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**FOR IMMEDIATE RELEASE**

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**ORL announces distribution of dividend policy and additional announcements**

**Haifa, Israel, January 31, 2012 – Oil Refineries Ltd. (TASE: ORL.TA) (hereinafter “the Company,” “ORL”),** Israel's largest integrated refining and petrochemical group, announced today that on January 29, 2012 the Company's Board of Directors decided to adopt a policy for distributing dividends, subject to any law and to the meeting of Company's liabilities to all its financing entities, whether existing or future, according to which, each year the Company will distribute a dividend of at least 75% of its annual distributable profits. It is possible that the Board of Directors will decide, subject to the conditions stated above, to declare additional distributions of dividends.

The Company's Board of Directors may at its discretion and at any time, change – whether as a result of a one-time decision or a change in policy – the rate of dividends distributed and/or not to distribute a dividend – all at its discretion. Should there be such a change in policy, the Company will issue an Immediate Report.

As mentioned above, the actual distribution of dividend will be subject to meeting the conditions required by every law, including the distribution tests set forth in Section 302 of the Israeli Companies Law – 1999, and to specific decisions of the Company's Board of Directors for every distribution.

**Additional Announcements:**

The Company also announced the convening of Extraordinary General Meeting on March 6 2012 for the appointment of Mr. Yonatan Shaked as an external Director. Convenience condensed translation of the notice of convening the General Meeting will be posted at the Company Website within a few days.

The Company had also announced the retirement of several office holders: (1) The resignation of Mr, Ory Slonim, director in the Company, (2) The resignation if Mrs. Nehama Ronen, director in the company (her tenure will end upon the appointment the appointment of an external director to the company), (3) The end of tenure of Mr. Uzi Netanel, alternate director in the Company, (4) The resignation of Mrs. Eti Gutman, chief of staff and VP IT (the date of the end of her tenure to be later agreed).

**ABOUT OIL REFINERIES LTD.**

Oil Refineries Ltd. (ORL), located in the bay area of the city of Haifa, operates Israel's largest integrated refining and petrochemical group. It is one of the leading refineries in the Eastern Mediterranean area

and integrates, on-site, petrochemical businesses. ORL runs sophisticated and state-of-the-art industrial facilities with a refining capacity of 9.8 million tons of crude oil per year and 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's petrochemical sector produces Polymers (through its ownership of Carmel Olefins Ltd), Aromatics (through its ownership of Gadiv Petrochemical Industries Ltd), and Lube-Oils (through its ownership of Haifa Basic Oils Ltd). The Company's shares are listed on the Tel Aviv Stock Exchange under the ticker ORL. For additional information please visit [www.orl.co.il](http://www.orl.co.il).

ORL is controlled by the Israel Corporation Ltd. and Israel Petrochemical Enterprises Ltd., both public companies whose shares are traded on the Tel Aviv Stock Exchange.