



OIL REFINERIES LTD. TO INVEST APPROX. NIS 1 BILLION IN ENVIRONMENTAL PROTECTION, SAFETY ENHANCEMENT AND OPERATIONAL RELIABILITY IN COMING FIVE YEARS

Company's Board of Directors: Environmental Protection is a Business Interest

Haifa, Israel, November 7, 2007 - Oil Refineries Ltd. (TASE: ORL.TA) (the "Company"), Israel's largest oil refiner, announced today that its Board of Directors has approved a five-year plan for a total amount of NIS 1 billion (\$270 million) in order to improve the Company's environmental activities in a variety of areas.

The plan outlines a variety of Company activities and investments that will enable the Company to meet the most rigorous global standards in the area of air quality, effluent quality, odors prevention, treatment of dangerous materials, safety and security, operational reliability and product quality.

“Oil Refineries’ new shareholders fully support the investment plan as they view environmental protection as a strategic goal from both a business and public perspective,” **commented Mr. Yossi Rosen, Chairman of the Board**. “The large scale investment plan, which will drive Oil Refineries’ economic growth, is not complete without showing dedication to the employees, the public and the environment. The investment scope further attests to Oil Refineries management’s serious intentions”

“The Company’s investment plan views the refining and petrochemicals as business key growth drivers, leading to the production of higher quality, environmentally friendly, products. We are dedicated to manufacturing these products in an environmentally friendly process,” **added Mr. Yashar Ben Mordechai, Chief Executive Officer**. “The transition to natural gas will serve as a turning point in the Company’s environmental activities.”

In order to implement the Board of Directors decisions, and to follow through the plan, the Board established special Committee, to be lead by Ms. Nechama Ronen, a former member of the Israeli Knesset and head of the office of the Israeli Ministry of Environment.

Investment Plan:

It should be noted that the Company already operates with accordance to the Ministry of Environment’s requirements in the area of effluent treatment, wastes, dangerous materials handling and air emissions.

The investment plans goal is to enable the refinery to meet the Ministry of Environments future, and more rigid, standards, as well the German emission standards, which is among the most rigid in the world.

The Company’s total investment in the enhancement of the environment, safety and security, improved operational reliability and product quality guarantee will total approximately NIS 1 billion (approximately \$270 million).

The Company will invest directly in the area of the environment, approximately NIS 600 million (approximately \$150 million). Of this amount, approximately NIS 265 million (approximately \$66 million) has already been approved, mainly in the following items:

- NIS 120m (\$30m) - Preparation for the utilization of natural gas and required modifications in the power plant
- NIS 40m (\$10m) - Filters to reduce particulate emissions from the catalytic cracker
- NIS 45m (\$11.2m) - Projects to reduce NOX emission
- NIS 30m (\$7.5m) - Installation of domed roofs on volatile materials tanks to substantially reduce evaporation of light hydrocarbons

In addition, the plan includes additional investments to a total amount of NIS 335 million, including:

- NIS 80m (\$20.0m) - Continued installation of domed roofs on tanks
- NIS 15m (\$3.7m) - Covering sludge pit to reduce odors
- NIS 15m (\$3.7m) - Reduce NOX emissions in the fired-heaters

Furthermore, a sum of approximately NIS 250 million (approximately \$63 million) has been allocated for safety and security enhancements, including, improving the protection of fired-heaters, establishing a protected control center, safety surveys, and the implementation of lessons learned from regional hostilities. An additional sum of approximately NIS 200 million (approximately \$50 million) has been allocated to increase operating reliability and improving products quality.

Conference Call

The Company will be hosting a conference call later today, at 10:00am EST (03:00pm UK, 05:00pm Israel). On the call the Company's Chairman and CEO will discuss the Company's new strategic plan (**outlined in a separate press release issued earlier today**).

The conference call will be accompanied by a presentation, which will be available for download from the Company's website (www.orl.co.il, under Investor Relations, Company Releases) prior to the call.

To participate, please call one of the following teleconferencing numbers. Please begin placing your calls at least 10 minutes before the conference call commences. If you are unable to connect using the toll-free numbers, please try the international dial-in number.

US Dial-in Numbers:	1-888-668-9141	UK Dial-in Number:	0-800-051-8913
Israel Dial-in Number:	03-9180685	International Dial-in Number:	+972 3 918 0685

at: 10:00 am Eastern Time, 07:00 am Pacific Time, 3:00 pm UK Time, 5:00 pm Israel Time

About Oil Refineries Ltd.

Oil Refineries Ltd. (ORL) whose main office is located in the bay area of the city of Haifa, is the owner of Israel's largest oil refinery. ORL operates sophisticated and state-of-the-art industrial facilities with a refining capacity of 9 million tons of crude oil per year, with a Nelson complexity index of 7.4, providing a variety of quality products used in industrial operations, transportation, private consumption, agriculture and infrastructure. The Company is also active in the area of Aromatics and Polymers through wholly-owned Gadiv Petrochemical Industries Ltd. and 50% owned Carmel Olefins Ltd. ORL's shares are traded on the Tel Aviv Stock Exchange under the ticker ORL. For additional information please visit the Company's website: www.orl.co.il

Contacts

Company Contact:

Jacob Hirsch
CFO, Oil Refineries Ltd
Tel. +972 4 878 8117
jhirsh@orl.co.il

Investor Relations Contact:

Ehud Helft \ Fiona Darmon
GK Investor Relations
Tel. 1 646 797 2868 \ 972 54 566 3221
info@gkir.com