations and Financial Condition," Item 7.01, "Regulation FD Disclosure" and Item 9.01, "Financial Statements and Exhibits."

The information in Item 2.02 of this Current Report, including in Exhibit 99.1, is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. Such information shall not be deemed incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, except to the extent expressly incorporated by specific reference contained in such filing or document.

Item 7.01. Regulation FD Disclosure.

Attached as Exhibit 99.1, and incorporated into this Item 7.01 by reference, is the Press Release relating to the Company's financial results for the first quarter of 2014, which ended March 31, 2014.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

99.1* Press Release dated May 8, 2014 furnished solely for the purpose of incorporation by reference into Items 2.02, 7.01 and 9.01.

*Filed herewith

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: May 8, 2014

By: /s/ Don Tracy
Don Tracy, Co-Chief Executive Officer

/s/ Randy Schrick
Randy Schrick, Co-Chief Executive Officer



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NEWS RELEASE

FOR IMMEDIATE RELEASE

MGP INGREDIENTS, INC. REPORTS FIRST QUARTER 2014 RESULTS

Higher volume and pricing in white goods drive gains in operating income

Highlights

- Net income of \$4.7 million, or \$0.26 per diluted share compared with \$0.08 a year ago
- Net sales down 9 percent vs year ago due to lower pricing relative to lower corn costs
- Income from operations of \$1.7 million compared with \$1.2 million in the prior year quarter
- Joint venture benefits from favorable market conditions, contributing \$3.3 million to pre-tax net income

ATCHISON, Kansas, May 8, 2014 - MGP Ingredients, Inc. (**Nasdaq/MGPI**) (the "Company") today reported results for the first quarter ended March 31, 2014. Net income was \$4.7 million, or \$0.26 per diluted share, compared to net income of \$1.4 million, or \$0.08 per diluted share, in the first quarter of the prior year. Results from the prior year quarter included a profit of \$1.4 million, net of tax, from discontinued operations and zero earnings per share from continuing operations.

Net sales for the first quarter declined by approximately 9 percent from the year-ago quarter. Beverage alcohol sales improved significantly on higher shipments from the Indiana distillery. Sales of industrial alcohol and by-products both declined compared to the same period a year ago. Ingredient segment sales in the first quarter declined from a year ago.

The Company's gross profit during the first quarter was \$6.8 million, or 8.6 percent of net sales, compared to \$7.2 million, or 8.3 percent of net sales in the prior year period.

Premium Spirits and Industrial Alcohol

The distillery products segment reported first quarter pre-tax operating income of \$5.4 million, or 8.4 percent of distillery products sales, compared to pre-tax operating income of \$4.3 million, or 6.1 percent of distillery products sales, during the same quarter a year ago. Lower corn costs were mainly responsible for the improvement in return on sales over the prior year. The average per-bushel cost of corn decreased 39.5 percent from first quarter 2013, while the per-million cubic foot cost of natural gas increased 8 percent. Distillery products sales for the first quarter were \$64.9 million, a decrease of 8.3 percent compared to the prior year quarter. Prices were lower in both distillers feed and lower-grade industrial alcohol products. Sales of fuel-grade alcohol more than doubled from the prior year period as production increased to take advantage of historically high margins.

Food Ingredients

The ingredients segment reported first quarter pre-tax operating income of \$0.2 million, or approximately 2.1 percent of sales, compared to income of \$1.5 million, or approximately 10.2 percent of sales, for the same quarter a year ago. Segment profitability in the first quarter was driven primarily by a lower margin mix of products sold. Ingredient segment sales for the first quarter declined by 8.7 percent to \$14 million from the prior year's quarter following a decline in flour prices of 10.9 percent compared to the previous year.

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Summary

Regarding the outlook, the Company expects strong profitability in white goods again in the second quarter, but is cautiously planning for more normalized pricing in the second half of 2014. While orders for premium spirits remain strong, the Company is facing a tight supply of oak barrels, which could impact the timing of shipments later in the year. Selling, general and administrative expenses are running at reduced levels when compared with 2013, after adjusting for severance and proxy-related costs incurred in the prior year period. On balance, current trends indicate improved annual operating performance over the prior year driven by increased gross margin and lower SG&A costs.

About MGP Ingredients

MGP is a leading independent supplier of premium spirits, offering flavor innovations and custom distillery blends to the beverage alcohol industry. The Company also produces high quality food grade industrial alcohol and formulates grain-based starches and proteins into nutritional, as well as highly functional, innovations for the branded consumer packaged goods industry. The Company is headquartered in Atchison, Kansas, where it also has facilities for the production of distilled spirits and food ingredients. Distilled spirits are additionally produced at the Company's facility in Indiana. For more information, visit mgpingredients.com.

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 as "intend," "plan," "believe," "estimate," "expect," "anticipate," "hopeful," "should," "may," "will," "could," "encouraged," "opportunities," "potential" 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. Investors should not place undue reliance upon forward-looking statements and the Company undertakes no obligation to publicly update or revise any forward-looking statements. Important factors that could cause actual results to differ materially from our expectations include, among others: (i) disruptions in operations at our Atchison facility, Indiana plant or Illinois Corn Processing, LLC's ("ICP") facility (ii) the availability and cost of grain and fluctuations in energy costs, (iii) the competitive environment and related market conditions, (iv) the ability to effectively pass raw material price increases on to customers, (v) the viability of the ICP joint venture and its ability to obtain financing, (vi) our ability to maintain compliance with all applicable loan agreement covenants, (vii) our ability to realize operating efficiencies, (viii) potential adverse effects to the management of our business operations and our profitability in the wake of the dismissed litigation related to the proxy contest and related matters, and the termination of our CEO, (ix) actions of governments, (x) and consumer tastes and preferences. For further information on these and other risks and uncertainties that may affect our business, including risks specific to our Distillery and Ingredient segments, see *Item 1A. Risk Factors* of our Annual Report on Form 10-K for the year ended December 31, 2013, as updated by *Item 1A. Risk Factors* in subsequent Quarterly Reports on Form 10-Q, including for the quarter ended March 31, 2014.

For More Information

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MGP INGREDIENTS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

| (unaudited) | Quarter and Year to Date Ended | |
|---|--------------------------------|-----------------|
| (Dollars in thousands, except per share) | March 31, 2014 | March 31, 2013 |
| Sales | \$ 84,582 | \$ 88,718 |
| Less: excise taxes | 5,586 | 2,314 |
| Net sales | 78,996 | 86,404 |
| Cost of sales | 72,195 | 79,175 |
| Gross profit | 6,801 | 7,229 |
| Selling, general and administrative expenses | 5,072 | 5,875 |
| Other operating costs and losses on sale of assets | — | 58 |
| Income from operations | 1,729 | 1,296 |
| Interest expense, net | (197) | (283) |
| Equity method investment earnings (loss) | 3,334 | (942) |
| Income from continuing operations before income taxes | 4,866 | 71 |
| Provision for income taxes | 81 | — |
| Net income from continuing operations | 4,785 | 71 |
| Discontinued operations, net of tax | — | 1,406 |
| Net income | 4,785 | 1,477 |
| Other comprehensive loss, net of tax | (175) | (149) |
| Comprehensive income | \$ 4,610 | \$ 1,328 |
| Basic and diluted earnings per share | | |
| Net income | \$ 0.26 | \$ 0.08 |
| Weighted average shares outstanding – Basic | 17,246,251 | 16,999,146 |
| Weighted average shares outstanding – Diluted | 17,246,251 | 16,999,146 |

MGP INGREDIENTS, INC.
CONSOLIDATED BALANCE SHEET (UNAUDITED)

| (Dollars in thousands) | March 31, 2014 | December 31, 2013 | (Dollars in thousands) | March 31, 2014 | December 31, 2013 |
|--|-------------------|-------------------|--|-------------------|-------------------|
| ASSETS | | | LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current Assets: | | | Current Liabilities: | | |
| Cash and cash equivalents | \$ — | \$ 2,857 | Current maturities of long-term debt | \$ 1,570 | \$ 1,557 |
| Receivables | 31,871 | 27,821 | Accounts payable | 18,552 | 23,107 |
| Inventory | 30,875 | 34,917 | Accounts payable to affiliate, net | 2,564 | 1,204 |
| Prepaid expenses | 2,035 | 848 | Accrued expenses | 7,239 | 8,282 |
| Deferred income taxes | 4,162 | 4,977 | Total Current Liabilities | 29,925 | 34,150 |
| Refundable income taxes | 258 | 466 | Other Liabilities: | | |
| Total Current Assets | 69,201 | 71,886 | Long-term debt, less current maturities | 3,214 | 3,611 |
| Property and equipment | 195,667 | 194,687 | Revolving credit facility | 18,455 | 18,000 |
| Less accumulated depreciation and amortization | (127,409) | (124,443) | Deferred credit | 3,770 | 3,925 |
| Net Property, Plant and Equipment | 68,258 | 70,244 | Accrued retirement, health and life insurance benefits | 4,363 | 4,423 |
| | | | Other noncurrent liabilities | 662 | 640 |
| | | | Deferred income taxes | 4,162 | 4,977 |
| | | | Total Liabilities | 64,551 | 69,726 |
| Equity method investments | 10,458 | 7,123 | Stockholders' equity | 85,351 | 81,603 |
| Other noncurrent assets | 1,985 | 2,076 | | | |
| TOTAL ASSETS | \$ 149,902 | \$ 151,329 | TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$ 149,902 | \$ 151,329 |

Capital Structure

| | | | | | |
|-------------------------------|-------------------|-------------------|----------------------|-------------------|-------------------|
| Net Investment in: | | | Financed By: | | |
| Working capital | \$ 39,276 | \$ 37,736 | Long-term debt* | \$ 21,669 | \$ 21,611 |
| Property, plant and equipment | 68,258 | 70,244 | Deferred liabilities | 12,957 | 13,965 |
| Other noncurrent assets | 12,443 | 9,199 | Stockholders' equity | 85,351 | 81,603 |
| Total | \$ 119,977 | \$ 117,179 | Total | \$ 119,977 | \$ 117,179 |

*Excludes short-term portion. Short-term portion is included within working capital.