

RECORD PROFITS FOR EL AL

News / Finance



EL AL's President & CEO, David Maimon:

"The Company presents record results in all parameters, from revenue growth to major increases in the Company's operating profit and net profit, which in this quarter reached the highest peak of all times. These historic results are the consequence of business moves and actions taken by the Company in the various areas, and all within a competitive and challenging environment.

"In addition to the decline in oil prices, the commercial activity of the Company increased as well; revenues in the third quarter rose to approx. USD 647.3 million, compared to approx. USD 601.2 million in the third quarter of the previous year, reflecting a growth of 8%; we increased the number of passengers, reaching a growth of 12.7%; and load factor rate rose to approx. 86.3%, compared to 82.1% in the third quarter of 2014.

“We are in the midst of the implementation of the Company’s long-term renewal strategy focused on the renovation of the long-haul fleet. Only two weeks ago, we completed the acquisition agreement, estimated at a total of approx. USD 1.25 billion, as part of the largest Aircraft Acquisition Program in the history of EL AL.

“The number of EL AL Frequent Flyer Club members continued to grow, reaching over 1.6 million members, particularly since the launch of the FLYCARD and FLYCARD Premium credit cards, which joined over 115 thousand customers over a period of one year.

“The Company’s equity dropped to USD 194 million, indicating an increase of approx. 75%, compared to an equity of USD 111 million at the end of 2014.

“I am convinced that EL AL will continue to provide its customers with quality service, the highest levels of comfort, technological and advanced aircraft, and will continue to successfully deal with market conditions and competition.

“I take this opportunity to thank and express my great appreciation to the EL AL employees, both on the ground and in the air.”

Dganit Palti, EL AL’s CFO, stated:

“The financial statements for the third quarter of 2015 reflect a significant improvement in all operational, cash-flow and financial parameters, including an increase in sales due to a growth in the number of passengers and a substantial decline in expenses as a result of the drop in jet fuel prices.

“The Company recorded a sharp increase in EBITDA to approx. USD 172.6 million and an equity increase of up to USD 197 million. Profit prior to tax, which amounted to USD 126.5 million, was fully expressed by cash flow from operating activities, which reached USD 108 million.

“The excellent financial results and the Company’s financial robustness, expressed, inter alia, by high cash flow and deposit balances totaling approx. USD 223 and a particularly low debt/EBITDA ratio, support our long-term Aircraft Acquisition Program, in the framework of which the Company has signed the transaction for the acquisition of the ‘Dreamliner’ aircraft, which shall lead the Company to the next era of the aviation industry as a leading innovative player.”

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