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G WILLI FOOD INTERNATIONAL LTD

Form 6-K

August 27, 2007

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 August 2007

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 August 27, 2007.

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

In accordance with the requirements of the Securities Exchange Act of 1934,

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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: August 27, 2007

By: /s/ Joseph Williger

Joseph Williger
Chief Executive Officer

News

FOR IMMEDIATE RELEASE

G. WILLI-FOOD REPORTS FINANCIAL RESULTS FOR THE SECOND QUARTER AND FIRST SIX MONTHS OF 2007

CONTINUED FOCUS ON PROFITABLE GROWTH

YAVNE, Israel - August 27, 2007 - G. Willi-Food International Ltd. (NASDAQ: WILC) (the "Company" or "Willi-Food"), one of Israel's largest food importers and a single-source supplier of one of the world's most extensive range of quality kosher food products, today announced its unaudited financial results for the second quarter and first six months ended June 30, 2007.

SECOND QUARTER 2007 FINANCIAL HIGHLIGHTS

- o 29.1% increase in sales over second quarter 2006
- o 17.6% increase in gross profit over second quarter 2006
- o 9.6% increase in net income over second quarter 2006, including one-time expenses related to the move to the new logistics center

Second quarter 2007 results include consolidated results of Laish Israeli, a U.S. importer and distributor of kosher food products acquired by the Company and the Company's global kosher trade and export joint venture with the Baron family.

Revenues for the second quarter of 2007 increased 29.1% to NIS 55.8 million (US \$13.1 million) compared to revenues of NIS 43.2 million (US \$10.2 million) in the second quarter of 2006. The increase in revenues continues to be driven by the Company's international expansion and addition of new business units.

Gross profit for the second quarter of 2007 increased by 17.6% to NIS 13.4 million (US \$3.2 million) compared to gross profit of NIS 11.4 million (US \$2.7 million) in the second quarter of 2006. Second quarter gross margin was 24.1% compared to 26.4% for the same period in 2006. The global increase in the prices of raw food materials overall, and in particular goods related to milk and dairy products, had a negative impact on gross profit for the period.

Mr. Zwi Williger, President and COO of Willi-Food commented, "Second quarter results remained strong. We experienced some margin pressure in the quarter due to the global increases in raw material prices, but are pleased to consistently

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deliver significantly higher margins than those generated by most other companies in our industry."

Willi-Food's operating income for the second quarter of 2007 declined to NIS 2.7 million (US \$0.6 million) from NIS 3.8 million (US \$0.9 million) reported in the comparable quarter of last year. Second quarter selling expenses as a percentage of revenues increased slightly to 13.1% compared to 10.9% in the prior year's period, reflecting increased one-time expenses related to the transition to the new logistics center.

The Company completed its transition to the new state-of-the-art logistics center situated in Yavne. Storage and distribution operations are now integrated in the same facility, and the Company expects to realize future cost savings from the consolidation of warehouse operations and implementation of new inventory management systems.

Willi-Food's second quarter 2007 net income was NIS 2.9 million (US\$0.7 million), or NIS 0.28 (US\$0.07) per share compared to a net income of NIS 2.6 million (US\$0.6 million), or NIS 0.31 (US\$0.07) per share, recorded in the second quarter of 2006.

Willi-Food ended the quarter with \$21.6 million in cash and securities and approximately \$1.5 million in short-term debt.

The Company's Gold Frost subsidiary, which develops chilled and dairy products, reported a 37.1% increase in second quarter 2007 revenues to \$3.5 million from \$2.5 million in the same quarter of 2006. The subsidiary's gross profit for the quarter was \$1.4 million or 41% of revenues compared to \$1.3 million or 53% of revenue in the same 2006 period. Second quarter operating income for Gold Frost was \$787,000 or 23% of revenues, compared to \$816,000 or 32% of revenues in the same 2006 period. Gold Frost's income before taxes was \$904,000 compared to \$914,000 in the second quarter of 2006. Second quarter net income for Gold Frost increased 15% to \$769,000 from \$670,000 in second quarter 2006.

SIX-MONTH RESULTS

Willi-Food's revenues for the six-month period increased 30% to NIS 127.2 million (US \$29.9 million) compared to revenues of NIS 97.7 million (US \$23.0 million) in the first half of 2006. Gross profit for the period increased 33% to NIS 34.2 million (US \$8.1 million) compared to gross profit of NIS 25.8 million (US \$6.1 million) for the six month period in 2006. First half gross margins remained level at 26.9% compared to gross margins of 26.4% in the same period in 2006.

Operating income for the first half of 2007 increased 55% to NIS 12.8 million (US \$3.0 million) from NIS 8.3 million (US \$1.9 million) reported in the comparable period of last year. First half 2007 income before taxes was NIS 15.1 million (US \$3.6 million) compared to NIS 28.8 million (US \$6.8 million) recorded in the first half of 2006. Net income for the first half of 2007 was NIS 9.4 million (US \$2.2 million), or NIS 0.92 (US \$0.22) per share compared to NIS 25.3 million (US \$6.0 million), or NIS 2.94 (US \$0.69) per share, recorded in the first half of 2006.

OUTLOOK

"Our business is growing rapidly and we remain focused on maximizing long-term

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profitability and expanding the Willi-Food brand globally," stated Mr. Williger. "We have integrated our new business units and are making necessary adjustments to improve our overall blended margin both domestically and internationally.

"The evaluation of our traditional dry-goods import business in Israel and Laish's extensive product line was initiated last quarter, as part of our strategy to improve margins in these business segments. We have been analyzing revenue and profit contributions across various products and categories and identifying opportunities to eliminate or replace certain items with those generating higher returns. As we move forward with this process, we are finding more opportunities for product elimination or replacement than we had originally planned, which will likely result in further short-term revenue reductions in these businesses in 2007; however we are confident that this strategy will deliver better profit returns in the future.

"We are also reviewing the optimal timing for penetration of the U.S. kosher dairy market, in light of worldwide cost increases in dairy production. We are working closely with our global suppliers to manage rising costs and develop additional resources and have decided to temporarily delay the sale of dairy imports into the U.S. until we have more control over this issue. We are still pursuing our own dairy import license for our Gold Frost subsidiary with the U.S. authorities, and Gold Frost is still working on new product labeling in compliance with USDA and kosher regulations, so we will be ready to execute when this cost challenge is resolved.

"Our strategy of building a distribution network in the U.S. through acquisition of channels with local and national retailer relationships is moving ahead. The goal is to expand Willi-Food's brand presence through distribution of existing high-margin innovative products and then leverage this foundation to penetrate the kosher dairy market once we are able to achieve more favorable margins in this segment.

"Including all of these factors, we are reducing our 2007 estimates for revenue growth to a range of 30-40% over the NIS 191.5 million (US \$45.1 million) in reported revenues for 2006, adjusted for currency fluctuation. We believe that this estimate represents very significant revenue growth with the ramp-up of our newly added business lines, but more importantly, enables us to deliver the highest margins possible. Demand for innovative kosher products remains strong and we are confident in our ability to leverage our enhanced international platform to become a highly profitable leader in the global marketplace."

The Company will host a conference call to discuss results on August 27, at 10:00 AM EDT. Interested parties may participate in the conference call by dialing (877) 407-0778 (US), or (201) 689-8565 (International) 5-10 minutes prior to the start of the call. A replay of the conference call will be available from 1:00 PM EDT on August 27 through 12:00 PM EDT on September 2, by dialing (877) 660-6853 (US), or (201) 612-7415 (International), and entering replay account 286 and then replay ID# 251859. A live and archived webcast of the conference call will be available by following this link: <http://investor.shareholder.com/media/eventdetail.cfm?mediaid=27111&c=wilc&mediakey=c011e8791d3a2b0bd74d3c63b78a23fe&e=0> and alternatively on the Willi-Food website at <http://www.willi-food.co.il>.

ABOUT G. WILLI-FOOD INTERNATIONAL, LTD.

G. Willi-Food International Ltd. is one of Israel's largest food importers and a single-source supplier of one of the world's most extensive ranges of quality kosher food products. It currently imports, markets and distributes more than 400 food products manufactured by some 100 top-tier suppliers throughout the

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world to more than 1,000 customers. The Company excels in identifying changing tastes in its markets and sourcing high-quality kosher products to address them. For more information, please visit the Company's website at www.willi-food.co.il.

Except for historical information contained herein, the matters set forth in this press release are forward-looking statements that are dependent on certain risks and uncertainties, including such factors, among others, as market acceptance, market demand, pricing, competition, changing economic conditions and other risk factors detailed in the Company's SEC filings.

Financial reporting from recent acquisitions and joint ventures are consolidated into Willi-Food's financial results and will not be itemized.

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 June 30, 2007: U.S. \$1.00 equals NIS 4.249. The translation was made solely for the convenience of the reader.

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G. WILLI-FOOD INTERNATIONAL LTD.

CONDENSED CONSOLIDATED BALANCE SHEETS

	JUNE 30, ----- 2 0 0 7 -----	DECEMBER 31, ----- 2 0 0 6 -----	JUNE 30, ----- 2 0 0 7 (*) -----	DECEMBER 31, ----- 2 0 0 6 -----
	NIS		US DOLLARS	
	----- I N T H O U S A N D S -----			
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	59,441	91,398	13,989	20,750
Marketable securities	32,515	13,945	7,652	1,615
Trade receivables	67,094	48,163	15,790	3,695
Other receivables and prepaid expenses	4,206	4,499	990	228
Inventories	31,377	19,101	7,385	1,715
	-----	-----	-----	-----
TOTAL CURRENT ASSETS	194,633	177,106	45,806	10,993
	-----	-----	-----	-----
FIXED ASSETS				
Cost	53,513	49,213	12,594	2,915

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Less: accumulated depreciation and amortization	7,191	6,442	1,692	
	-----	-----	-----	-----
	46,322	42,771	10,902	1
	-----	-----	-----	-----
OTHER ASSETS, NET	3,399	94	800	
	=====	=====	=====	=====
	244,354	219,971	57,508	5
	=====	=====	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Short-term loan	6,374	-	1,500	
Trade payables	29,124	20,137	6,854	
Related parties	3,707	5,677	872	
Other payables and accrued expenses	6,563	6,969	1,545	
	-----	-----	-----	-----
TOTAL CURRENT LIABILITIES	45,768	32,783	10,771	
	-----	-----	-----	-----
LONG TERM LIABILITIES				
Accrued severance pay	400	347	94	
	-----	-----	-----	-----
WARRANTS TO ISSUE SHARES OF SUBSIDIARY	-	348	-	
	-----	-----	-----	-----
MINORITY INTEREST	16,976	14,754	3,995	
	-----	-----	-----	-----
SHAREHOLDERS' EQUITY				
Ordinary shares NIS 0.10 par value (authorized - 50,000,000 shares, issued and outstanding - 10,267,893 shares)	1,113	1,113	262	
Additional paid-in capital	61,350	61,350	14,439	1
Foreign currency translation reserve	70	-	16	
Retained earnings	118,677	109,276	27,931	2
	-----	-----	-----	-----
	181,210	171,739	42,648	4
	=====	=====	=====	=====
	244,354	219,971	57,508	5
	=====	=====	=====	=====

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

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

SIX MONTHS		THREE MONTHS	

ENDED JUNE 30,			

2 0 0 7	2 0 0 6	2 0 0 7	2 0 0 6
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NIS			

I N T H O U S A N D S (EXCEPT PER SHARE AND			

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Sales	127,216	97,745	55,771	43,200
Cost of sales	92,996	71,910	42,342	31,783
GROSS PROFIT	34,220	25,835	13,429	11,417
Selling expenses	13,930	9,866	7,315	4,711
General and administrative expenses	7,523	7,709	3,446	2,885
Total operating expenses	21,453	17,575	10,761	7,596
OPERATING INCOME	12,767	8,260	2,668	3,821
Financial income, net	2,354	1,380	1,478	767
Other income	9	19,113	9	-
Income before taxes on income	15,130	28,753	4,155	4,588
Taxes on income	3,529	2,687	372	1,218
Income after taxes on income	11,601	26,066	3,783	3,370
Minority interest	2,199	735	894	735
NET INCOME	9,402	25,331	2,889	2,635
Earnings per share data:				
Earnings per share:				
Basic	0.92	2.94	0.28	0.31
Diluted	0.92	2.90	0.28	0.30
Shares used in computing basic and diluted earnings per ordinary share:	10,267,893	8,615,000	10,267,893	8,615,000

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