

Edgar Filing: G WILLI FOOD INTERNATIONAL LTD - Form 6-K

G WILLI FOOD INTERNATIONAL LTD
Form 6-K
May 17, 2010

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13A-16 OR 15D-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

For the month of May 2010

G. WILLI-FOOD INTERNATIONAL LTD.
(Translation of registrant's name into English)

4 Nahal Harif St., Yavne, Israel 81106
(Address of principal executive offices)

Indicate by check mark whether registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

FORM 20-F FORM 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether registrant by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

YES NO

If "YES" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-_____.

Attached hereto and incorporated by reference herein is a press release issued by G. Willi-Food International Ltd. ("Registrant") on May 17, 2010.

This report on Form 6-K shall be deemed to be incorporated by reference in the Registration Statements on Form F-3 (File No. 333-11848 and 333-138200) of the Registrant.

SIGNATURES

Edgar Filing: G WILLI FOOD INTERNATIONAL LTD - Form 6-K

In accordance with 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, thereunto duly authorized.

G. WILLI-FOOD INTERNATIONAL LTD.

Dated: May 17, 2010

By: /s/ Ety Sabach

Name: Ety Sabach

Title: Chief Financial Officer

News

G. WILLI-FOOD REPORTS FIRST QUARTER 2010 FINANCIAL RESULTS; NET INCOME ATTRIBUTABLE TO THE OWNERS OF THE COMPANY UP 18.7% TO \$2.0 MILLION

- FIRST QUARTER SALES INCREASED 15.5% OVER FIRST QUARTER 2009 SALES
- FIRST QUARTER GROSS PROFIT INCREASED 39.9% OVER FIRST QUARTER 2009 GROSS PROFIT
- FIRST QUARTER OPERATING PROFIT INCREASED 38.3% OVER FIRST QUARTER 2009 OPERATING PROFIT

YAVNE, Israel - May 17, 2010 -- G. Willi-Food International Ltd. (NASDAQ: WILC) (the "COMPANY" or "WILLI FOOD"), a global food company specializing in the development, manufacture, marketing and international distribution of kosher foods, today announced its unaudited financial results for the first quarter ended March 31, 2010.

FIRST QUARTER FISCAL 2010 HIGHLIGHTS

- o Sales increased 15.5% over first quarter of 2009 to NIS 95.0 million (US \$25.6 million)
- o Gross profit increased 39.9% over first quarter of 2009 to NIS 28.3 million (US \$7.6 million)
- o Gross margins improved to 29.7% compared to 24.6% in the first quarter of 2009
- o Operating income increased 38.3% over first quarter of 2009 to NIS 10.5 million (US \$2.8 million)
- o Net income attributable to the owners of the company increased 18.7% over first quarter of 2009 to NIS 7.3 million (US \$2.0 million)

Sales for the first quarter of fiscal 2010 increased by 15.5% to NIS 95.0 million (US \$25.6 million) compared to sales of NIS 82.3 million (US \$22.2 million) in the first quarter of 2009. The increase was driven by the introduction of new products as well as increased awareness of the Willi-Food brand in the Israeli market following a national media campaign launched during the quarter.

Edgar Filing: G WILLI FOOD INTERNATIONAL LTD - Form 6-K

Gross profit for the first quarter of 2010 increased by 39.9% to NIS 28.3 million (US \$7.6 million) compared to gross profit of NIS 20.2 million (US \$5.4 million) in the first quarter of 2009. First quarter gross margin was 29.7% compared to a gross margin of 24.6% during the same period in 2009. The increase in gross margins was largely due to the introduction of higher-margin products into the product lineup.

Mr. Zwi Williger, President and COO of Willi-Food commented: "We are very pleased to report a robust first quarter with gross profit up 40 percent. Our strong performance in the quarter was driven by expanded sales volume in the Israeli market as a result of our nationwide media campaign launched in the first quarter and aimed at broadening awareness of our brand. As we see global consumer demand for kosher foods continuing to increase, we are confident that our focused marketing strategy in Israel and the introduction of higher-margin products targeted to health-conscious and kosher consumers worldwide will continue to support our growth in 2010. We will continue to pursue strategic distribution partnerships to enable us to further penetrate the U.S. markets."

Willi-Food's operating income for the first quarter of 2010 increased by 38.3% to NIS 10.5 million (US \$2.8 million) compared to NIS 7.6 million (US \$2.1 million) reported in the first quarter of 2009. Selling expenses as a percentage of revenues increased in the first quarter of 2010 to 12.1% compared to 9.6% in the first quarter of 2009 mainly as a result of a one-time expense related to the media campaign referred to above. General and administrative expenses as a percentage of revenue increased in the first quarter of 2010 to 6.6% from 5.8% in the first quarter of 2009.

Willi-Food's income before taxes for the first quarter of 2010 increased by 32.8% to NIS 10.1 million (US \$2.7 million) compared to income before taxes of NIS 7.6 million (US \$2.0 million) recorded in the first quarter of 2009. Willi Food's net income attributable to the owners of the Company in the first quarter of 2010 increased by 18.7% to NIS 7.3 million (US \$2.0 million), or NIS 0.68 (US \$0.18) per share compared to a net income attributable to the owners of the Company of NIS 6.2 million (US \$1.7 million), or NIS 0.57 (US \$0.15) per share, recorded in the first quarter of 2009.

Willi-Food ended the quarter with US \$38.9 million in cash and securities and \$1.4 million in short-term debt (51% of the debt of Shamir Salads). **BUSINESS OUTLOOK** In March 2010, the Company announced a public offering that raised net proceeds of approximately \$19 million. The funds raised will be used to accelerate research and development of new products, to support future growth including potential acquisitions in both Israel and the United States, for working capital, and to support the newly established Israeli-based export division seen as a key driver of organic growth internationally. Mr. Williger commented: "For the third consecutive quarter, Willi-Food continued to achieve gross margins of about 30 percent due to the introduction of great-tasting, higher profit margin food products into the product mix lineup. We are very pleased with our strong performance in the first quarter of 2010, and especially with our almost 40 percent increase in operating income over the first quarter of 2009. This increase represents a more than 70 percent increase over the previous quarter, the fourth quarter of 2009, despite the fact that we had a one-time expense of over NIS 1.5 million (US \$0.4 million) in the first quarter for the media campaign to expand awareness of the Willi-Food brand, a campaign, as the direct result of which we continue to see expanding sales volume."

Edgar Filing: G WILLI FOOD INTERNATIONAL LTD - Form 6-K

"Revenue from new products introduced in the quarter also continues to maintain good momentum. Sales generated by our newly established export division in Israel are also adding to our top line. We are optimistic about the rest of 2010 and believe we can continue to benefit from a multi-channel approach and broad kosher product base that addresses a trend toward more health-conscious food choices. We will continue to focus on controlling expenses and production costs to keep our prices competitive, and we will continue our efforts to expand our reach to retail and wholesale markets in the U.S. We remain committed to our strategy of expanding marketing channels for our higher-margin products in the U.S. and Israeli markets and on promoting our broad base of kosher products to health-conscious consumers across Europe, Israel and in the United States."

NOTE A: CONVENIENCE TRANSLATION TO DOLLARS

The convenience translation of New Israeli Shekels (NIS) into U.S. dollars was made at the rate of exchange prevailing on March 31, 2010, U.S. \$1.00 equals NIS 3.713. The translation was made solely for the convenience of the reader.

NOTE B: IFRS

The Company's consolidated financial results for the three-month period ended March 31, 2010 are presented in accordance with International Financial Reporting Standards ("IFRS").

NOTE C: DISCONTINUED OPERATIONS

Discontinued operations are measured and presented in accordance with the provisions of IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations".

The results of discontinued operations are presented in the income statement in a separate item below income from continuing operations. The comparative income from discontinued operations has been re-casted to include those operations classified as discontinued in the current period.

ABOUT G. WILLI-FOOD INTERNATIONAL LTD.

G. Willi-Food International Ltd. (<http://www.willi-food.co.il>) is an Israeli-based company specializing in high-quality, great-tasting kosher food products. Willi-Food is engaged directly and through its subsidiaries in the design, import, manufacture, marketing and distribution of over 1,000 food products worldwide. As one of Israel's leading food importers, Willi-Food markets and sells its food products to over 1,500 customers in Israel and around the world including large retail and private supermarket chains, wholesalers and institutional consumers. The company's operating divisions include Willi-Food in Israel; Gold Frost, a wholly owned subsidiary who designs, develops and distributes branded kosher, dairy-food products; and Shamir Salads, an Israeli manufacturer and distributor of a broad line of over 400 Mediterranean-style chilled salads.

THIS PRESS RELEASE CONTAINS FORWARD-LOOKING STATEMENTS WITHIN THE MEANING OF SAFE HARBOR PROVISIONS OF THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995 RELATING TO FUTURE EVENTS OR OUR FUTURE PERFORMANCE, SUCH AS STATEMENTS REGARDING TRENDS, DEMAND FOR OUR PRODUCTS AND EXPECTED SALES, OPERATING RESULTS, AND EARNINGS. FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE OUR ACTUAL RESULTS, LEVELS OF ACTIVITY, PERFORMANCE OR ACHIEVEMENTS TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, LEVELS OF ACTIVITY, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED IN THOSE FORWARD-LOOKING STATEMENTS. THESE RISKS AND OTHER FACTORS INCLUDE BUT ARE

Edgar Filing: G WILLI FOOD INTERNATIONAL LTD - Form 6-K

NOT LIMITED TO: MONETARY RISKS INCLUDING CHANGES IN CURRENCY EXCHANGE RATES- ESPECIALLY THE NIS/U.S. DOLLAR EXCHANGE RATE, PAYMENT DEFAULT BY ANY OF OUR MAJOR CLIENTS, THE LOSS OF ONE OF MORE OF OUR KEY PERSONNEL, CHANGES IN LAWS AND REGULATIONS, INCLUDING THOSE RELATING TO THE FOOD DISTRIBUTION INDUSTRY, AND INABILITY TO MEET AND MAINTAIN REGULATORY QUALIFICATIONS AND APPROVALS FOR OUR PRODUCTS, TERMINATION OF ARRANGEMENTS WITH OUR SUPPLIERS, IN PARTICULAR ARLA FOODS, LOSS OF ONE OR MORE OF OUR PRINCIPAL CLIENTS, INCREASE OR DECREASE IN GLOBAL PURCHASE PRICES OF FOOD PRODUCTS, INCREASING LEVELS OF COMPETITION IN ISRAEL AND OTHER MARKETS IN WHICH WE DO BUSINESS, CHANGES IN ECONOMIC CONDITIONS IN ISRAEL, INCLUDING IN PARTICULAR ECONOMIC CONDITIONS IN THE COMPANY'S CORE MARKETS, OUR INABILITY TO ACCURATELY PREDICT CONSUMPTION OF OUR PRODUCTS, OUR INABILITY TO SUCCESSFULLY INTEGRATE OUR RECENT ACQUISITIONS, INSURANCE COVERAGE NOT SUFFICIENT ENOUGH TO COVER LOSSES OF PRODUCT LIABILITY CLAIMS AND RISKS ASSOCIATED WITH PRODUCT LIABILITY CLAIMS. WE CANNOT GUARANTEE FUTURE RESULTS, LEVELS OF ACTIVITY, PERFORMANCE OR ACHIEVEMENTS. THE MATTERS DISCUSSED IN THIS PRESS RELEASE ALSO INVOLVE RISKS AND UNCERTAINTIES SUMMARIZED UNDER THE HEADING "RISK FACTORS" IN THE COMPANY'S AMENDMENT NO. 5 TO FORM F-1, FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON MARCH 11, 2010. THESE FACTORS ARE UPDATED FROM TIME TO TIME THROUGH THE FILING OF REPORTS AND REGISTRATION STATEMENTS WITH THE SECURITIES AND EXCHANGE COMMISSION. WE DO NOT ASSUME ANY OBLIGATION TO UPDATE THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS PRESS RELEASE.

G. WILLI-FOOD INTERNATIONAL LTD. CONDENSED CONSOLIDATED BALANCE SHEETS

	MARCH 31,	DECEMBER 31,
	2010	2009
	NIS	
	-----	-----
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	131,024	87,000
Financial assets carried at fair value through profit or loss	13,594	11,000
Trade receivables	94,550	77,000
Other receivables and prepaid expenses	1,554	1,000
Inventories	56,026	44,000
	-----	-----
TOTAL CURRENT ASSETS	296,748	223,000
	-----	-----
NON-CURRENT ASSETS		
Property, plant and equipment	67,109	67,000
Less -Accumulated depreciation	18,405	17,000
	-----	-----
	48,704	49,000
	-----	-----
Long term receivables	480	
Prepaid expenses	2,258	2,000
Goodwill	1,936	1,000
Intangible assets	4,522	4,000
Deferred taxes	383	
	-----	-----

Edgar Filing: G WILLI FOOD INTERNATIONAL LTD - Form 6-K

Total non-current assets	58,283	59,
	=====	=====
	355,031	282,
	=====	=====
EQUITY AND LIABILITIES		
CURRENT LIABILITIES		
Short-term bank credit	10,076	10,
Trade payables	46,251	49,
Accruals	475	
Current tax liabilities	5,157	2,
Other payables and accrued expenses	3,870	8,
Employees Benefits	3,443	2,
	-----	-----
TOTAL CURRENT LIABILITIES	69,272	74,
	-----	-----
NON-CURRENT LIABILITIES		
Long-term bank loans	75	
Deferred taxes	390	
Employees Benefits	1,082	1,
	-----	-----
TOTAL NON-CURRENT LIABILITIES	1,547	1,
	-----	-----
SHAREHOLDERS' EQUITY		
Share capital NIS 0.10 par value		
(authorized - 50,000,000 shares, issued		
and outstanding - 13,573,678 shares at March 31,		
2010; 10,267,893 shares at December 31, 2009)	1,444	1,
Additional paid in capital	128,978	59,
Capital fund	247	
Foreign currency translation reserve	687	
Retained earnings	149,212	141,
Noncontrolling interest	3,644	3,
	-----	-----
	284,212	206,
	=====	=====
	355,031	282,
	=====	=====

(*) Convenience translation into U.S. dollars

G. WILLI-FOOD INTERNATIONAL LTD.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

	THREE MONTHS ENDED MARCH 31	
	2 0 1 0	2 0 0 9
	-----	-----
	NIS	

	(IN THOUSANDS, EXCEPT PE	
	-----	-----
Sales	95,039	82,292
Cost of sales	66,782	62,088

Edgar Filing: G WILLI FOOD INTERNATIONAL LTD - Form 6-K

GROSS PROFIT	28,257	20,204
Selling expenses	11,466	7,883
General and administrative expenses	6,273	4,796
Other Income	(17)	(95)
Total operating expenses	17,722	12,584
OPERATING INCOME	10,535	7,620
Financial income	(153)	662
Financial expense	291	683
Income before taxes on income	10,091	7,599
Taxes on income	2,660	1,532
INCOME FROM CONTINUING OPERATIONS	7,431	6,067
INCOME FROM DISCONTINUED OPERATIONS	--	691
NET INCOME	7,431	6,758
ATTRIBUTABLE TO:		
Owners of the company	7,329	6,176
Non - controlling interests	102	582
NET INCOME	7,431	6,758
Earnings per share data:		
Earnings per share:		
Basic from continuing operations	0.68	0.57
Basic from discontinued operations	--	0.03
BASIC	0.68	0.60
Diluted from continuing operations	0.68	0.57
Diluted from discontinued operations	--	0.03
DILUTED	0.68	0.60
Shares used in computing basic and diluted earnings per ordinary share:	10,745,395	10,267,893

(*) Convenience translation into U.S. dollars

Edgar Filing: G WILLI FOOD INTERNATIONAL LTD - Form 6-K

This information is intended to be reviewed in conjunction with the Company's filings with the Securities and Exchange Commission.

Contact:

AT THE COMPANY:

G. Willi Food International Ltd.
Ety Sabach, CFO
(+972) 8-932-1000
ety@willi-food.co.il

INVESTOR RELATIONS:

RedChip Companies, Inc.
Dave Gentry
800-733-2447, Ext. 104
407-644-4256, Ext. 104
info@redchip.com

###

SOURCE: G. Willi-Food International Ltd.