

G WILLI FOOD INTERNATIONAL LTD
Form 6-K
May 28, 2015

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 - 2015

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 28, 2015.

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 28, 2015

By: /s/ Itai Loewenstein
Name: Itai Loewenstein
Title: Chief Financial Officer

FOR IMMEDIATE RELEASE

G. WILLI-FOOD REPORTS Q1 2015 FINANCIAL RESULTS

YAVNE, Israel - May 28, 2015 - G. Willi-Food International Ltd. (NASDAQ: WILC) (the "Company" or "Willi-Food"), a global company that specializes in the development, marketing and international distribution of kosher foods, today announced its unaudited financial results for the first quarter ended March 31, 2015.

First Quarter Fiscal 2015 Highlights:

- Sales decreased 9.3% from first quarter of 2014 to NIS 86.2 million (US\$ 21.7 million)
- Gross profit decreased 20.3% from first quarter of 2014 to NIS 17.1 million (US\$ 4.3 million), or 19.8% of sales
- Operating income decreased 67.8% from first quarter of 2014 to NIS 2.1 million (US\$ 0.5 million), or 2.4% of sales
 - Net income decreased 63.1% from first quarter of 2014 to NIS 2.6 million (US\$ 0.7 million), or 3.0% of sales
 - Earning per share of NIS 0.2 (US\$ 0.05)
- Cash and securities balance (net of short-term bank debt) of NIS 216.0 million (US\$ 54.3 million) as of March 31, 2015

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 and innovative kosher dairy food products.

First Quarter Fiscal 2015 Summary

Sales for the first quarter of 2015 decreased by 9.3% to NIS 86.2 million (US\$ 21.7 million) from NIS 95.0 million (US\$ 23.9 million) recorded in the first quarter of 2014. Sales decreased in the first quarter of 2015 primarily due to overall market decline in food product consumption by the Israeli consumer.

Gross profit for the first quarter of 2015 decreased by 20.3% to NIS 17.1 million (US\$ 4.3 million) compared to NIS 21.4 million (US\$ 5.4 million) recorded in the first quarter of 2014. First quarter gross margin was 19.8% compared to gross margin of 22.5% for the same period in 2014. The decrease in gross margin in the first quarter of 2015 was primarily due to reductions in the prices of certain of our products as a result of continued expectations from our customers for us to reduce prices and to certain expense shifting from selling expenses to gross margin, as a result of government regulations that became effective in January 2015. The decrease in gross margin was also less significantly caused by the strengthening of the U.S. dollar versus the NIS.

Willi-Food's operating income for the first quarter of 2015 decreased by 67.8% to NIS 2.1 million (US\$ 0.5 million) compared to NIS 6.4 million (US\$ 1.6 million) recorded in the first quarter of 2014. Selling expenses increased by 2.9% from the comparable quarter of 2014, primarily due to an increase in promotional expenses that included a one-time NIS 1.6 million (US\$ 0.4 million) expense related to a nationwide media campaign launched in the first quarter of 2015 which was aimed at broadening awareness of Willi-Food brand and products. Selling expenses as a percentage of sales increased in the first quarter of 2015 to 12.0% compared to 10.6% in the first quarter of 2014. General and administrative expenses decreased by 7.4% from the first quarter of 2014.

Willi-Food's income before taxes for the first quarter of 2015 decreased by 60.8% to NIS 3.8 million (US\$ 1.0 million) compared to NIS 9.8 million (US\$ 2.5 million) recorded in the first quarter of 2014.

Willi-Food's net income in the first quarter of 2015 decreased by 63.1% to NIS 2.9 million (US\$ 0.7 million), or NIS 0.20 (US\$ 0.05) per share, from NIS 7.1 million (US\$ 1.8 million), or NIS 0.55 (US\$ 0.16) per share, recorded in the first quarter of 2014.

Willi-Food ended the first quarter of 2015 with NIS 216.0 million (US\$ 54.3 million) in cash and securities net from short-term debt. Willi-Food's shareholders' equity at the end of March 2015 was NIS 392.5 million (US\$ 98.6 million).

Business Outlook

Mr. Zwi Williger, Chairman of Willi-Food, commented, "First quarter sales and profit margins were negatively affected by continued pressure from our customers to reduce prices and continued decline of food consumption by the Israeli consumer. Although these trends did not reduce the number of consumer visits to stores that stock our products, they did sharply decrease the consumer's consumption basket. In light of our expectation that these trends will continue, we face increased uncertainty in the local economy, and a principal challenge will be in managing our expenses in order to offer our products at the lower prices our customers expect. Such expense management will be needed in order to maintain our customer base both in the retail and wholesale markets during these difficult times for the food industry".

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, 2015, U.S. \$1.00 equals NIS 3.98. The translation was made solely for the convenience of the reader.

NOTE B: IFRS

The Company's consolidated financial results for the three-month ended March 31, 2015 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.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.

FORWARD LOOKING STATEMENT

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 and changes in consumer preferences, our inability to protect our intellectual property rights, 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, 2013, filed with the Securities and Exchange Commission on April 30, 2015. 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, 2015 | December 31, 2014 | March 31, 2015 | December 31, 2014 |
|---|-------------------|-------------------------|-------------------|-------------------------|
| | NIS | | US dollars (*) | |
| | (in thousands) | | | |
| ASSETS | | | | |
| Current assets | | | | |
| Cash and cash equivalents | 76,543 | 82,902 | 19,232 | 20,830 |
| Financial assets carried at fair value through profit or loss | 119,349 | 122,733 | 29,987 | 30,837 |
| Short term deposit | 20,124 | 19,445 | 5,056 | 4,886 |
| Trade receivables | 99,908 | 86,690 | 25,105 | 21,781 |
| Other receivables and prepaid expenses | 2,934 | 3,700 | 737 | 930 |
| Inventories | 51,633 | 48,587 | 12,973 | 12,208 |
| Current tax assets | 1,624 | 1,372 | 408 | 345 |
| Total current assets | 372,115 | 365,428 | 93,498 | 91,817 |
| Non-current assets | | | | |
| Property, plant and equipment | 74,324 | 73,826 | 18,674 | 18,549 |
| Less -Accumulated depreciation | 29,233 | 28,579 | 7,345 | 7,181 |
| | 45,091 | 45,247 | 11,329 | 11,368 |
| Other receivables and prepaid expenses | 142 | 133 | 36 | 33 |
| Goodwill | 36 | 36 | 9 | 9 |
| Deferred taxes | 213 | 505 | 54 | 127 |
| Total non-current assets | 45,482 | 45,921 | 11,428 | 11,537 |
| | 417,597 | 411,349 | 104,926 | 103,354 |
| EQUITY AND LIABILITIES | | | | |
| Current liabilities | | | | |
| Short-term bank debt | 26 | - | 7 | - |
| Trade payables | 19,558 | 15,518 | 4,914 | 3,899 |
| Employees Benefits | 2,582 | 2,120 | 649 | 533 |
| Other payables and accrued expenses | 2,370 | 7,010 | 595 | 1,761 |
| Total current liabilities | 24,536 | 24,648 | 6,165 | 6,193 |
| Non-current liabilities | | | | |
| retirement benefit obligation | 603 | 635 | 152 | 159 |
| Total non-current liabilities | 603 | 635 | 152 | 159 |
| Shareholders' equity | | | | |
| Share capital NIS 0.1 par value (authorized - 50,000,000 shares, issued and outstanding - 13,107,579 shares at March 31, 2015; 12,974,245 shares at December 31, 2014) | 1,420 | 1,407 | 357 | 354 |

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| | | | | |
|--|---------|---------|---------|---------|
| Additional paid in capital | 125,158 | 121,430 | 31,447 | 30,510 |
| Capital fund | 247 | 247 | 63 | 62 |
| Remeasurement of the net liability in respect of defined benefit | (25) | (57) | (7) | (14) |
| Retained earnings | 265,658 | 263,039 | 66,749 | 66,090 |
| Equity attributable to owners of the Company | 392,458 | 386,066 | 98,609 | 97,002 |
| | 417,597 | 411,349 | 104,926 | 103,354 |

(*) Convenience translation into U.S. dollars

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

| | Three months ended March 31 | | Three months ended March 31 | |
|---|---|------------|--------------------------------|------------|
| | 2 0 1 5 | 2 0 1 4 | 2 0 1 5 | 2 0 1 4 |
| | NIS | | US dollars (*) | |
| | (in thousands, except per share and share data) | | | |
| Sales | 86,176 | 94,969 | 21,652 | 23,862 |
| Cost of sales | 69,113 | 73,565 | 17,365 | 18,484 |
| Gross profit | 17,063 | 21,404 | 4,287 | 5,378 |
| Operating costs and expenses: | | | | |
| Selling expenses | 10,360 | 10,067 | 2,603 | 2,530 |
| General and administrative expenses | 4,679 | 5,056 | 1,176 | 1,270 |
| Other Income | (44) | (147) | (11) | (37) |
| Total operating expenses | 14,995 | 14,976 | 3,768 | 3,763 |
| Operating income | 2,068 | 6,428 | 519 | 1,615 |
| Financial income | 1,860 | 3,497 | 467 | 879 |
| Financial expense | 103 | 162 | 26 | 41 |
| Total financial income | 1,757 | 3,335 | 441 | 838 |
| Income before taxes on income | 3,825 | 9,763 | 960 | 2,453 |
| Taxes on income | 1,206 | 2,656 | 303 | 667 |
| Net income | 2,619 | 7,107 | 657 | 1,786 |
| Earnings per share: | | | | |
| Basic earnings per share | 0.20 | 0.55 | 0.05 | 0.16 |
| Diluted earnings per share | 0.20 | 0.55 | 0.05 | 0.16 |
| Shares used in computation of basic EPS | 13,014,245 | 12,974,245 | 13,014,245 | 12,974,245 |

(*) Convenience translation into U.S. dollars

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

| | Three months ended March 31 | | Three months ended March 31 | |
|--|---|------------------|--------------------------------|-----------------|
| | 2015 | 2014 | 2015 | 2014 |
| | NIS | | US dollars (*) | |
| | (in thousands, except per share and share data) | | | |
| Cash flows - operating activities: | | | | |
| Profit from continuing operations | 2,619 | 7,107 | 657 | 1,786 |
| Adjustments to reconcile net profit to net cash used in continuing operating activities (Appendix) | (16,542) | (24,702) | (4,155) | (6,207) |
| Net cash used in continuing operating activities | (13,923) | (17,595) | (3,498) | (4,421) |
| Cash flows - investing activities: | | | | |
| Acquisition of property plant and equipment | (1,520) | (1,829) | (382) | (460) |
| Proceeds from sale of property plant and Equipment | 132 | 745 | 33 | 187 |
| Proceeds from (used in) purchase of marketable securities, net | 5,470 | (32,164) | 1,374 | (8,081) |
| Proceeds from Loan carried at fair value through profit or loss | - | 65,400 | - | 16,432 |
| Net cash from continuing investing activities | 4,082 | 32,152 | 1,025 | 8,078 |
| Cash flows - financing activities: | | | | |
| Short-term bank debt | 26 | 2,626 | 7 | 660 |
| Exercise of options into shares | 3,456 | - | 868 | - |
| Net cash from (used in) continuing financing activities | 3,482 | 2,626 | 875 | 660 |
| Increase (decrease) in cash and cash equivalents | (6,359) | 17,183 | (1,598) | 4,317 |
| Cash and cash equivalents at the beginning of the financial year | 82,902 | 36,197 | 20,830 | 9,095 |
| Cash and cash equivalents of the end of the financial year | 76,543 | 53,380 | 19,232 | 13,412 |

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

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

| Three months ended March 31 | | Three months ended March 31 | |
|---|------|--------------------------------|------|
| 2015 | 2014 | 2015 | 2014 |
| NIS | | US dollars (*) | |
| (in thousands, except per share and share data) | | | |

Cash flows from operating activities:

A. Adjustments to reconcile net profit to net cash from operating activities

| | | | | |
|--|----------|----------|--------|--------|
| Increase (Decrease) in deferred income taxes | 292 | (200) | 74 | (50) |
| Unrealized gain from Short term deposit | (679) | - | (171) | - |
| Unrealized Gain of loan carried at fair value through profit or loss | - | (100) | - | (25) |
| Unrealized gain on marketable securities | (2,086) | (3,008) | (524) | (756) |
| Depreciation and amortization | 977 | 890 | 245 | 224 |
| Capital gain on disposal of property plant and equipment | (44) | (188) | (11) | (47) |
| Stock based compensation reserve | 285 | 476 | 72 | 120 |

Changes in assets and liabilities:

| | | | | |
|---|-----------|-----------|----------|----------|
| Increase in trade receivables and other receivables | (12,713) | (23,613) | (3,194) | (5,934) |
| Decrease (Increase) in inventories | (3,047) | 501 | (766) | 126 |
| Increase in trade and other payables, and other current liabilities | 473 | 540 | 120 | 135 |
| | (16,542) | (24,702) | (4,155) | (6,207) |

B. Significant non-cash transactions:

| | | | | |
|---|--------|---|--------|---|
| Purchase of property, plant and equipment | (611) | - | (154) | - |
|---|--------|---|--------|---|

Supplemental cash flow information:

| | | | | |
|-----------------|-------|-------|-----|-----|
| Income tax paid | 2,190 | 2,447 | 550 | 615 |
|-----------------|-------|-------|-----|-----|

(*) 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.
Itai Loewenstein, CFO
(+972) 8-932-1000
itai@willi-food.co.il

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SOURCE: G. Willi-Food International Ltd.

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