



OIL REFINERIES SUBSIDIARY CARMEL OLEFINS QUALIFIES TO TENDER FOR 51% OF PETKIM

Haifa, Israel, May 20, 2007 - Oil Refineries Ltd. (TASE: ORL.TA) (the "Company" or "ORL"), Israel's largest oil refiner, announced today that, according to an announcement received from Carmel Olefins ("COL"), in which ORL holds 50%, COL received, on May 17, 2007, notice from the Turkish Privatization Authority qualifying COL, and a Turkish company with which COL has an equal share cooperation agreement, as potential contenders in the tender (the "Tender") for the expected sale of 51% of the Turkish petrochemical company - Petkim Petrokimya Holdings SA ("Petkim"), as part of Petkim's privatization process. According to COL's above outlined announcement, Petkim is the largest producer in the petrochemical sector in Turkey, with 2006 annual revenues totaling US\$ 1.6 billion. In addition to COL, and the said Turkish company, an additional 17 groups qualified as contenders in the Tender.

About Oil Refineries Ltd.

Oil Refineries Ltd. (ORL), located in the bay area of the city of Haifa, is 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

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