

Oil Refineries Ltd.

First Half 2011 Results



August 2011

ORL

Oil Refineries Ltd.

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Agenda

- ▶ **Implementation of the Strategic Plan**
- ▶ **Operating Environment Overview**
- ▶ **First Half 2011 Results**

Strategic Plan - On Track

Progress of Projects

Conversion of HVGO HDS to Mild Hydrocracker

- Completed in June 2010
- Surpassed expectations: increased Gasoil refining capacity of 3-4%

Completed Crude Unit 4 Shutdown and Upgrade

- Upgraded unit to increase flexibility and utilization;
- Increased refining capacity to 197kbpd; can refine larger variety of crudes

Completed merging ORL with Carmel Olefins

- Commenced \$105 million investment project with clear synergies.
- Expected return: \$80 million/ year

Hydrocracker Investment

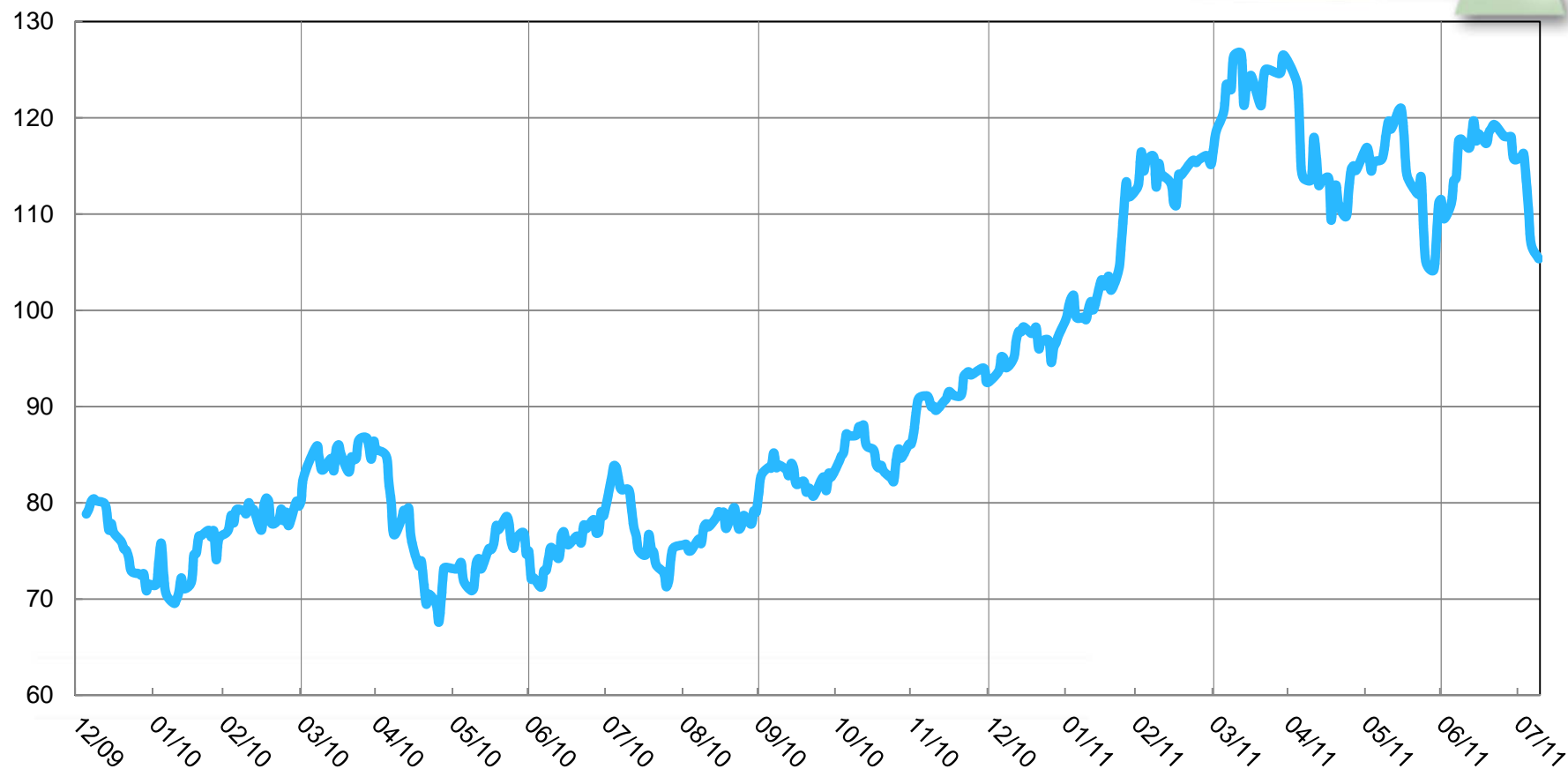
- Investment as of June 30, 2011 at \$200 million
- Commissioning planned mid-2012

Transition to Natural Gas

- The Company has transitioned to almost full use of natural gas
- Two agreements were signed for the supply of natural gas over next few years.

Operating Environment

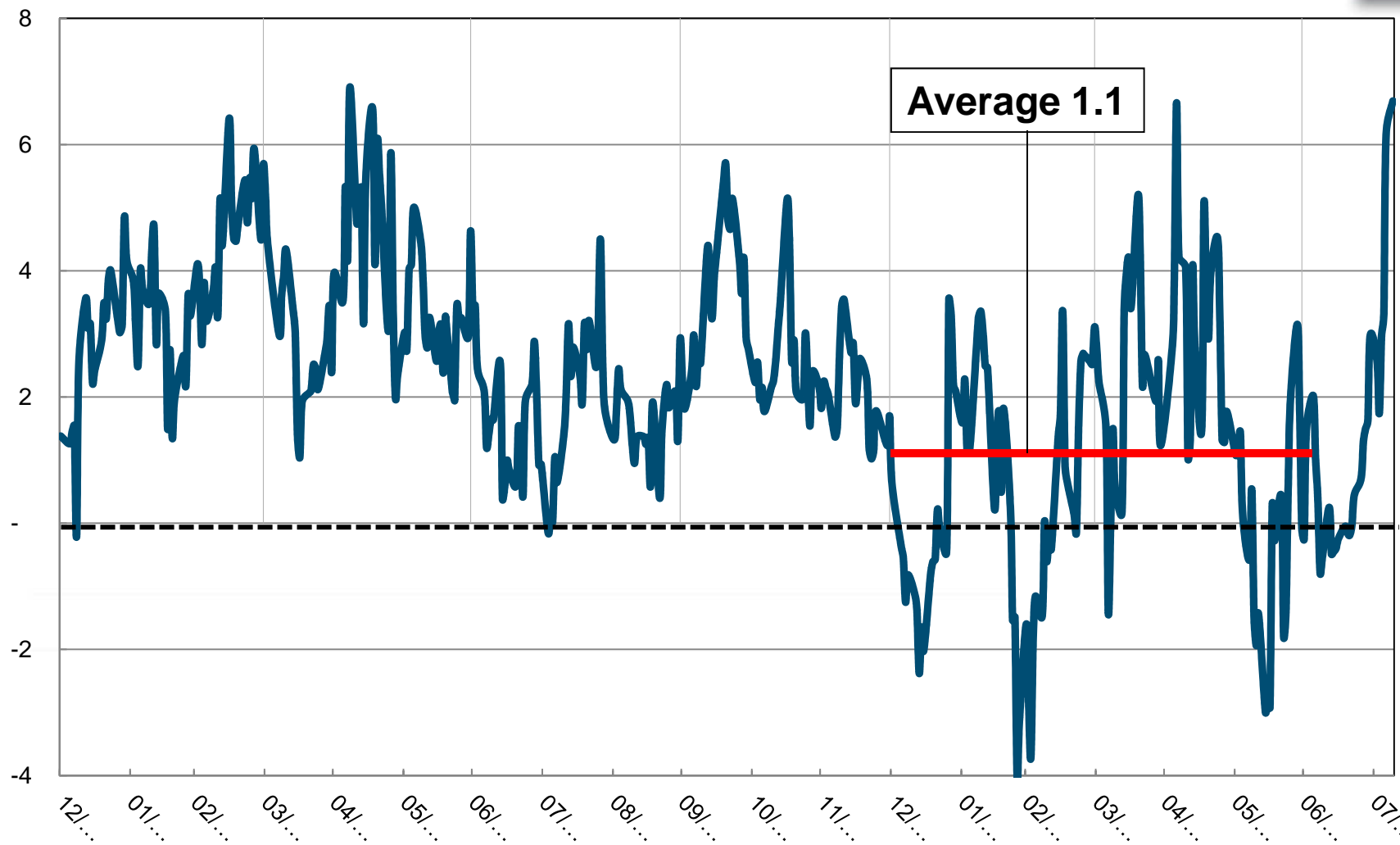
Crude Oil Prices (USD/BBL)



- **Continue to operate in highly volatile market**
- **In the first half of 2011, crude oil prices rose 19% to 111 USD/bbl, following 2010 in which prices rose by 19%**
- **Oil futures retreated throughout the second quarter of 2011.**

Operating Environment

Mediterranean Ural Cracking Margin (USD/BBL)

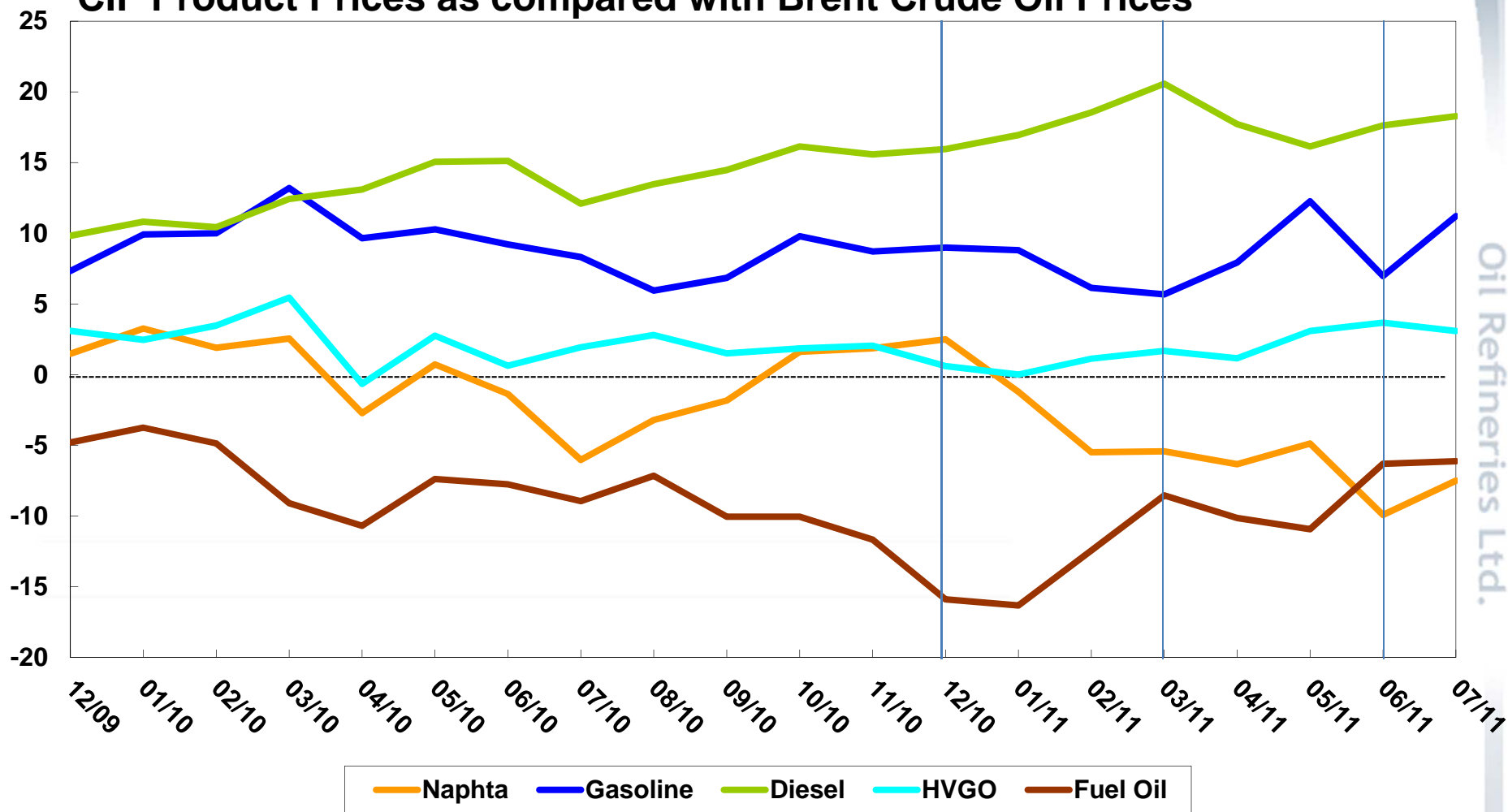


Operating Environment

Mediterranean Product Margins (USD/BBL)



CIF Product Prices as compared with Brent Crude Oil Prices

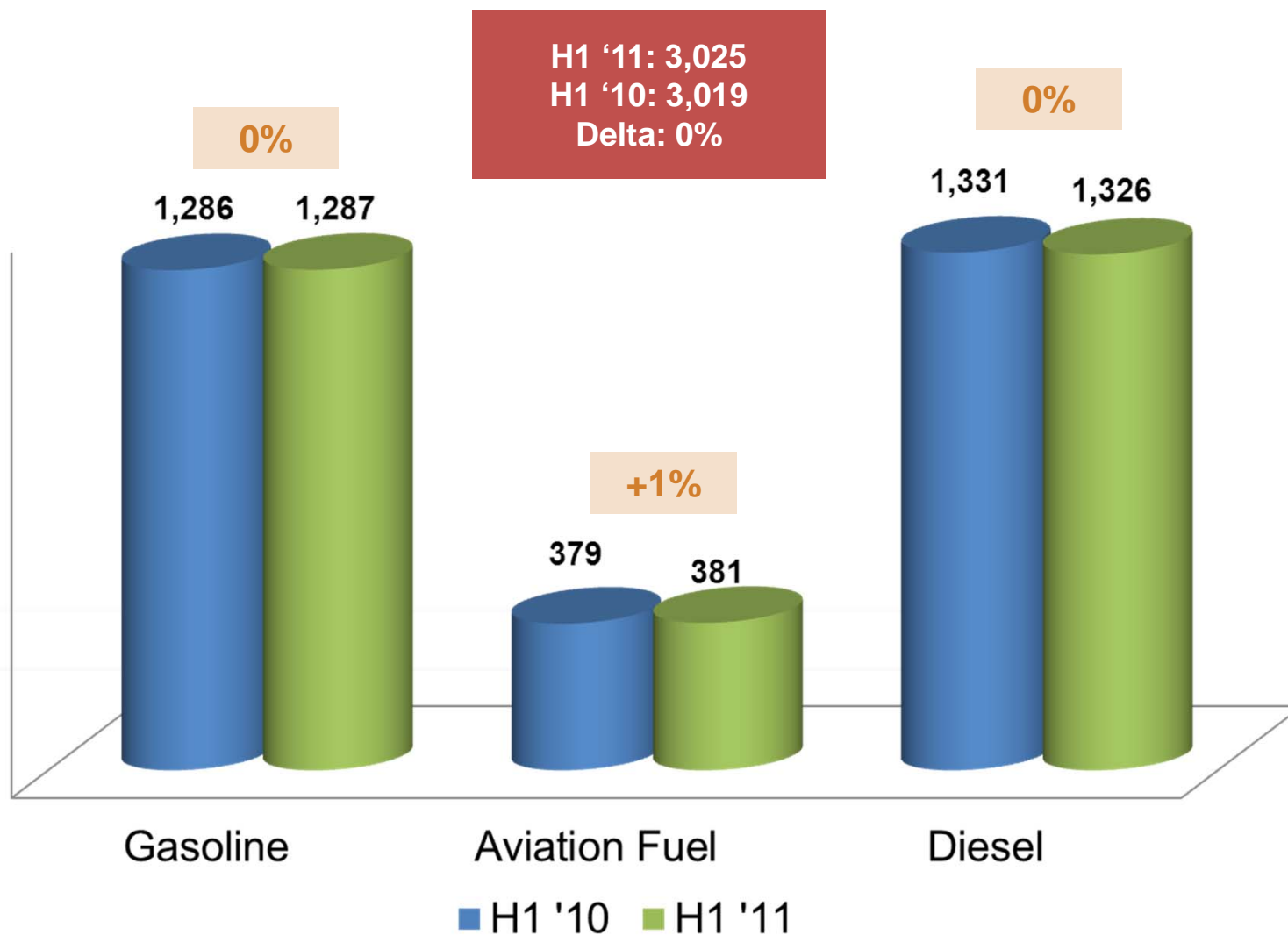


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Operating Environment

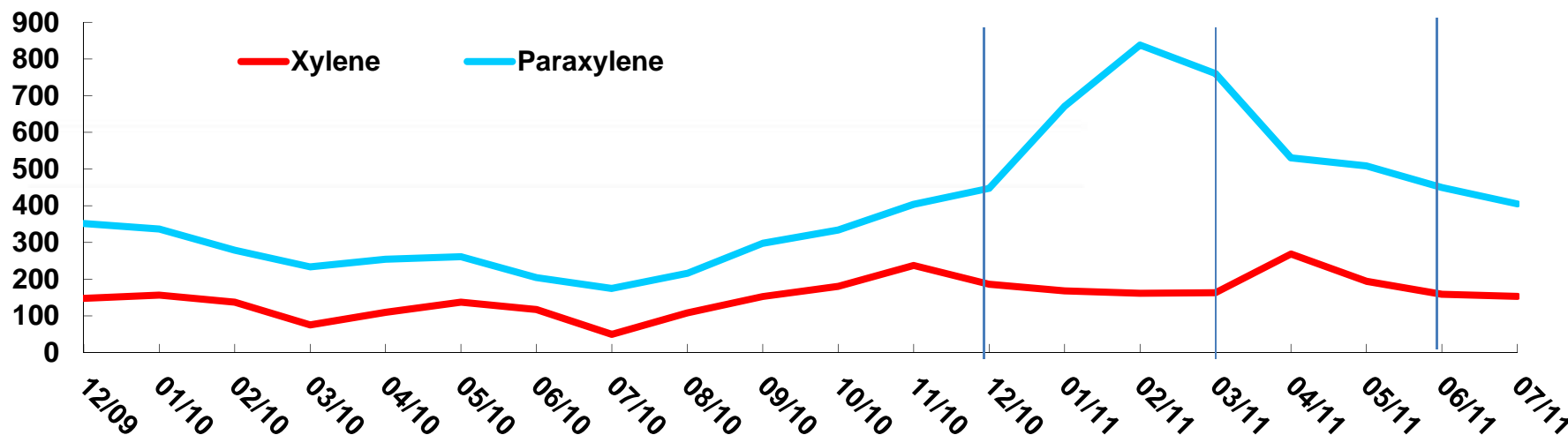
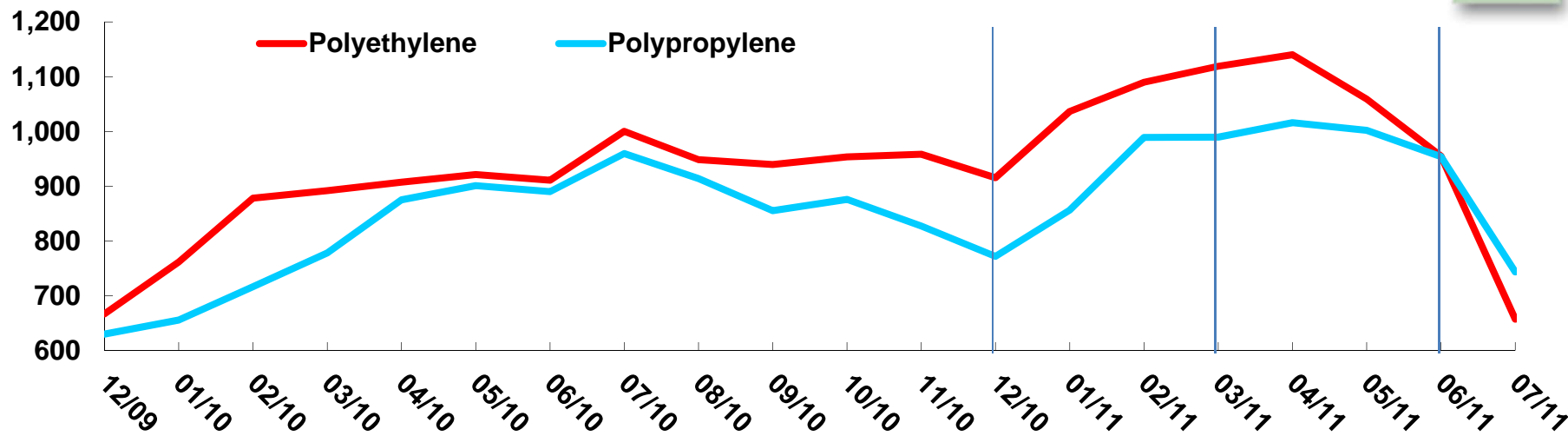
Assessment of National Transportation Fuel Demand

(Thousand Tons)



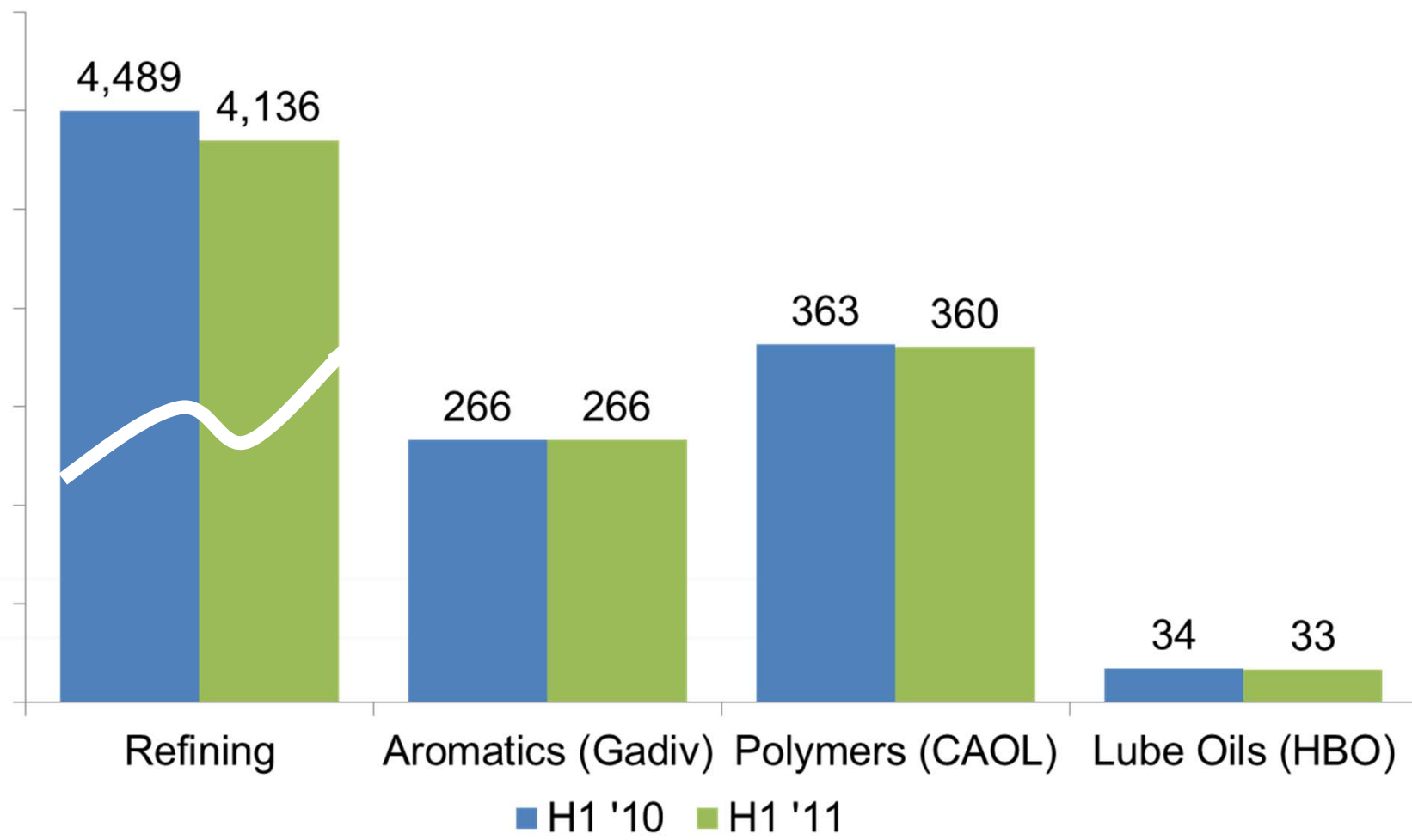
Operating Environment

Petrochemical Products (\$/Ton)



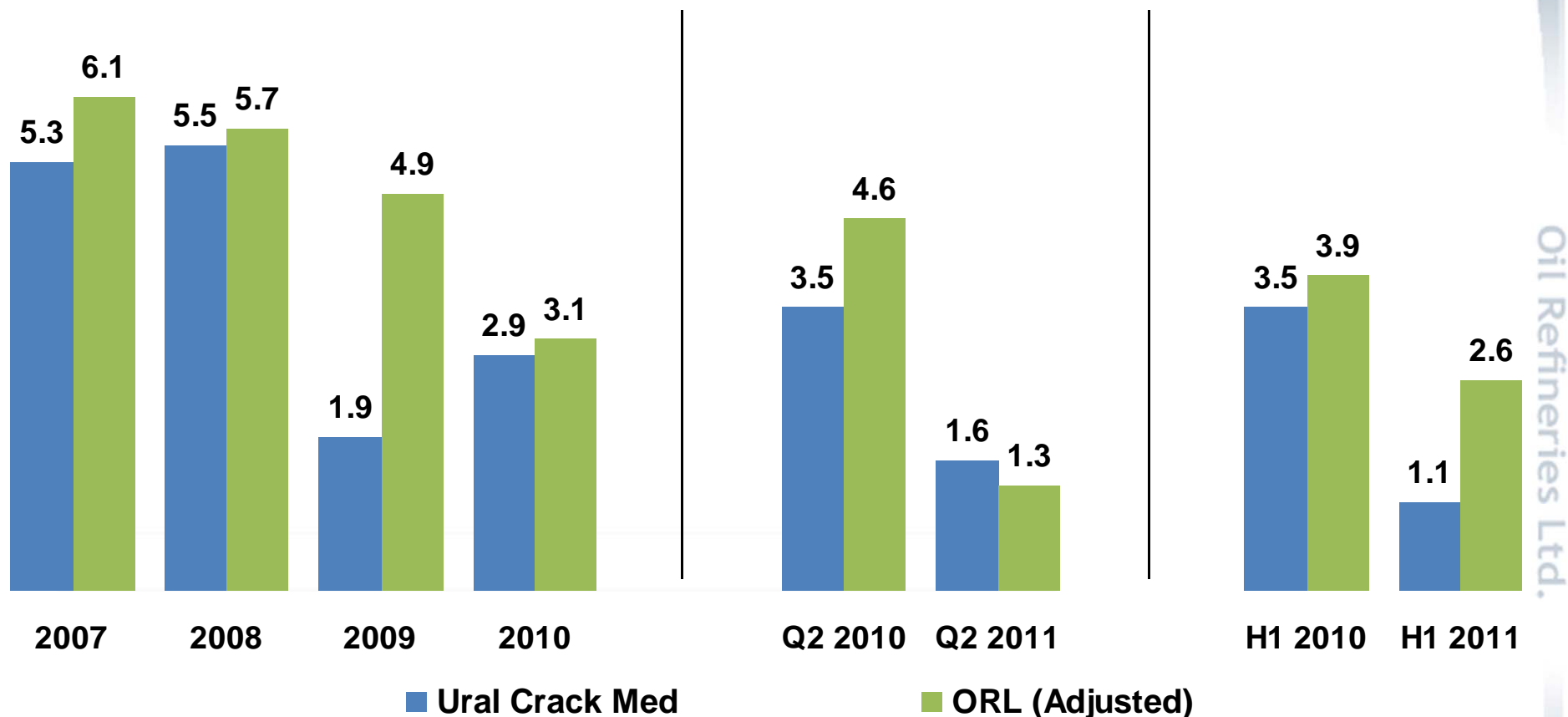
H1 2011 Results

Refining & Production (Thousand tons)



H1 2011 Results

ORL Refining Margin vs. Regional Benchmark (USD/bbl)



Note: Adjusted margin is ORL's refining margin calculated for comparison purposes and excludes impact of inventory w/o and gains as well as IFRS

H1 2011 Results

Key Figures (millions)

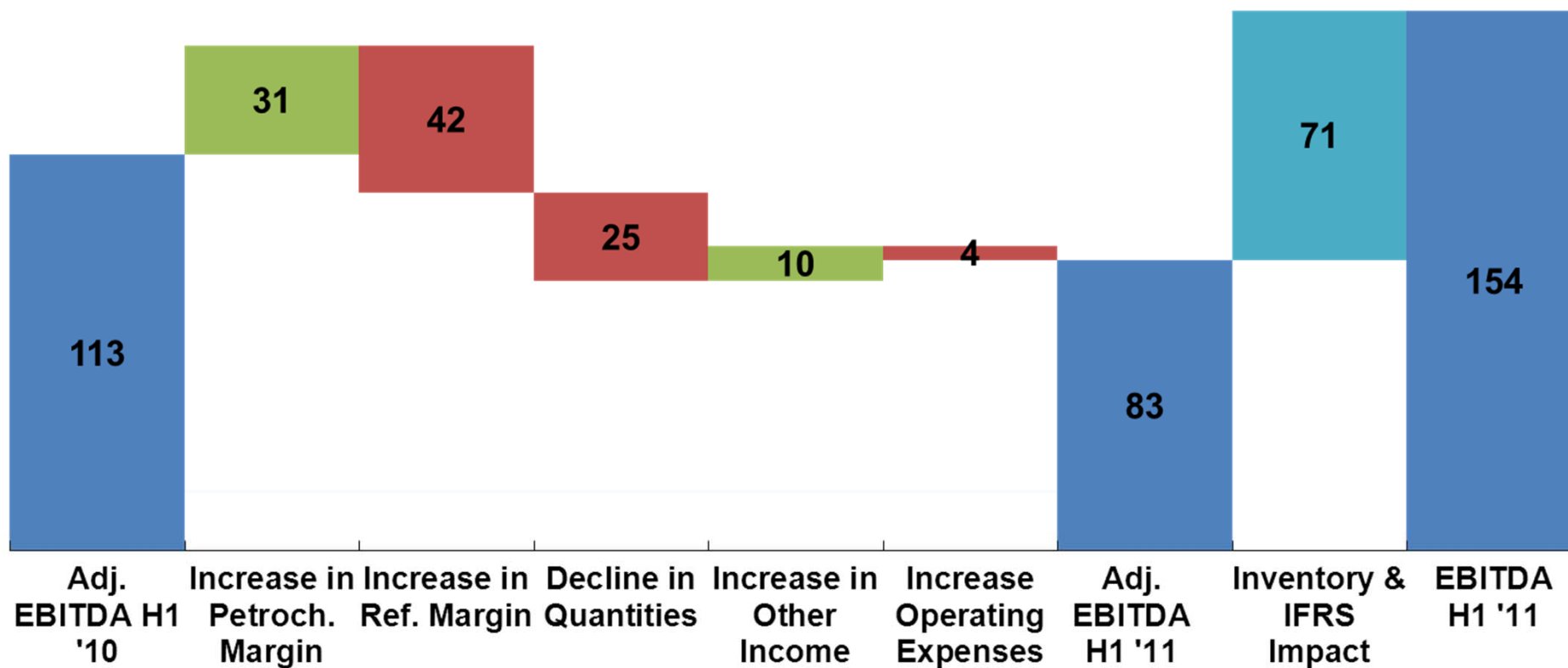
EBITDA	Q1 11	Q1 10	Q2 11	Q2 10	H1 11	H1 10
Refining & Trade	9	6	(22)	33	(13)	39
Polymers (CAOL)	40	17	32	38	72	55
Aromatics (Gadiv)	6	10	10	6	16	16
Lube-Oils (HBO)	3	3	5	3	8	6
Consolidation	(3)	(3)	(4)	-	1	(3)
EBITDA Consolidated Adjusted	55	33	28	80	83	113
Net Consolidated Profit	6	(4)	18	33	24	29

Note: In the refining and trade sector, EBITDA and margin are presented net of inventory and IFRS impact

H1 2011 Results

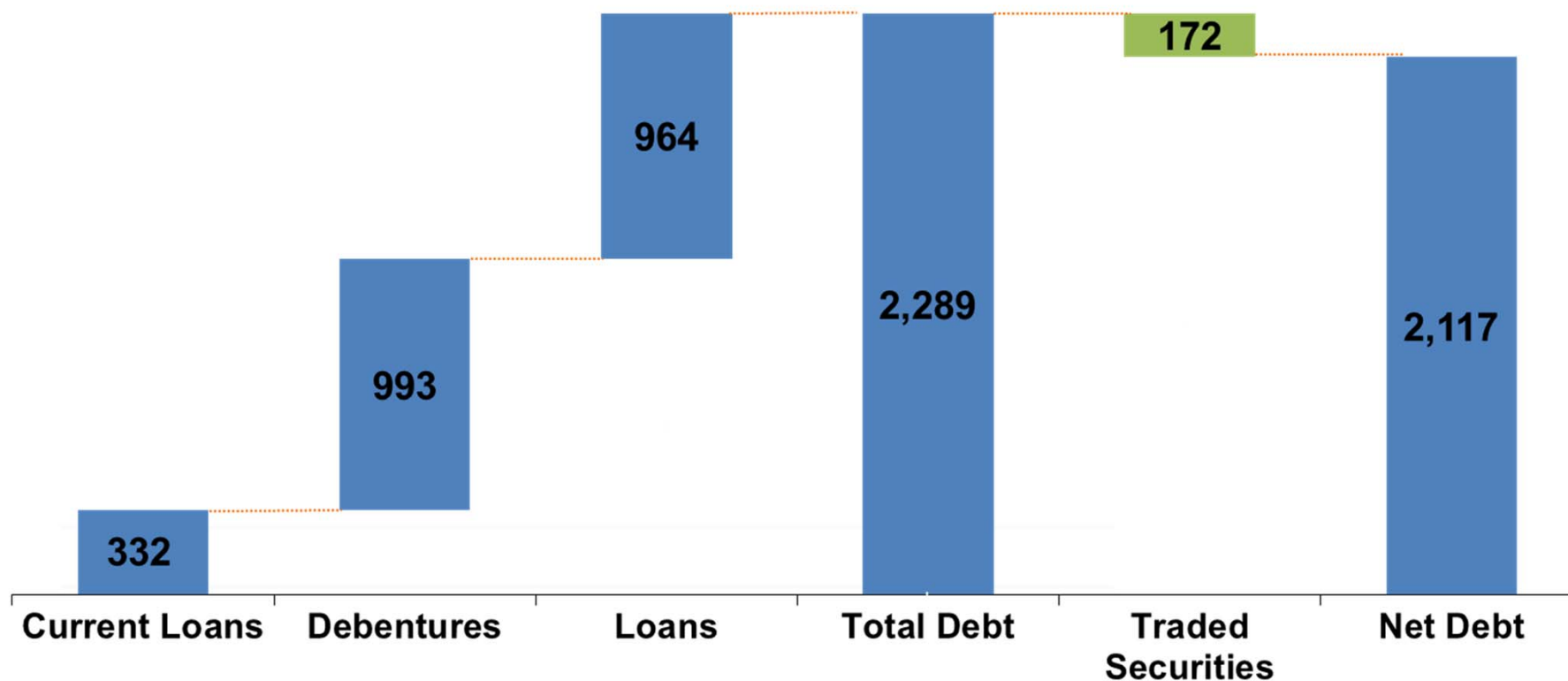
Change in Adjusted Consolidated EBITDA

(m. US\$)



H1 2011 Results

Consolidated Net Debt Bridge (m. US\$ as of June30, 2011)



Note: Loans & debentures include current maturities

H1 2011 Results

Balance Sheet - Consolidated, June 30, 2011

(m. US\$)

Current Assets	
Cash & securities	172
Other current assets	818
Inventory	1,185
	2,175
Non Current Assets	
Other non-current assets	413
Property, plant & equipment	2,143
	2,556
	4,731

Current Liabilities	
Current financial liabilities	603
Other current liabilities	1,189
	1,792
Non Current Liabilities	
Non current fin. liabilities	1,674
Other non current liabilities	150
	1,824
Capital	
Shareholder's capital	1,115
	4,731

Thank You



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