



# **EL AL**

## **Israel Airlines Ltd.**

### **Q1/08**

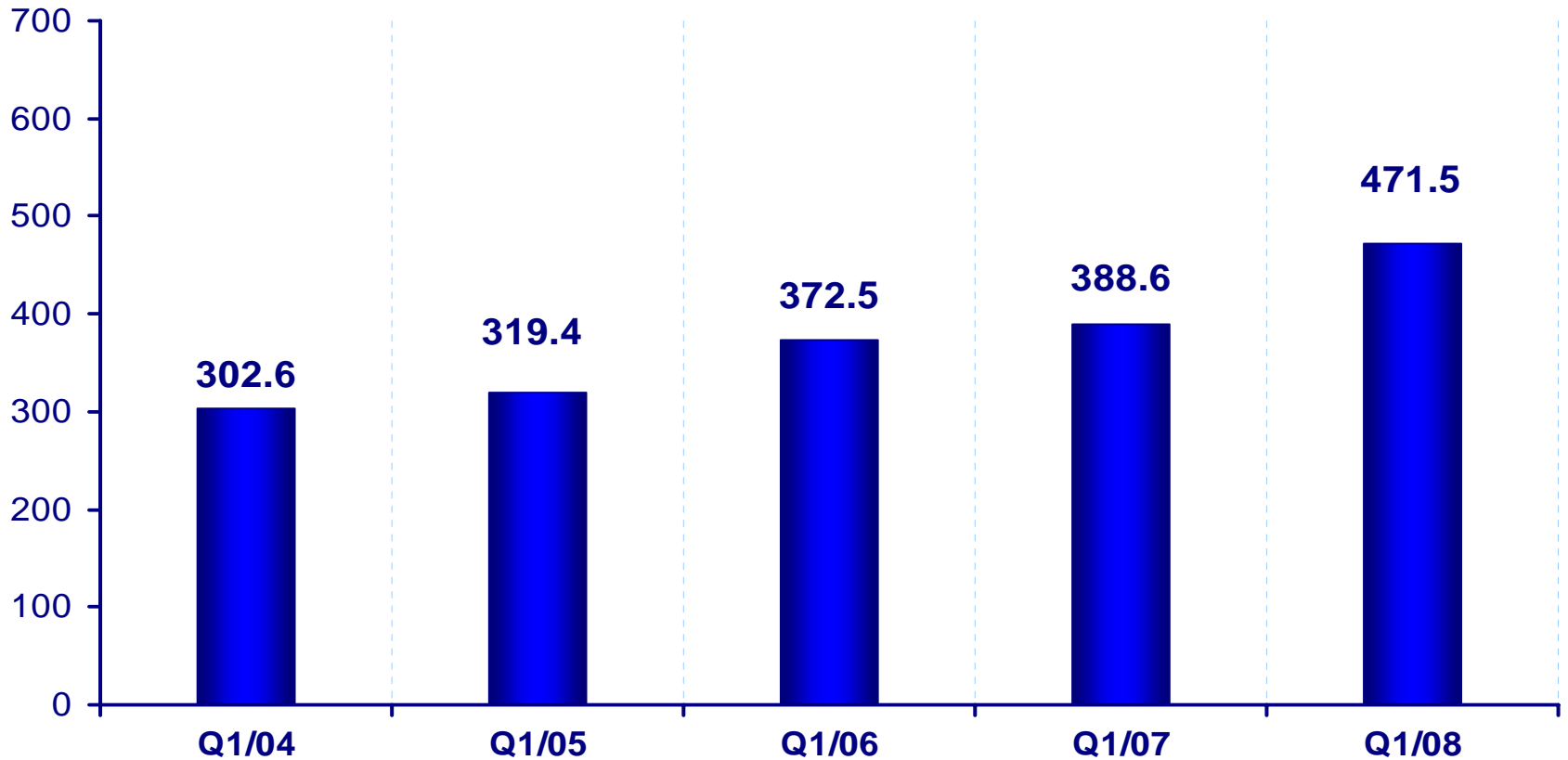
## Statement of Operations for quarter Q1 - Consolidated

(in millions USD)

	Q1/08		Q1/07		Q1/08 vs. Q1/07	
	\$	% of operating revenues	\$	% of operating revenues	difference	index (%)
Operating revenues	471.5	100%	388.6	100%	82.8	121%
Operating expenses	416.6	88.4%	339.6	87.4%	77.0	123%
Gross profit	54.9	11.6%	49.0	12.6%	5.8	112%
Selling expenses	56.0	11.9%	42.4	10.9%	13.6	132%
General and administr. expenses	24.9	5.3%	23.1	5.9%	1.8	108%
Operating Loss before other expenses	(26.0)	-5.5%	(16.4)	-4.2%	(9.6)	158%
Other expenses (income),net	21.4	4.5%	(5.9)	-1.5%	27.2	
Operating Loss	(47.4)	-10.1%	(10.6)	-2.7%	(36.8)	448%
Net financing expenses	12.7	2.7%	10.7	2.7%	2.1	119%
Loss before income tax	(60.1)	-12.8%	(21.2)	-5.5%	(38.9)	283%
Income Tax	(10.2)	-2.2%	(6.0)	-1.5%	(4.2)	170%
Net Loss for the period	(49.9)	-10.6%	(15.3)	-3.9%	(34.7)	327%

## Total income for quarter Q1 in the years 2004-2008

M'\$

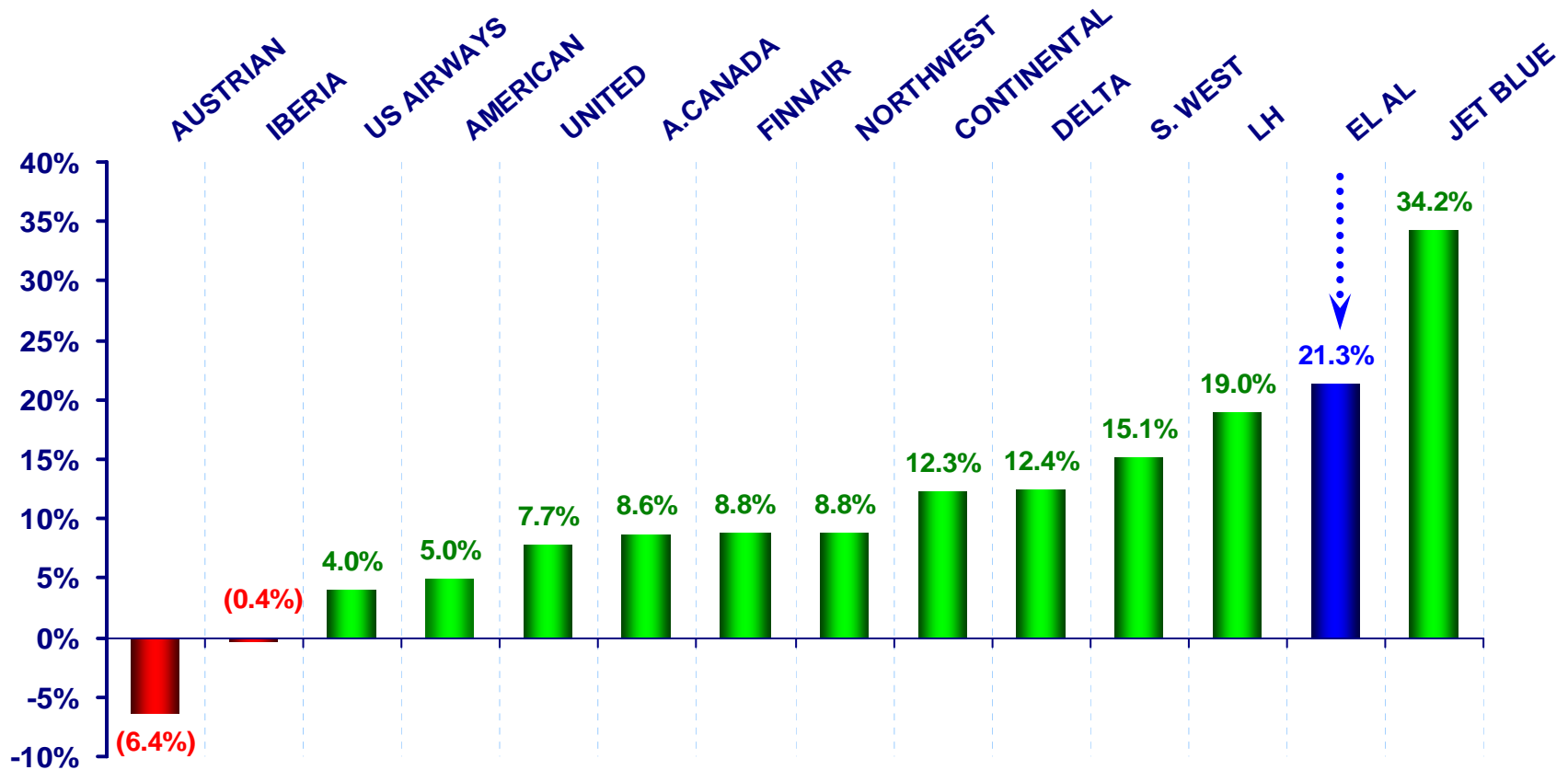


## Operating revenues in Q1/08 vs. Q1/07 and analysis of changes

(in millions USD)

	ACT Q1/08	ACT Q1/07	ACT Q1/08 Vs Q1/07	
			Increase / Decrease	%
<b>Passenger Revenues</b>	<b>355.4</b>	<b>291.8</b>	<b>63.6</b>	<b>122%</b>
<b>Cargo</b>	<b>78.5</b>	<b>70.4</b>	<b>8.2</b>	<b>112%</b>
<b>Other revenues</b>	<b>37.5</b>	<b>26.5</b>	<b>11.0</b>	<b>142%</b>
<b>Total operating revenues</b>	<b>471.5</b>	<b>388.6</b>	<b>82.8</b>	<b>121%</b>

# Income growth rate of El Al compared to other airlines (Q1/08 Vs. Q1/07)

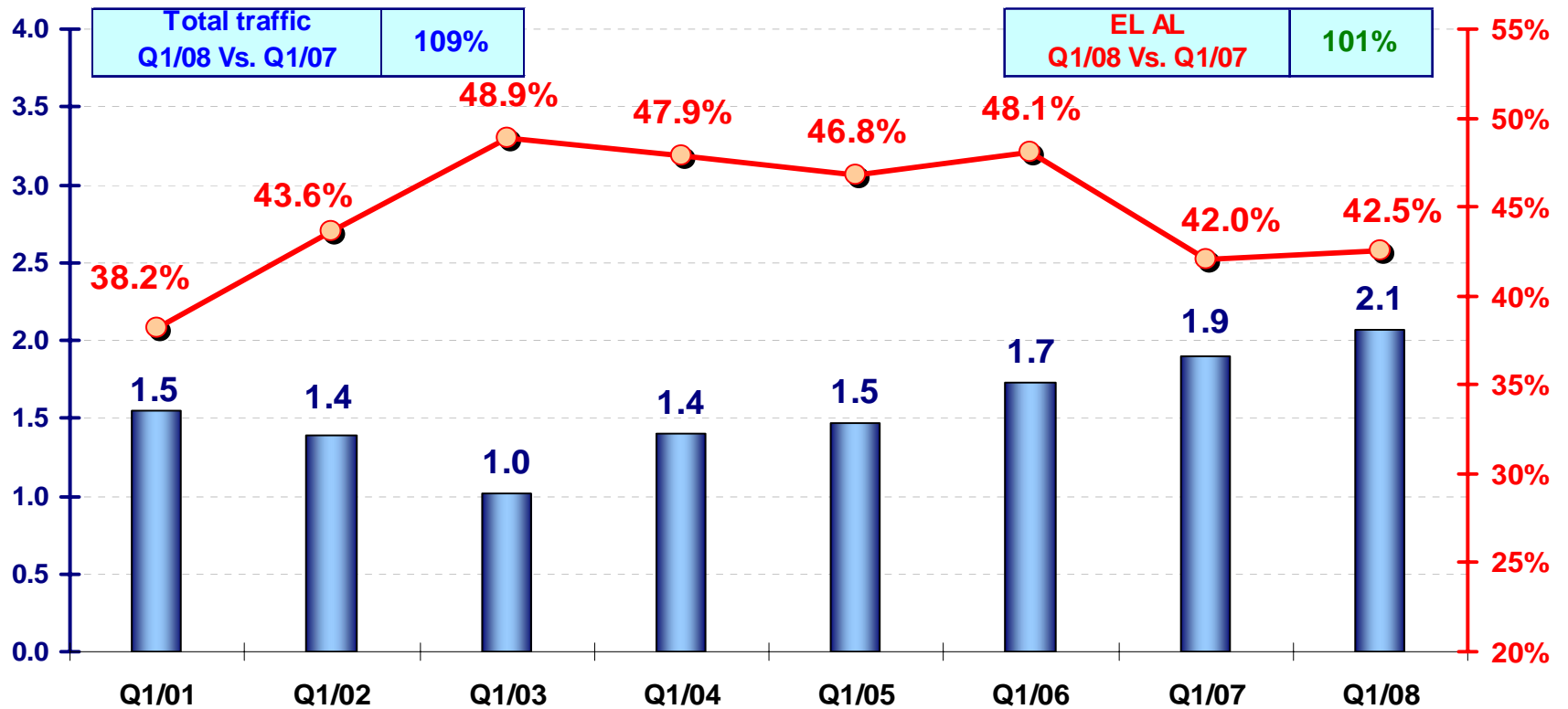


## El Al & Sun D'or (scheduled+charter) share in total traffic at BGA

for quarter Q1 in years 2001-2008

total traffic (mill. - per passeng. Leg)

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



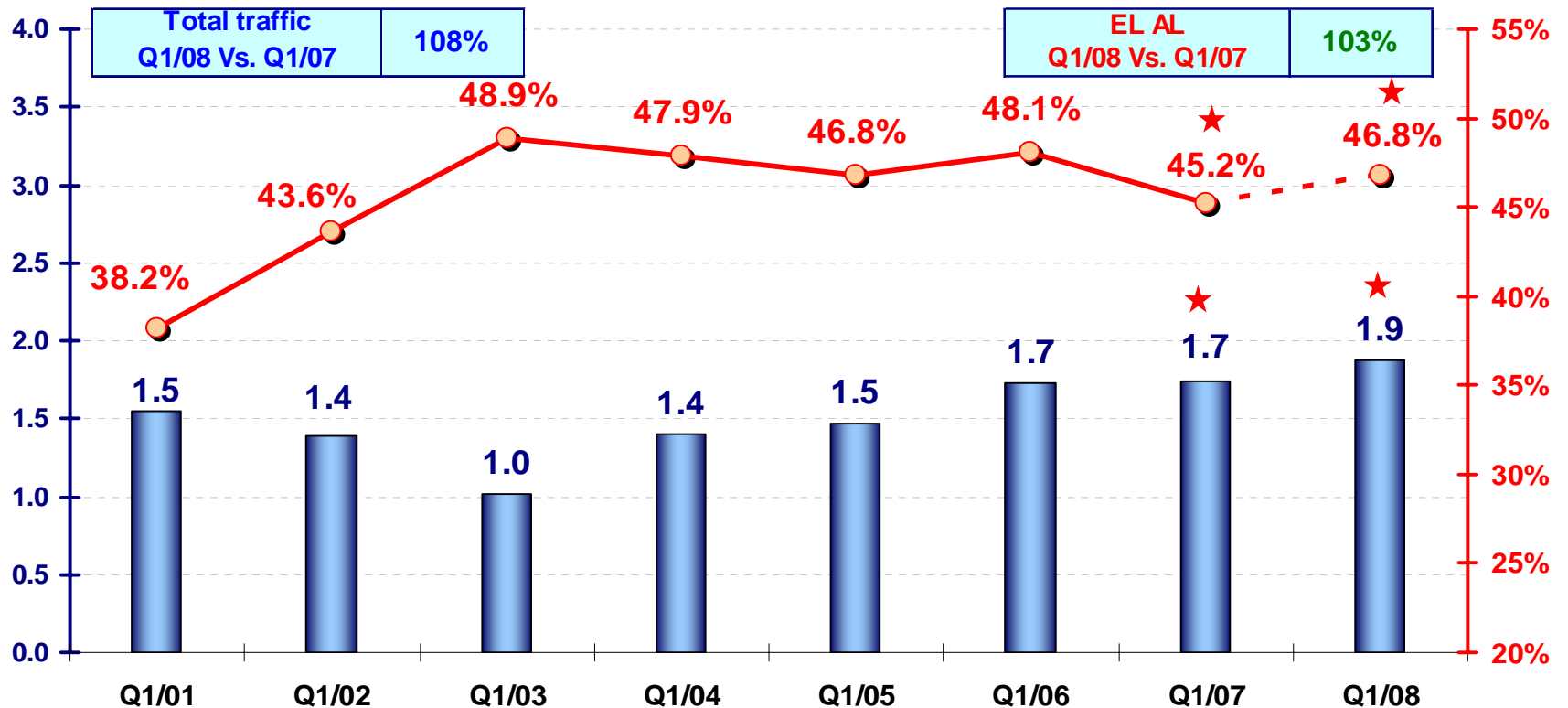
Source of data: Commercial Planning & Market Research

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

for quarter Q1 in years 2001-2008

total traffic (mill. - per passeng. Leg)

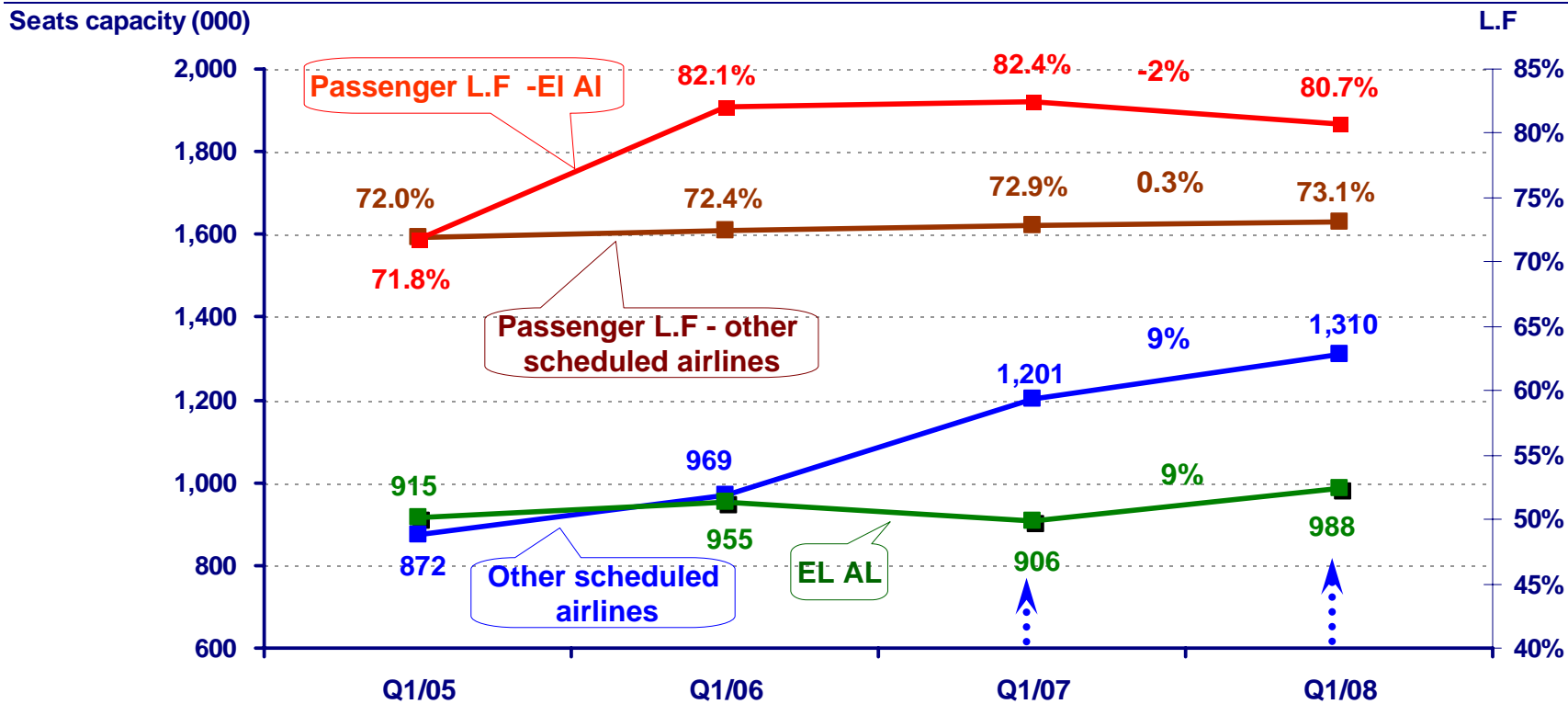
El Al & Sun D'or share in total traffic (%)



Source of data: Commercial Planning & Market Research

## Seats capacity and passenger load factor of scheduled airlines at Ben Gurion

quarter Q1 in the years 2005-2008



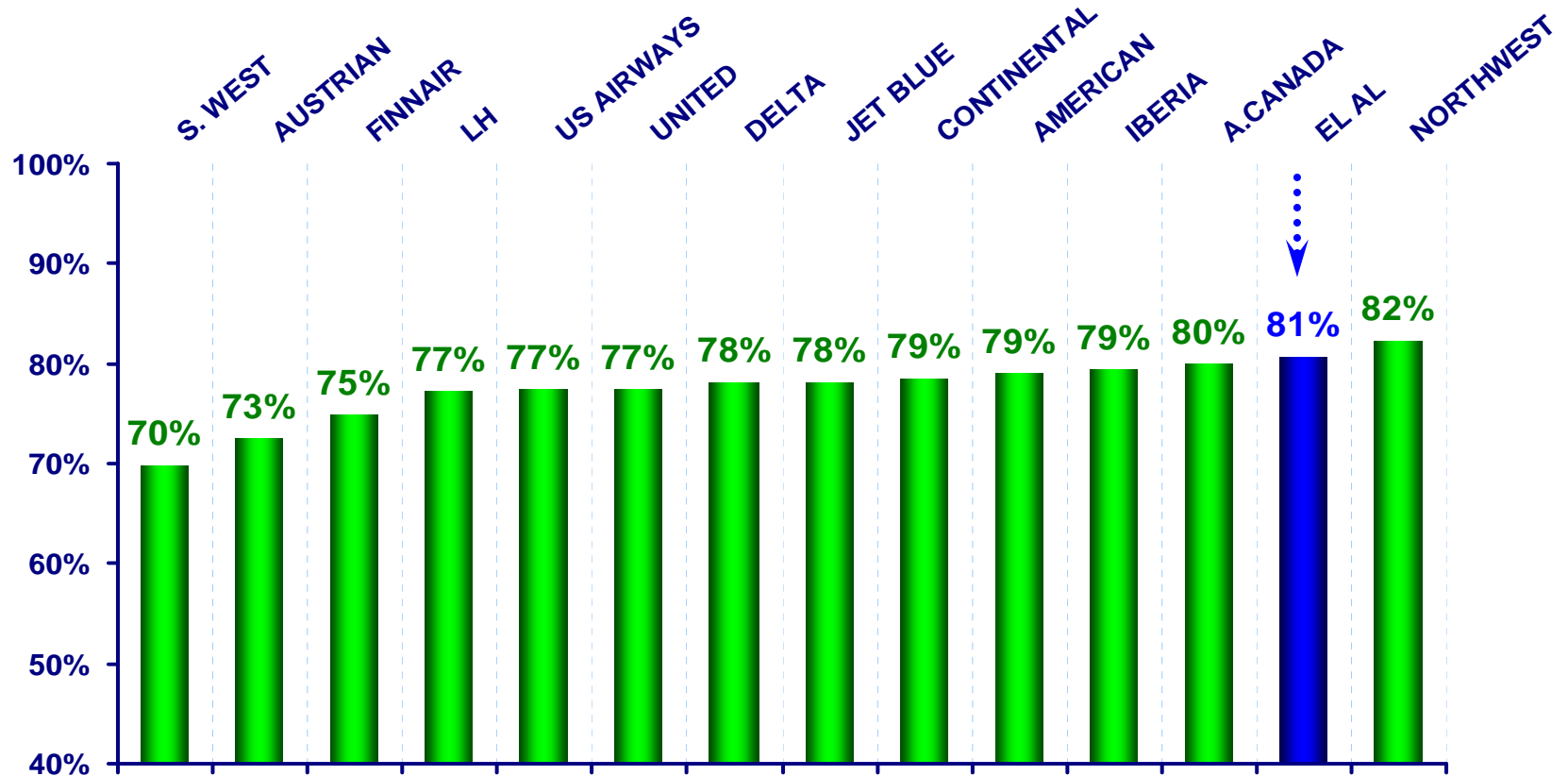
Total seats capacity at BGA-Scheduled	1,787	1,924	2,107	2,298
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Source of data: Commercial Planning & Market Research

LF - Percentage of total passenger occupancy of available seats

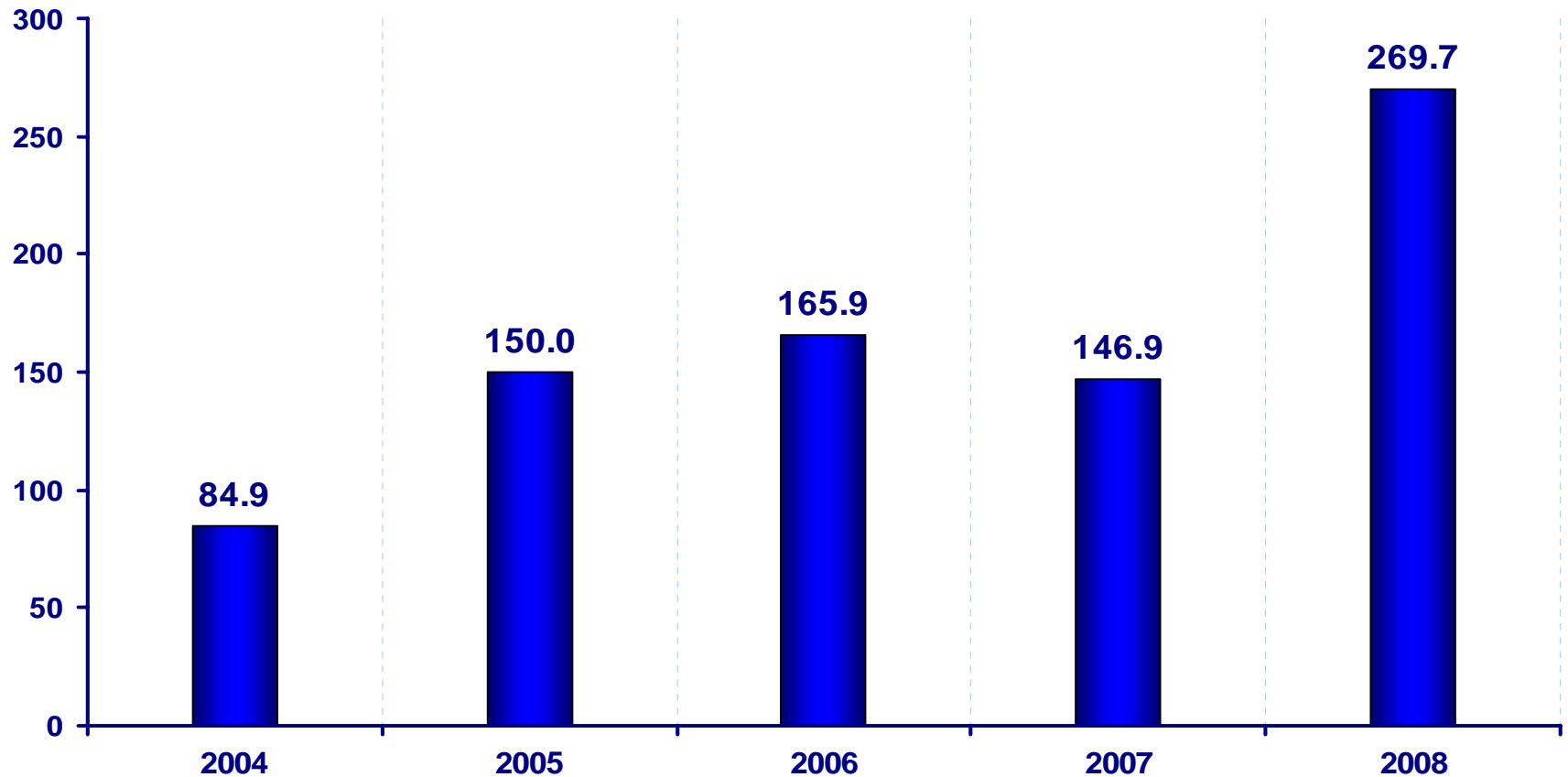
## Load Factor - compared to other airlines

Q1/08



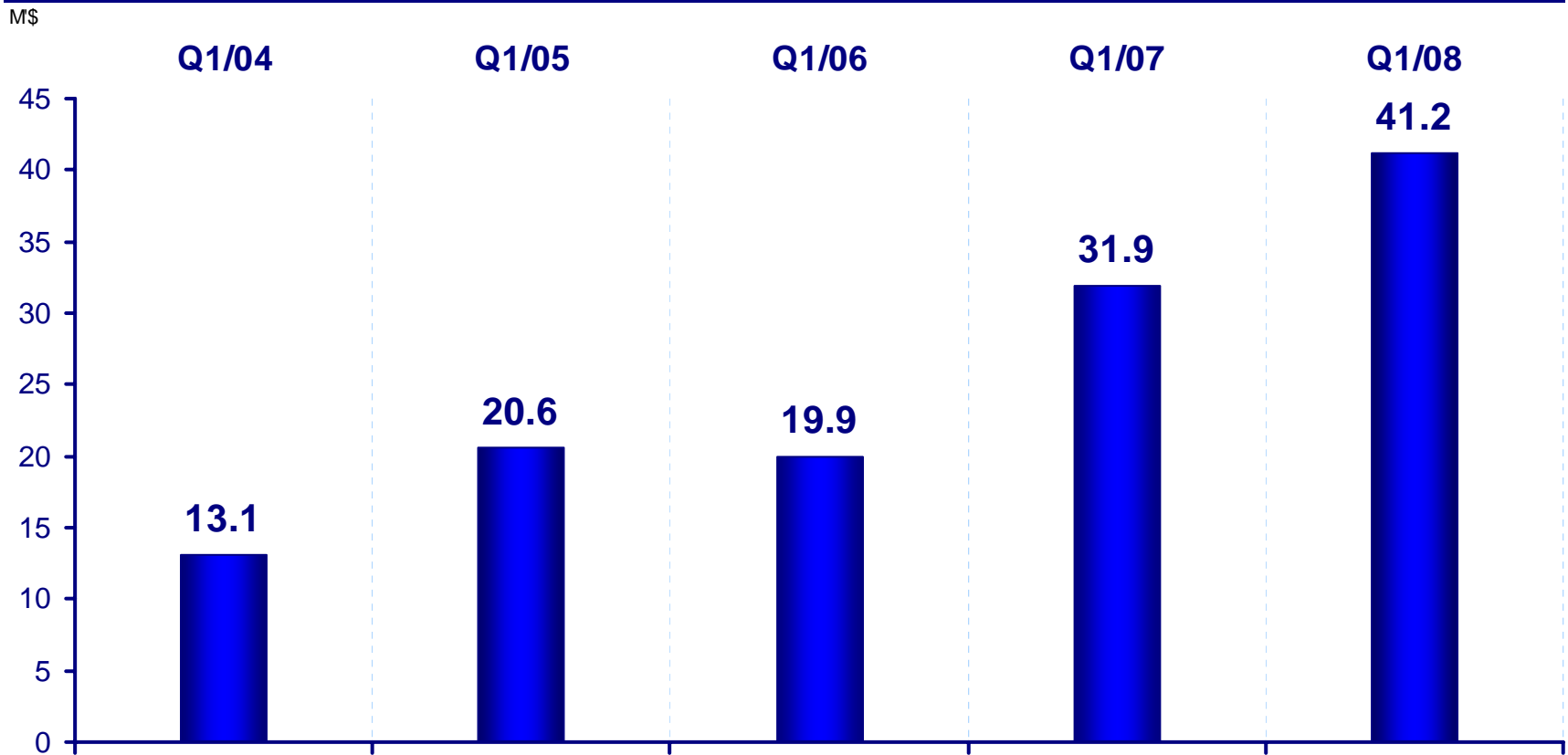
## Cash balances, including deposits at March 31 for the years 2004-2008 (El Al solo)

M'\$



## Cash flows from operating activities for quarter Q1 in the years 2004-2008 (Consolidated)

M'\$



Years 2003-2005: Excluding adjustment for accounting standard no. 27 (fixed assets)

## Balance sheet 31/03/08

(in millions USD)

Assets			Liabilities		
	31/03/2008	31/12/2007		31/03/2008	31/12/2007
<b>Current assets</b>	<b>583</b>	<b>500</b>	<b>Current liabilities</b>	<b>756</b>	<b>650</b>
<b>Non-current assets</b>	<b>1,294</b>	<b>1,304</b>	<b>Long-term liabilities</b>	<b>845</b>	<b>835</b>
			<b>Share holders' equity</b>	<b>276</b>	<b>319</b>
<b>Total</b>	<b>1,877</b>	<b>1,804</b>	<b>Total</b>	<b>1,877</b>	<b>1,804</b>

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 long tail. The woman's right arm is raised, and she appears to be in the middle of flying the kite. The overall scene is bright and open, suggesting a sense of freedom and accomplishment.

**Thank you.**