EL AL Reports Third-Quarter 2026 Results

- EL AL announces a dividend distribution of approximately $116 million
- The company's third-quarter revenue increased by approximately 18%, reaching a record high of approximately $1.27 billion
- Third-quarter EBITDAR totaled approximately $367 million, an increase of approximately 3% compared to the corresponding quarter last year, despite higher fuel prices and the negative impact of exchange rate fluctuations
- Forward bookings at the end of the third quarter reached a record high of approximately $1.1 billion
- Net income for the quarter totaled approximately $175 million

EL AL reports a strong quarter, with record revenue, the announcement of a dividend distribution, and the company's inclusion in the TA-35 Index. The company recorded an increase in EBITDAR despite significant increases in fuel prices, intensifying competition and unfavorable exchange rate movements, while continuing to deliver growth and strong operational performance. In addition, the company recorded an increase in available seat kilometers (ASK), reaching the upper end of its forecasts, while maintaining high load factors (LF), alongside a strong forward booking position extending into the coming period. The company reports strong results and a rate of new FLY CARD sign-ups that exceeds expectations.

Key Third-Quarter 2026 Results

- **The company will distribute a dividend of approximately $116 million, marking the second dividend distribution this year, reflecting its strong balance sheet and financial stability, which have enabled it to maintain profitable growth even in a challenging environment. This follows the company's inclusion in the TA-35 Index.**
- **The company's revenue** for the quarter totaled approximately $1.27 billion, **a record for the company**, compared to approximately $1.07 billion in the corresponding quarter last year, an increase of approximately 18%.
- **Available seat kilometers (ASK)** increased by approximately 9% in the quarter compared to the corresponding quarter last year, following the expansion of the airline's fleet.
- **The load factor (LF)** for the quarter was approximately 95%, similar to the corresponding quarter last year.
- **Forward bookings at the end of the third quarter, based on advance payments received from ticket and voucher sales**, reached a record high of approximately $1.1 billion, an increase of approximately 16% compared to the corresponding period last year.
- **EBITDAR** for the quarter totaled approximately $367 million, compared to approximately $357 million in the corresponding quarter last year, an

increase of approximately 3%, despite higher fuel prices and the negative impact of exchange rate fluctuations, estimated to have increased expenses by approximately $135 million.

- **Revenue per available seat kilometer (RASK)** increased by approximately 7% compared to the corresponding quarter last year.
- **Net financing expenses** for the quarter totaled approximately $10.5 million, compared to net financing income of approximately $4.3 million in the corresponding quarter last year.
- **Net income** for the quarter totaled approximately $175 million, compared to approximately $203 million in the corresponding quarter last year. The decrease was primarily due to a one-time expense arising from the revaluation of a phantom option, which accounted for a difference of approximately $24 million between the two quarters.
- **The company's cash flow from operating activities** during the current quarter totaled approximately $161 million, compared to approximately $127 million in the corresponding quarter last year, an increase of approximately 27%.
- **The company's equity** as of September 30, 2026, totaled approximately $1.3 billion, compared to approximately $1 billion as of December 31, 2025.
- **Gross financial debt** as of September 30, 2026, totaled approximately $1.12 billion. Available liquid resources totaled approximately $2 billion, reflecting a net cash position of $910 million.
- **The number of members in the Frequent Flyer Club** as of September 30, 2026, totaled approximately 3.78 million, an increase of approximately 306,000 members compared to the corresponding period last year. The number of FLY CARD credit cards in circulation totaled approximately 561,000, of which approximately 373,000 were issued by the Isracard Group, as of the date of publication of the report. The percentage of purchases identified as Club member purchases in 2026 stood at approximately 55%

EL AL CEO Levy Halevy: "The achievements we are presenting today would not have been possible without the professionalism and dedication of EL AL's employees. Their work, both on the ground and in the air, is the foundation of our ability to expand our operations and provide our customers with high-quality service. EL AL continues to strengthen its position, concluding the third quarter with operational performance at the upper end of the forecasts we presented, and exceeding them, achieving an all-time record in revenue and an increase in EBITDAR, despite a significant rise in input costs driven by fuel prices and exchange rate fluctuations, alongside further intensification of competition. These results reflect the contribution of the growth engines we have developed and the significant steps we have taken to strengthen the company. Increasing available seat kilometers (ASK) while maintaining high load factors has enabled us to conclude one of the strongest periods in the company's history, as also reflected in EL AL's inclusion in the flagship TA-35 Index, further demonstrating its strength and standing. We continue to see strong demand for the airline's flights, with a robust forward booking position

of approximately $1 billion, alongside continued increases in fuel prices in an environment that remains characterized by uncertainty. Additionally, we are announcing a dividend distribution of approximately $116 million and will continue working to maximize value for our investors, while remaining committed to providing our customers with the best possible service experience."

EL AL CFO Gil Feldman, CPA: "The third-quarter results reflect EL AL's business and financial strength and the continued implementation of our strategy, which is based on profitable growth, generating positive cash flow and continuously strengthening our financial resilience, all within a challenging and competitive business environment characterized by rising fuel prices and exchange rate volatility. Despite the impact of one-time accounting events on net income, the company's operations maintained their profitability, demonstrating the strength of our business operations and our ability to navigate the challenges of the current environment. Our financial resilience, strong balance sheet and high level of liquidity enable us to continue creating value for shareholders, including through a dividend distribution for the second time this year, while continuing to invest in our growth engines and the company's business development. EL AL is firmly committed to implementing its strategic plan while maintaining financial discipline and strengthening its long-term growth engines."