



## OIL REFINERIES COMMENTS ON ANNOUNCEMENT RECEIVED FROM STANDARD AND POOR'S MAALOT

**Haifa, Israel, April 23, 2009 - Oil Refineries Ltd. (TASE: ORL.TA) (the "Company" or "ORL")**, Israel's largest oil refiner, announced today that on April 23, 2009 it was notified by Maalot Standard and Poor's that the Company's debentures' credit rating, currently rated 'ilA', is being put under watchlist, with negative implications. A copy of Maalot's announcement will be made available on the Company's website, under investor relations, Company releases, within the next 24 hours.

The Company wishes to highlight that Maalot Standard and Poor's reasoning in the said announcement does not take into account the strength of positive events resulting from the Company's steps and investments, in addition to its ability to take advantage of the changes in its business environment. Among others, in this respect it can be noted:

1. The decline in oil prices substantially contributes to the Company's working capital requirements and grants the Company better flexibility in utilizing its available financial resources, as well as reducing finance expenses.
2. Despite the decline in general consumption in 2008, the Company managed to increase both market share and quantities sold.
3. During the past year (2008) the Company increased its unit utilization to an all time record of 92%
4. The Company has implemented a strategic plan and new organization structure, contributing to lower expenses, while placing emphasis on core competencies.
5. The Company continues to move to strengthen its core assets, while increasing refining complexity, unit flexibility, and adding additional margin drivers and, during 2009, is undertaking several investments geared at increasing profitability and reducing risk over time.
6. The Company continues to implement its investment plan, establishing the Hydro-Cracker. The forecasted estimated refining margins of the products produced in this unit are higher than in the past, while the investment is expected to be lower than initially planned when the investment was approved.

The Company wishes to draw attention to the fact that as at the date of this report, its traded debentures are trading at similar prices as at the same period last year, prior to Maalot Standard and Poor's announcement on the downgrading of the Company's credit rating in November 2008.

### **About Oil Refineries**

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](http://www.orl.co.il)

### **Contacts**

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