

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

G WILLI FOOD INTERNATIONAL LTD
Form 6-K
June 02, 2011

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 June 2011

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 31, 2011.

THIS REPORT ON FORM 6-K IS HEREBY 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: June 2, 2011

By: /s/ Baruch Shusel

Name: Baruch Shusel
Title: Chief Financial Officer

News

FOR IMMEDIATE RELEASE

G. WILLI-FOOD REPORTS NET INCOME OF US\$ 1.8 MILLION FOR FIRST QUARTER 2011

YAVNE, ISRAEL - MAY 31, 2011 -- G. WILLI-FOOD INTERNATIONAL LTD. (NASDAQ: WILC) (the "COMPANY" or "WILLI-FOOD"), a global company specializing in the development, manufacturing, marketing and international distribution of kosher foods, today announced its unaudited financial results for the first quarter ended March 31, 2011.

FIRST QUARTER FISCAL 2011 HIGHLIGHTS

- o Sales of NIS 88.5 million (US\$ 25.4 million)
- o Gross profit of NIS 23.0 million (US\$ 6.6 million), or 26.0% of sales
- o Operating income of NIS 6.8 million (US\$ 2.0 million), or 7.7% of sales
- o Income before taxes on income of NIS 8.2 million (US\$ 2.3 million), or 9.2% of sales
- o Net income of NIS 6.2 million (US\$ 1.8 million), or 7.0% of sales
- o Cash and securities balance of NIS 181.3 million (US\$ 52.1 million) as of March 31, 2011

Willi-Food's operating divisions include Willi-Food, a distributor of a broad variety of kosher foods; its wholly owned Gold Frost - a designer, developer and distributor of branded kosher dairy food products, and Shamir Salads - an Israeli distributor and manufacturer of Mediterranean style salads.

FIRST QUARTER FISCAL 2011 SUMMARY

Sales for the first quarter of 2011 were NIS 88.5 million (US\$ 25.4 million) compared to sales of NIS 95.0 million (US\$ 27.3 million) in the first quarter of 2010. The sales in the first quarter of 2011 were affected by the timing of the Passover festival that fell during the second quarter this year, while last year it fell during the first quarter.

Gross profit for the first quarter of 2011 was NIS 23.0 million (US\$ 6.6 million) compared to gross profit of NIS 28.3 million (US\$ 8.1 million) in the

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

first quarter of 2010. First quarter gross margin was 26.0% compared to gross margin of 29.7% for the same period in 2010. The decrease in the gross profit in the first quarter of 2011 compared to the first quarter of 2010 is due to the decrease in sales which was mainly due to the timing of the Passover festival, as discussed above, and due to the decrease in gross margins. The main reason for the decrease in gross margins was the hard sale activities (including special discounts, samples and free tasting) that the Company offered its customers during the first quarter of 2011, mainly in order to enhance the awareness to its new products. A minor negative effect on the gross margins was the worldwide inflation of food products' prices - Willi-Food mitigated its effects during the quarter by working closely with suppliers to anticipate adverse price trends, building inventory accordingly and raising prices to its customers.

Willi-Food's operating income for the first quarter of 2010 was NIS 6.8 million (US\$ 2.0 million) compared to operating income of NIS 10.5 million (US\$ 3.0 million) in the first quarter of 2010. Selling expenses decreased by 9.9% from the comparable quarter of 2010, and general and administrative expenses decreased by 6.4% from the comparable quarter of 2010, both primarily due to the decreased sales.

Willi-Food's net income in the first quarter of 2011 decreased NIS 1.2 million (US\$ 0.3 million) to NIS 6.2 million (US\$ 1.8 million), or 7.0% of sales, from NIS 7.4 million (US\$ 2.1 million), or 7.8% of sales, recorded in the first quarter of 2010. Willi-Food's net income related to Company Shareholders in the first quarter of 2011 was NIS 6.0 million (US\$ 1.7 million), or NIS 0.45 (US\$ 0.13) per share, compared to NIS 7.3 million (US\$ 2.1 million), or NIS 0.68 (US\$ 0.18) per share, recorded in the first quarter of 2010.

Willi-Food ended the first quarter of 2011 with NIS 181.3 million in cash and securities (US\$ 52.1 million) and NIS 2.7 million (US\$ 0.8 million) in short-term debt (51% of the debt of Shamir Salads). Willi-Food's shareholders' equity as of March 31, 2011 was NIS 313.1 million (US\$ 89.9 million).

OUTLOOK

Mr. Zwi Williger, President and COO of Willi-Food commented: "We are pleased with our first quarter 2011 results in the current challenging environment of global food commodity purchase prices inflation. We are sustaining our flexible purchasing strategy and we are well-positioned to limit the impact of such price inflation. Willi-Food's first quarter results were affected by the shift of Passover sales to the second quarter and by the hard sale activities mainly relating to our new products. Despite all - Willi Food has achieved net income of NIS 6.2 million in a margin of 7.0% of sales."

"Throughout the recent year we introduced great-tasting, higher margin food products, which we developed together with our suppliers. For instance, we recently introduced new series of premium frozen kosher Neapolitan Pizza produced in Naples, Italy - the homeland of pizza, a new series of premium impulse kosher Italian Gelato ice-cream in family 6-8 packs and in 0.15 liter receptacles and the broadening of our line of premium kosher Swiss chocolate bars. Those new products were added to the new line of kosher Swiss premium KAMBLY' fine biscuit and cookie products that we introduced only a few months ago. In the first quarter, we implemented our plan to increase the awareness to our newly added products, by initiating hard sale activities that, although they impacted our gross margins in the first quarter, we believe created broad awareness to our new products and broaden its customer base."

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

"We have taken the appropriate measures to position Willi-Food for a stronger fiscal 2011 by adding new premium higher margin food products to our product line and by highly focusing on reducing production costs and SG&A expenses. We remain focused on maximizing long-term profitability."

CONFERENCE CALL

The Company will host a conference call to discuss results on Tuesday, May 31, 2011 at 11:00 AM Eastern time. Interested parties may participate in the conference call by dialing 1-877-941-2321 (US), or 1-480-629-9714 (International), approximately 10 minutes prior to the scheduled start time. Interested parties can also listen via a live Internet webcast, which will be available on the day of the call through the following link:

<http://viaavid.net/dce.aspx?sid=0000871d>

A replay of the conference call will be available for 14 days from 2:00 PM EST on May 31, 2011 through 11:59 PM EST on June 14, 2011 by dialing 1-877-870-5176 (US), or 1-858-384-5517 (International), access code 4443202. In addition, a recording of the call will be available via the link shown above for one year.

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, 2011, U.S. \$1.00 equals NIS 3.481. 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, 2011 are presented in accordance with International Financial Reporting Standards ("IFRS").

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 which 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 NOT LIMITED TO: MONETARY RISKS INCLUDING CHANGES IN CURRENCY EXCHANGE RATES-

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

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 ANNUAL REPORT ON FORM 20-F FOR THE YEAR ENDED DECEMBER 31, 2010, FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON JUNE 28, 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.

{FINANCIAL TABLES TO FOLLOW}

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

	MARCH 31, ----- 2 0 1 1 -----	DECEMBER 31, ----- 2 0 1 0 -----	MARCH 31, ----- 2 0 1 1 -----
	NIS		US DOLLARS
	----- (IN THOUSANDS) -----		
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	109,032	113,631	31,322
Financial assets carried at fair value through profit or loss	72,291	67,890	20,767
Trade receivables	87,986	85,902	25,277
Other receivables and prepaid expenses	2,962	2,307	851
Inventories	43,445	37,614	12,480
	-----	-----	-----
TOTAL CURRENT ASSETS	315,716	307,344	90,697
	-----	-----	-----
NON-CURRENT ASSETS			
Property, plant and equipment	71,680	71,350	20,592
Less -Accumulated depreciation	21,103	20,512	6,063
	-----	-----	-----
	50,577	50,838	14,529
	-----	-----	-----
Prepaid expenses	2,394	2,405	688
Goodwill	1,936	1,936	556

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

Intangible assets	3,946	4,067	1,134
Deferred taxes	759	694	218
	-----	-----	-----
Total non-current assets	59,612	59,940	17,125
	=====	=====	=====
	375,328	367,284	107,822
	=====	=====	=====
EQUITY AND LIABILITIES			
CURRENT LIABILITIES			
Short-term bank credit	5,407	5,780	1,553
Trade payables	38,106	32,959	10,947
Accruals	268	268	77
Current tax liabilities	7,048	5,910	2,025
Other payables and accrued expenses	6,195	10,326	1,780
Employees Benefits	3,350	3,057	963
	-----	-----	-----
TOTAL CURRENT LIABILITIES	60,374	58,300	17,345
	-----	-----	-----
NON-CURRENT LIABILITIES			
Long-term bank loans	97	309	28
Deferred taxes	457	522	131
Employees Benefits	1,314	1,281	377
	-----	-----	-----
TOTAL NON-CURRENT LIABILITIES	1,868	2,112	536
	-----	-----	-----
SHAREHOLDERS' EQUITY			
Share capital NIS 0.10 par value (authorized - 50,000,000 shares, issued and outstanding - 13,573,679 shares at March 31, 2011 and December 31, 2010)	1,444	1,444	415
Additional paid in capital	128,863	128,863	37,019
Capital fund	247	247	71
Foreign currency translation reserve	774	736	222
Retained earnings	176,103	170,060	50,590
Noncontrolling interest	5,655	5,522	1,624
	-----	-----	-----
	313,086	306,872	89,941
	=====	=====	=====
	375,328	367,284	107,822
	=====	=====	=====

(*) Convenience translation into U.S. dollars

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

		THREE MONTHS ENDED	
		2011	2010
		-----	-----
		NIS	

		(IN THOUSANDS, EXCEPT PER S	

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

Sales	88,545	95,039
Cost of sales	65,567	66,782
	-----	-----
GROSS PROFIT	22,978	28,257
	-----	-----
Selling expenses	10,330	11,466
General and administrative expenses	5,870	6,273
Other Income	(34)	(17)
	-----	-----
Total operating expenses	16,166	17,722
	-----	-----
OPERATING INCOME	6,812	10,535
Financial income	1,726	(153)
Financial expense	379	291
	-----	-----
Income before taxes on income	8,159	10,091
Taxes on income	1,983	2,660
	-----	-----
NET INCOME	6,176	7,431
	=====	=====
ATTRIBUTABLE TO:		
Owners of the company	6,043	7,329
Non - controlling interests	133	102
	-----	-----
NET INCOME	6,176	7,431
	=====	=====
Earnings per share data:		
Earnings per share:		
BASIC	0.45	0.68
	=====	=====
DILUTED	0.45	0.68
	=====	=====
Shares used in computing basic and diluted earnings per ordinary share:	13,573,679	10,745,395
	=====	=====

(*) Convenience translation into U.S. dollars

G. WILLI-FOOD INTERNATIONAL LTD.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

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

	THREE MONTHS ENDED MARCH		
	2 0 1 1	2 0 1 0	2 0 1 0
	NIS		
	(IN THOUSANDS)		
CASH FLOWS - OPERATING ACTIVITIES			
Profit from continuing operations	6,176	7,431	1,7
Adjustments to reconcile net income to net cash from continuing operating activities (Appendix)	(4,692)	(30,836)	(1,3
NET CASH FROM (USED IN) CONTINUING OPERATING ACTIVITIES	1,484	(23,405)	4
CASH FLOWS - INVESTING ACTIVITIES			
Acquisition of property plant and equipment	(1,131)	(365)	(3
Proceeds from sale of property plant and Equipment	310	192	(
Additions to intangible assets	(221)	-	(
Additions to prepaid expenses, net	(13)	(212)	
Proceeds used in purchase of marketable securities, net	(4,443)	(2,358)	(1,2
NET CASH USED IN CONTINUING INVESTING ACTIVITIES	(5,498)	(2,743)	(1,5
CASH FLOWS - FINANCING ACTIVITIES			
Proceeds of Public offering, net	-	70,362	
Short-term bank credit, net	(366)	(294)	(1
Repayment of loans	(219)	-	(
NET CASH FROM (USED IN) CONTINUING FINANCING ACTIVITIES	(585)	70,068	(1
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,599)	43,920	(1,3
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR	113,631	87,104	32,6
CASH AND CASH EQUIVALENTS OF THE END OF THE FINANCIAL YEAR	109,032	131,024	31,3

(*). Convenience Translation into U.S. Dollars.

G. WILLI-FOOD INTERNATIONAL LTD.
APPENDIX TO CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH FROM OPERATING ACTIVITIES

THREE MONTHS ENDED MARCH 31		
2 0 1 1	2 0 1 0	2 0 1 1

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

	----- NIS -----	----- US D -----	
	(IN THOUSANDS)		
Revaluation of loans from banks and others	-	(8)	-
Deferred expenses	-	228	-
Deferred income taxes	(130)	(63)	(37)
Unrealized loss on marketable securities	42	120	12
Depreciation and amortization	1,482	1,216	426
Capital gain on disposal of property plant and equipment	(34)	(17)	(10)
Employees benefit, net	33	38	9
CHANGES IN ASSETS AND LIABILITIES:			
Increase in trade receivables and other receivables	(2,739)	(16,362)	(787)
Increase in inventories	(5,831)	(11,216)	(1,675)
Decrease in long term receivables	-	280	-
Increase (Decrease) in trade and other payables, and other current liabilities	2,485	(5,052)	714
	-----	-----	-----
	(4,692)	(30,836)	(1,348)
	=====	=====	=====

(*) Convenience Translation into U.S. Dollars.

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

Company Contact:

G. Willi Food International Ltd.
Baruch Shusel, CFO
(+972) 8-932-1000
baruch@willi-food.co.il

###

SOURCE: G. Willi-Food International Ltd.