

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

Report of Foreign Private Issuer

Pursuant to Rule 13a-16 or 15d-16
under the Securities Exchange Act of 1934

For the month of August 2007

Commission File Number: 000-51694

IncrediMail Ltd.

(Translation of registrant's name into English)

4 HaNechoshet Street, Tel-Aviv, Israel 69710
(Address of principal executive offices)

Indicate by check mark whether the 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 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- _____

IncrediMail Ltd.

On August 14, 2007, IncrediMail Ltd. issued a press release announcing its financial results for the period ended June 30, 2007. A copy of this press release is annexed hereto as Exhibit 1 and is incorporated herein by reference.

Exhibits

Exhibit 1 Press release dated August 14, 2007, announcing the financial results of IncrediMail Ltd. for the period ended June 30, 2007.

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.

IncrediMail Ltd.

Date: August 16, 2007

By: /s/ Yaron Adler

Yaron Adler
Chief Executive Officer



IncrediMail's Second Quarter Revenue Increases 111% over same quarter last year, With EBITDA Increasing 90%

– Advertising Defines IncrediMail's Direction –

TEL AVIV, ISRAEL – August 14, 2007 – IncrediMail Ltd. (NASDAQ:MAIL), an Internet company offering graphic rich content for Internet consumers, today reported continued growth in both revenue and net income for the second quarter and first six months of 2007.

Revenue in the second quarter of 2007 was \$4.3 million, increasing 111%, compared with \$2.0 million in the prior year's second quarter. Six month revenue was \$8.7 million, increasing 106%, compared with \$4.2 million reported during last year's six-month period. The increasing growth in advertising revenues was the main cause for the quarter-over-quarter continued revenue growth, smoothing out the seasonality the company had historically encountered.

Net income increased 59% to \$0.6 million, or \$0.06 per diluted share, in the second quarter of 2007, compared with \$0.4 million, or \$0.04 per diluted share, for the second quarter last year, and increased 55% to \$1.5 million, or, \$0.15 per diluted share, in the first six months of 2007, compared with \$0.9 million, or \$0.10 per diluted share reported last year.

Mr. Yaron Adler, Chief Executive Officer of IncrediMail said, "Revenue in the second quarter of 2007 practically attained the same record level achieved in the first quarter of this year, defying the Company's historical seasonality pattern. During the second quarter, we continued to deliver on our strategy for 2007, introducing new and exciting products and monetizing our existing products. Only a few months after releasing the Japanese-language version of our program, we released the Chinese-language version, right on schedule. In addition, the beta version of our new instant messaging add-on product was just released and we are very excited about the demographic differentiation we believe these new products will attain. We will continue to focus our efforts on increasing future revenues, by continuing to moderately increase our investment in R&D, while accelerating our investment in marketing. Although we have already begun to realize the benefits of those investments, we anticipate a more significant impact on registered downloads and top-line growth towards the end of 2007 and into 2008."

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Mr. Yacov Kaufman, Chief Financial Officer of IncrediMail said, "We are very pleased to report on the success of the company's strategy for evolving from a revenue model reliant on product sales, to a more diversified model led by advertising based revenues, accelerating our growth. Simultaneous with our strong top-line growth, EBITDA also nearly doubled in the second quarter of 2007, reaching \$0.8 million, compared with \$0.4 million in the second quarter of 2006. EBITDA in the first six months of 2007 was \$1.8 million, compared with \$1.0 million in the first six months of 2006. Our strong revenue and profitability enable us to continue investing in new marketing initiatives and products."

Mr. Adler added, "Our plan for growth includes diversifying and leveraging our premium user base, while making important investments in our future. The increase in advertising revenues increases our effective monetization per user, enabling us to invest in new and increasingly effective marketing initiatives aimed at further increasing our user base and total revenue growth. Magentic, already registering 3.6 million downloads, generated over 5% of our revenues this quarter. We expect the release of our instant messaging product will bring new demographics and additional organic growth, and by the end of this year we plan to release our new Web 2.0 community website.

Highlights of the Second Quarter and First Half of 2007

– *Revenues double again:*

Sales in the second quarter of 2007 offset the seasonality effect and maintained the robust levels set during the first quarter, providing for a record six months on a year-over-year basis.

Advertising revenues continued to provide the most aggressive growth and reached \$1.9 million (45% of revenue) during the second quarter of this year, compared with \$0.2 million (10% of revenue) during the second quarter of 2006. This growth was due to revenues generated by searches that IncrediMail referred to Google.

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Subscription revenues in the first six months of 2007 also grew substantially, reaching \$3 million, increasing by more than 60% versus the same period in 2006. This increase was a result of the Company's continued emphasis on receiving revenue from the more lucrative subscriptions and securing their renewals, particularly from its anti-spam product, JunkFilter Plus. The Company achieved this without decreasing its one-time fee revenues.

– *Magentic reached 3.6 million registered downloads and monetization realized:*

In the 12 months since its launch, Magentic has recorded more than 3.6 million registered downloads and has begun driving revenues. Revenues brought by this venue accounted for more than 5% of the Company's top line during the second quarter.

– *Chinese version of IncrediMail released:*

Only a few months after releasing the Japanese-language version of IncrediMail, the Company released the Chinese-language version of this product as well. With the completion of the translation, the Company is now addressing the localization of the content to these local markets and expects to do this together with a local partner. Management is very excited about introducing its products to a new and believed to be rapidly growing demographic, with the ultimate goal of incorporating them in its user base.

Mr. Adler concluded, “We continue to diversify our revenue streams and seek new areas and demographics to enhance our growth. The recent announcement of our instant messaging enhancement product is a perfect example of how we intend to diversify our demographics as we anticipate this product will attract a significantly younger audience than our other products. Creating these new growth engines is being done while we continue to set record sales numbers and significantly increase profits. Based on our proven success, this will remain our strategy for the coming year.”

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Conference call instructions

IncrediMail will host a conference call to discuss its results for the second quarter and first six months of 2007 today, August 14th at 10:30 AM ET. We invite all those interested in hearing management’s discussion to join the call by dialing 1-(866)-585-6398. International participants may access the call by dialing 1-(416)-849-9626. A replay will be available for one week following the call by dialing 1-(866)-245-6755 for domestic participants or 1-(416)-915-1035 for international participants and entering conference passcode 166648 when prompted. Participants may also access a live webcast of the conference call through the investor relations section of IncrediMail’s website at www.incredimail-corp.com. The webcast will be archived on the company’s website for 7 days.

About IncrediMail Ltd.

IncrediMail designs and markets an integrated suite of customized and entertaining Internet software products for the consumer market. Our products include: *IncrediMail Xe*, which allows users to personalize email messages with creative features and is offered free of charge; *IncrediMail Premium*, an enhanced version of *IncrediMail Xe*; *IncrediMail Letter Creator*, which enables further personalization of backgrounds; *The Gold Gallery*, a content database of additional backgrounds, animation and notifiers, *JunkFilter Plus*, an anti-spam solution, and *Magentic*, a desktop enhancing solution. IncrediMail generates revenue by the sale of these products and services; licensing and co-branding the *Incredi* brand to operators of third party websites; generation of searches and selling paid advertising and sponsored links on its website and email client. For more information about IncrediMail, visit www.incredimail-corp.com.

Non-GAAP measures

Use of Non-GAAP Financial Information – In addition to reporting financial results in accordance with generally accepted accounting principles, or GAAP, IncrediMail uses non-GAAP measures of net income and earnings per share, which are adjustments from results based on GAAP to exclude non-cash stock-based compensation expenses. IncrediMail’s management believes the non-GAAP financial information provided in this release is useful to investors’ understanding and assessment of IncrediMail’s on-going core operations and prospects for the future. The presentation of this non-GAAP financial information is not intended to be considered in isolation or as a substitute for results prepared in accordance with GAAP. Management uses both GAAP and non-GAAP information in evaluating and operating business internally and as such deemed it important to provide all this information to investors.

Forward-Looking Statements

This press release contains historical information and forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995 with respect to the business, financial condition and results of operations of the Company. The words “believe,” “expect,” “intend,” “plan,” “should” and similar expressions are intended to identify forward-looking statements. Such statements reflect the current views, assumptions and expectations of the Company with respect to future events and are subject to risks and uncertainties. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, changes in the markets in which the Company operates and in general economic and business conditions, loss of key customers and unpredictable sales cycles, competitive pressures, market acceptance of new products, inability to meet efficiency and cost reduction objectives, changes in business strategy and various other factors, both referenced and not referenced in this press release. Various risks and uncertainties may affect the Company and its results of operations, as described in reports filed by the Company with the Securities and Exchange Commission from time to time. The Company does not assume any obligation to update these forward-looking statements.

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Contact Information

For further information please contact:

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INVESTOR RELATIONS
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Tables Follow

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U.S. dollars in thousands (except share data)

	June 30, 2007	December 31, 2006
	(unaudited)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 1,821	\$ 8,366
Marketable securities and short term deposits	26,923	17,381
Trade receivables	1,572	1,828
Deferred taxes	664	418
Other receivables and prepaid expenses	369	611
Total current assets	31,349	28,604
LONG-TERM ASSETS:		
Severance pay fund	737	589
Deferred taxes	300	221
Long-term deposits	459	412
Restricted cash	95	92
Property and equipment, net	1,260	877
Goodwill	288	288
Intangible assets, net	344	341
Total long-term assets	3,483	2,820
Total assets	\$ 34,832	\$ 31,424
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Trade payables	\$ 980	\$ 464
Deferred revenues	3,566	3,703
Accrued expenses and other liabilities	3,913	2,876
Total current liabilities	8,459	7,043
LONG-TERM LIABILITIES:		
Deferred revenues	904	951
Accrued severance pay	1,002	853
Total long-term liabilities	1,906	1,804
SHAREHOLDERS' EQUITY		
Shares issued and outstanding: 9,399,458 and 9,456,198 at December 31, 2006 and June 30, 2007, respectively	24,467	22,577
Total liabilities and shareholders' equity	\$ 34,832	\$ 31,424

**INCREDIMAIL LTD.
STATEMENTS OF INCOME**

U.S. dollars in thousands (except per share data), unaudited

Quarter ended June 30,		Six months ended June 30,	
2007	2006	2007	2006

Revenues	\$	4,304	\$	2,036	\$	8,720	\$	4,237
Cost of revenues		350		164		707		334
Gross profit		3,954		1,872		8,013		3,903
Operating expenses:								
Research and development		1,417		598		2,658		1,218
Selling and marketing		969		322		2,071		592
General and administrative		910		606		1,696		1,208
Total operating expenses		3,296		1,526		6,425		3,018
Operating income		658		346		1,588		885
Financial income, net		389		108		665		243
Income before taxes on income		1,047		454		2,253		1,128
Taxes on income		422		62		790		182
Net income	\$	625	\$	392	\$	1,463	\$	946
Net earnings per Ordinary share:								
Basic	\$	0.07	\$	0.04	\$	0.16	\$	0.11
Diluted	\$	0.06	\$	0.04	\$	0.15	\$	0.11
Diluted weighted number of shares (in thousands)		9,645		9,526		9,633		8,716
Non-GAAP adjustment:								
Stock based compensation	\$	201	\$	135	\$	332	\$	197
Non-GAAP net income	\$	826	\$	527	\$	1,795	\$	1,143
Non-GAAP net earnings per share :								
Basic	\$	0.09	\$	0.06	\$	0.19	\$	0.13
Diluted	\$	0.09	\$	0.06	\$	0.19	\$	0.12