MAGIC SOFTWARE ENTERPRISES LTD

Form 6-K

January 27, 2003

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                    SECURITIES AND EXCHANGE COMMISSION
                          Washington, D.C. 20549
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                                F O R M 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 January 2003

                      MAGIC SOFTWARE ENTERPRISES LTD.
                           (Name of Registrant)


                   5 HaPlada Street, Or-Yehuda, Israel 60218
                    (Address of Principal Executive Office)

     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   X              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 X

     If  "Yes"  is  marked,  indicate  below  the file  number  assigned  to the
registrant  in  connection   with  Rule  12g3-2(b):   82- _____

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                      MAGIC SOFTWARE ENTERPRISES LTD.


6-K Items

     1.  Magic  Software  Enterprises  Ltd.  Press  Release  with  respect  to
         Announcement of Dividends to Shareholders dated January 27, 2003.




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Magic Software Enterprises Announces Distribution
Of Dividend To Shareholders

OR YEHUDA, ISRAEL (January 27, 2003) -- Magic Software Enterprises Ltd. (Nasdaq
and TASE: MGIC), a leading provider of state-of-the-art application development
and integration technology, and business solutions announced today a dividend
distribution to its shareholders. Following receipt of the approval from the
District Court of Tel Aviv, the Company will distribute $0.40 per ordinary share
to its shareholders.

The total dividend which will be distributed to its shareholders will amount to
$11,899,200. From the $0.40 per share dividend withholding tax at source of 25%
will be withheld (except for Israeli companies). Accordingly, each holder of an
ordinary share of MGIC stock (except for Israeli companies) will receive $0.30.

The record date for the distribution of the dividend will be February 10, 2003,
at 5:00 p.m. New York time and the payment date will be February 24, 2003.

About Magic Software Enterprises

Magic Software Enterprises, a member of the Formula Group (Nasdaq: FORTY),
develops, markets and supports software development and deployment technology
that enables enterprises to accelerate the process of building and deploying
applications that can be rapidly customized and integrated with existing
systems. Magic technology, applications and professional services are available
through a global network of subsidiaries, distributors and Magic solutions
partners in approximately 50 countries. The Company's North American subsidiary
is located at 17310 Redhill Avenue #270, Irvine, CA 92614-5637, telephone (800)
345-6244, (949) 250-1718, fax (949) 250-7404, http://www.magicsoftware.com/.

The Formula Group is an international information technology company principally
engaged, through its subsidiaries and affiliates, in providing software
consulting services, developing proprietary software products and producing
computer-based solutions.

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.

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.

MAGIC SOFTWARE ENTERPRISES LTD.
(Registrant)

By /s/ Menachem Hasfari

      Menachem Hasfari
      Chief Executive Officer

Date: January 27, 2003