

MAGIC SOFTWARE ENTERPRISES LTD
Form 6-K
December 20, 2010

FORM 6-K

**SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549**

Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16 Under
The Securities Exchange Act of 1934

For the month of December, 2010

Commission File Number: 0-19415

MAGIC SOFTWARE ENTERPRISES LTD.

(Translation of Registrant's Name into English)

5 HaPlada Street, Or-Yehuda, Israel 60218

(Address of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover 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): N/A

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): N/A

Indicate by check mark whether 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- N/A

CONTENTS

This report on Form 6-K of MAGIC SOFTWARE ENTERPRISES Ltd. consists of the following documents, which
are attached hereto and incorporated by reference herein:

1. Magic Software Raises \$21.2 million in a Private Placement Transaction

Magic Software Enterprises Ltd. Raises \$21.2 million in a Private Placement Transaction

OR YEHUDA, Israel, Dec. 20, 2010 -- Magic Software Enterprises Ltd. (NASDAQ:MGIC), a global provider of cloud and on-premise enabled application platform and business integration solutions, today announced that it entered into definitive agreements on December 20, 2010, to sell securities to institutional investors in a private placement for aggregate gross proceeds of approximately \$21.2 million. The closing of the offering is expected to occur on or about December 23, 2010 and is subject to the satisfaction of customary closing conditions.

Under the terms of the offering, the Company will sell an aggregate of approximately 3.26 million ordinary shares at a price of \$6.50 per share. Certain of the purchasers will also receive warrants to purchase up to an aggregate of approximately 1.13 million ordinary shares at an exercise price of \$8.26 per share. The warrants are exercisable as of six months from the date of issuance, have a term of three years, and the exercise price is subject to future adjustment for various events, such as stock splits or dividend distributions. The securities offered and sold in the private placement have not been registered under the Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States absent registration, or an applicable exemption from registration under the Securities Act and applicable state securities laws. The Company intends to use the proceeds of the private placement for working capital purposes.

Rodman & Renshaw, LLC (NASDAQ:RODM), a wholly-owned subsidiary of Rodman & Renshaw Capital Group, Inc., acted as the exclusive placement agent for the offering.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities.

About Magic Software

Magic Software Enterprises Ltd. (NASDAQ: MGIC) is a global provider of cloud and on-premise application platform solutions including full client, rich internet applications (RIA), mobile and Software-as-a-Service (SaaS) modes and business and process integration solutions. Magic Software has 13 offices worldwide and a presence in over 50 countries with a global network of ISVs, system integrators, value-added distributors and resellers, as well as consulting and OEM partners. The company's award-winning, code-free solutions give partners and customers the power to leverage existing IT resources, enhance business agility and focus on core business priorities. Magic Software's technological approach, product roadmap and corporate strategy are recognized by leading industry analysts. Magic Software has partnerships with global IT leaders including SAP AG, salesforce.com, IBM and Oracle. For more information about Magic Software and its products and services, visit www.magicsoftware.com, and for more about Magic Software industry-related news, business issues and trends, read the Magic Software Blog.

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Except for the historical information contained herein, the matters discussed in this news release include forward-looking statements that may involve a number of risks and uncertainties. Actual results may vary significantly based upon a number of factors including, but not limited to, risks in product and technology development, market acceptance of new products and continuing product conditions, both here and abroad, release and sales of new products by strategic resellers and customers, and other risk factors detailed in the Company's most recent annual report and other filings with the Securities and Exchange Commission.

Magic is the trademark of Magic Software Enterprises Ltd. All other trademarks are the trademarks of their respective owners

Company contact:

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SIGNATURES

Pursuant to 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.

Date: December 20, 2010

Magic Software Enterprises Ltd

By: /s/ Amit Birk

Amit Birk
VP, General Counsel

EXHIBIT INDEX

| Exhibit Number | Description of Exhibit |
|-------------------|------------------------|
|-------------------|------------------------|

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|------|---|
| 10.1 | Magic Software Raises \$21.2 million in a Private Placement Transaction |
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Exhibit 10.1