



EL AL

Israel Airlines Ltd.

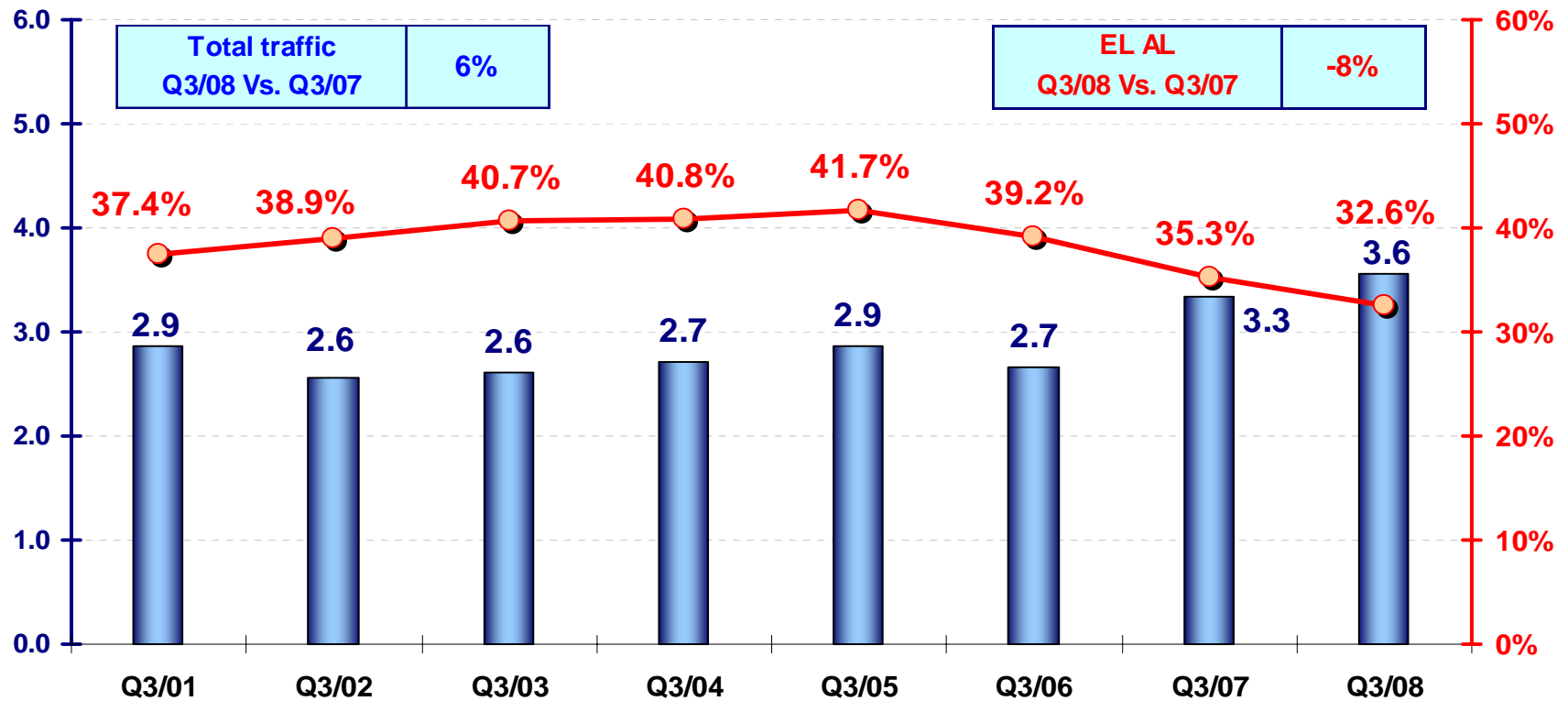
Q3/08

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

for quarter Q3 in years 2001-2008

total traffic (mill. - per passeng. Leg)

El Al & Sun D'or share in total traffic (%)



Source of data: Commercial Planning & Market Research

Statement of Operations for quarter Q3 - Consolidated

(in millions USD)						
	Q3/08		Q3/07		Q3/08 vs. Q3/07	
	\$	% of operating revenues	\$	% of operating revenues	difference	%
Operating revenues	607.3	100%	566.7	100%	40.6	7%
Operating expenses	473.9	78.0%	414.9	73.2%	59.0	14%
Gross profit	133.4	22.0%	151.8	26.8%	(18.4)	-12%
Selling expenses	63.9	10.5%	66.0	11.6%	(2.1)	-3%
General and administr. Expenses	24.6	4.0%	21.7	3.8%	2.9	13%
Other expenses (income),net	(5.4)	-0.9%	2.4	0.4%	(7.9)	
Operating income	50.4	8.3%	61.8	10.9%	(11.4)	-18%
Net financing expenses	10.0	1.7%	11.3	2.0%	(1.3)	-11%
Income before income tax	40.4	6.6%	50.4	8.9%	(10.1)	-20%
Income Tax expenses	10.0	1.6%	9.7	1.7%	0.3	3%
Net Income for the period	30.4	5.0%	40.7	7.2%	(10.3)	-25%

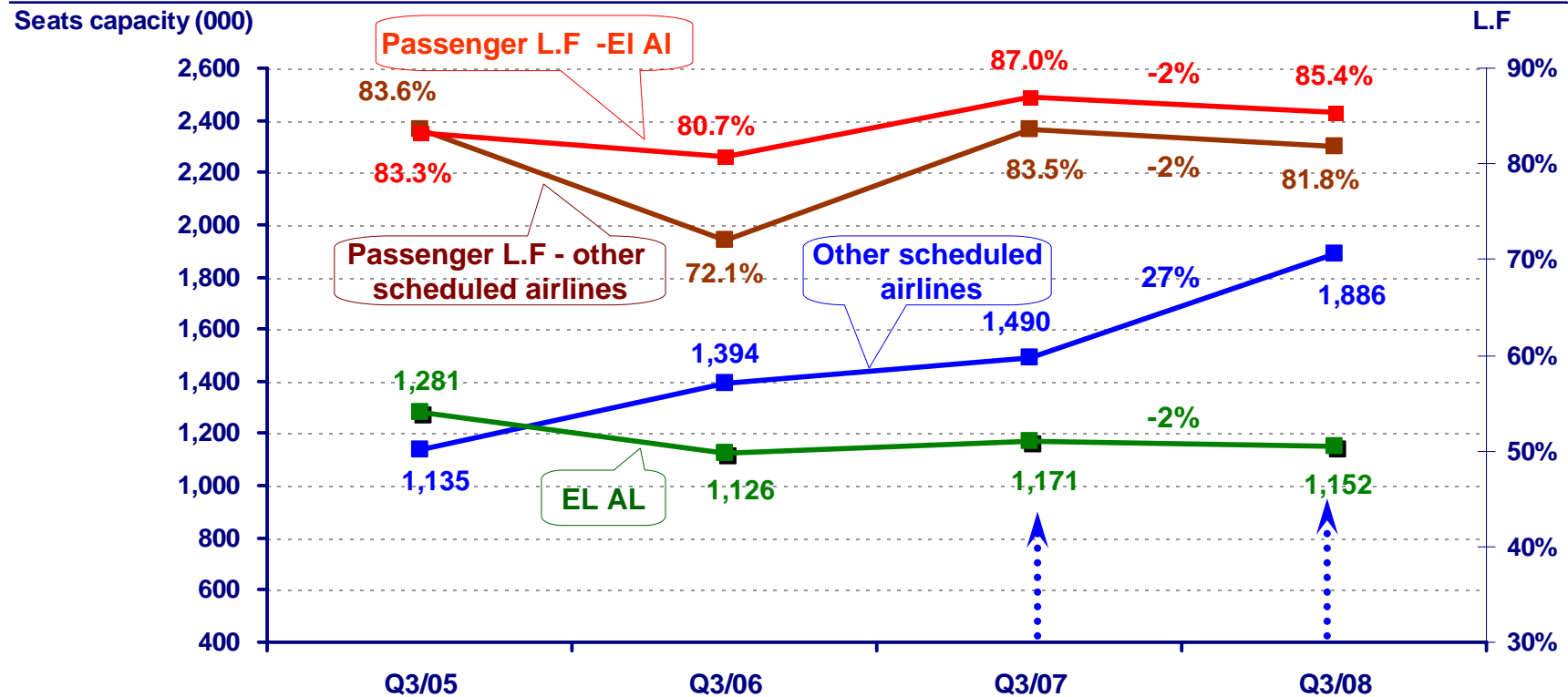
Consolidated Statements of Operations 1-9/08

(in millions USD)

	1-9/08		1-9/07		1-9/08 VS 1-9/07	
	\$	% of	\$	% of	difference	%
Operating revenues	1,635.8	100%	1,408.2	100%	227.6	16%
Operating expenses	1,373.8	84.0%	1,096.4	77.9%	277.4	25%
Gross profit	261.9	16.0%	311.7	22.1%	(49.8)	-16%
Selling expenses	180.4	11.0%	159.6	11.3%	20.9	13%
General and administr. Expenses	75.6	4.6%	66.7	4.7%	8.9	13%
Other expenses (income),net	18.7	1.1%	(4.2)	-0.3%	22.9	
Operating income (loss)	(12.9)	-0.8%	89.6	6.4%	(102.5)	
Net financing expenses	19.7	1.2%	26.5	1.9%	(6.9)	-26%
Income (Loss) before income tax	(32.5)	-2.0%	63.1	4.5%	(95.6)	
Income Tax (savings) expenses	(3.1)	-0.2%	13.0	0.9%	(16.1)	
Net Income (Loss) for the period	(29.4)	-1.8%	50.1	3.6%	(79.5)	

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

quarter Q3 in the years 2005-2008



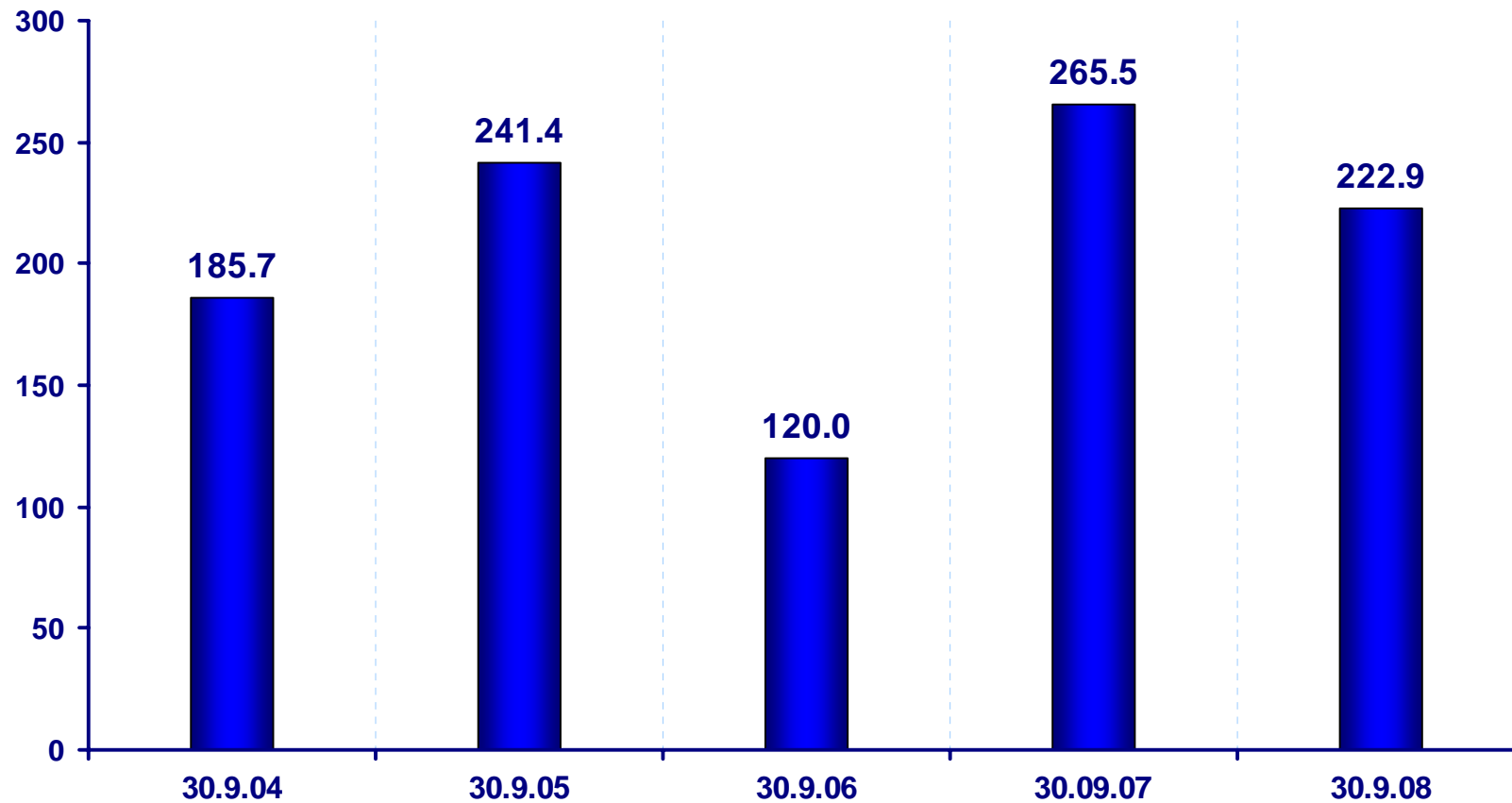
Total seats capacity at BGA-Scheduled	2,416	2,520	2,660	3,038
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Source of data: Commercial Planning

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

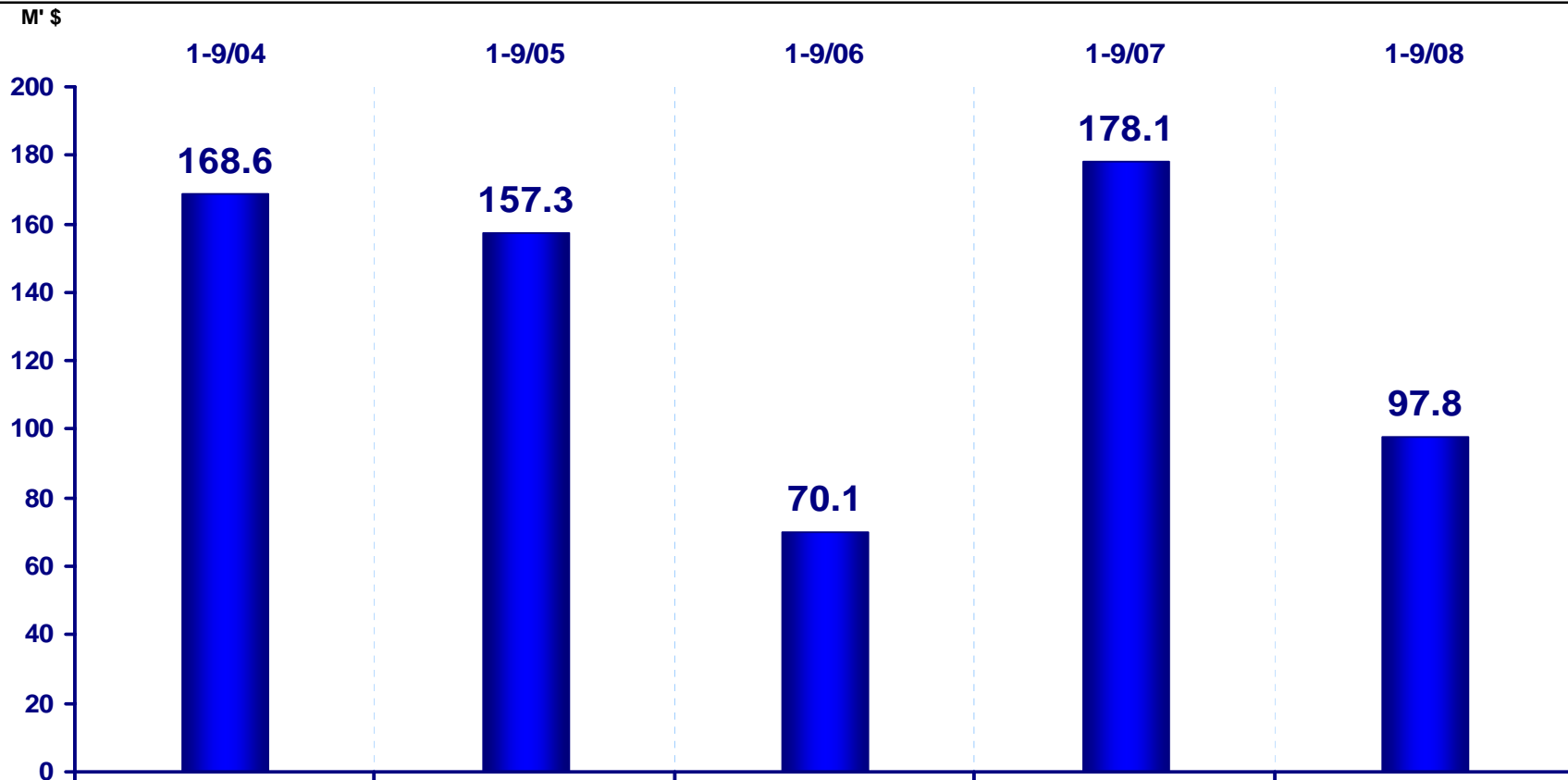
Cash balances, including deposits at September 30 for the years 2004-2008 (EI Al solo)

(in millions USD)



Cash flows from operating activities for Jan. - Sep. in the years 2004-2008 (Consolidated)

(in millions USD)



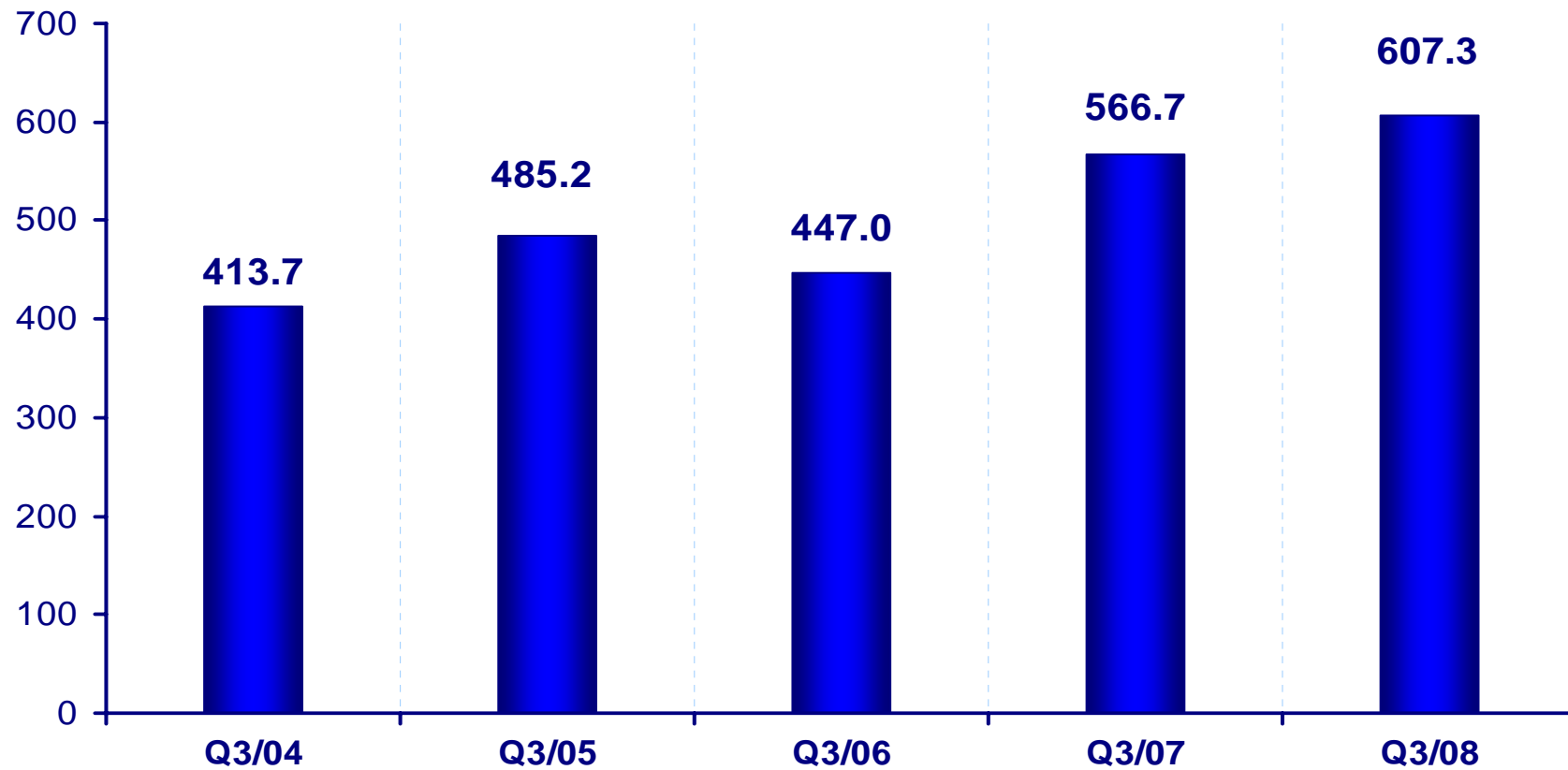
Balance sheet 30/09/08

(in millions USD)

Assets			Liabilities		
	30/09/2008	31/12/2007		30/09/2008	31/12/2007
Current assets	495	500	Current liabilities	729	650
Non-current assets	1,296	1,304	Long-term liabilities	796	835
			Shareholders' equity	267	319
Total	1,791	1,804	Total	1,791	1,804

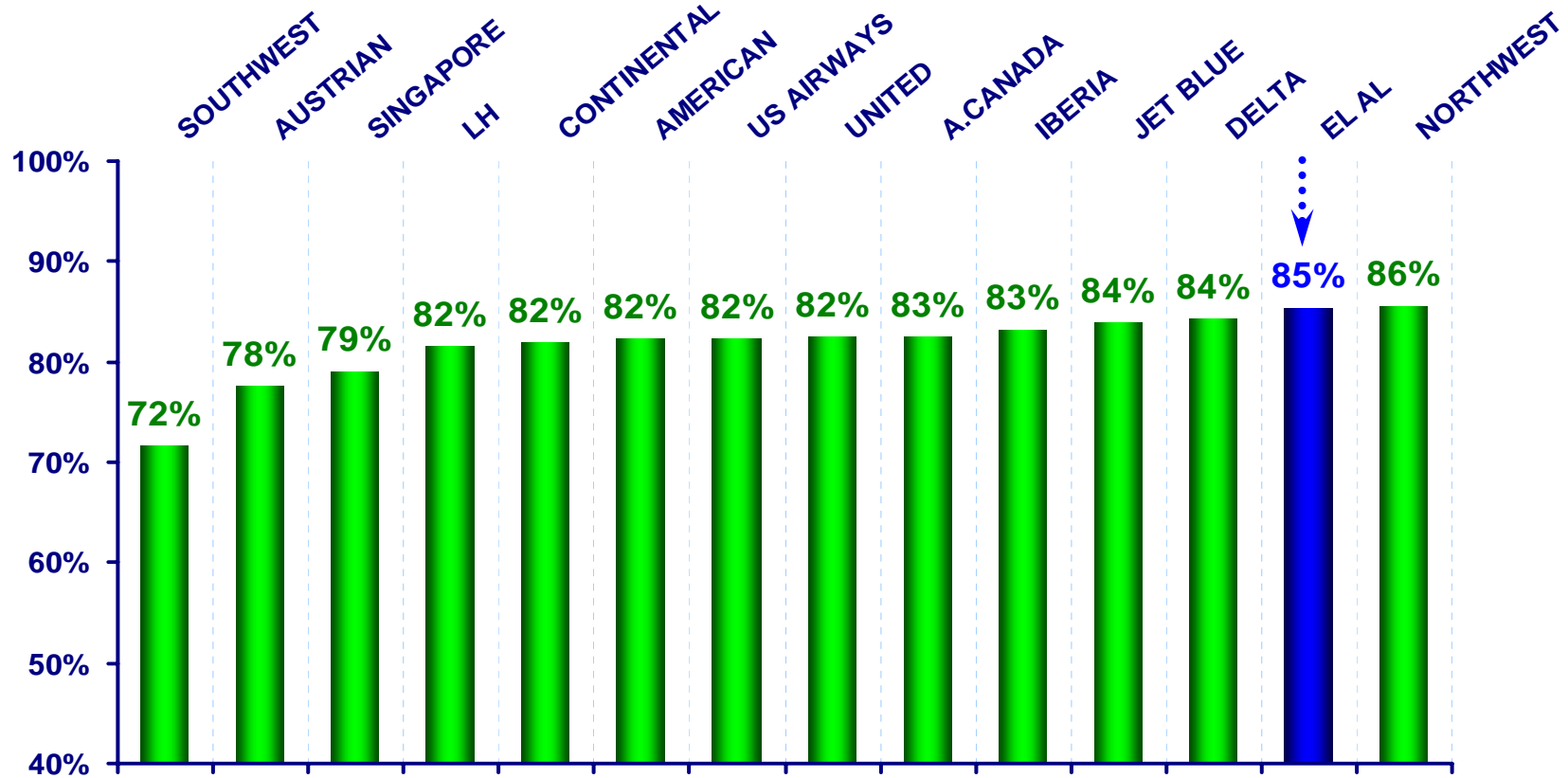
Total income for quarter Q3 in the years 2004-2008

M'\$



Load Factor - compared to other airlines

Q3/08



Thank you.

