



EL AL

Israel Airlines Ltd.

Q2/10

Consolidated Statements of Operations

(in millions USD)

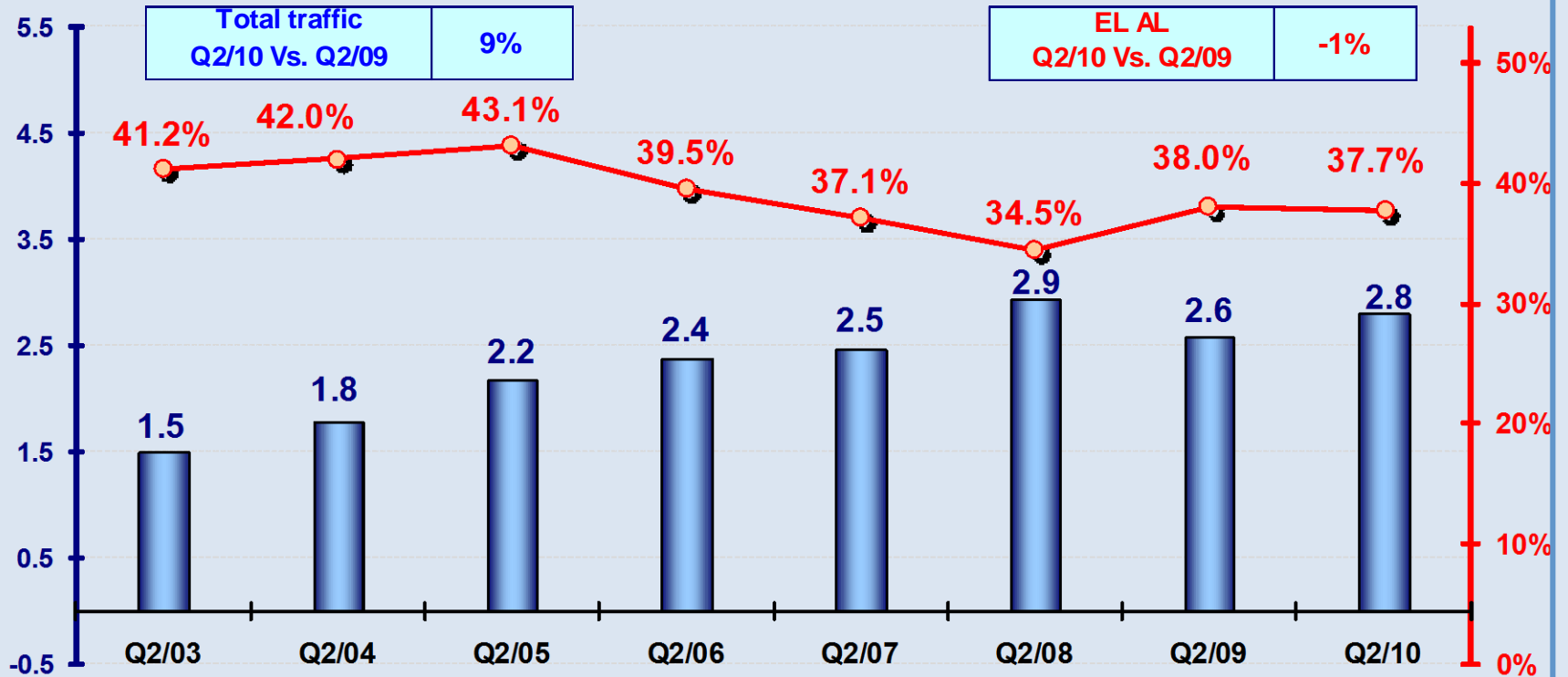
	Q2/10		Q2/09		Q2/10 Vs. Q2/09	
	\$	% of	\$	% of	difference	%
Operating revenues	498.5	100%	399.4	100%	99.1	25%
Operating expenses	400.9	80.4%	353.1	88.4%	47.8	14%
Gross profit	97.6	19.6%	46.3	11.6%	51.3	111%
Selling expenses	49.1	9.8%	47.6	11.9%	1.5	3%
General and administr. Expenses	22.8	4.6%	21.8	5.5%	1.0	4%
Other expenses ,net	0.7	0.1%	1.4	0.3%	(0.6)	-46%
Operating profit (loss)	25.0	5.0%	(24.5)	-6.1%	49.5	
Net financing expenses	5.3	1.1%	7.1	1.8%	(1.8)	-26%
Income (Loss) before income tax	19.7	4.0%	(31.6)	-7.9%	51.3	
Income Tax (savings) expenses	4.9	1.0%	(11.8)	-3.0%	16.7	
Net Income (Loss) for the period	14.8	3.0%	(19.7)	-4.9%	34.6	

EL AL & Sun D'or (scheduled+charter) share in total traffic at BGA

for quarter Q2 in years 2003-2010

total traffic (mill. - per passeng. Leg)

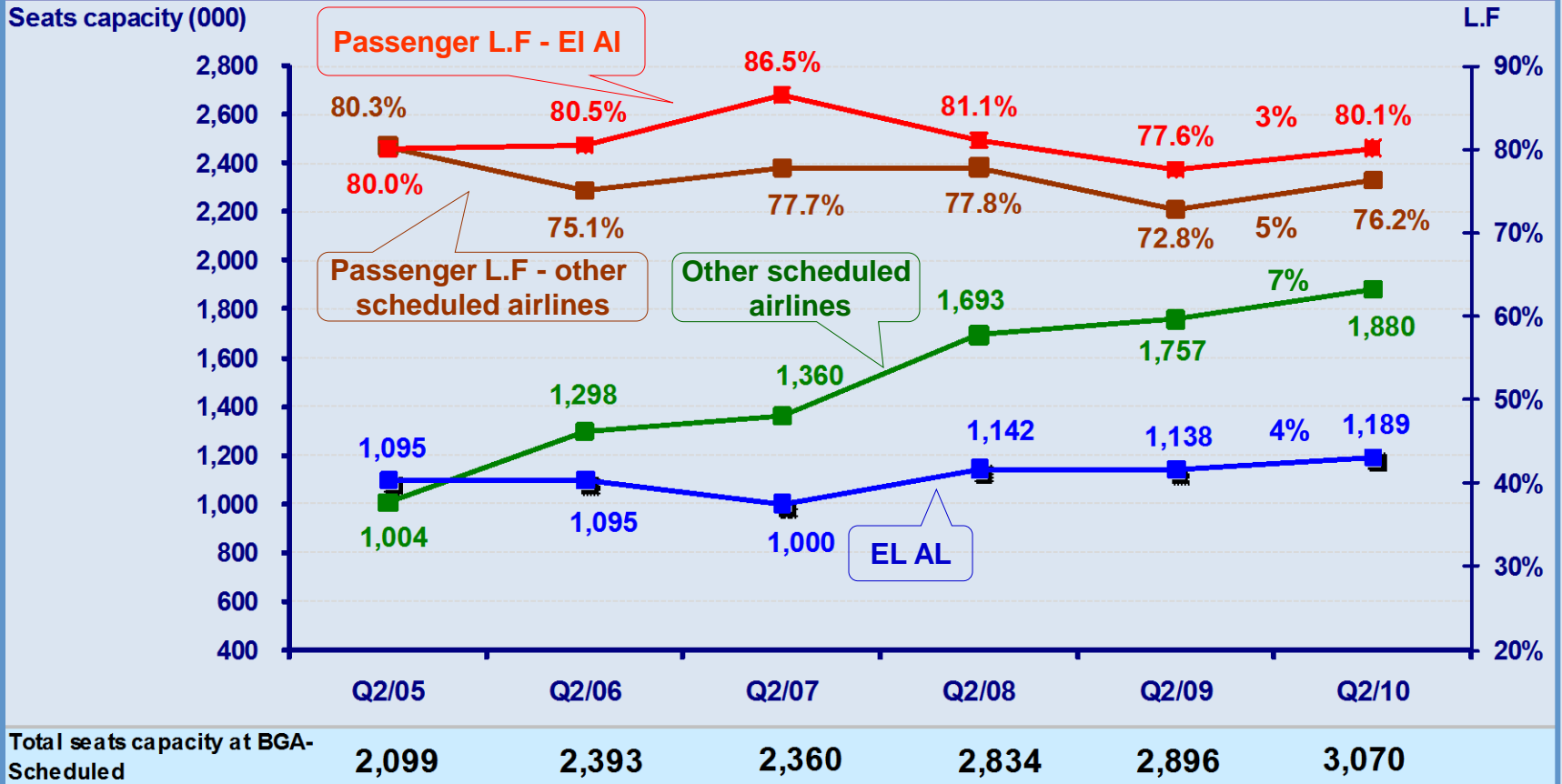
EL AL & Sun D'or share in total traffic (%)



Source of data: Commercial Planning & Market Research

Seats capacity and passenger load factor of scheduled airlines at Ben Gurion (*)

for quarter Q2 in years 2005-2010



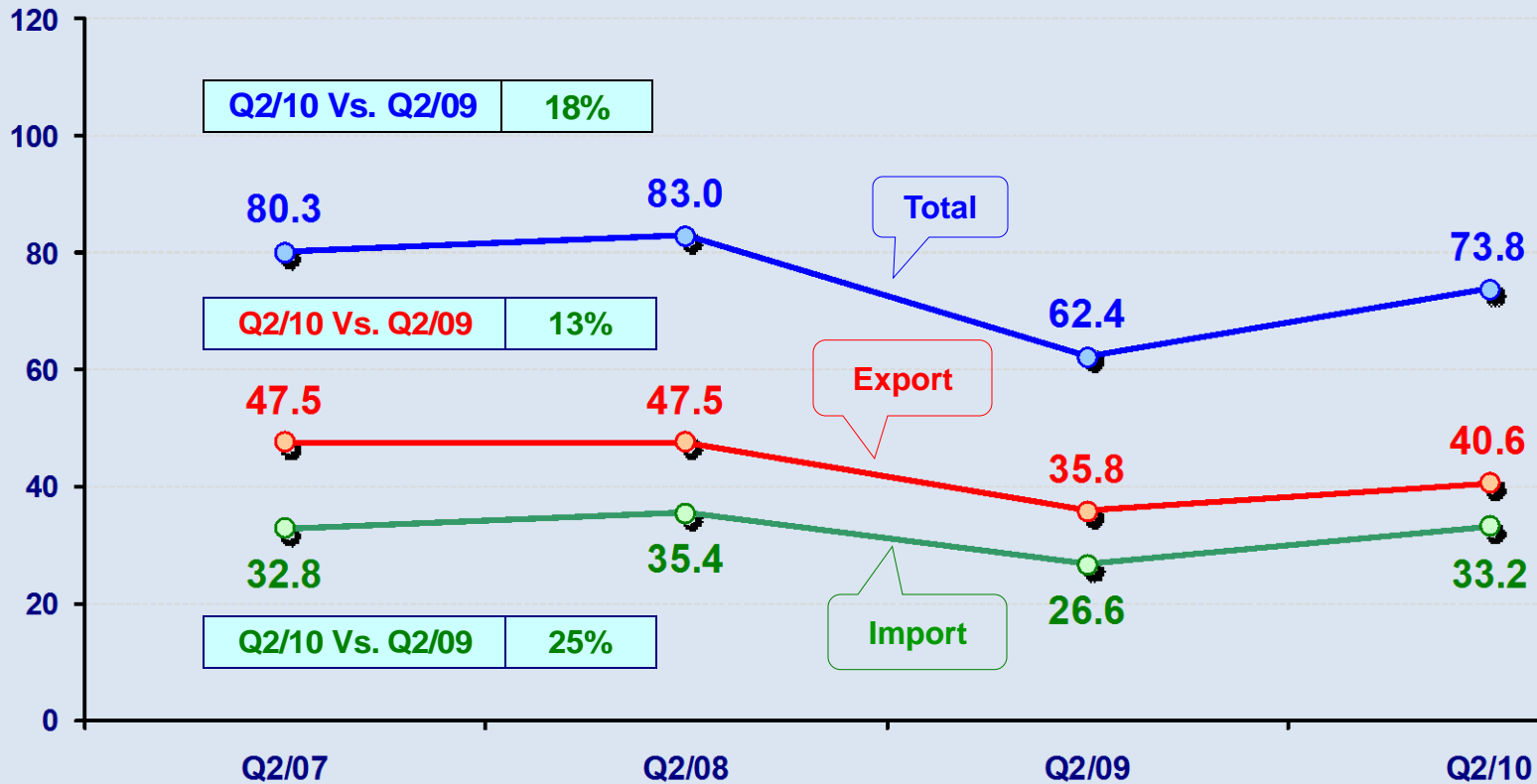
Source of data: Commercial Planning

(*) LF of other scheduled airlines - Percentage of total passenger occupancy of available seats

Cargo traffic through BGN

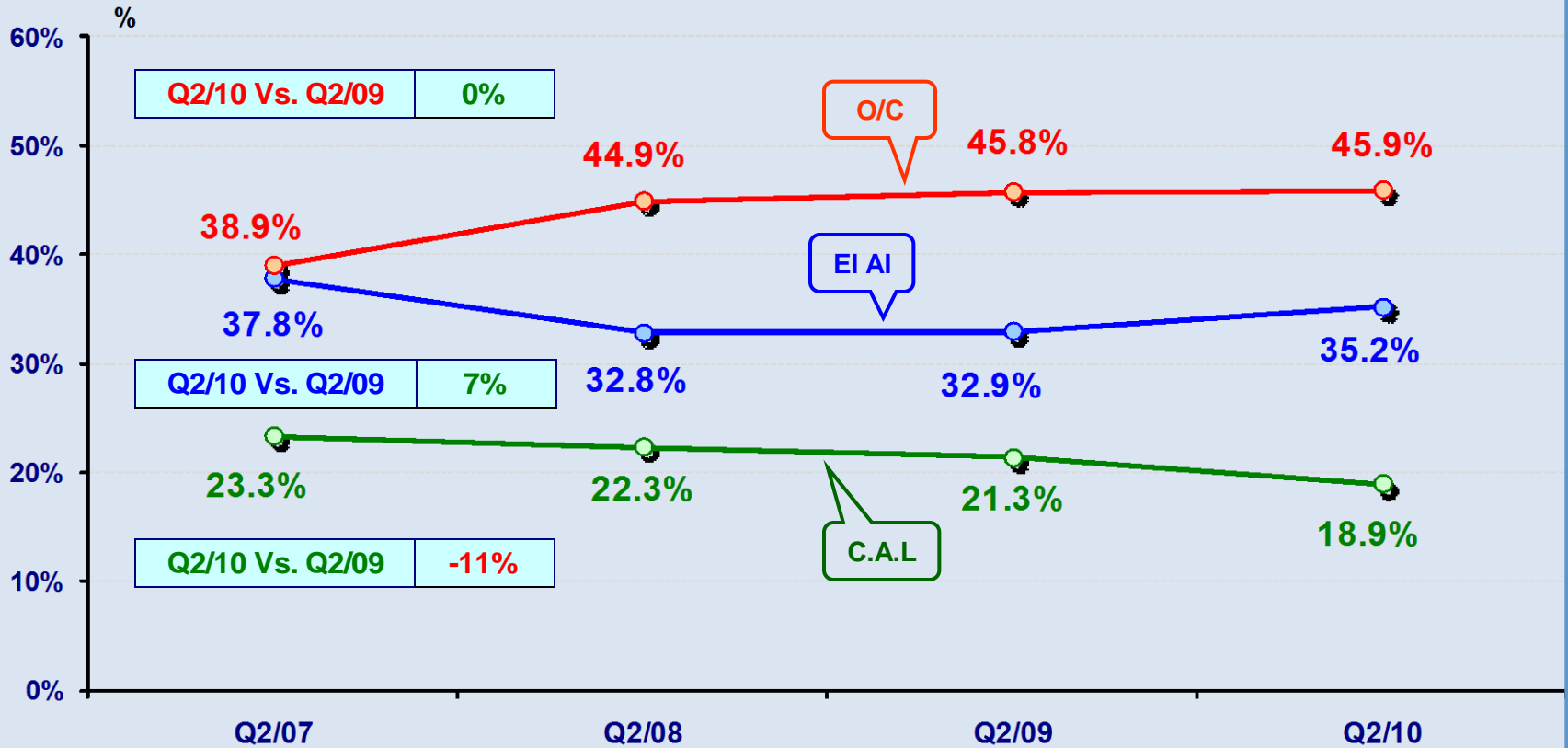
for quarter Q2 in years 2007-2010

Thousands of Tons



Cargo market share at BGA

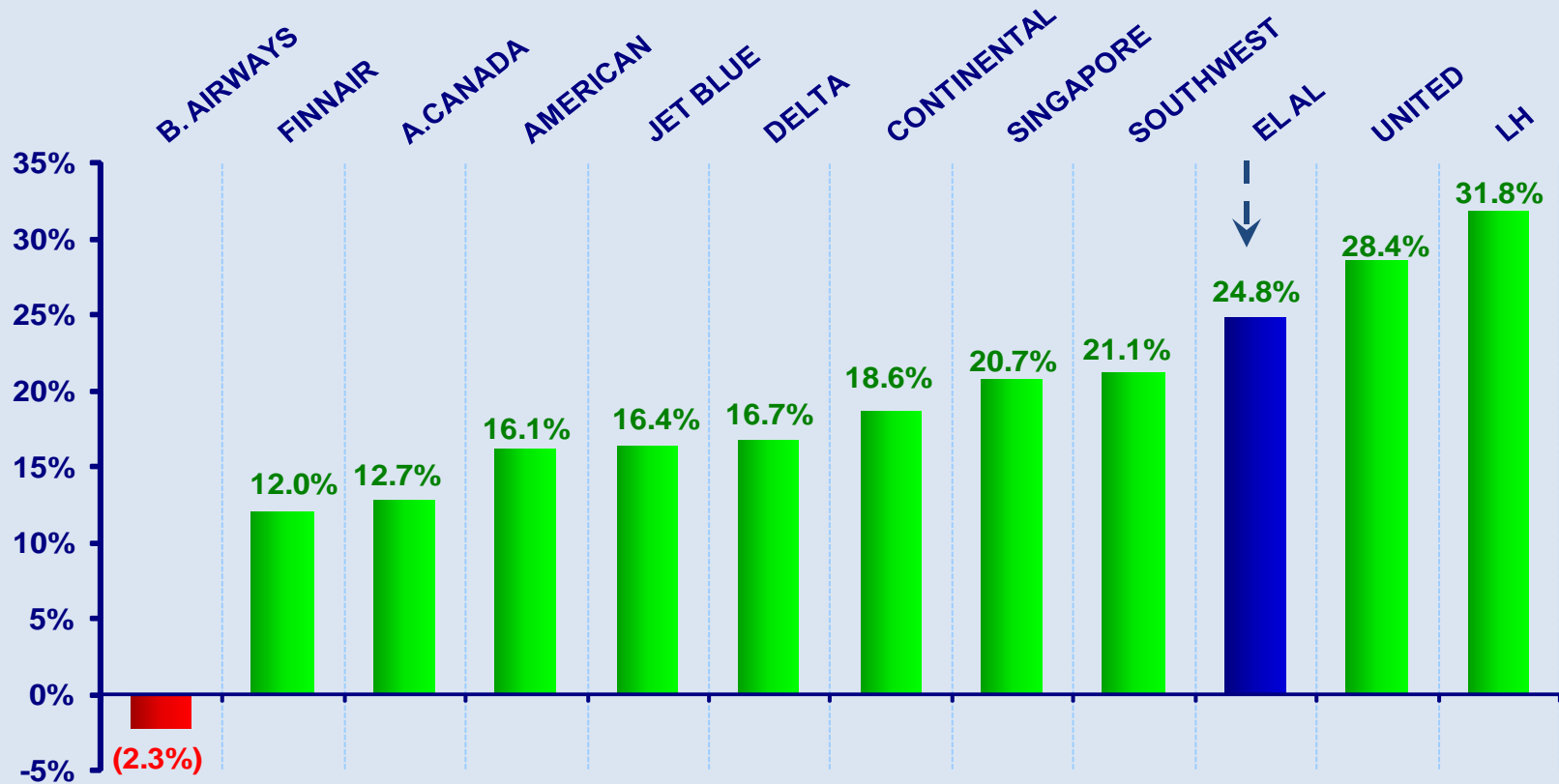
for quarter Q2 in years 2007-2010



Excluding transit cargo

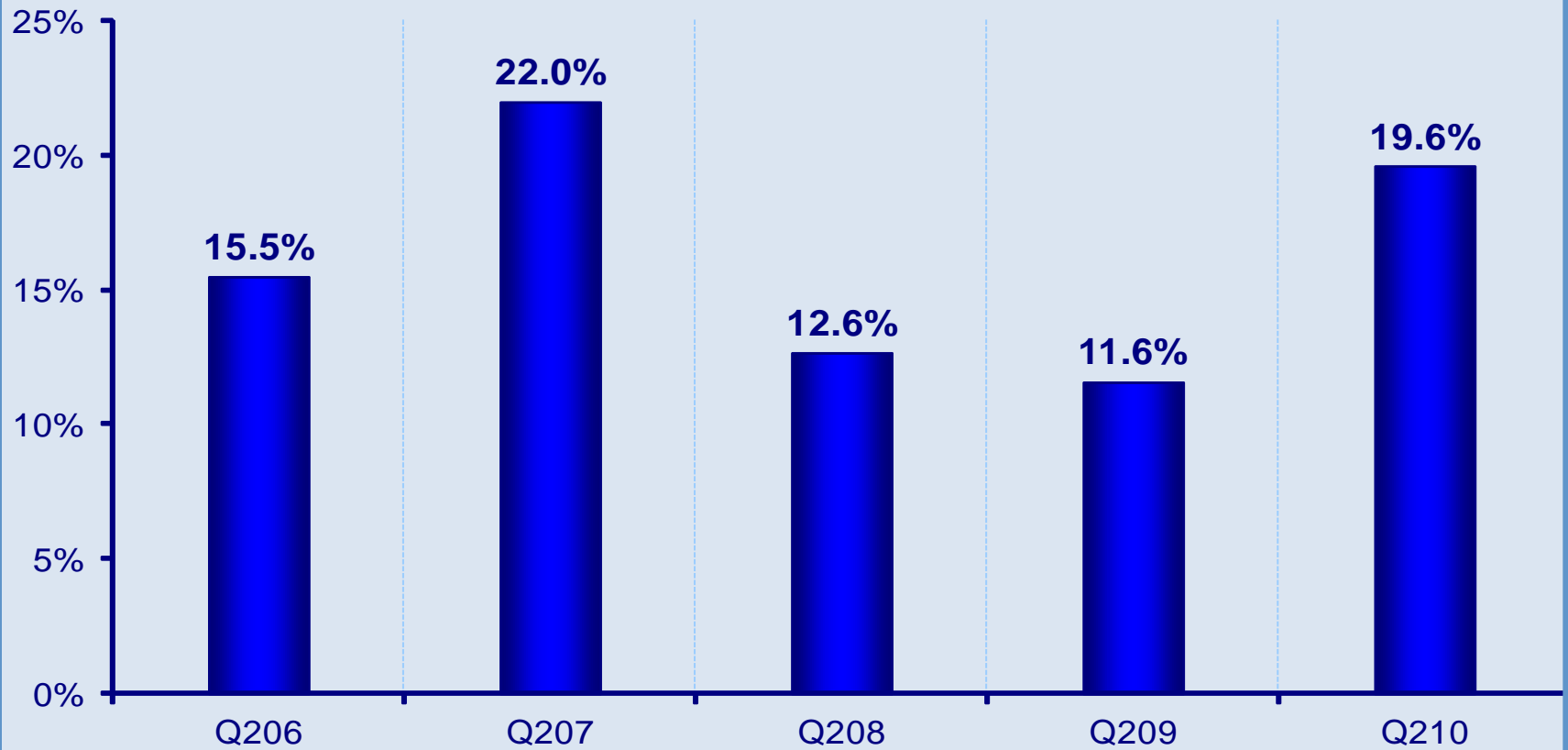
Income growth rate of El Al compared to other airlines

Q2/10



Gross profit percentage

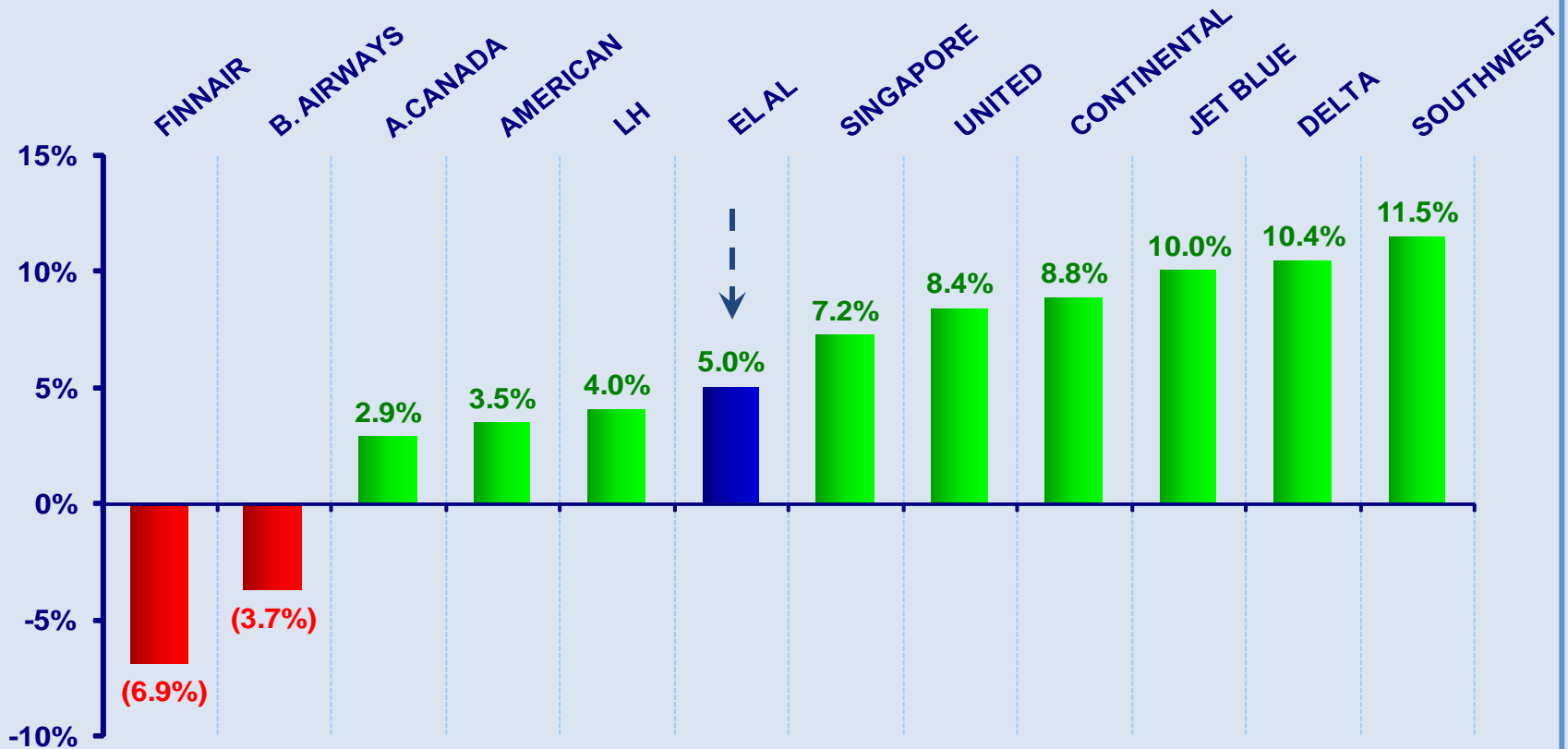
for quarter Q2 in years 2006-2010



Year 2006: Excluding adjustment for IFRS

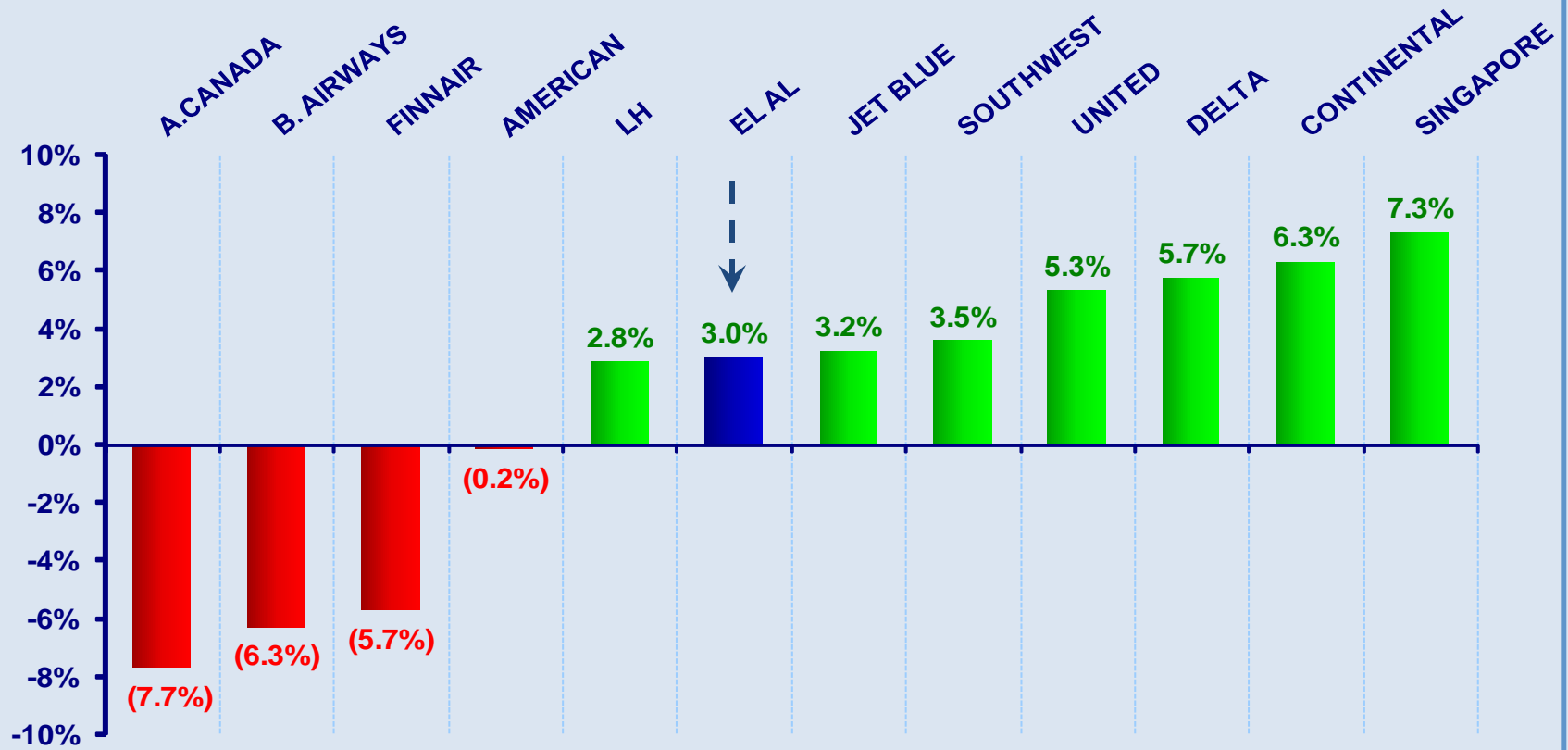
Operating profit percentage - compared to other airlines

Q2/10



Net income percentage - compared to other airlines

Q2/10



EBITDA - for Q2 in the years 2006-2010

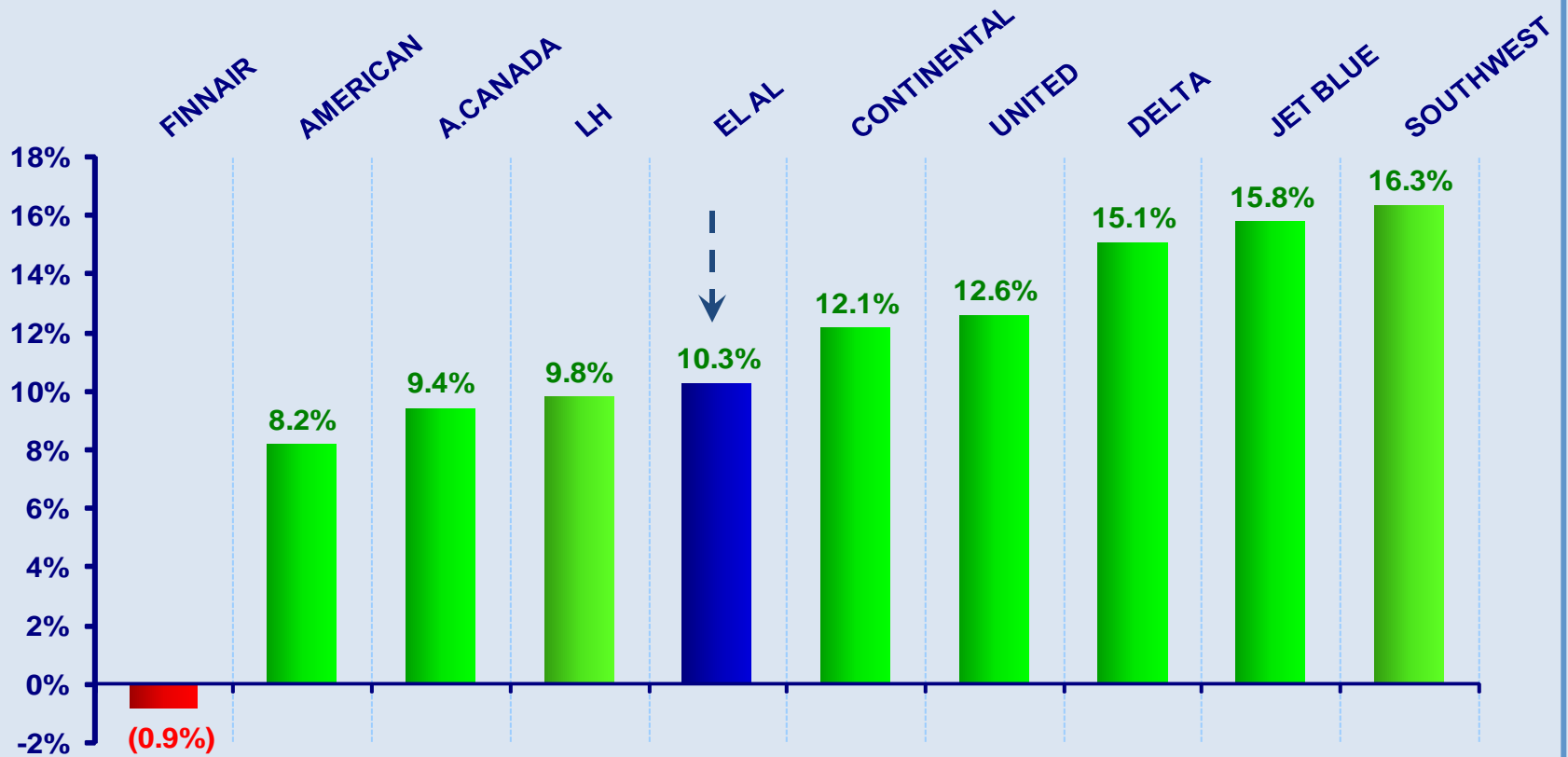
M' \$

	2010	2009	2008	2007	2006
Operating revenues	498.5	399.4	557.5	452.8	429.2
EBIDTA	51.1	5.5	6.1	54.0	23.0
% of operating revenues	10.3%	1.4%	1.1%	11.9%	5.4%

Year 2006: Excluding adjustment for IFRS

EBITDA percentage - compared to other airlines

Q2/10

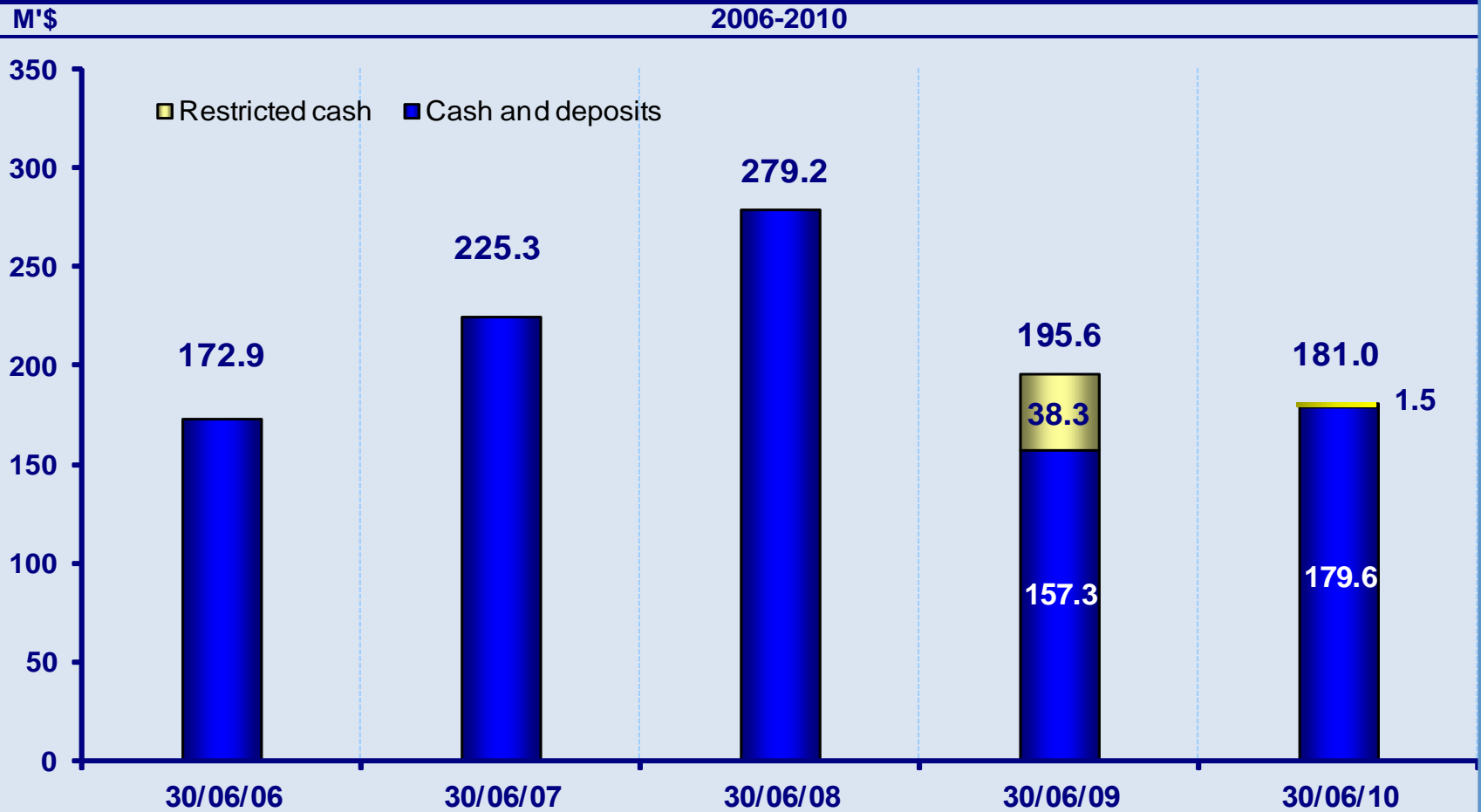


Balance sheet

(in millions USD)

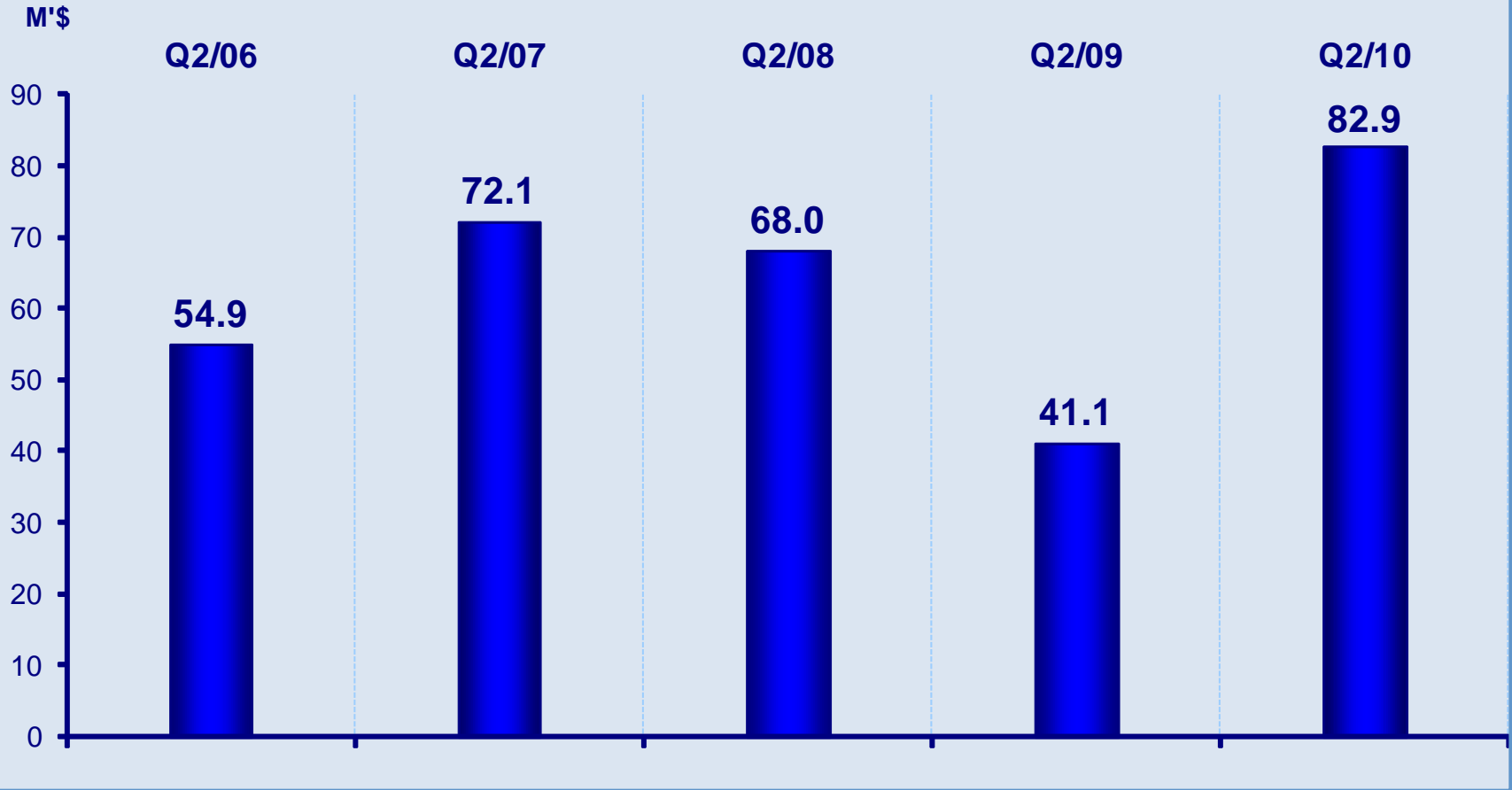
Assets			Liabilities		
	30/06/2010	31/12/2009		30/06/2010	31/12/2009
Current assets	434	308	Current liabilities	790	688
Non-current assets	1,316	1,364	Long-term liabilities	822	860
			Share holders' equity	139	124
Total	1,750	1,672	Total	1,750	1,672

Cash balances, including deposits at June 30 (El Al solo)



Cash flows from operating activities

2006-2010



Financial Statements

1-6/2010

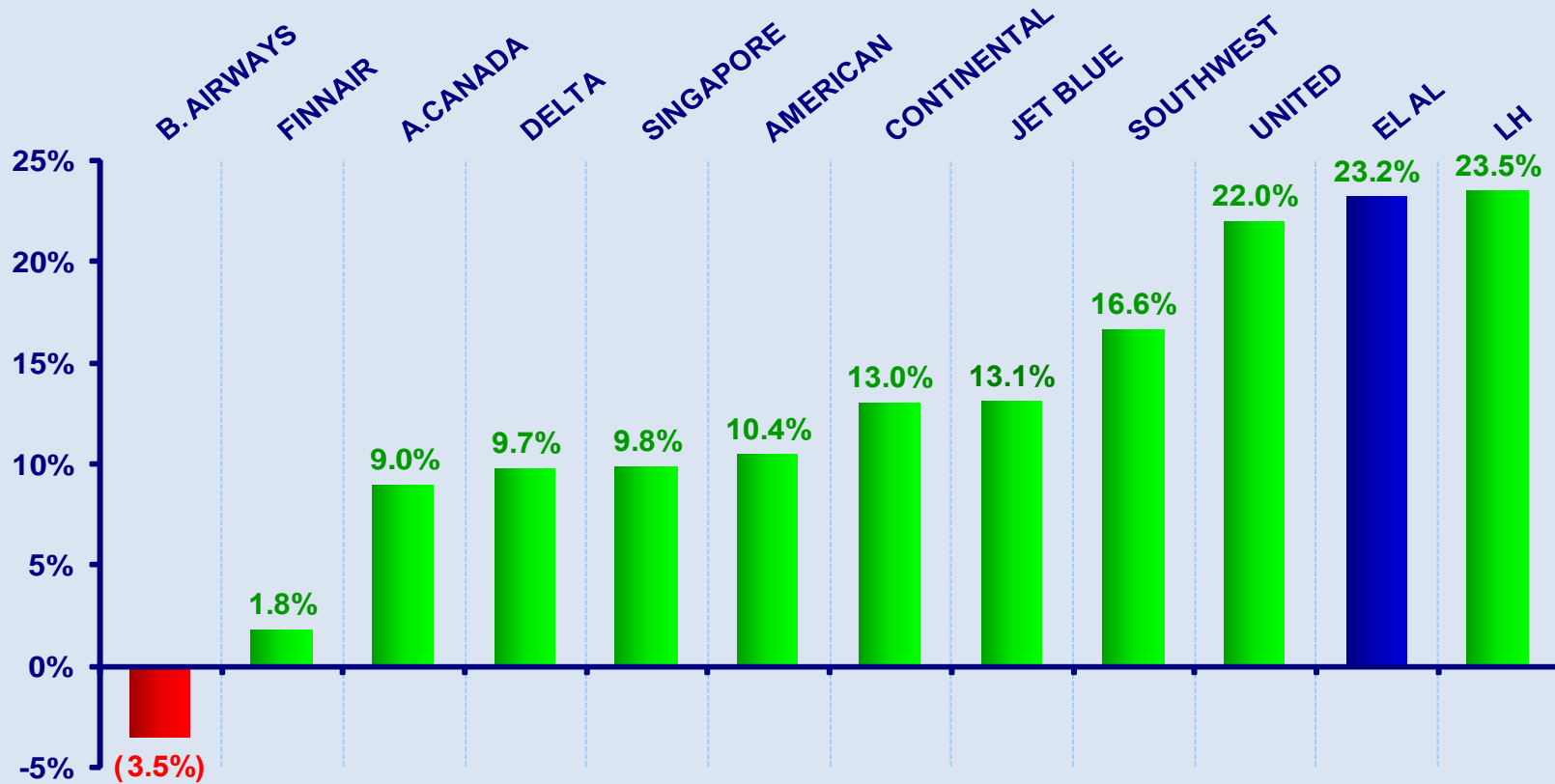
Consolidated Statements of Operations

(in millions USD)

	1-6/10		1-6/09		1-6/10 Vs. 1-6/09	
	\$	% of	\$	% of	difference	%
Operating revenues	919.0	100%	746.1	100%	172.9	23%
Operating expenses	764.5	83.2%	681.0	91.3%	83.5	12%
Gross profit	154.5	16.8%	65.1	8.7%	89.4	137%
Selling expenses	95.0	10.3%	89.0	11.9%	5.9	7%
General and administr. Expenses	46.6	5.1%	43.1	5.8%	3.5	8%
Other expenses (income),net	2.6	0.3%	(0.2)	0.0%	2.8	
Operating profit (loss)	10.3	1.1%	(66.9)	-9.0%	77.2	
Net financing expenses	12.4	1.3%	9.9	1.3%	2.5	25%
Loss before income tax	(2.1)	-0.2%	(76.8)	-10.3%	74.8	-97%
Income Tax savings	(0.4)	0.0%	(17.3)	-2.3%	16.9	-98%
Loss for the period	(1.7)	-0.2%	(59.6)	-8.0%	57.9	-97%

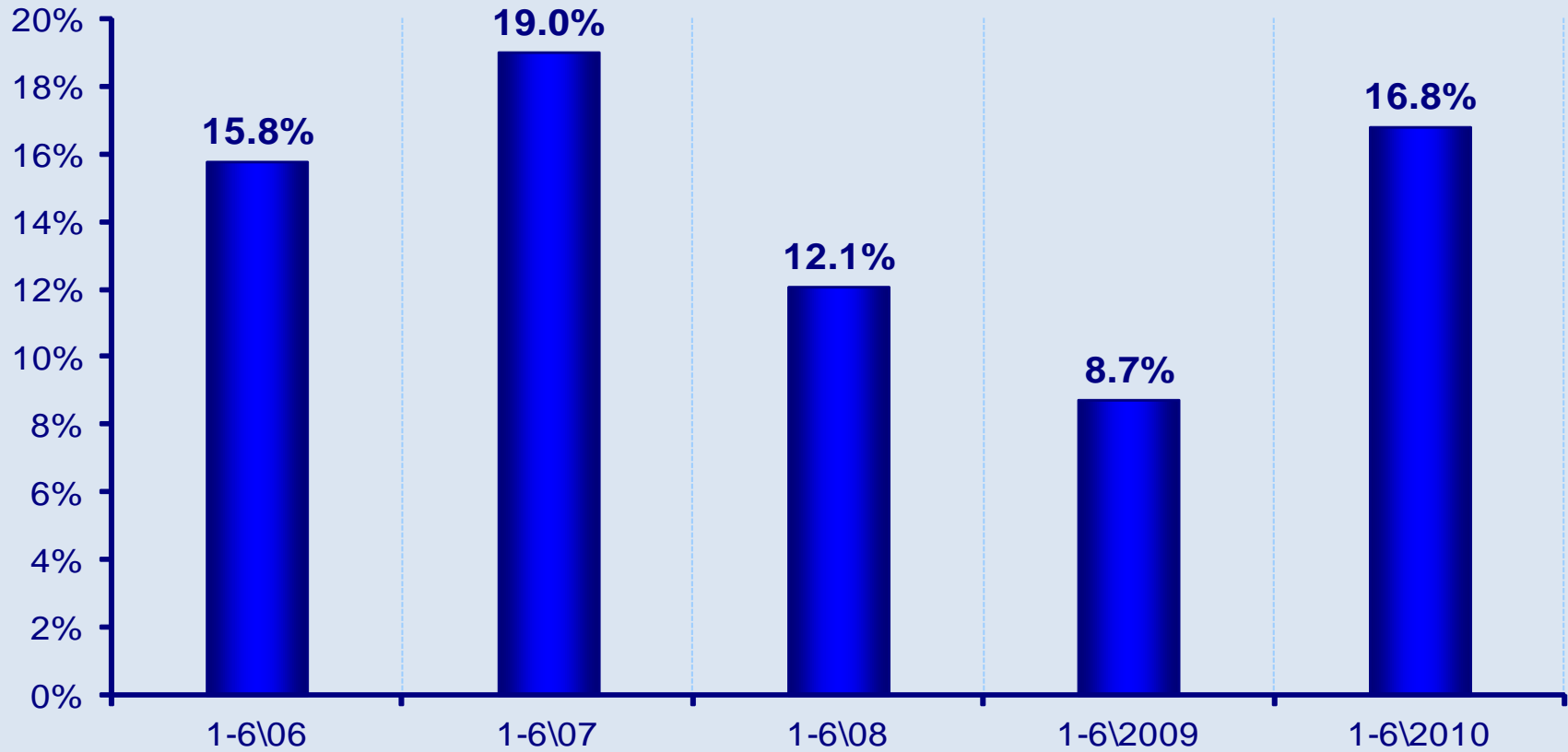
Income growth rate of El Al compared to other airlines

1-6/2010



Gross profit percentage

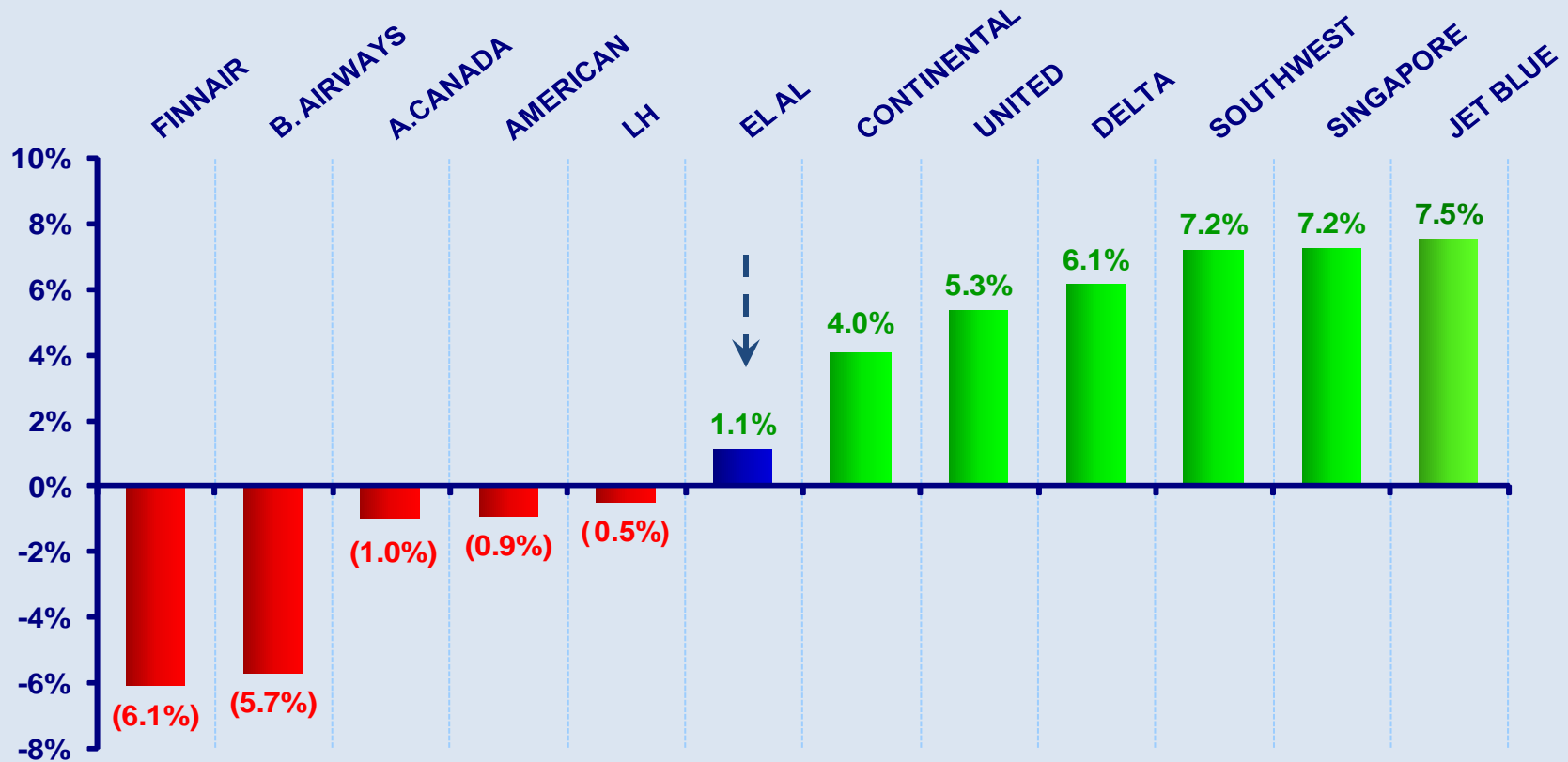
for Jan. - June in the years 2006-2010



Year 2006: Excluding adjustment for IFRS

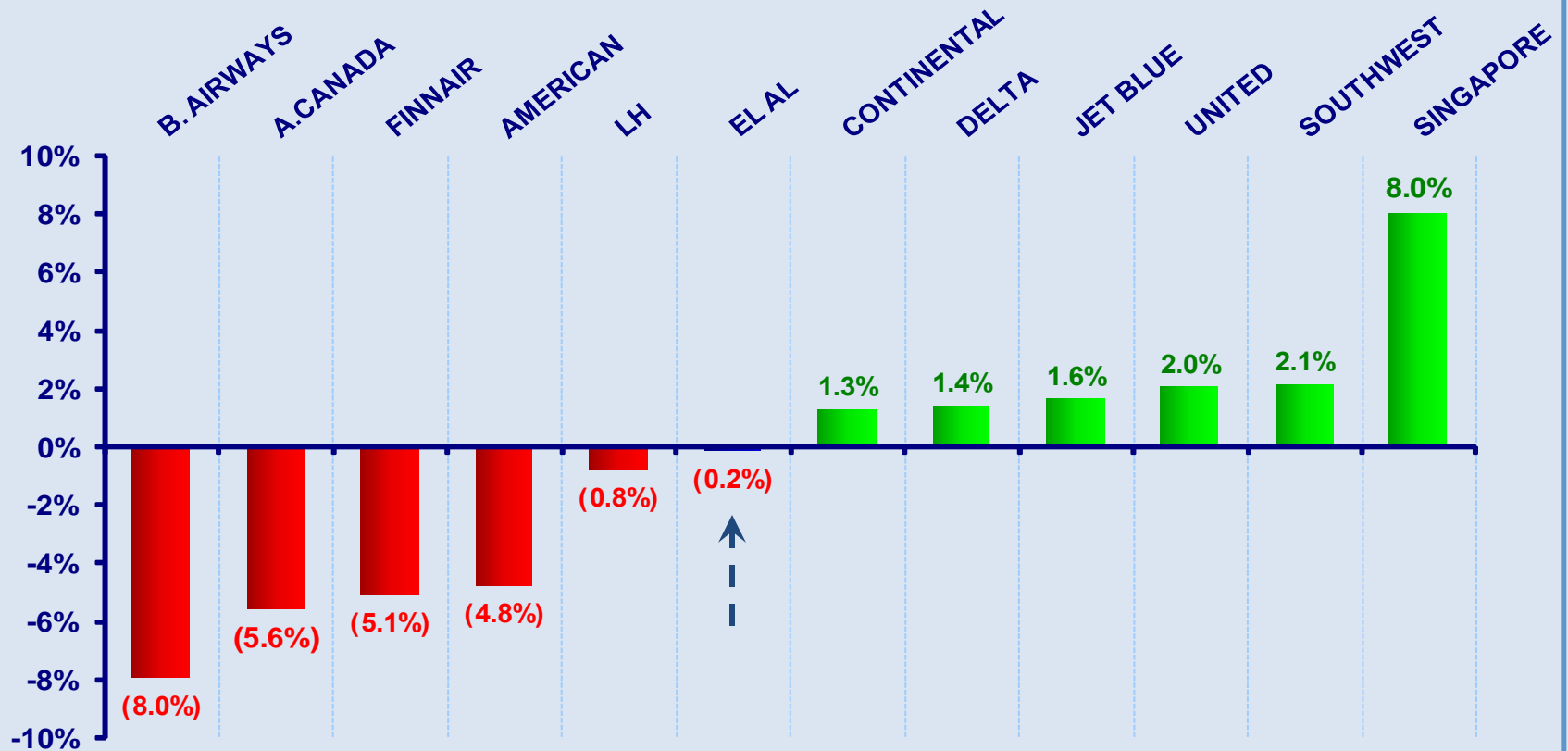
Operating profit percentage - compared to other airlines

1-6/2010



Net income percentage - compared to other airlines

1-6/2010



EBITDA - for Jan. - June in the years 2006-2010

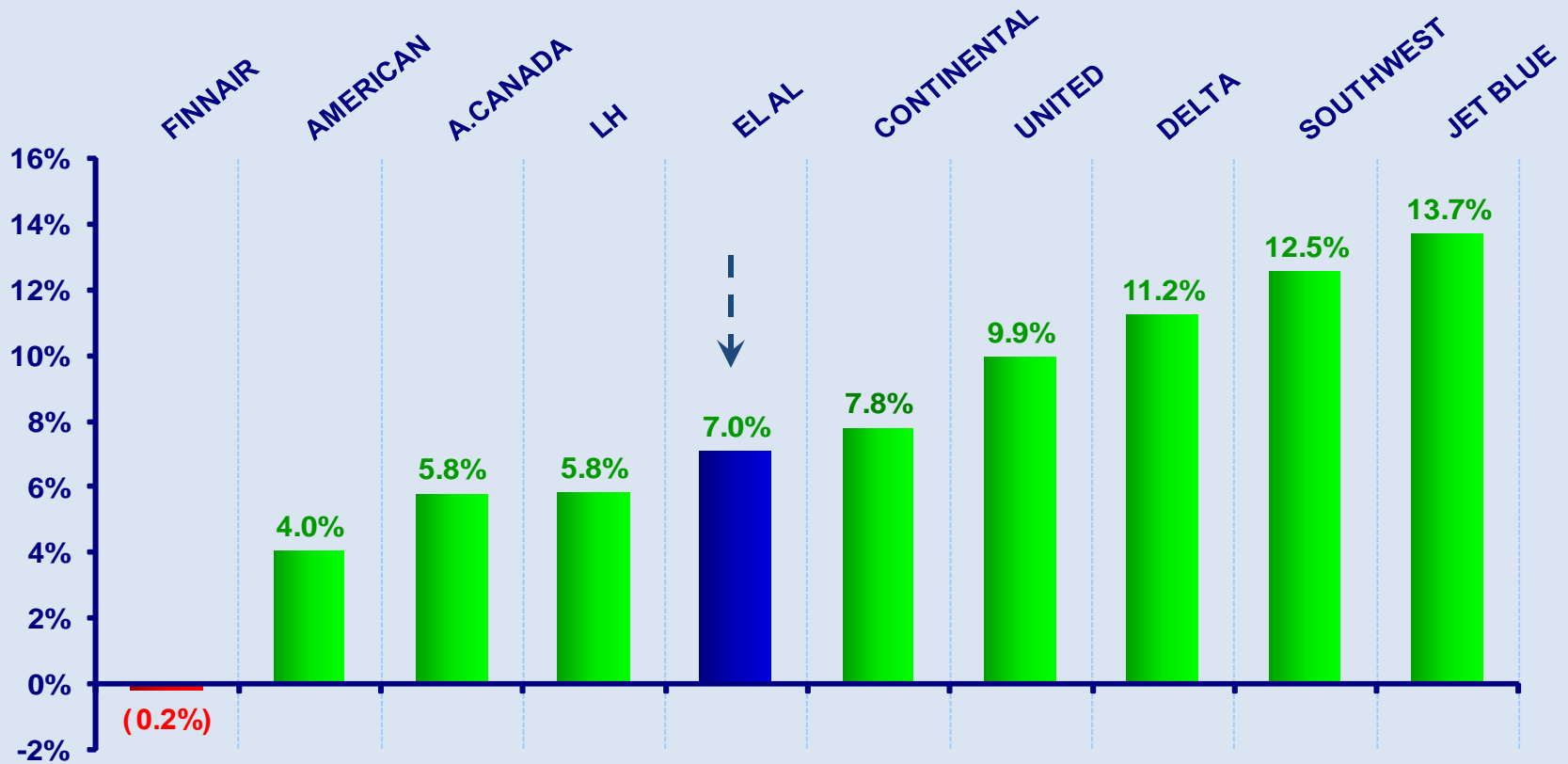
M' \$

	2010	2009	2008	2007	2006
Operating revenues	919.0	746.1	1,026.7	841.4	801.7
EBIDTA	64.7	-4.3	-13.8	83.2	47.5
% of operating revenues	7.0%	-0.6%	-1.3%	9.9%	5.9%

Year 2006: Excluding adjustment for IFRS

EBITDA percentage - compared to other airlines

1-6/2010



A woman in a white dress is seen from behind, standing in a vast field of golden wheat. She is holding a string that goes up to a white kite flying in a clear blue sky with scattered white clouds. The kite is a simple diamond shape with a tail.

Thank you.