



EL AL

Israel Airlines Ltd.

Q3-09

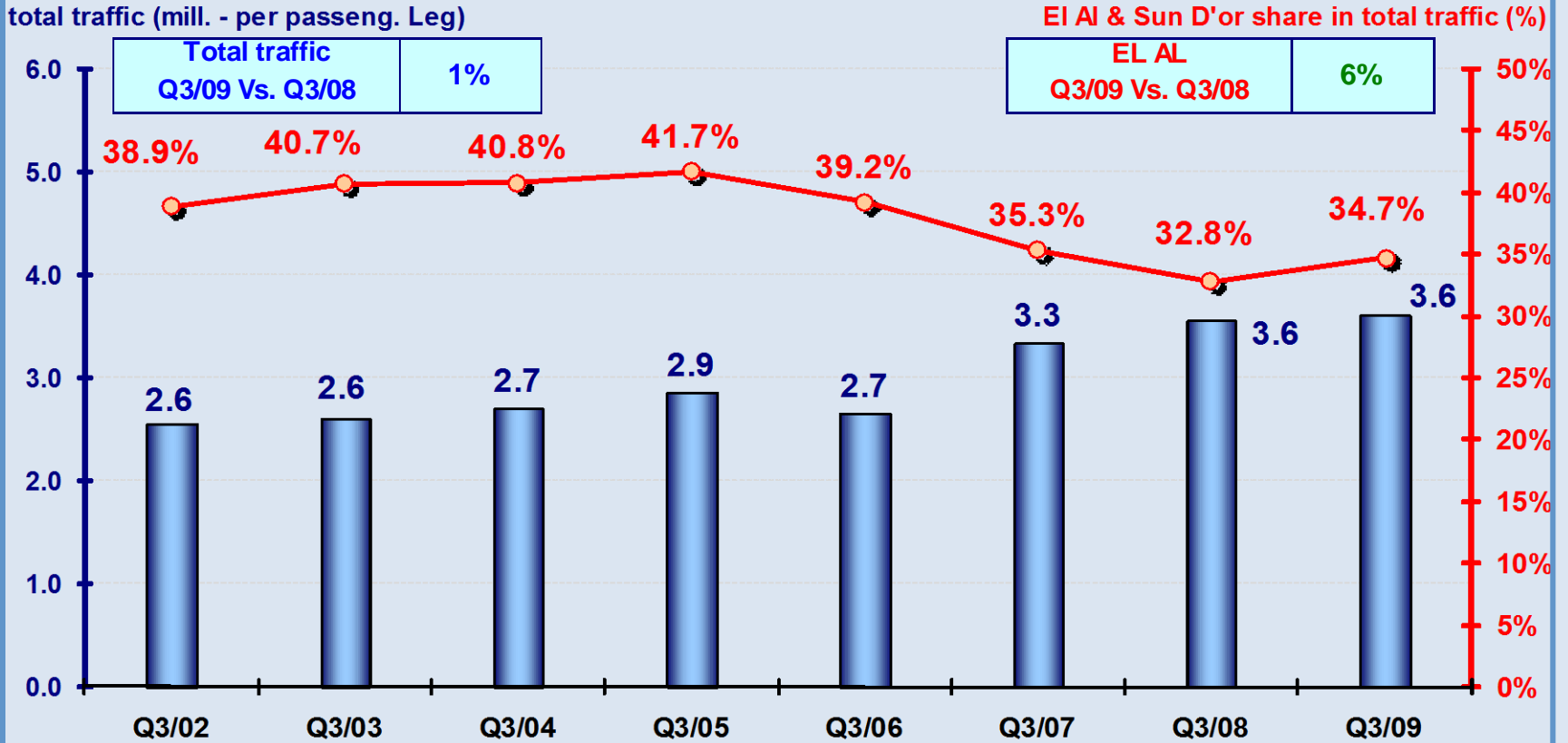
Consolidated Statements of Operations Q3/09

(in millions USD)

| | Q3/09 | | Q3/08 | | Q3/09 Vs. Q3/08 | |
|---------------------------------|-------|-------------------------|-------|-------------------------|-----------------|------|
| | \$ | % of operating revenues | \$ | % of operating revenues | difference | % |
| Operating revenues | 496.1 | 100% | 606.9 | 100% | (110.9) | -18% |
| Operating expenses | 400.7 | 80.8% | 472.4 | 77.8% | (71.8) | -15% |
| Gross profit | 95.4 | 19.2% | 134.5 | 22.2% | (39.1) | -29% |
| Selling expenses | 49.3 | 9.9% | 64.4 | 10.6% | (15.0) | -23% |
| General and administr. Expenses | 21.1 | 4.3% | 24.4 | 4.0% | (3.3) | -14% |
| Other expenses (income),net | 1.1 | 0.2% | (5.4) | -0.9% | 6.6 | |
| Operating profit | 23.8 | 4.8% | 51.1 | 8.4% | (27.3) | -53% |
| Net financing expenses | 13.1 | 2.6% | 10.0 | 1.7% | 3.0 | 30% |
| Profit before income tax | 10.7 | 2.2% | 41.1 | 6.8% | (30.4) | -74% |
| Income Tax (savings) expenses | (1.6) | -0.3% | 10.1 | 1.7% | (11.7) | |
| Profit for the period | 12.3 | 2.5% | 31.0 | 5.1% | (18.7) | -60% |

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

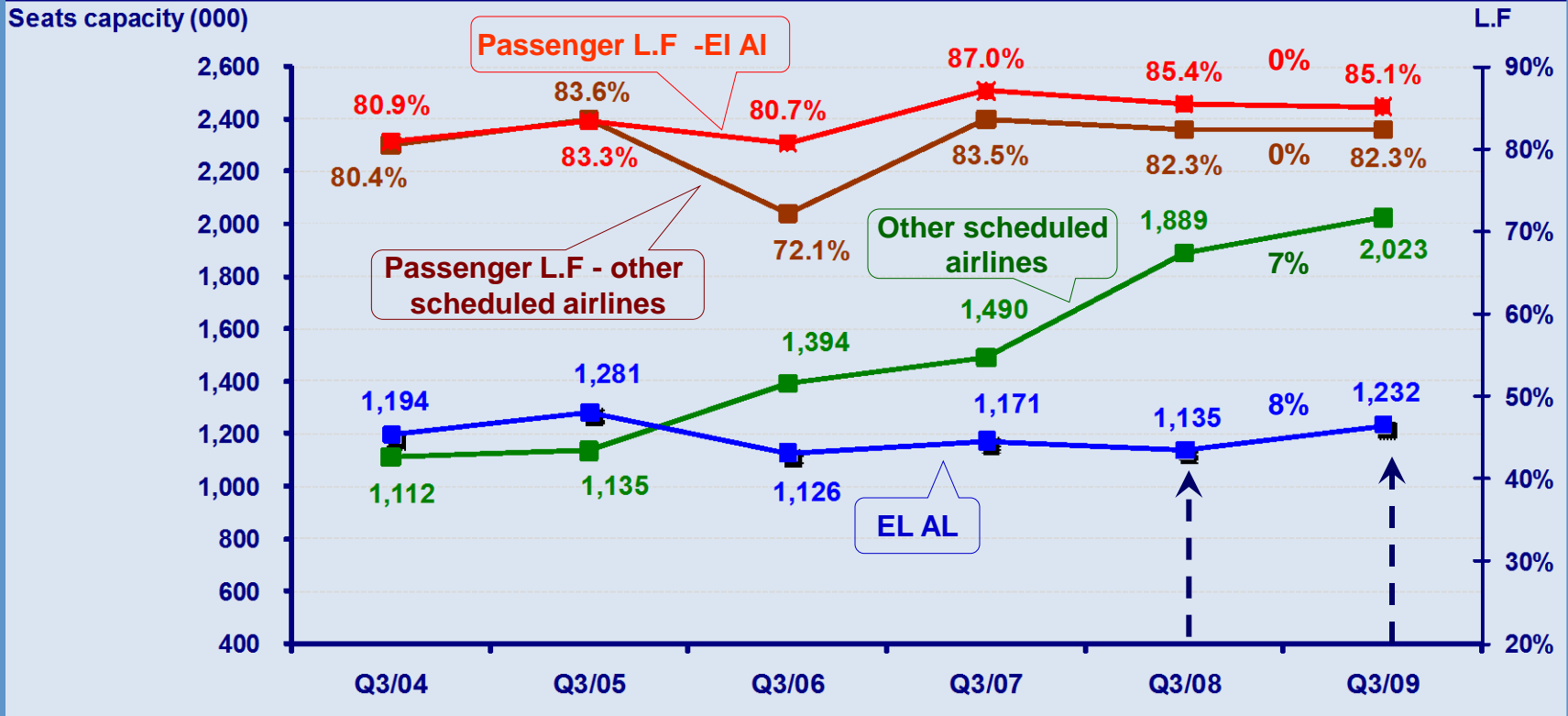
for quarter Q3 in years 2002-2009



Source of data: Commercial Planning

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

quarter Q3 in the years 2004-2009

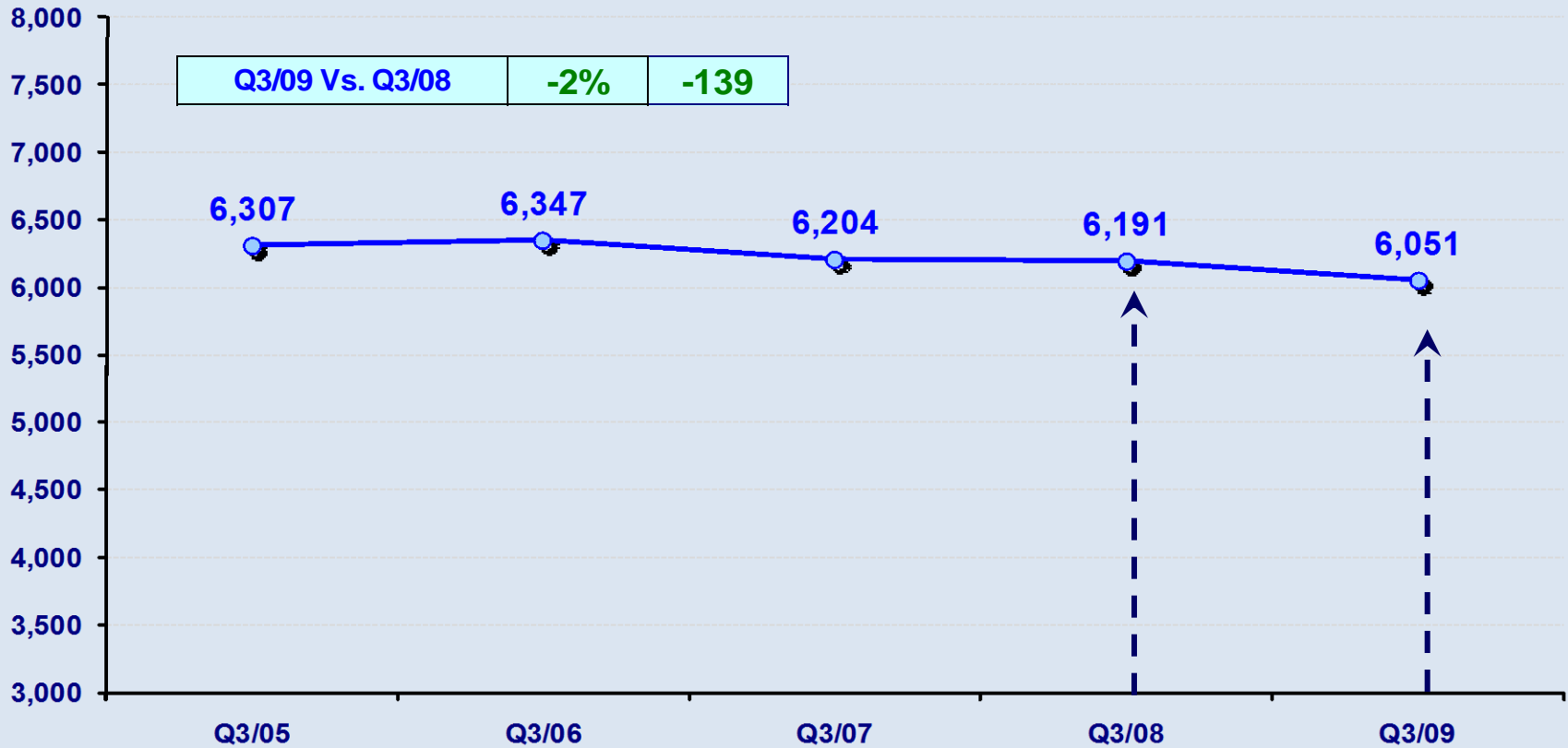


| Total seats capacity at BGA-Scheduled | 2,306 | 2,416 | 2,520 | 2,660 | 3,025 | 3,255 |
|---------------------------------------|-------|-------|-------|-------|-------|-------|
|---------------------------------------|-------|-------|-------|-------|-------|-------|

Source of data: Commercial Planning (*) LF of other scheduled airlines - Percentage of total passenger occupancy of available seats

Total employees (positions, average)

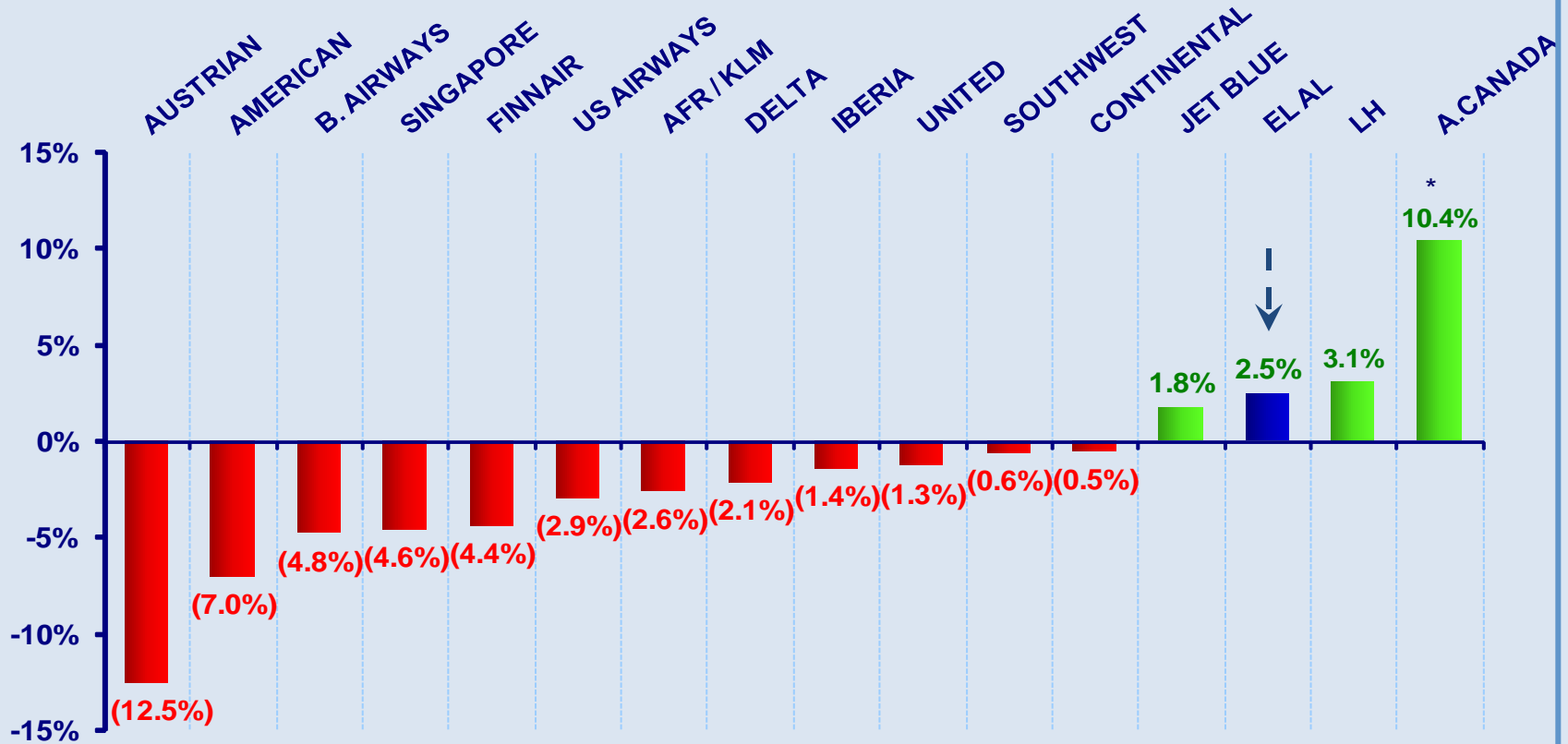
quarter Q3 in the years 2005-2009



Source data: Human Resources

Net income percentage - compared to other airlines

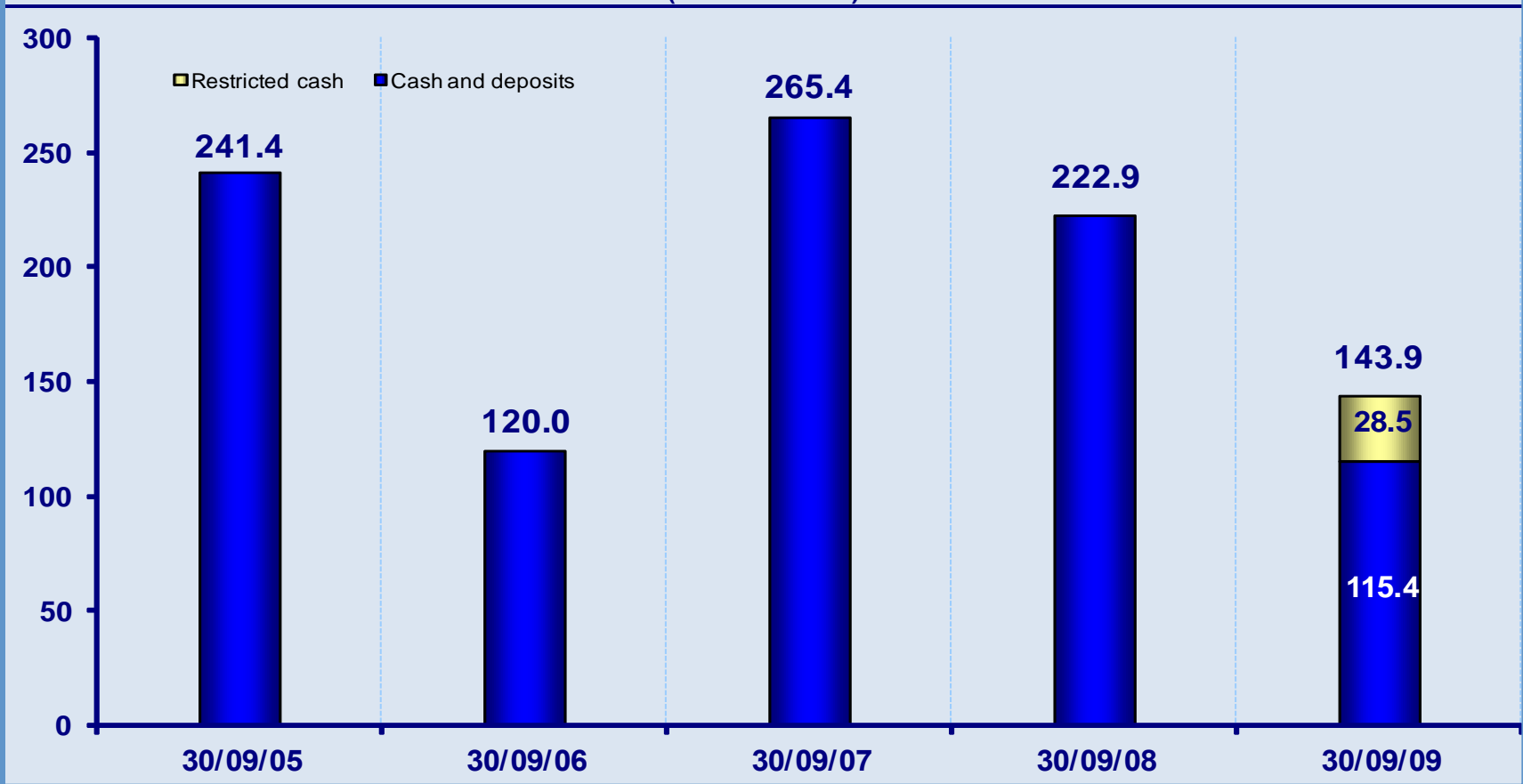
Q3/09



* Air Canada - including foreign exchange gain - 11% of operating revenues

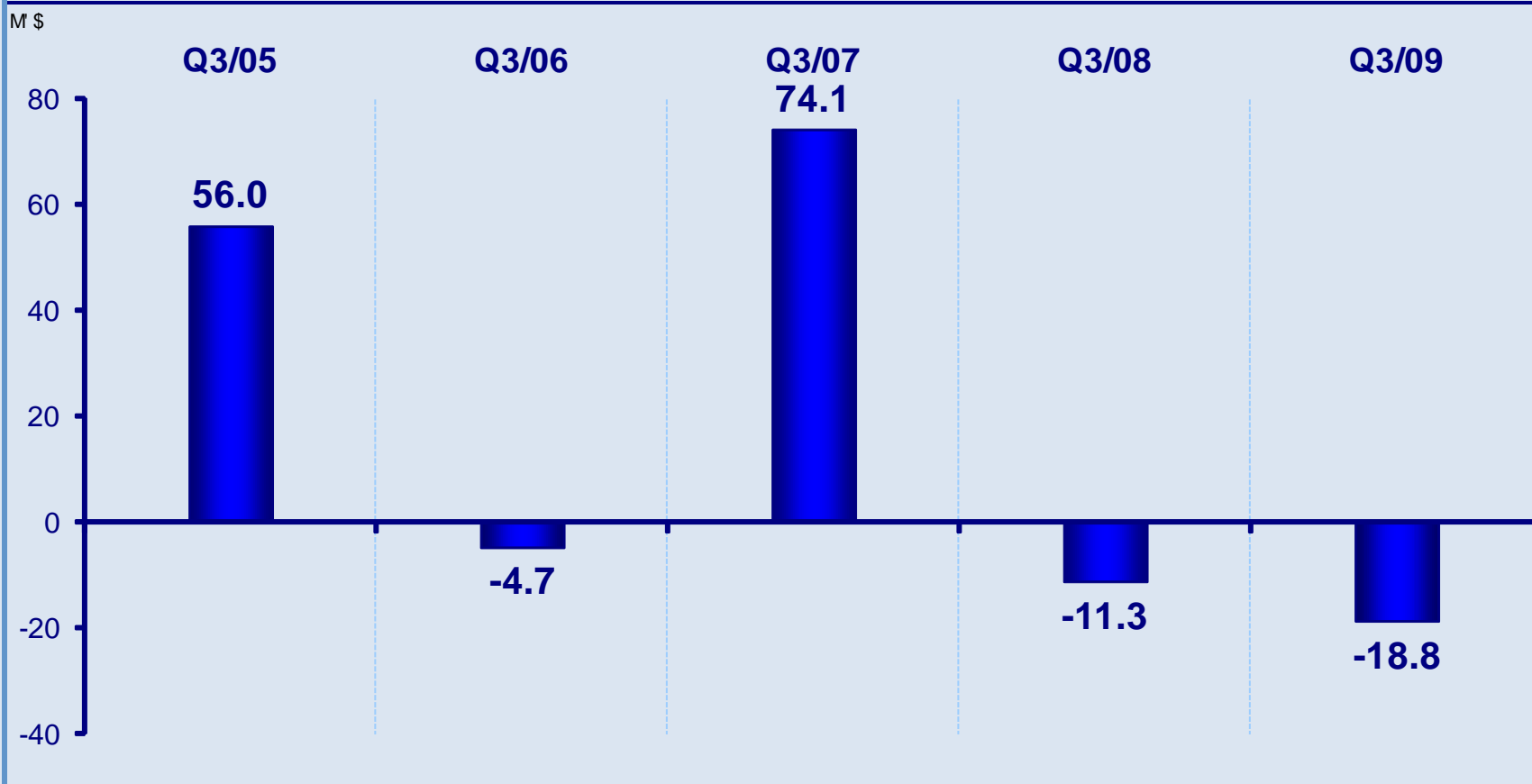
Cash balances, including deposits at Sept. 30 for the years 2005-2009 (EI Al solo)

(in millions USD)



Cash flows from operating activities for Q3 in the years 2005-2009

(in millions USD)



Balance sheet 30/09/2009

(in millions USD)

| Assets | | | Liabilities | | |
|--------------------|--------------|--------------|-----------------------|--------------|--------------|
| | 30/09/2009 | 31/12/2008 | | 30/09/2009 | 31/12/2008 |
| Current assets | 356 | 376 | Current liabilities | 744 | 716 |
| Non-current assets | 1,398 | 1,366 | Long-term liabilities | 882 | 908 |
| | | | Share holders' equity | 129 | 119 |
| Total | 1,755 | 1,743 | Total | 1,755 | 1,743 |

Consolidated Statements of Operations 1-9/09

(in millions USD)

| | 1-9/09 | | 1-9/08 | | 1-9/09 Vs. 1-9/08 | |
|---------------------------------|---------|-------------------------|---------|-------------------------|-------------------|------|
| | \$ | % of operating revenues | \$ | % of operating revenues | difference | % |
| Operating revenues | 1,242.2 | 100% | 1,633.6 | 100% | (391.5) | -24% |
| Operating expenses | 1,081.7 | 87.1% | 1,375.2 | 84.2% | (293.5) | -21% |
| Gross profit | 160.5 | 12.9% | 258.5 | 15.8% | (98.0) | -38% |
| Selling expenses | 138.4 | 11.1% | 180.0 | 11.0% | (41.7) | -23% |
| General and administr. Expenses | 64.3 | 5.2% | 75.8 | 4.6% | (11.5) | -15% |
| Other expenses ,net | 1.0 | 0.1% | 18.7 | 1.1% | (17.7) | -95% |
| Operating loss | (43.2) | -3.5% | (16.0) | -1.0% | (27.1) | 169% |
| Net financing expenses | 23.0 | 1.9% | 19.7 | 1.2% | 3.3 | 17% |
| Loss before income tax | (66.2) | -5.3% | (35.7) | -2.2% | (30.5) | 85% |
| Income Tax savings | (18.9) | -1.5% | (3.9) | -0.2% | (15.0) | 384% |
| Loss for the period | (47.3) | -3.8% | (31.8) | -1.9% | (15.5) | 49% |

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.