



EL AL

Israel Airlines Ltd.

Q2-09

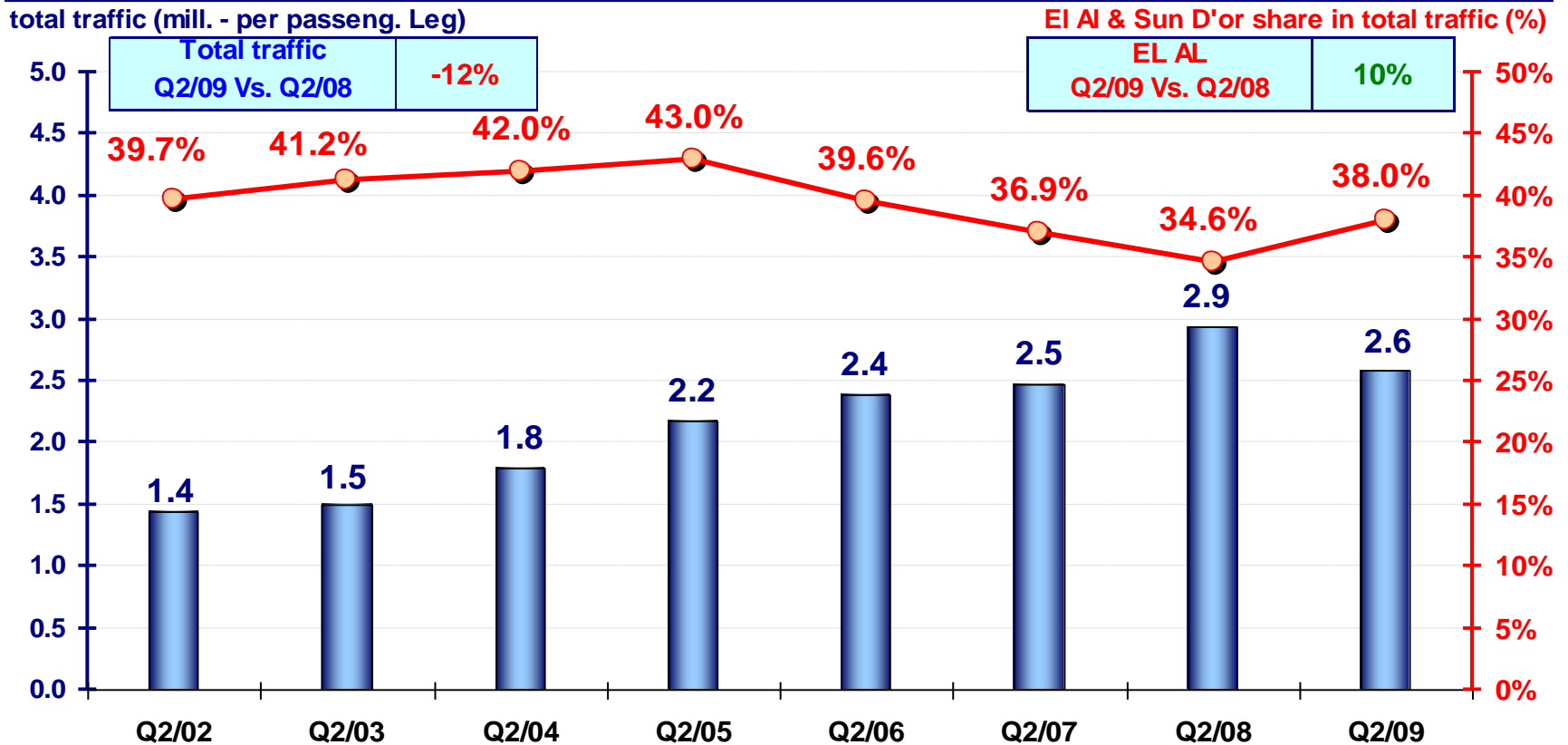
Consolidated Statements of Operations Q2/09

(in millions USD)

	Q2/09		Q2/08		Q2/09 vs. Q2/08	
	\$	% of operating revenues	\$	% of operating revenues	difference	%
Operating revenues	399.4	100%	557.5	100%	(158.0)	-28%
Operating expenses	353.1	88.4%	487.0	87.4%	(133.9)	-28%
Gross profit	46.3	11.6%	70.4	12.6%	(24.1)	-34%
Selling expenses	47.6	11.9%	61.1	11.0%	(13.5)	-22%
General and administr. expenses	21.8	5.5%	26.3	4.7%	(4.5)	-17%
Other expenses ,net	1.4	0.3%	2.7	0.5%	(1.4)	-50%
Operating loss	(24.5)	-6.1%	(19.8)	-3.5%	(4.7)	24%
Net financing expenses	7.1	1.8%	(3.1)	-0.6%	10.2	
Loss before income tax	(31.6)	-7.9%	(16.7)	-3.0%	(14.9)	90%
Income Tax savings	(11.8)	-3.0%	(3.9)	-0.7%	(7.9)	203%
Loss for the period	(19.7)	-4.9%	(12.8)	-2.3%	(7.0)	55%

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

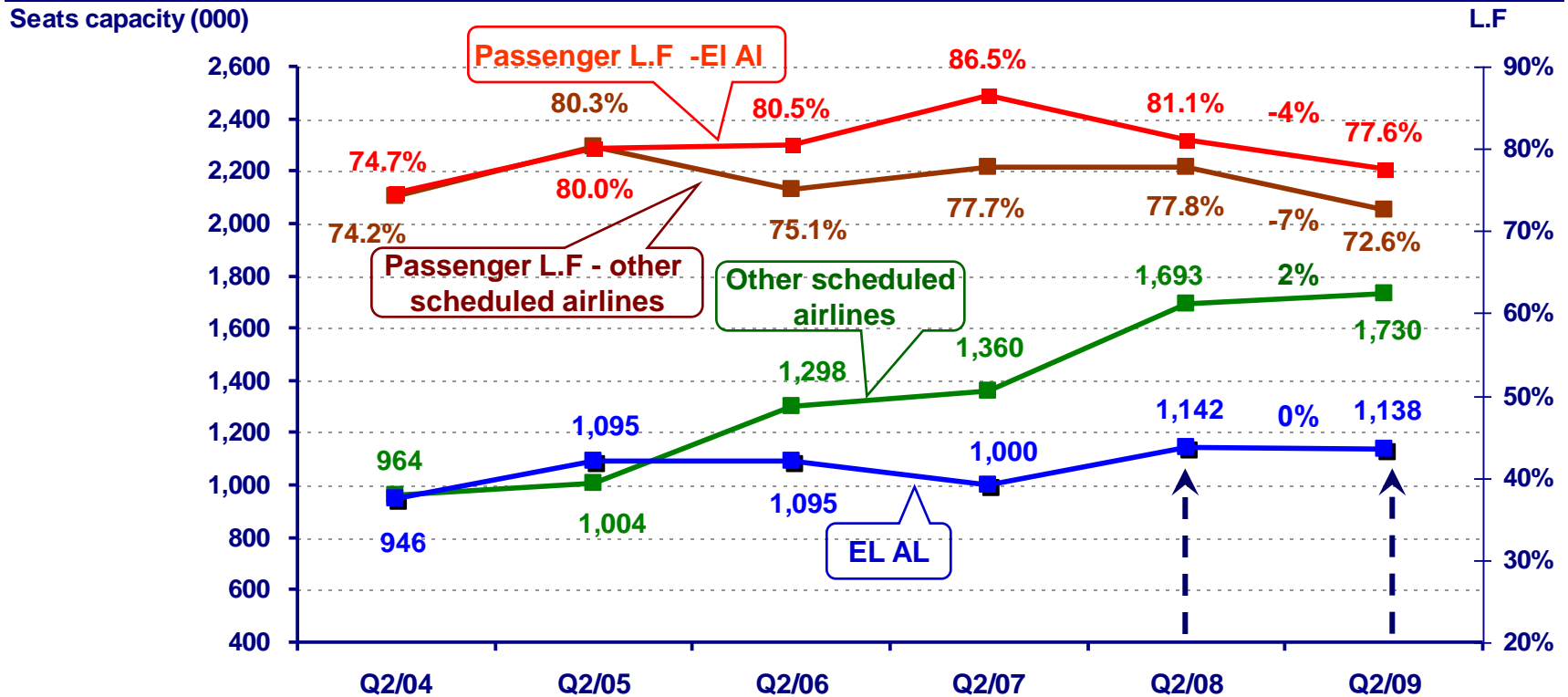
for quarter Q2 in years 2002-2009



Source of data: Commercial Planning & Market Research

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

quarter Q2 in the years 2004-2009



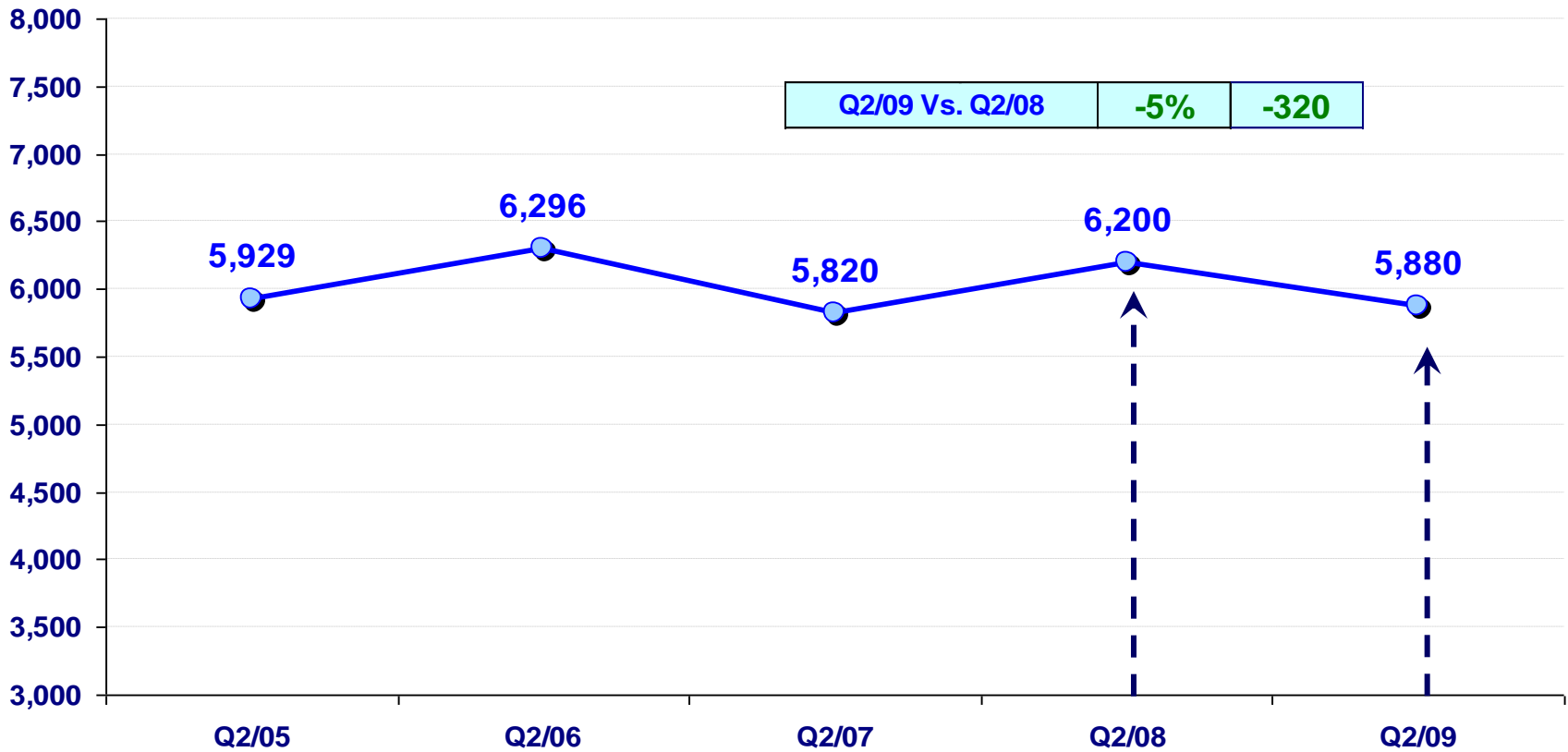
Total seats capacity at BGA-Scheduled	Q2/04	Q2/05	Q2/06	Q2/07	Q2/08	Q2/09
	1,910	2,099	2,393	2,360	2,834	2,868

Source of data: Commercial Planning

(*) L.F. of other scheduled airlines - Percentage of total passenger occupancy of available seats

Total employees (positions, average)

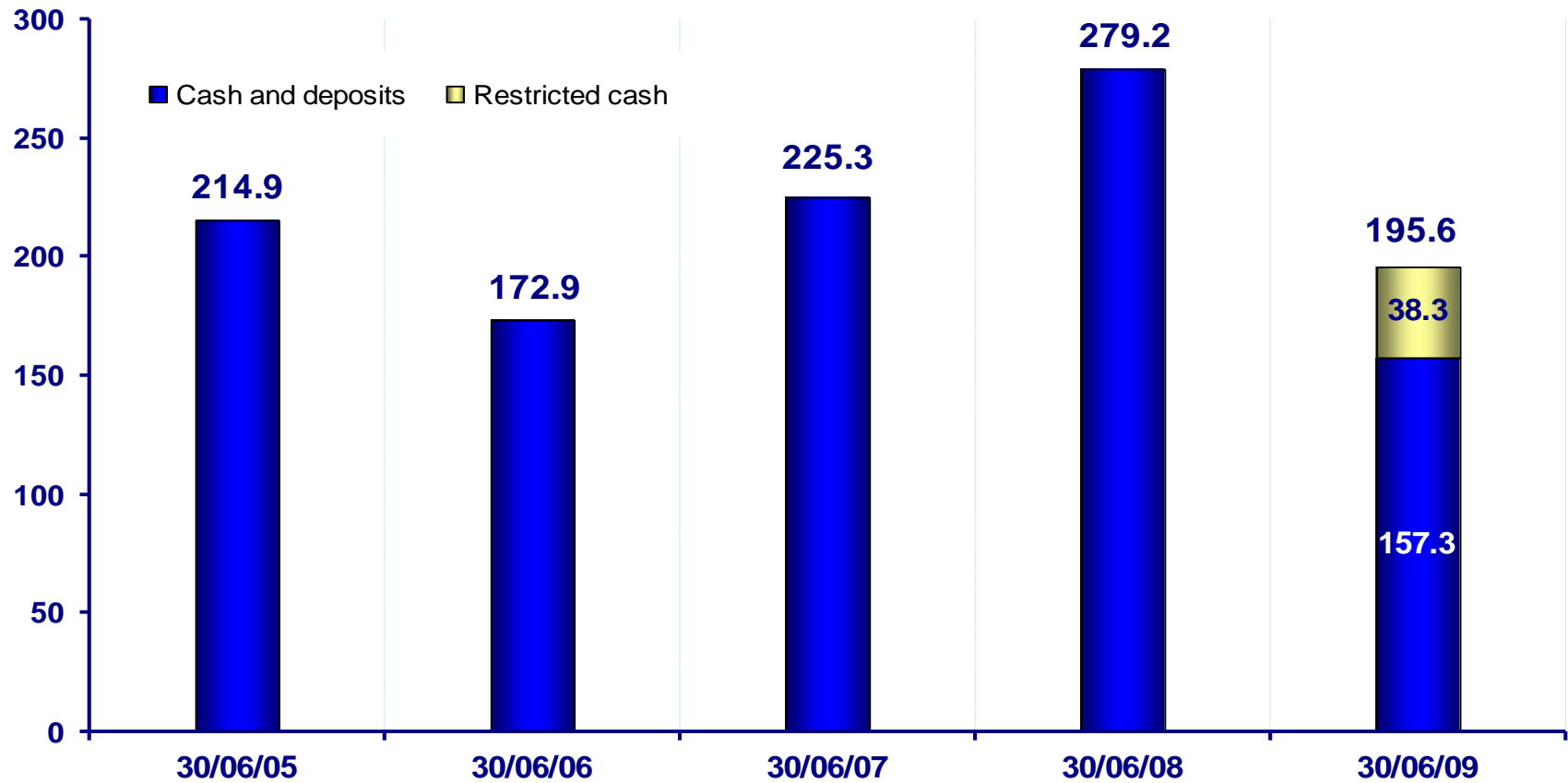
quarter Q2 in the years 2005-2009



Source data: Human Resources

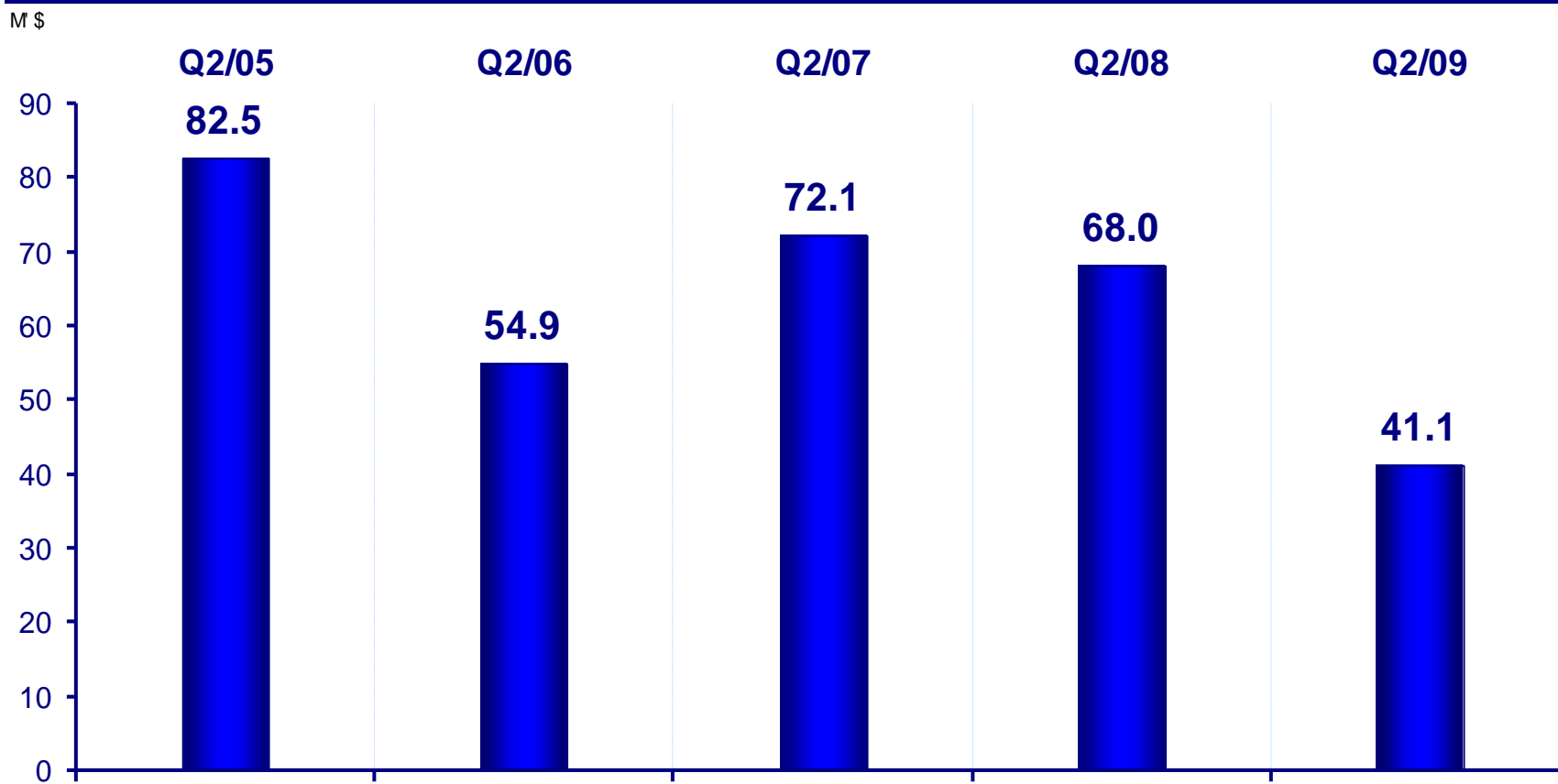
Cash balances, including deposits at June 30 for the years 2005-2009 (EI Al solo)

in millions USD



Cash flows from operating activities for Q2 in the years 2005-2009 (Consolidated)

in millions USD



Balance sheet 30/06/2009

(in millions USD)

Assets			Liabilities		
	30/06/2009	31/12/2008		30/06/2009	31/12/2008
Current assets	421	376	Current liabilities	823	716
Non-current assets	1,417	1,366	Long-term liabilities	907	908
			Share holders' equity	108	119
Total	1,838	1,743	Total	1,838	1,743

Consolidated Statements of Operations 1-6/09

(in millions USD)

	1-6/09		1-6/08		1-6/09 VS 1-6/08	
	\$	% of operating revenues	\$	% of operating revenues	הפרש	השינוי ב-%
Operating revenues	746.1	100%	1,026.7	100%	(280.6)	-27%
Operating expenses	681.0	91.3%	902.8	87.9%	(221.7)	-25%
Gross profit	65.1	8.7%	123.9	12.1%	(58.9)	-48%
Selling expenses	89.0	11.9%	115.7	11.3%	(26.6)	-23%
General and administr. expenses	43.1	5.8%	51.3	5.0%	(8.2)	-16%
Other expenses (income),net	(0.2)	0.0%	24.1	2.3%	(24.3)	
Operating loss	(66.9)	-9.0%	(67.1)	-6.5%	0.2	0%
Net financing expenses	9.9	1.3%	9.6	0.9%	0.3	3%
Loss before income tax	(76.8)	-10.3%	(76.8)	-7.5%	(0.1)	0%
Income Tax savings	(17.3)	-2.3%	(14.0)	-1.4%	(3.3)	23%
Loss for the period	(59.6)	-8.0%	(62.8)	-6.1%	3.2	-5%

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.