



OIL REFINERIES SUBSIDIARY CARMEL OLEFINS COMPLETES ACQUISITION OF 49% OF DOMO POLYPROPYLENE

Haifa, Israel, May 12, 2008 - Oil Refineries Ltd. (TASE: ORL.TA) (the "Company" or "ORL"), Israel's largest oil refiner, announced that Carmel Olefins Ltd. (a private company in which ORL holds 50%, hereinafter: "COL") completed on May 6, 2008, the closing on the transaction to acquire 49% of the outstanding share capital of Domo Polypropylene BV (hereinafter: "Domo"), under the terms of the press release dated January 24, 2008.

On January 24, 2008 the company announced that a wholly owned foreign subsidiary of COL had signed an agreement to acquire 49% of Domo, this was followed by an additional press release dated April 28, 2008 announcing that all prerequisite conditions for the acquisition had been met.

About Oil Refineries Ltd.

Oil Refineries Ltd. (ORL), located in the bay area of the city of Haifa, operates Israel's largest oil refinery. ORL operates sophisticated and state-of-the-art industrial facilities with 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 operation, 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 is 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:

Rami Sasson
EVP Business Development & Capital Markets
Oil Refineries Ltd.; Tel. 972 4 878 8114;
ContactIREn@orl.co.il

Investor Relations Contact:

Ehud Helft \ Fiona Darmon
GK Investor Relations
Tel. 1 866 704 6710 \ +972 54 566 3221
info@gkir.com