

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

G WILLI FOOD INTERNATIONAL LTD  
Form 6-K  
November 22, 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 November 2010

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

4 Nahal Harif St., Yavne, Israel 81106  
(Address of principal executive offices)  
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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 November 22, 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

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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: November 22, 2010

By: /s/ Ety Sabach

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Ety Sabach  
Chief Financial Officer

## News

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FOR IMMEDIATE RELEASE

G. WILLI-FOOD REPORTS NET INCOME OF US\$ 2.1 MILLION FOR  
THIRD QUARTER 2010

2010 Q3 NET CASH FROM CONTINUING OPERATING ACTIVITIES REACHED  
US\$ 4.9 MILLION, OR US\$ 0.36 PER SHARE;

2010 Q3 SALES 16.1% OVER 2009 Q3 SALES

YAVNE, ISRAEL - NOVEMBER 22, 2010 - G. WILLI-FOOD INTERNATIONAL LTD. (NASDAQ: WILC) (the "COMPANY" or "WILLI-FOOD"), a global food company specializing in the development, manufacturing, marketing and international distribution of kosher foods, today announced its unaudited financial results for the third quarter and for the first nine months ending September 30, 2010.

### THIRD QUARTER FISCAL 2010 HIGHLIGHTS

- o Sales increased 16.1% over third quarter of 2009 to NIS 79.7 million (US\$ 21.7 million)
- o Gross profit increased 11.1% over third quarter of 2009 to NIS 24.7 million (US \$6.7 million), or 30.9% of sales
- o Operating income of NIS 8.3 million (US\$ 2.3 million), or 10.4% of sales
- o Net income of NIS 7.8 million (US\$ 2.1 million), or 9.8% of sales
- o Net cash from continuing operating of NIS 17.9 million (US\$ 4.9 million), or NIS 1.32 (US\$ 0.36) per share
- o Cash and securities balance of NIS 177.4 million (US\$ 48.4 million) as of September 30, 2010

Willi-Food's operating divisions include Willi-Food, 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.

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Sales for the third quarter of 2010 increased by 16.1% to NIS 79.7 million (US\$ 21.7 million) compared to sales of NIS 68.6 million (US\$ 18.7 million) in the third quarter of 2009. The growth in sales in the third quarter was primarily attributed to 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 first quarter of 2010 and increased sales and promotion activities.

Gross profit for the third quarter of 2010 increased by 11.1% to NIS 24.7 million (US\$ 6.7 million) compared to gross profit of NIS 22.2 million (US\$ 6.1 million) in the third quarter of 2009. Third quarter gross margin was 30.9% compared to gross margin of 32.3% for the same period in 2009. Willi-Food successfully achieved an increase in gross profit despite the global increase in cost of raw food materials, especially in dairy and bakery products, which affected its inventory purchase prices, by managing the rising costs through smart purchases in advance and wisely managing its inventory levels.

Excluding an unrealized one-time capital gain resulting from the completion of a tender offer for Gold Frost's shares that was recorded as "Other income" in the third quarter of 2009 in the amount of NIS 5.2 million (US\$ 1.4 million) (the "CAPITAL GAIN"), Willi-Food's operating income for the third quarter of 2010 decreased 8.2% to NIS 8.3 million (US\$ 2.3 million) over the third quarter of 2009. Without excluding the Capital Gain, on a GAAP basis, Willi-Food's operating income for the third quarter of 2010 decreased 41.8% from NIS 14.2 million (US\$ 3.9 million) reported in the comparable quarter of last year. Selling expenses increased by 37.1% from the comparable quarter of 2009. Selling expenses as a percentage of sales increased in the third quarter of 2010 to 13.4% compared to 11.4% in the third quarter of 2009 primarily due to increased sales and promotion activities and higher transportation costs resulting from increased sales. General and administrative expenses as a percentage of sales decreased in the third quarter of 2010 to 7.1% from 7.8% in the third quarter of 2009.

Excluding the Capital Gain, Willi-Food's income before taxes for the third quarter of 2010 increased 7.4% to NIS 10.1 million (US\$ 2.8 million) over the third quarter of 2009. Without excluding the Capital Gain, on a GAAP basis, Willi-Food's income before taxes for the third quarter of 2010 decreased 30.9% from NIS 14.6 million (US\$ 4.0 million) recorded in the third quarter of 2009. Excluding the Capital Gain, Income from continuing operations for the third quarter of 2010 increased 2.1% NIS 7.8 million (US\$ 2.1 million) over the third quarter of 2009. Without excluding the Capital Gain, on a GAAP basis, Willi-Food's income from continuing operations for the third quarter of 2010 decreased 39.2% from NIS 12.9 million (US\$ 3.5 million) recorded in the third quarter of 2009.

Excluding the Capital Gain, Willi-Food's net income in the third quarter of 2010 increased 25.1% to NIS 7.8 million (US\$ 2.1 million) recorded in the third quarter of 2009. Without excluding the Capital Gain, on a GAAP basis, Willi-Food's net income in the third quarter of 2010 decreased 31.7% from NIS 11.5 million (US\$ 3.1 million) recorded in the third quarter of 2009.

Willi-Food's net income related to Company Shareholders in the third quarter of 2010 was NIS 7.2 million (US\$ 2.0 million), or NIS 0.53 (US\$ 0.15) per share compared to NIS 11.1 million (US\$ 3.0 million), or NIS 1.08 (US\$ 0.29) per share, recorded in the third quarter of 2009.

Willi-Food generated NIS 17.9 million (US \$4.9 million), or NIS 1.32 (US \$0.36) per share from continuing operating activities in the third quarter of 2010

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compared to NIS 4.6 million (US\$ 1.2 million), or NIS 0.44 (US\$ 0.12) per share generated from continuing operating activities in the third quarter of 2009.

Willi-Food ended the third quarter of 2010 with of NIS 177.4 million in cash and securities (US\$ 48.4 million) and NIS 3.9 million (US\$ 1.1 million) in short-term debt (51% of the debt of Shamir Salads). Willi-Food's shareholders' equity at the end of 2010 third quarter was NIS 298.7 million (US\$ 81.5 million).

### FIRST NINE-MONTHS FISCAL 2010 HIGHLIGHTS

- o Sales increased 15.0% over first nine months of 2009 to NIS 257.3 million (US\$ 70.2 million)
- o Gross profit increased 26.4% over first nine months of 2009 to NIS 75.4 million (US \$20.6 million)
- o Gross margins improved to 29.3% compared to 26.7% in the first nine month of 2009
- o Operating income of NIS 25.6 million (US\$ 7.0 million), or 10.0% of sales
- o Net income of NIS 22.1 million (US\$ 6.0 million), or 8.6% of sales

Sales for the nine months ended September 30, 2010 increased 15.0% to NIS 257.3 million (US\$ 70.2 million) compared to sales of NIS 223.7 million (US\$ 61.0 million) in the first nine months of 2009. Gross profit for the nine month period increased by 26.4% to NIS 75.4 million (US\$ 20.6 million) compared to gross profit of NIS 59.7 million (US\$ 16.3 million) in the first nine months of last year. Gross margin in the nine month period improved to 29.3% compared to gross margin of 26.7% in the same period in 2009.

Excluding the Capital Gain, operating income for the first nine months of 2010 increased 17.6% to NIS 25.6 million (US\$ 7.0 million) over the first nine months of 2009. Without excluding the Capital Gain, on a GAAP basis, operating income for the first nine months of 2010 decreased 5.1% from NIS 27.0 million (US\$ 7.4 million) reported in the comparable period of last year.

Excluding the Capital Gain, Willi-Food's net income for the first nine months of 2010 increased 20.4% to NIS 22.1 million (US\$ 6.0 million) over the first nine months of 2009. Without excluding the Capital Gain, on a GAAP basis, net income for the first nine months of 2010 decreased 6.2% from NIS 23.5 million (US\$ 6.4 million) recorded in the first nine months of 2009. Willi-Food's net income attributable to Company Shareholders in the first nine months of 2010 was NIS 20.7 million (US\$ 5.7 million), or NIS 1.7 (US\$ 0.45) per share compared to NIS 22.7 million (US\$ 6.2 million), or NIS 2.2 (US\$ 0.60) per share, recorded in the first nine months of 2009.

### OUTLOOK

Mr. Zwi Williger, President and COO of Willi-Food commented: "We are pleased with our strong performance in the third quarter of 2010. For the fifth consecutive quarter, Willi-Food continued to achieve improved results in all the P&L parameters, when excluding the one-time unrealized capital gain recorded in the third quarter of 2009, which was not operational. We were successful in increasing sales in the third quarter by 16.1% due to the introduction of great-tasting, higher profit margin food products, which we have developed

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together with our suppliers, into our product mix lineup. The net income attributable to Company Shareholders in the third quarter of 2010 was US\$ 2 million - a margin of 9.1% of sales. We generated in this quarter US \$4.9 million in cash from continuing operating activities and our shareholders' equity at the end of the quarter was US\$ 81.5 million."

"We achieved 30.9% gross margins in the third quarter of 2010 despite the global increase in cost of raw food materials, especially in dairy and bakery products, which began approximately four months ago, which affected our inventory purchase prices. We anticipated the increase in cost of raw food materials, and so we were able to manage rising costs through smart purchases in advance, wisely managing our inventory levels and utilizing our on hand cash, as we adjusted the sale prices of our products to consumers in accordance with current product prices of our suppliers."

"Our strong financial results for the third quarter of 2010 demonstrate Willi-Food's ability to capitalize on what we believe to be the growing interest of consumers in the kosher market. We are able to differentiate our company through our success at becoming a high margin business in a low margin industry. We are pleased to consistently deliver significantly higher margins than those generated by most other companies in our industry. Willi-Food has taken the appropriate measures to position itself for a stronger fiscal 2011, and we remain focused on maximizing long-term profitability."

"Our line of products includes over 1,000 products exclusively distributed by Willi-Food and Shamir Salads. The dynamics of the industry are driving demand for innovative kosher products, and we believe that Willi-Food has the infrastructure and development expertise to deliver. Our strategy is to leverage Willi-Food's global supplier relationships and expertise in product development and to capitalize on the growing demand for innovative kosher products for both kosher and health minded consumers in the U.S. We believe that the health benefits of eliminating animal fats in the 'kosherizing' process in our dairy products makes our products attractive to consumers looking for better tasting, low-cholesterol and low-fat alternatives."

Mr. Williger concluded, "We are optimistic about the remainder of 2010 and our 2011 results as we continue to work to expand the footprint and brand recognition of Willi-Food globally while diversifying our product base in order to hedge against any single event that might impact our results. We will continue our efforts to expand our reach into targeted retail and wholesale markets in the U.S. This will include strategic distribution partnerships in order to expand the footprint and brand recognition of Willi-Food globally. We remain committed to our strategy of expanding marketing channels for our higher-margin products in the U.S., European and Israeli markets and to promoting our broad selection of kosher products to health-conscious consumers across Europe, Israel and the United States. We are looking for improved results in the future."

### CONFERENCE CALL

The Company will host a conference call to discuss results on Monday, November 22, 2010 at 11:00 AM Eastern time. Interested parties may participate in the conference call by dialing 1-877-941-2069 (US), or 1-480-629-9713 (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://viavid.net/dce.aspx?sid=00007e32>

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A replay of the conference call will be available for 14 days from 2:00 PM EST on November 22, 2010 through 11:59 PM EST on December 6, 2010 by dialing 1-877-870-5176 (US), or 1-858-384-5517 (International), access code 4385649. In addition, a recording of the call will be available via the 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 September 30, 2010, U.S. \$1.00 equals NIS 3.665. 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 September 30, 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 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

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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, 2009, 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

	SEPTEMBER 30, ----- 2 0 1 0 -----	DECEMBER 31, ----- 2 0 0 9 -----	SEPTEMBER 30, ----- 2 0 1 0 -----
	NIS		NIS
	----- (IN THOUSANDS) -----		
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	119,653	87,104	32,000
Financial assets carried at fair value through profit or loss	57,718	11,356	15,000
Trade receivables	80,799	77,752	22,000
Other receivables and prepaid expenses	1,769	1,990	1,000
Inventories	42,110	44,810	11,000
TOTAL CURRENT ASSETS	302,049	223,012	82,000
NON-CURRENT ASSETS			
Property, plant and equipment	71,683	67,120	19,000
Less -Accumulated depreciation	20,121	17,542	5,000
	51,562	49,578	14,000
Long term receivables	-	760	
Prepaid expenses	2,343	2,384	
Goodwill	1,936	1,936	
Intangible assets	4,217	4,674	1,000
Deferred taxes	407	375	

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Total non-current assets	60,465	59,707	16,
	362,514	282,719	98,
EQUITY AND LIABILITIES			
CURRENT LIABILITIES			
Short-term bank credit	7,587	10,372	2,
Trade payables	36,838	49,382	10,
Accruals	268	145	
Current tax liabilities	7,884	2,801	2,
Other payables and accrued expenses	6,634	8,976	1,
Employees Benefits	2,934	2,977	
TOTAL CURRENT LIABILITIES	62,145	74,653	16,
NON-CURRENT LIABILITIES			
Long-term bank loans	148	97	
Deferred taxes	373	445	
Employees Benefits	1,121	1,044	
TOTAL NON-CURRENT LIABILITIES	1,642	1,586	
SHAREHOLDERS' EQUITY			
Share capital NIS 0.10 par value (authorized - 50,000,000 shares, issued and outstanding - 13,573,679 shares at September 30, 2010; 10,267,893 shares at December 31, 2009)	1,444	1,113	
Additional paid in capital	128,863	59,056	35,
Capital fund	247	247	
Foreign currency translation reserve	673	639	
Retained earnings	162,624	141,883	44,
Noncontrolling interest	4,876	3,542	1,
	298,727	206,480	81,
	362,514	282,719	98,

(\*) Convenience translation into U.S. dollars

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

NINE MONTHS		THREE MONTHS	
ENDED SEPTEMBER 30,			
2 0 1 0	2 0 0 9	2 0 1 0	2 0 0
NIS			
IN THOUSANDS (EXCEPT PER SHARE AN			



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Sales	257,304	223,704	79,710	68,
Cost of sales	181,885	164,015	55,051	46,
	-----	-----	-----	-----
GROSS PROFIT	75,419	59,689	24,659	22,
	-----	-----	-----	-----
Selling expenses	32,800	23,056	10,714	7,
General and administrative expenses	17,019	14,940	5,666	5,
Other expense (income)	(33)	(5,312)	3	(5,
	-----	-----	-----	-----
Total operating expenses	49,786	32,684	16,383	7,
	-----	-----	-----	-----
OPERATING INCOME	25,633	27,005	8,276	14,
Financial income	3,218	1,677	2,143	
Financial expense	890	975	345	
	-----	-----	-----	-----
Income before taxes on income	27,961	27,707	10,074	14,
Taxes on income	6,716	4,515	2,246	1,
	-----	-----	-----	-----
INCOME FROM CONTINUING OPERATIONS	21,245	23,192	7,828	12,
Income (Loss) from discontinued operations	830	353	-	(1,
	-----	-----	-----	-----
NET INCOME	22,075	23,545	7,828	11,
	=====	=====	=====	=====
Owners of the Company	20,741	22,624	7,247	11,
Non-controlling interest	1,334	921	581	
	-----	-----	-----	-----
NET INCOME	22,075	23,545	7,828	11,
	=====	=====	=====	=====
Earnings per share data:				
Earnings per share:				
Basic from continuing operations	1.57	2.20	0.53	1
	=====	=====	=====	=====
Basic from discontinued operations	0.07	-	-	(0
	=====	=====	=====	=====
Basic	1.64	2.20	0.53	1
	=====	=====	=====	=====
Diluted from continuing operations	1.57	2.20	0.53	1
	=====	=====	=====	=====
Diluted from discontinued operations	0.07	-	-	(0
	=====	=====	=====	=====
Diluted	1.64	2.20	0.53	1
	=====	=====	=====	=====
Shares used in computing basic and diluted earnings per ordinary share:	12,641,278	10,267,893	13,573,679	10,267,
	=====	=====	=====	=====

(\* ) Convenience translation into U.S. dollars.

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G. WILLI-FOOD INTERNATIONAL LTD.  
CONDENSED STATEMENTS OF SHAREHOLDERS' EQUITY  
(NIS IN THOUSANDS)

	SHARE CAPITAL	ADDITIONAL PAID IN CAPITAL	CAPITAL FUND	FOREIGN CURRENCY TRANSLATION RESERVE
	-----	-----	-----	-----
BALANCE - JANUARY 1, 2009	1,113	59,056	247	369
Profit for the year	-	-	-	-
Currency translation differences	-	-	-	39
	-----	-----	-----	-----
TOTAL COMPREHENSIVE INCOME FOR THE YEAR				408
Purchase of non-controlling interest	-	-	-	-
Dividend paid to non-controlling interests	-	-	-	-
Disposal of subsidiary	-	-	-	231
	-----	-----	-----	-----
BALANCE - DECEMBER 31, 2009	1,113	59,056	247	639
Profit for the year	-	-	-	-
Currency translation differences	-	-	-	34
	-----	-----	-----	-----
TOTAL COMPREHENSIVE INCOME FOR THE YEAR				673
Public offering	331	69,807	-	-
	-----	-----	-----	-----
BALANCE - SEPTEMBER 30, 2010	1,444	128,863	247	673
	=====	=====	=====	=====

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

	NINE MONTHS		THREE MONTHS	
	-----			
	ENDED SEPTEMBER 30,			
	2 0 1 0	2 0 0 9	2 0 1 0	2 0 0 9
	-----	-----	-----	-----
	NIS			
	-----			
	(IN THOUSANDS)			
	-----			
CASH FLOWS - OPERATING ACTIVITIES				
Profit from continuing operations	21,245	23,192	7,828	12,876
ADJUSTMENTS TO RECONCILE NET INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Depreciation and amortization	3,623	3,451	1,230	1,150
Deferred expenses	695	766	237	304
Deferred income taxes	(104)	809	172	335

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Capital Gain on disposal of property plant and equipment	(33)	(67)	3	40
Capital Gain on purchase of additional shares in subsidiary	-	(5,245)	-	(5,245)
Unrealized gain on marketable securities	(1,521)	(2,033)	(2,058)	(429)
Revaluation of loans from banks and others	(11)	27	(8)	(25)
Change in value of warrants to issue shares	-	(5)	-	-
Employees benefit, net	77	52	50	41
CHANGES IN ASSETS AND LIABILITIES:				
Decrease (Increase) in:				
Trade accounts receivable	(3,047)	(4,501)	4,725	2,755
Receivables and other current assets	630	3,124	(139)	1,049
Inventory	2,700	6,311	4,139	(7,338)
Decrease in long term receivables	350	-	209	-
Increase (Decrease) in:				
Trade accounts payable	(12,481)	(394)	(875)	2,813
Payables and other current liabilities	3,628	(1,432)	2,387	(3,771)
NET CASH FROM CONTINUING OPERATING ACTIVITIES	15,751	24,055	17,900	4,555
NET CASH FROM (USED IN) DISCONTINUED OPERATING ACTIVITIES	(22)	1,293	-	127

(\*). Convenience translation into U.S. dollars.

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

	NINE MONTHS		THREE MONTHS	
	ENDED SEPTEMBER 30,			
	2 0 1 0	2 0 0 9	2 0 1 0	2 0 0 9
	NIS			
	(IN THOUSANDS)			
CASH FLOWS - INVESTING ACTIVITIES				
Proceeds from realization (purchase) of marketable securities, net	(44,841)	6,557	(1,120)	7,736
Purchase of additional shares in subsidiary	-	(2,314)	-	(2,314)
Disposal of subsidiary	-	2,185	-	2,192
Acquisition of property plant and equipment	(5,545)	(1,423)	(3,803)	(216)
Additions to prepaid expenses	(784)	(1,117)	(280)	(120)
Long term deposit, net	20	(65)	39	(62)
Proceeds from sale of property plant and Equipment	427	256	216	51

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NET CASH FROM (USED IN) CONTINUING INVESTING ACTIVITIES	(50,723)	4,079	(4,948)	7,267
NET CASH USED IN DISCONTINUED INVESTING ACTIVITIES	-	(23)	-	-
CASH FLOWS - FINANCING ACTIVITIES				
Proceeds of Public offering, net	70,248	-	10	-
Short-term bank credit, net	1,471	(695)	725	(1,077)
Proceeds (Repayment )of loans	(3,250)	(836)	(1,678)	(460)
NET CASH FROM (USED IN) CONTINUING FINANCING ACTIVITIES	68,469	(1,531)	(943)	(1,537)
NET CASH FROM (USED IN) DISCONTINUED FINANCING ACTIVITIES	(926)	(990)	-	111
INCREASE IN CASH AND CASH EQUIVALENTS	32,549	26,883	12,009	10,523
Cash and cash equivalents at the beginning of the financial period	87,104	78,749	107,644	95,249
NET FOREIGN EXCHANGE DIFFERENCE ON CASH AND CASH EQUIVALENTS FROM DISCONTINUED ACTIVITIES	-	(14)	-	(154)
CASH AND CASH EQUIVALENTS OF THE END OF THE FINANCIAL PERIOD	119,653	105,618	119,653	105,618

(\*). Convenience translation into U.S. dollars.

G. WILLI-FOOD INTERNATIONAL LTD.  
NON-GAAP FINANCIALS MEASURES AND RECONCILIATION

	NINE MONTHS		THREE MONTHS	
	ENDED SEPTEMBER 30,			
	2 0 1 0	2 0 0 9	2 0 1 0	2 0 0 9
	NIS			
	IN THOUSANDS (EXCEPT PER SHARE AND S			
GAAP Operating income	25,633	27,005	8,276	14,221
Other income - capital gain - tender offer	-	(5,208)	-	(5,208)
NON-GAAP OPERATING INCOME	25,633	21,797	8,276	9,013
GAAP Income before taxes on income	27,961	27,707	10,074	14,586

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Other income - capital gain - teder offer	-	(5,208)	-	(5,208)
	-----	-----	-----	-----
NON-GAAP INCOME BEFORE TAXES ON INCOME	27,961	22,499	10,074	9,378
	-----	-----	-----	-----
GAAP Income from continuing operations	21,245	23,192	7,828	12,876
Other income - capital gain - teder offer	-	(5,208)	-	(5,208)
	-----	-----	-----	-----
NON-GAAP INCOME FROM CONTINUING OPERATIONS	21,245	17,984	7,828	7,668
	-----	-----	-----	-----
GAAP Net income	22,075	23,545	7,828	11,466
Other income - capital gain - teder offer	-	(5,208)	-	(5,208)
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NON-GAAP NET INCOME	22,075	18,337	7,828	6,258
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(\*) 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.

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SOURCE: G. Willi-Food International Ltd.