

G WILLI FOOD INTERNATIONAL LTD
Form 6-K
May 31, 2012

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 2012

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. on May 31, 2012.

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

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 31, 2012

By: /s/ Baruch Shusel
Name: Baruch Shusel
Title: Chief Financial Officer

FOR IMMEDIATE RELEASE

G. WILLI-FOOD REPORTS Q1 2012 SALES UP 4.6% FROM Q1 2011

Net Income of US\$ 1.3 million in Q1 2012

YAVNE, Israel – May 31, 2012 -- G. Willi-Food International Ltd. (NASDAQ: WILC) (the “Company” or “Willi-Food”), a global company specializing in the development, marketing and international distribution of kosher foods, today announced its unaudited financial results for the first quarter ended March 31, 2012.

First Quarter Fiscal 2012 Highlights

- Sales increased 4.6% from first quarter of 2011 to NIS 73.7 million (US\$ 19.8 million)
- Gross profit decreased 12.8% from first quarter of 2011 to NIS 15.7 million (US\$ 4.2 million), or 21.3% of sales
- Operating income decreased 25.4% from first quarter of 2011 to NIS 4.7 million (US\$ 1.3 million), or 6.4% of sales
- Net income decreased 21.8% from first quarter of 2011 to NIS 4.8 million (US\$ 1.3 million), or 6.6% of sales
- Cash and securities balance of NIS 196.5 million (US\$ 52.9 million) as of March 31, 2012

Willi-Food’s operating divisions include Willi-Food, a distributor of a broad variety of kosher foods, and its wholly-owned Gold Frost, a designer, developer and distributor of branded kosher dairy food products.

First Quarter Fiscal 2012 Summary

Sales for the first quarter of 2012 increased by 4.6% to NIS 73.7 million (US\$ 19.8 million) from NIS 70.4 million (US\$ 18.9 million) recorded in the first quarter of 2011. The growth in sales in the first quarter of 2012 was driven by the introduction of new products and by the timing of the Passover festival that it sells fell during the first quarter this year, while last year it sales fell during the second quarter.

Gross profit for the first quarter of 2012 decreased by 12.8% to NIS 15.7 million (US\$ 4.2 million) compared to NIS 18.0 million (US\$ 4.8 million) recorded in the first quarter of 2011. First quarter gross margin was 21.3% compared to gross margin of 25.6% for the same period in 2011. The decrease in gross profit and gross margins was primarily due to reductions in the prices of certain of our products as a result of the ongoing national protest against the cost of food products and continued pressure from our customers to reduce prices and due to an increase in global prices of food products compounded by the continued global economic recession. The Company expects the decline in its gross margins to continue in the second quarter of 2012 compared to 2011 second quarter's gross margins.

Willi-Food’s operating income for the first quarter of 2012 decreased by 25.4% to NIS 4.7 million (US\$ 1.3 million) compared to NIS 6.3 million (US\$ 1.7 million) recorded in the first quarter of 2011. Selling expenses increased by 1.5% from the comparable quarter of 2011, primarily due to the sales growth. Selling expenses as a percentage of sales decreased in the first quarter of 2012 to 9.4% compared to 9.6% in the first quarter of 2011. General and administrative expenses decreased by 15.8% from the comparable quarter of 2011, primarily due to aggressive expense reduction initiatives. General and administrative expenses as a percentage of sales decreased in the first quarter of 2011 to 5.6% from 7.0% in the first quarter of 2011.

Willi-Food's income before taxes for the first quarter of 2012 decreased by 16.4% to NIS 6.6 million (US\$ 1.8 million) compared to NIS 7.8 million (US\$ 2.1 million) recorded in the first quarter of 2011. Willi-Food's profit from continuing operations for the first quarter of 2012 decreased by 17.6% to NIS 4.8 million (US\$ 1.3 million) from NIS 5.9 million (US\$ 1.6 million) recorded in the first quarter of 2011.

Willi-Food's net income in the first quarter of 2012 decreased 21.8% to NIS 4.8 million (US\$ 1.3 million) from NIS 6.2 million (US\$ 1.7 million) recorded in the first quarter of 2011. Willi-Food's net income attributed to the owners of the Company in the first quarter of 2012 decreased 20.1% to NIS 4.8 million (US\$ 1.3 million), or NIS 0.37 (US\$ 0.10) per share, compared to NIS 6.0 million (US\$ 1.6 million), or NIS 0.45 (US\$ 0.13) per share, recorded in the first quarter of 2011.

Willi-Food ended the first quarter of 2012 with NIS 196.5 million (US\$ 52.9 million) in cash and securities and with no short-term debt. Willi-Food's shareholders' equity at the end of March 2012 was NIS 314.5 million (US\$ 84.7 million).

Business Outlook

Mr. Zwi Williger, Chairman of Willi-Food commented, "As with the second half of 2011, first quarter 2012 results were affected by continued consumer pressure to reduce prices which accordingly, caused us to reduce the prices of some of our products. The actions taken in the first quarter, by way of price reductions, resulted in a decrease of our profitability. Going forward, we anticipate a significant increase in the level of uncertainty in the global economy. In Israel, economic uncertainty is coupled with changes in the Israeli market and ongoing consumer demand for price reductions that we expect will negatively affect our gross margins in the second quarter of 2012 compared to 2011 second quarter's gross margins."

Mr. Williger concluded, "Our foreseeable challenge will be to manage the cost of our products and our other expenses in order to accommodate the continued desire of our customers to acquire lower cost products. However, we believe that this period presents us with an opportunity utilize our cash on hand to acquire synergetic companies at prices lower than before. We continue to look for opportunities to create additional value for our shareholders."

Conference Call

The Company will host a conference call to discuss results on Thursday, May 31, 2012 at 10:30 AM Eastern time. Interested parties may participate in the conference call by dialing 1-877-941-2068 (US), or 1-480-629-9712 (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://public.viaavid.com/index.php?id=1009628>

A replay of the conference call will be available for 14 days from 1:30 PM EST on May 31, 2012 through 11:59 PM EST on June 13, 2012 by dialing 1-877-870-5176 (US), or 1-858-384-5517 (International), access code 4543184. In addition, a recording of the call will be available via the following link for one year: <http://public.viaavid.com/reports/eventparts.php?id=o5aipZmf>

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, 2012, U.S. \$1.00 equals NIS 3.715. The translation was made solely for the convenience of the reader.

NOTE B: IFRS

The Company's consolidated financial results for the three-month and fiscal year ended March 31, 2012 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.

ABOUT G. WILLI-FOOD INTERNATIONAL LTD.

G. Willi-Food International Ltd. (<http://www.willi-food.com>) 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, marketing and distribution of over 600 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 and Gold Frost, a wholly owned subsidiary who designs, develops and distributes branded kosher, dairy-food products.

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 marketable securities or 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 anticipate changes in consumer preferences, 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, 2011, filed with the Securities and Exchange Commission on April 30, 2012. 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, 2012 | December 31, 2011 | March 31, 2012 | December 31, 2011 |
|--|-------------------|-------------------------|-------------------|-------------------------|
| | NIS | | US dollars (*) | |
| | (in thousands) | | | |

ASSETS**Current assets**

| | | | | |
|---|----------------|----------------|---------------|---------------|
| Cash and cash equivalents | 39,852 | 34,661 | 10,727 | 9,072 |
| Financial assets carried at fair value through profit or loss | 156,659 | 163,430 | 42,169 | 42,773 |
| Trade receivables | 71,275 | 57,628 | 19,186 | 15,082 |
| Other receivables and prepaid expenses | 5,746 | 15,720 | 1,547 | 4,113 |
| Inventories | 34,133 | 32,613 | 9,188 | 8,535 |
| Total current assets | 307,665 | 304,052 | 82,817 | 79,575 |

Non-current assets

| | | | | |
|--------------------------------|--------|--------|--------|--------|
| Property, plant and equipment | 61,526 | 61,401 | 16,562 | 16,069 |
| Less -Accumulated depreciation | 19,503 | 18,856 | 5,250 | 4,935 |
| | 42,023 | 42,545 | 11,312 | 11,134 |

| | | | | |
|---------------------------------|----------------|----------------|---------------|---------------|
| Prepaid expenses | 114 | 117 | 31 | 31 |
| Goodwill | 36 | 36 | 9 | 9 |
| Deferred taxes | 747 | 933 | 201 | 244 |
| Total non-current assets | 42,920 | 43,631 | 11,553 | 11,418 |
| | 350,585 | 347,683 | 94,370 | 90,993 |

EQUITY AND LIABILITIES**Current liabilities**

| | | | | |
|-------------------------------------|---------------|---------------|--------------|--------------|
| Trade payables | 27,734 | 25,683 | 7,465 | 6,722 |
| Provisions | 1,273 | 1,164 | 343 | 305 |
| Current tax liabilities | 1,348 | 3,837 | 363 | 1,004 |
| Other payables and accrued expenses | 3,316 | 4,551 | 893 | 1,190 |
| Employees Benefits | 1,732 | 1,613 | 466 | 422 |
| Total current liabilities | 35,403 | 36,848 | 9,530 | 9,643 |

Non-current liabilities

| | | | | |
|--------------------------------------|------------|------------|------------|------------|
| Employees Benefits | 641 | 518 | 173 | 136 |
| Total non-current liabilities | 641 | 518 | 173 | 136 |

Shareholders' equity

| | | | | |
|--|---------|---------|--------|--------|
| Share capital NIS 0.10 par value (authorized - 50,000,000 shares, issued and outstanding – 12,974,245 shares at March 31, 2012; 13,020,360 shares at December 31, 2011) | 1,444 | 1,444 | 389 | 378 |
| Additional paid in capital | 129,846 | 129,809 | 34,953 | 33,972 |
| Capital fund | 247 | 247 | 65 | 65 |

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| | | | | |
|---|-----------|-----------|----------|----------|
| Foreign currency translation reserve | 648 | 587 | 174 | 154 |
| Treasury shares | (10,843) | (10,141) | (2,919) | (2,654) |
| Retained earnings | 193,199 | 188,371 | 52,005 | 49,299 |
| | 314,541 | 310,317 | 84,667 | 81,214 |
| | 350,585 | 347,683 | 94,370 | 90,993 |
| (*) Convenience translation into U.S. dollars | | | | |

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

| | Three months ended March 31, | | | |
|--------------------------------------|---|--------|----------------|--------|
| | 2012 | 2011 | 2012 | 2011 |
| | NIS | | US dollars (*) | |
| | (in thousands, except per share and share data) | | | |
| Sales | 73,651 | 70,393 | 19,825 | 20,222 |
| Cost of sales | 57,975 | 52,407 | 15,606 | 15,055 |
| Gross profit | 15,676 | 17,986 | 4,219 | 5,167 |
| Selling expenses | 6,897 | 6,792 | 1,857 | 1,951 |
| General and administrative expenses | 4,120 | 4,893 | 1,109 | 1,406 |
| Other Income | (66) | (34) | (18) | (10) |
| Total operating expenses | 10,951 | 11,651 | 2,948 | 3,347 |
| Operating income | 4,725 | 6,335 | 1,271 | 1,820 |
| Financial income | 2,014 | 1,726 | 542 | 496 |
| Financial expense | 188 | 219 | 51 | 63 |
| Income before taxes on income | 6,551 | 7,842 | 1,762 | 2,253 |
| Taxes on income | 1,723 | 1,979 | 464 | 569 |
| Profit from continuing operations | 4,828 | 5,863 | 1,298 | 1,684 |
| Profit from discontinued operations | - | 313 | - | 90 |
| Profit for the year | 4,828 | 6,176 | 1,298 | 1,774 |
| Attributable to: | | | | |
| Owners of the company | 4,828 | 6,043 | 1,298 | 1,736 |
| Non - controlling interests | - | 133 | - | 38 |
| Net income | 4,828 | 6,176 | 1,298 | 1,774 |
| Earnings per share data: | | | | |
| Earnings per share: | | | | |
| Earnings per share | | | | |
| Basic from continuing operations | 0.37 | 0.43 | 0.10 | 0.12 |
| Basic from discontinued operations | - | 0.02 | - | 0.01 |
| Basic earnings per share | 0.37 | 0.45 | 0.10 | 0.13 |
| Diluted from continuing operations | 0.37 | 0.43 | 0.10 | 0.12 |
| Diluted from discontinued operations | - | 0.02 | - | 0.01 |

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| | | | | |
|---|------------|------------|------------|------------|
| Diluted earnings per share | 0.37 | 0.45 | 0.10 | 0.13 |
| Shares used in computation of basic EPS | 12,987,367 | 13,573,679 | 12,987,367 | 13,573,679 |

(*) Convenience translation into U.S. dollars

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

Three months ended March 31,
2012 2011 2012 2011
NIS US dollars (*)
(in thousands)

| | | | | |
|---|-----------------|-----------------|---------------|-----------------|
| Cash flows - operating activities | | | | |
| Profit from continuing operations | 4,828 | 5,863 | 1,298 | 1,684 |
| Adjustments to reconcile net income to net cash from continuing operating activities (Appendix) | (6,293) | (5,805) | (1,690) | (1,667) |
| Net cash from (used in) continuing operating activities | (1,465) | 58 | (392) | 17 |
| Net cash from (used in) discontinued investing activities | - | 687 | - | 197 |
| Cash flows - investing activities | | | | |
| Acquisition of property plant and equipment | (281) | (348) | (76) | (100) |
| Proceeds from sale of property plant and Equipment | - | 146 | - | 42 |
| Additions to prepaid expenses, net | - | (13) | - | (4) |
| Proceeds used in purchase of marketable securities, net | 7,639 | (4,443) | 2,056 | (1,276) |
| Net cash used in continuing investing activities | 7,358 | (4,658) | 1,980 | (1,338) |
| Net cash used in discontinued investing activities | - | (840) | - | (241) |
| Cash flows - financing activities | | | | |
| Investment in treasury stocks | (702) | - | (189) | - |
| Short-term bank credit, net | - | (738) | - | (212) |
| Net cash from (used in) continuing financing activities | (702) | (738) | (189) | (212) |
| Net cash used in discontinued financing activities | - | 153 | - | 44 |
| Increase (decrease) in cash and cash equivalents | 5,191 | (5,338) | 1,399 | (1,533) |
| Cash and cash equivalents at the beginning of the financial year | 34,661 | 113,631 | 9,330 | 32,643 |
| Cash and cash equivalents of the end of the financial year | 39,852 | 108,293 | 10,729 | 31,110 |

(*) 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,
2012 2011 2012 2011
NIS US dollars (*)
(in thousands)

| | | | | |
|--|----------|----------|----------|----------|
| Deferred income taxes | 187 | (134) | 50 | (38) |
| Unrealized loss (gain) on marketable securities | (868) | 42 | (234) | 12 |
| Depreciation and amortization | 873 | 690 | 235 | 198 |
| Capital gain on disposal of property | (66) | - | (18) | - |
| Employees benefit, net | 123 | (4) | 36 | (1) |
| Stock based compensation reserve | 37 | - | 9 | - |
| Changes in assets and liabilities: | | | | |
| Increase in trade receivables and other receivables | (3,614) | (4,444) | (972) | (1,277) |
| Increase in inventories | (1,520) | (5,793) | (408) | (1,664) |
| Increase (Decrease) in trade and other payables, and other current liabilities | (1,445) | 3,838 | (388) | 1,103 |
| | (6,293) | (5,805) | (1,690) | (1,667) |

(*) 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:

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SOURCE: G. Willi-Food International Ltd.