

EL AL

Israel Airlines Ltd.

Q3-11



Consolidated Statements of Operations

(in millions USD)

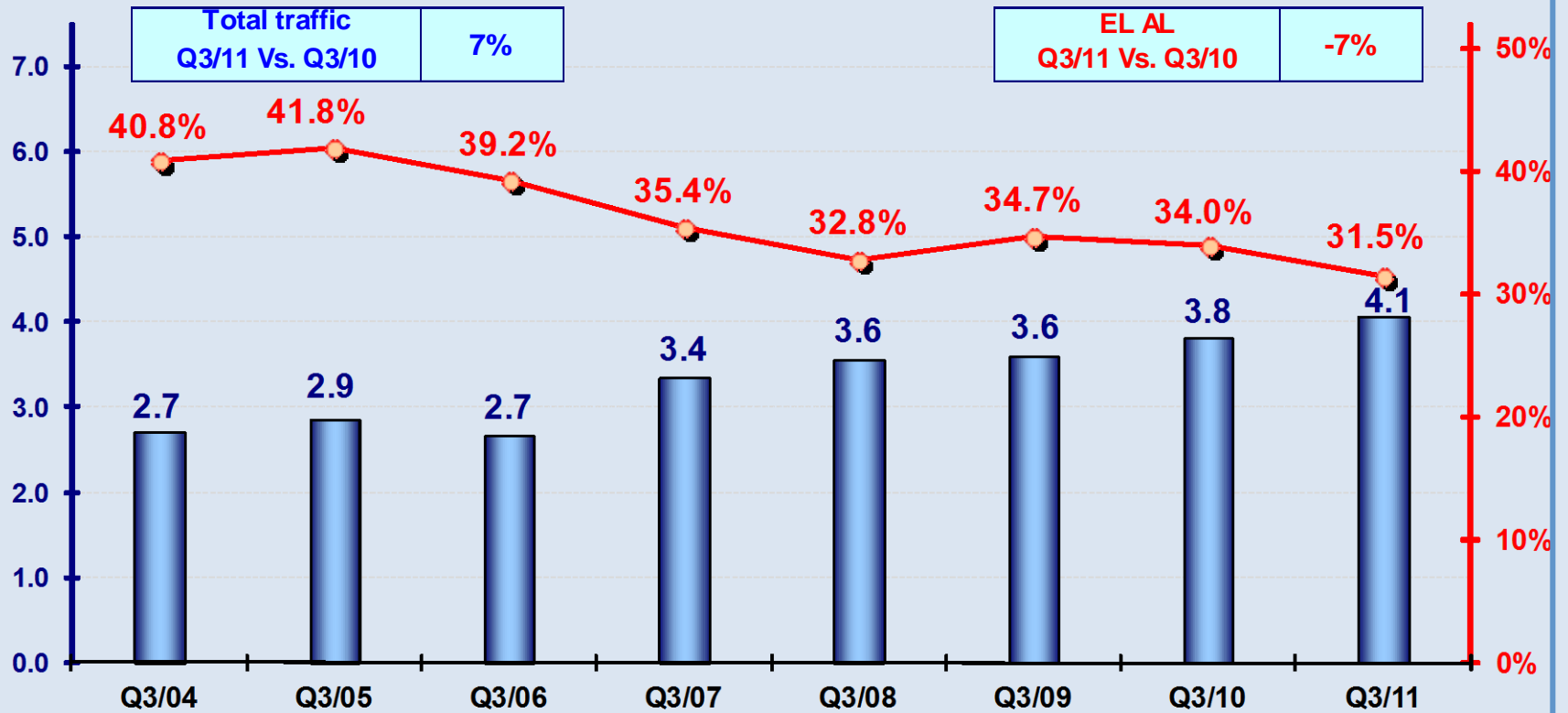
	Q3/11		Q3/10		Q3/11 Vs. Q3/10	
	\$	% of operating revenues	\$	% of operating revenues	difference	%
Operating revenues	602.1	100%	565.6	100%	36.5	6%
Operating expenses	488.9	81.2%	426.2	75.4%	62.8	15%
Gross profit	113.1	18.8%	139.4	24.6%	(26.3)	-19%
Selling expenses	59.8	9.9%	59.0	10.4%	0.8	1%
General and administr. Expenses	23.7	3.9%	23.2	4.1%	0.5	2%
Other expenses ,net	4.5	0.7%	1.6	0.3%	2.9	
Operating profit	25.2	4.2%	55.6	9.8%	(30.5)	-55%
Net financing expenses (income)	(2.7)	-0.5%	8.6	1.5%	(11.3)	
Income before income tax	27.9	4.6%	47.1	8.3%	(19.2)	-41%
Income Tax expenses and the Company's share of the profits of subsidiaries	6.9	1.1%	4.6	0.8%	2.3	50%
Net Income for the period	21.0	3.5%	42.5	7.5%	(21.4)	-50%

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

for quarter Q3 in years 2004-2011

total traffic (mill. - per passeng. Leg)

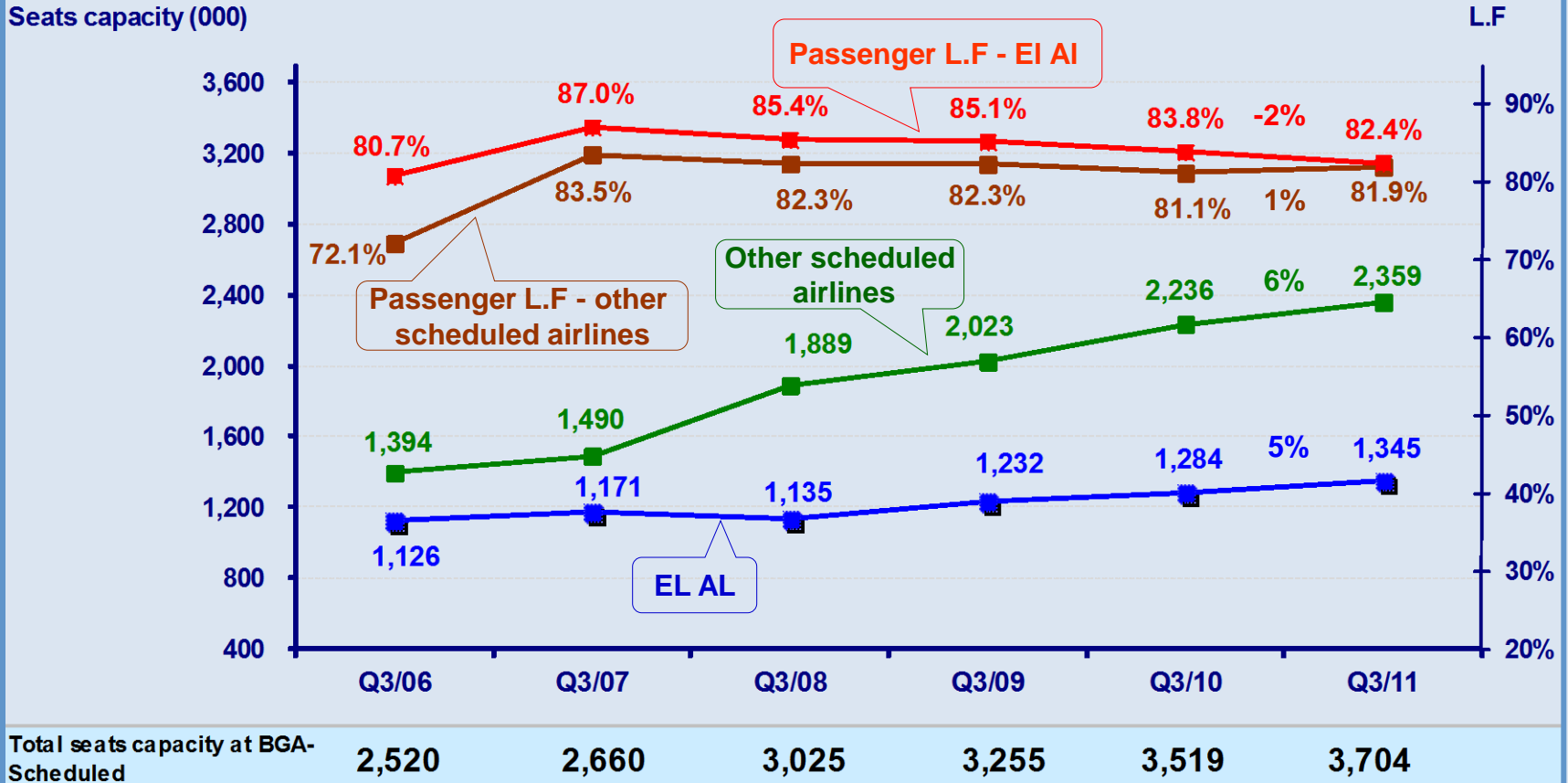
El Al & Sun D'or share in total traffic (%)



Source of data: Commercial Planning & Market Research

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

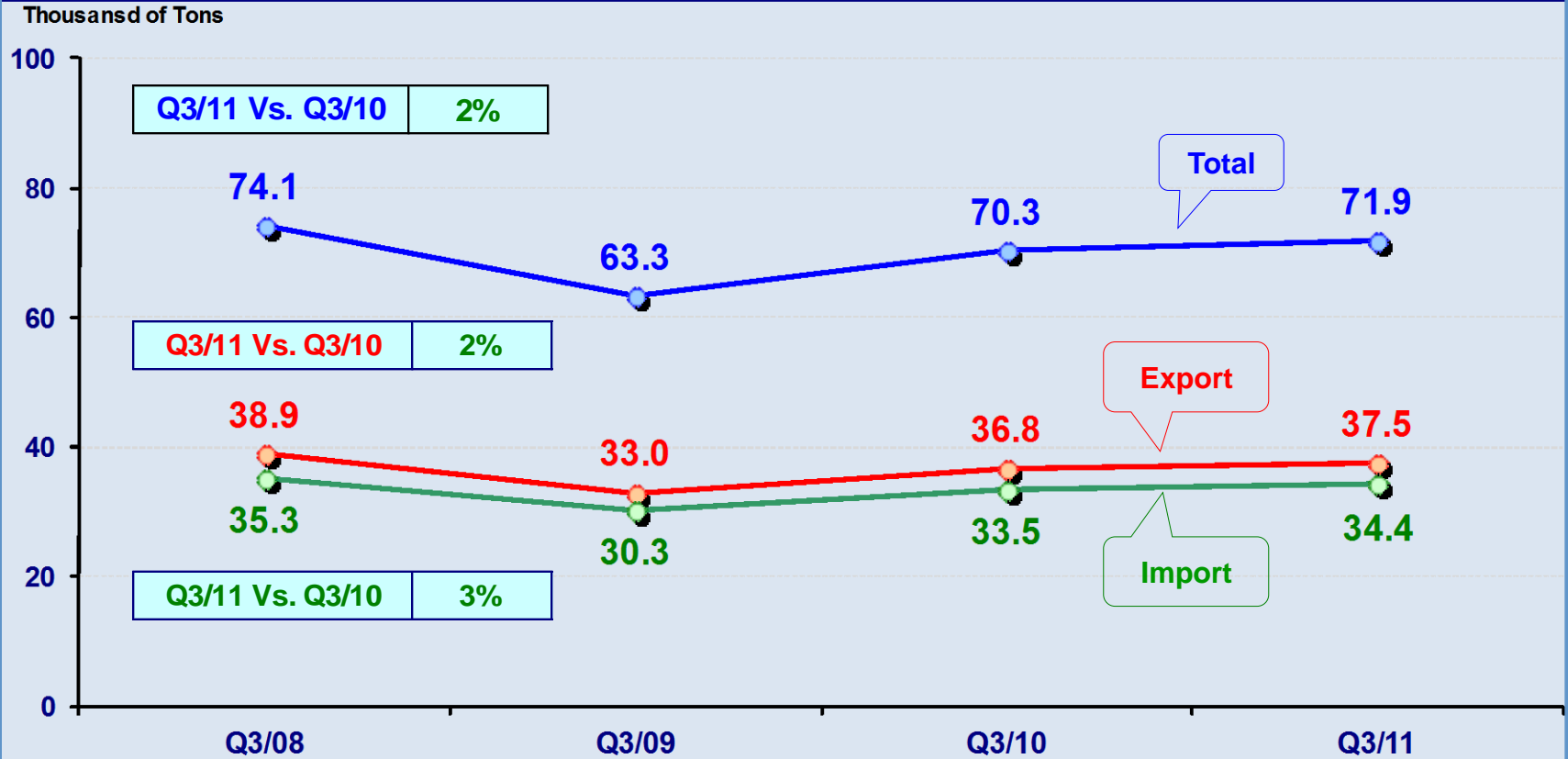
for quarter Q3 in years 2006-2011



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

Cargo traffic through BGN

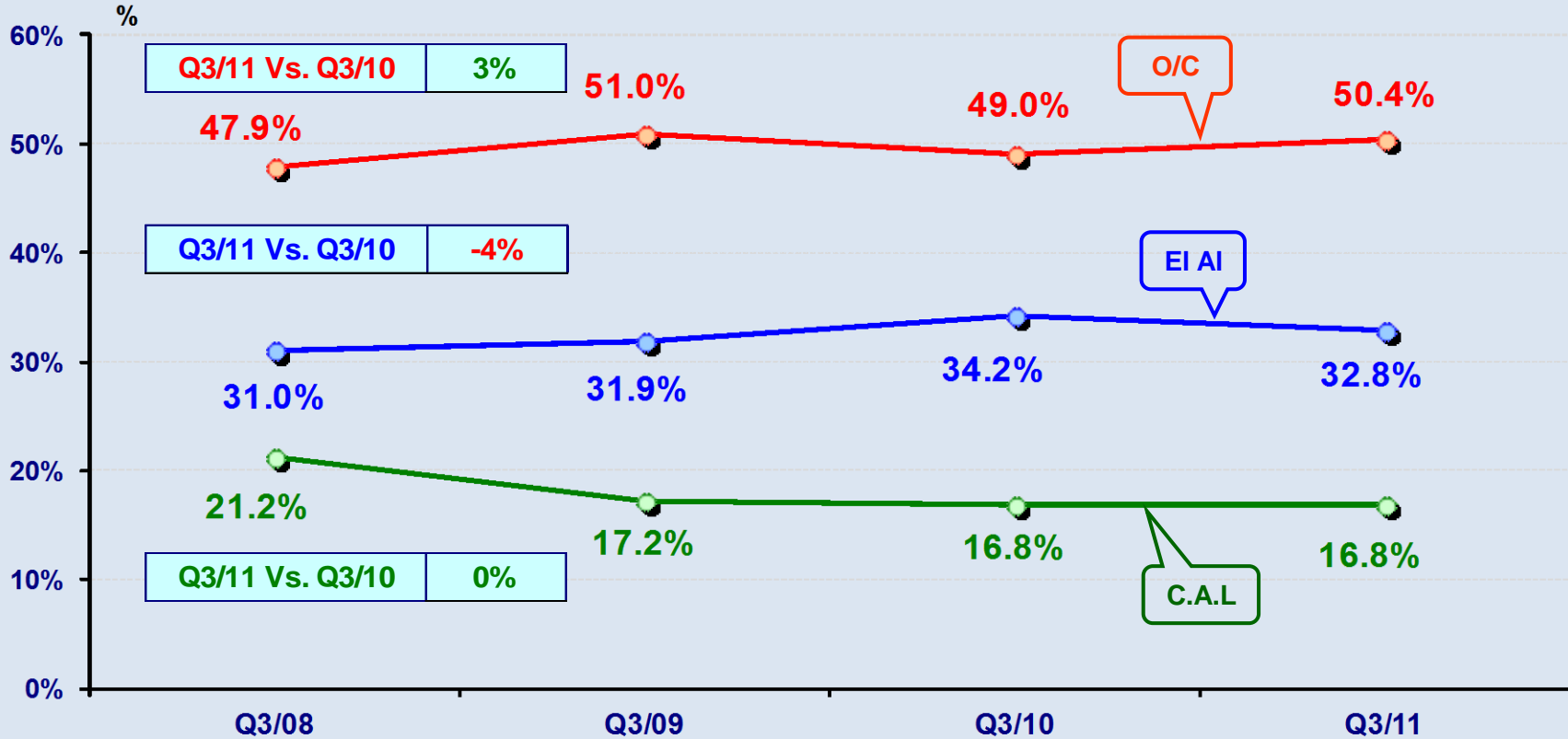
for quarter Q3 in years 2008-2011



Source: Cargo division, EL AL

Cargo market share at BGA

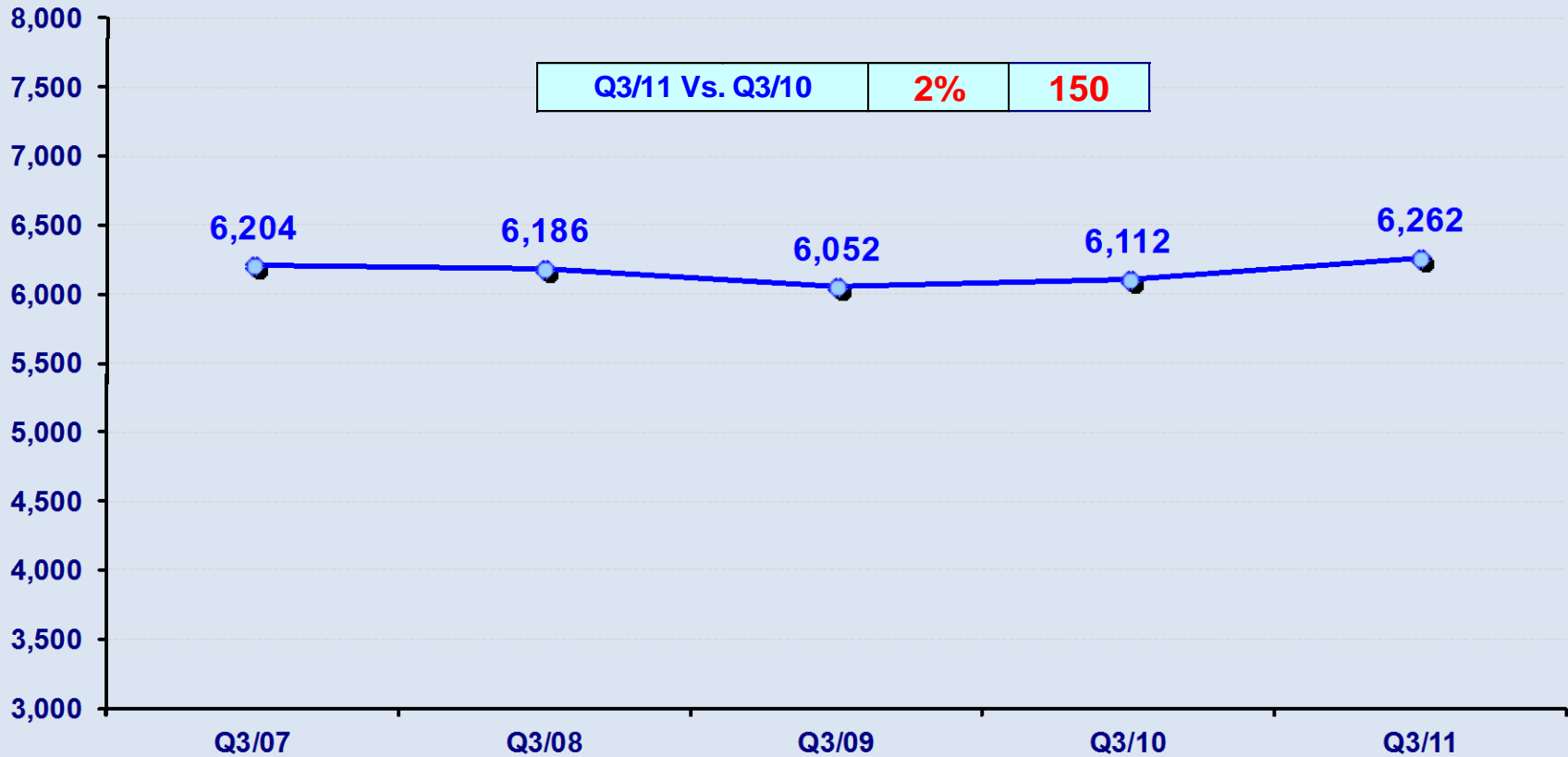
for quarter Q3 in years 2008-2011



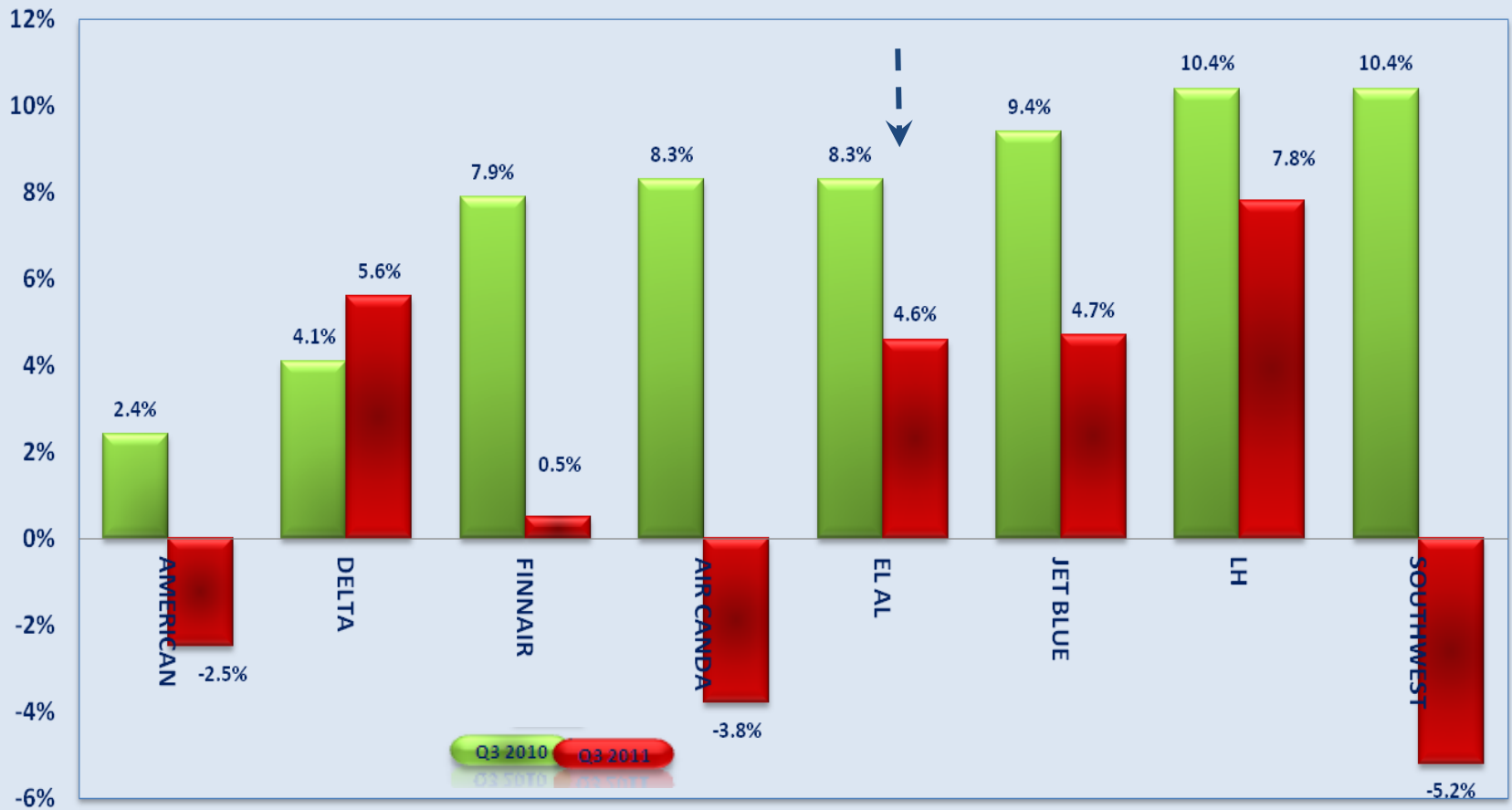
Source: Cargo division, EL AL
Excluding transit cargo

Total employees (man-years, EI AL only)

for quarter Q3 in years 2007-2011



Income before tax percentage-compared to other airlines

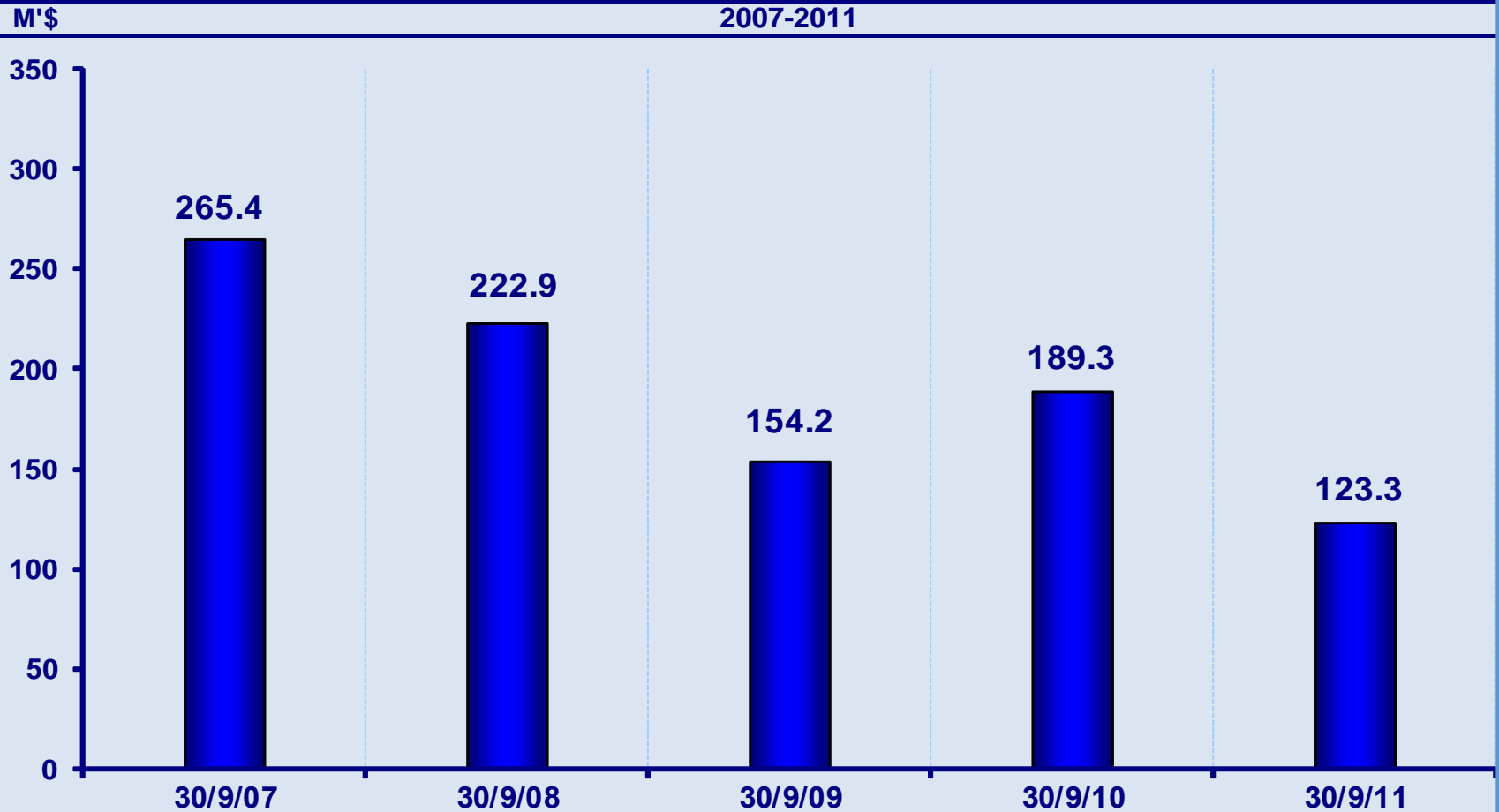


Balance sheet

(in millions USD)

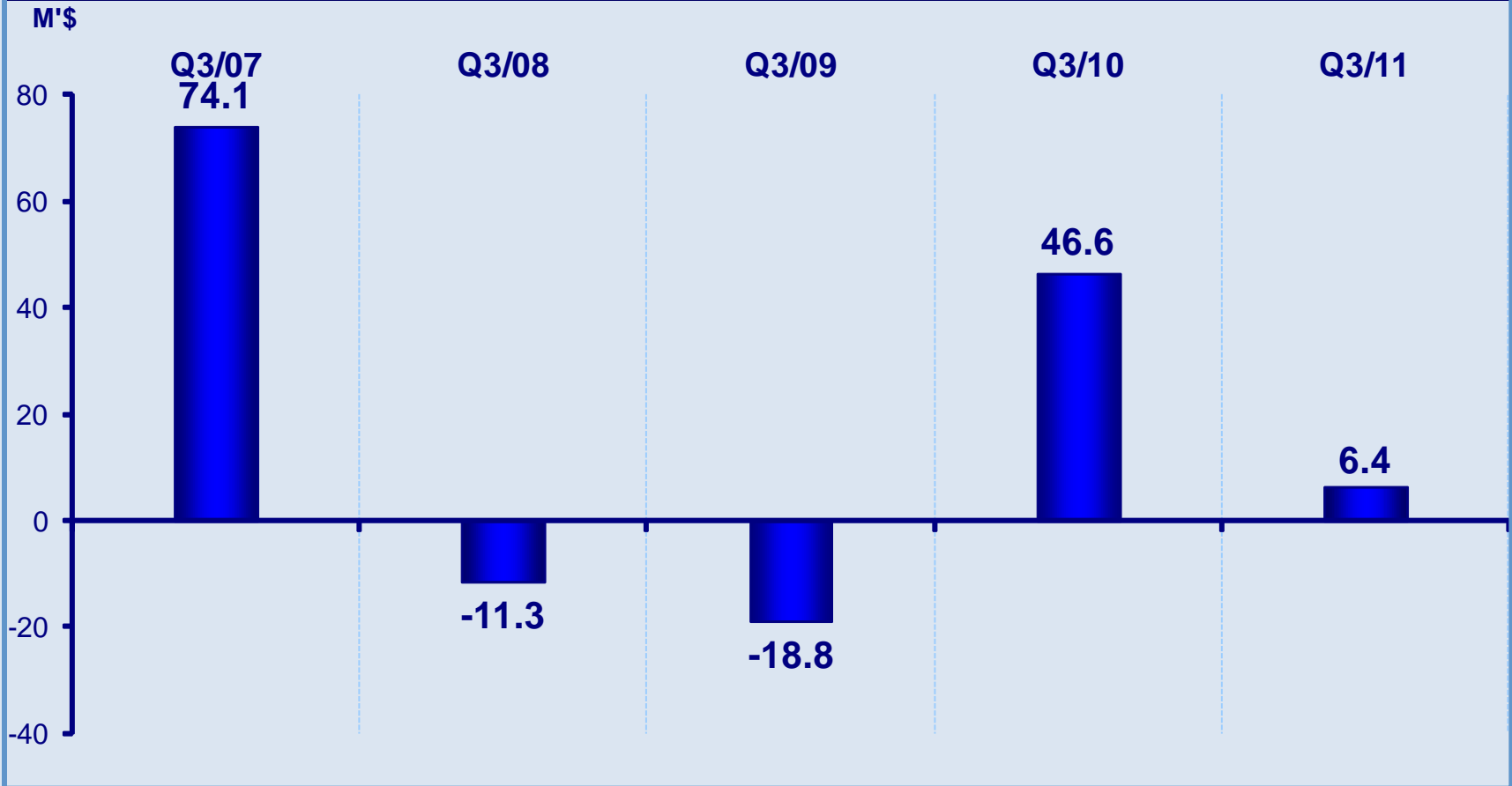
Assets			Liabilities		
	30/09/2011	31/12/2010		30/09/2011	31/12/2010
Current assets	362	416	Current liabilities	748	732
Non-current assets	1,282	1,305	Long-term liabilities	712	741
			Share holders' equity	184	248
Total	1,644	1,721	Total	1,644	1,721

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



Cash flows from operating activities

2007-2011



Consolidated Statements of Operations

(in millions USD)

	1-9/11		1-9/10		1-9/11 Vs. 1-9/10	
	\$	אחוז מהמחזור	\$	% of operating revenues	difference	%
Operating revenues	1,557.8	100%	1,491.2	100%	66.6	4%
Operating expenses	1,362.5	87.5%	1,190.7	79.9%	171.8	14%
Gross profit	195.3	12.5%	300.4	20.1%	(105.2)	-35%
Selling expenses	160.7	10.3%	160.5	10.8%	0.2	0%
General and administr. Expenses	72.9	4.7%	69.8	4.7%	3.1	4%
Other expenses ,net	13.2	0.8%	4.2	0.3%	8.9	212%
Operating profit (loss)	(51.5)	-3.3%	65.9	4.4%	(117.4)	
Net financing expenses (income)	(4.5)	-0.3%	21.0	1.4%	(25.4)	
Income (Loss) before income tax	(47.0)	-3.0%	45.0	3.0%	(92.0)	
Income Tax (savings) expenses and the Company's share of the profits of subsidiaries	(5.4)	-0.3%	4.2	0.3%	(9.6)	
Net Income (Loss) for the period	(41.6)	-2.7%	40.8	2.7%	(82.4)	

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.