MGP INGREDIENTS INC Form 10-Q May 10, 2011

Street, Atchison Kansas

principal executive offices)

(Address of (Zip Code)

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

FORM 10-O

(Mark One)	
[X] QUART OF 1934	ERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
For the quarte	erly period ended March 31, 2011.
	or
[] TRANSI' OF 1934	TION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT
For the transi	tion period from to
Commission	File Number: 0-17196
	MGP INGREDIENTS, INC.
	(Exact name of registrant as specified in its charter)
(State or othe jurisdiction o	fEmployer Identification No.)
100 Commercial	66002

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

Indicate by check mark whether the registrant (1) 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 (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. [X] Yes [] No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during
the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). []
Yes [] No
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See definition of "large accelerated filer", "accelerated filer and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check One)
[] Large accelerated filer[X] Accelerated filer
[] Non-accelerated filer[] Smaller Reporting Company
Indicated by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). []Yes [X] No
Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable

Common stock, no par value 17,814,158 shares outstanding as of May 6, 2011

date.

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FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements as well as historical information. All statements, other than statements of historical facts, included in this Quarterly Report on Form 10-Q regarding the prospects of our industry and our prospects, plans, financial position and business strategy may constitute forward-looking statements. In addition, 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", "pot 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) disruptions in operations at our Atchison facility, (ii) the availability and cost of grain and fluctuations in energy costs, (iii) the effectiveness of our hedging strategy, (iv) the competitive environment and related market conditions, (v) the ability to effectively operate the Illinois Corn Processing, LLC ("ICP") joint venture, (vi) our ability to maintain compliance with all applicable loan agreement covenants, (vii) our ability to realize operating efficiencies, and (viii) actions of governments. For further information on these and other risks and uncertainties that may affect our business, see Item 1A. Risk Factors of our Annual Report on Form 10-K for the fiscal year ended June 30, 2010.

METHOD OF PRESENATION

All amounts in this quarterly report, except for share, per share, and per bushel amounts, are shown in thousands.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

MGP INGREDIENTS, INC. CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)

(Dollars in thousands, except per-share amounts)

	Quarter Ended March 31, March 31, 2011 2010			Year to Date March 31, 2011			te Ended March 31, 2010		
Net sales	\$	64,188	\$	49,269	\$	179,117		\$	147,612
Cost of sales		57,669		44,302		153,452			124,298
Gross profit		6,519		4,967		25,665			23,314
Selling, general and administrative expenses		5,690		5,075		16,277			14,675
Other operating costs		-		521		328			1,773
Loss (gain) on sale of assets		-		-		322			(700)
Loss on joint venture formation		-		-		-			3,047
Income (loss) from operations		829		(629)		8,738			4,519
Other income, net		3		1		6			24
Interest expense		(92)		(280)		(358)		(1,606)
Equity in earnings (loss) of joint ventures		124		(1,541)		756			(1,439)
Income (loss) before income taxes		864		(2,449)		9,142			1,498
Provision (benefit) for income taxes		163		(195)		197			(4,764)
Net income (loss)		701		(2,254)		8,945			6,262
Other comprehensive income (loss), net		17		(4)		(159)	`		(1)
Comprehensive income (loss), net	\$	718	\$	(2,258)	Φ	8,786)	\$	6,261
Comprehensive income (loss)	Ф	/10	Ф	(2,236)	Ф	0,700		Ф	0,201
Per Share Data									
Total basic earnings (loss) per common share	\$	0.04	\$	(0.14)	\$	0.50		\$	0.38
Total diluted earnings (loss) per common share	\$	0.04	\$	(0.14)	\$	0.50		\$	0.38
Dividends per common share	\$	-	\$	-	\$	0.05		\$	-

See accompanying notes to unaudited condensed consolidated financial statements

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MGP INGREDIENTS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(Dollars in thousands)
March 31,
2011