

Oil Refineries Ltd.

Fourth Quarter & Full Year 2010 Results



March 2011

ORL

Oil Refineries Ltd.

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Agenda

- ▶ **Implementation of the Strategic Plan**
- ▶ **Operating Environment Overview**
- ▶ **2010 Results**

Strategic Plan - On Track

Completed Projects

Conversion of HVGO HDS to Mild Hydrocracker

- First phase completed in June 2009 and second phase 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

Hydrocracker Investment

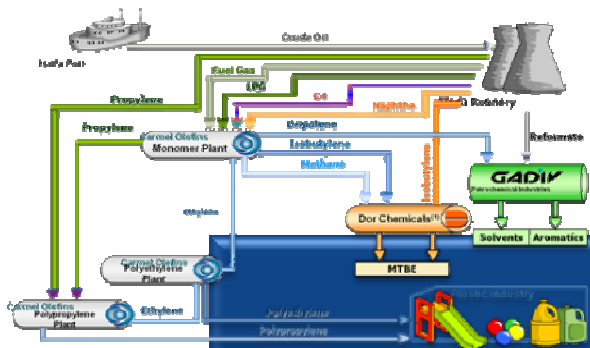
- Financing Package Completed
- Activation planned mid-2012

Transition to Natural Gas

- Agreement signed to acquire natural gas
- Anticipated connection at the end of the first quarter, 2011

Oil Refineries-CAOL Synergies

Unique Synergies Resulting from ORL-CAOL Merger



**A Stronger
Unified Group**

- **Combined financially-sound group countering industry cyclicality**
- **Optimize utilization of various feedstocks**
 - Efficient utilization of intermediate products driving higher added value
- **Leverage operating efficiencies to enhance value**
 - Mutual brainstorming between professionals
 - Combine corporate HQs to achieve operating efficiencies
 - Optimal investment planning to realize maximum value in crude oil, fuel products, aromatics and polymers

Oil Refineries-CAOL Synergies

Investments to Leverage the Potential

Using available raw materials for polymers production

- Expected investment: \$45 million
- Expected returns: \$30 million per year

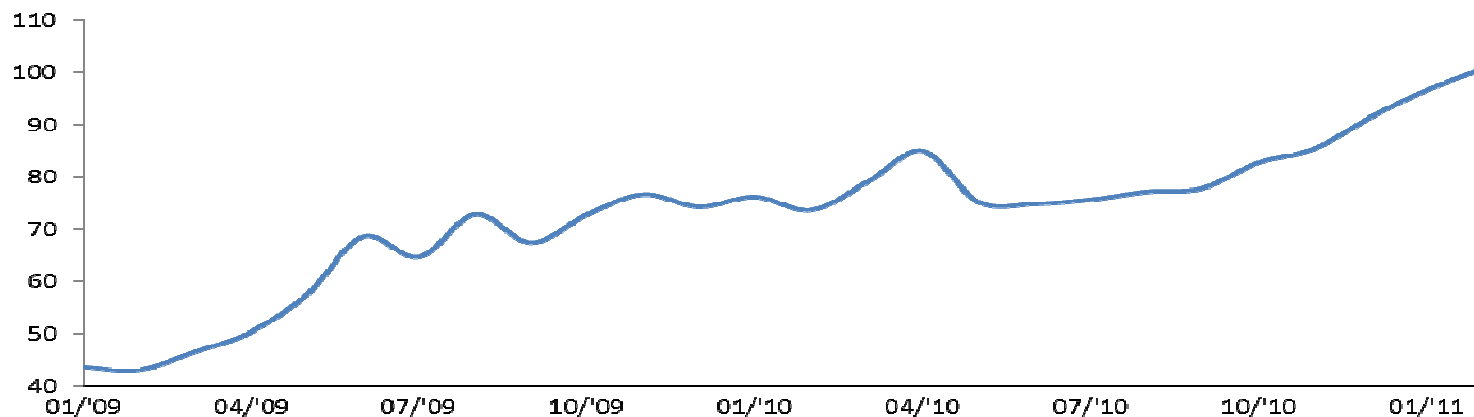
Expanding the propylene production capacity

- Expected investment: \$60 million
- Expected returns: \$50 million per year

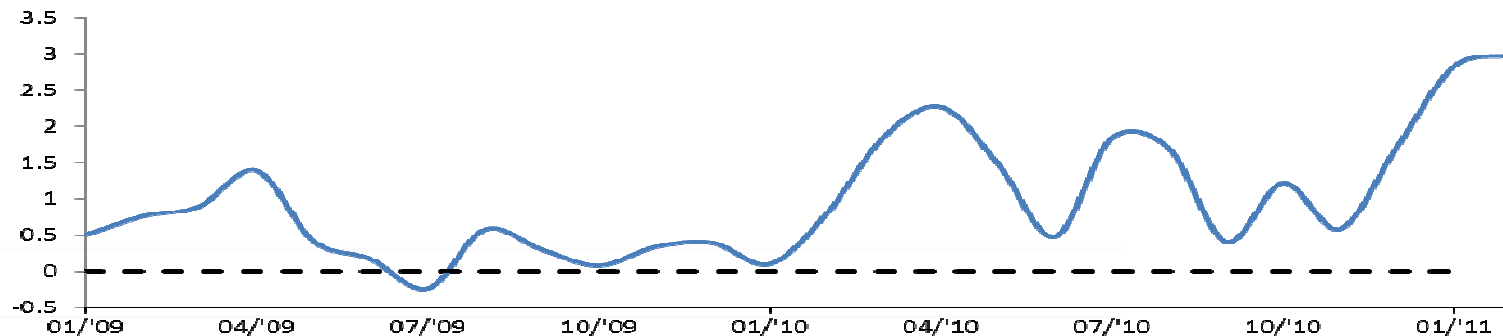
Operating Environment

Crude Oil Prices

CRUDE OIL PRICES-BRENT DTD (USD/BBL)



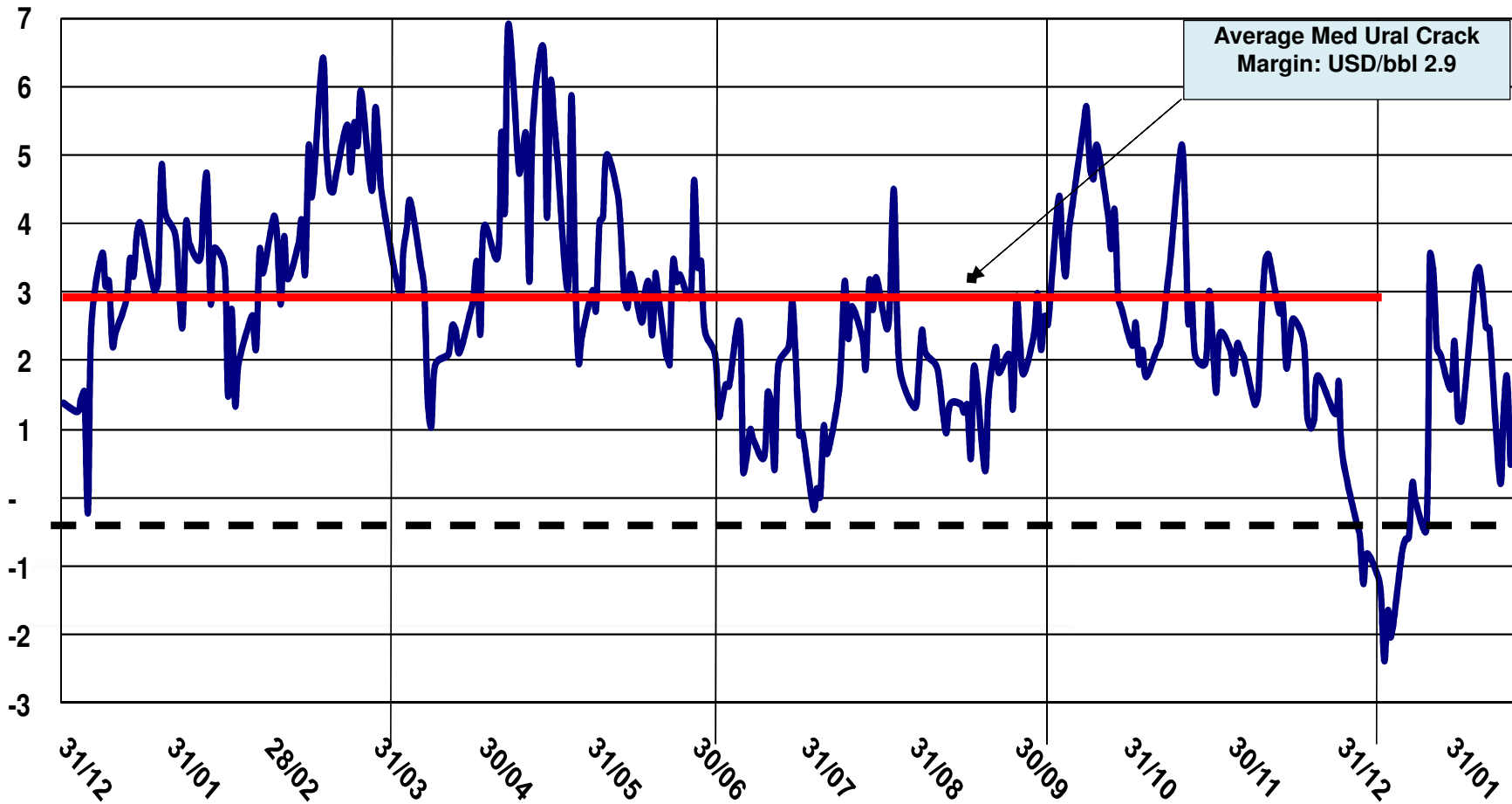
CRUDE OIL PRICES BRENT-URAL DIFF (USD/BBL)



- Continue to operate in highly volatile market
- In 2010, crude oil prices rose 19% to USD/bbl 93, following 2009 during which prices rose by 116%
- The gap between the different types of crude oil prices, from Brent to Ural, widened in 2010 to an average of USD/bbl 1.2 from USD/bbl 0.4 in 2009

Operating Environment

Mediterranean Ural Cracking Margin

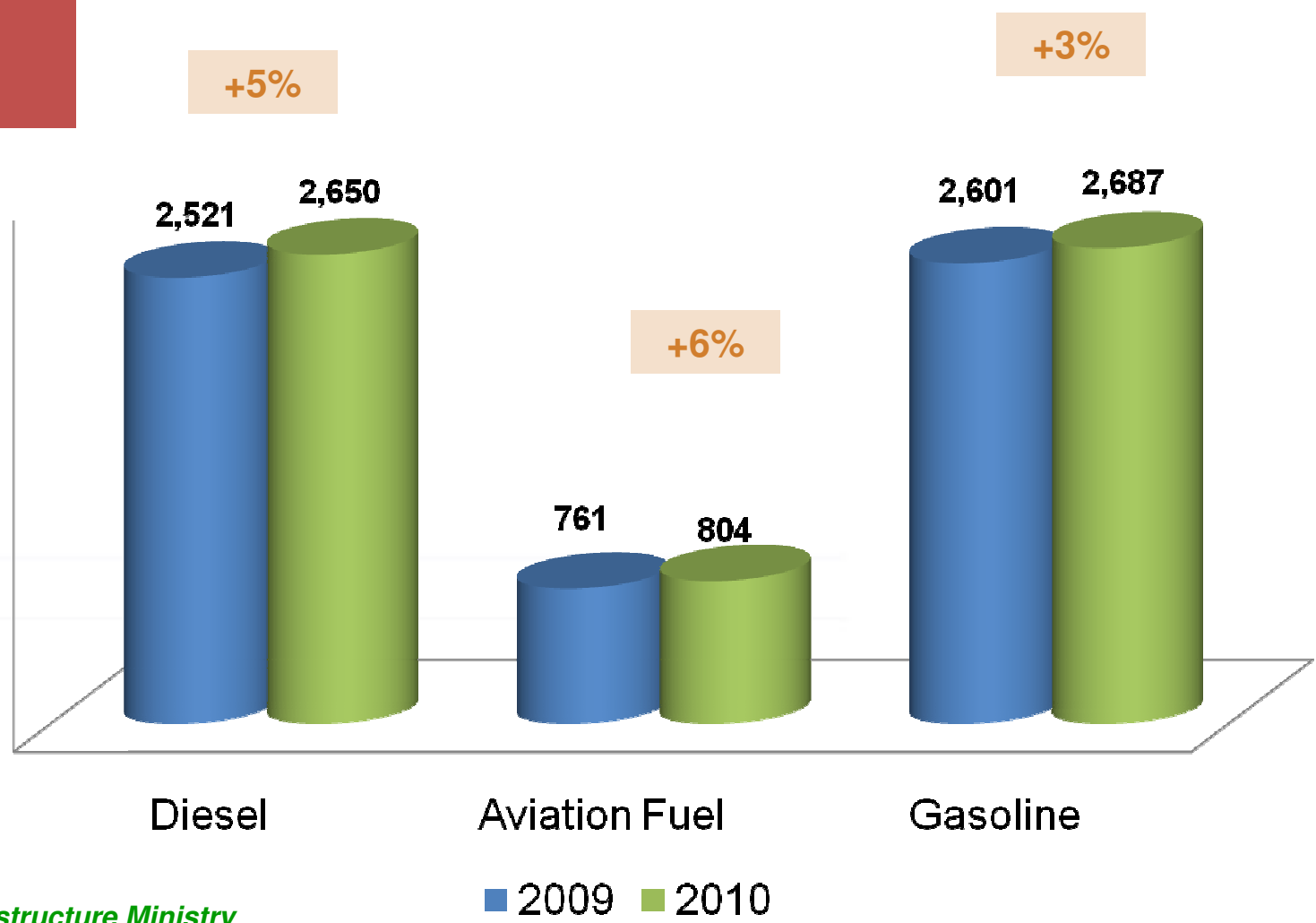


Operating Environment

Assessment of National Transportation Fuel Demand

(Thousand Tons)

2010: 6,141
2009: 5,883
Delta: 4%

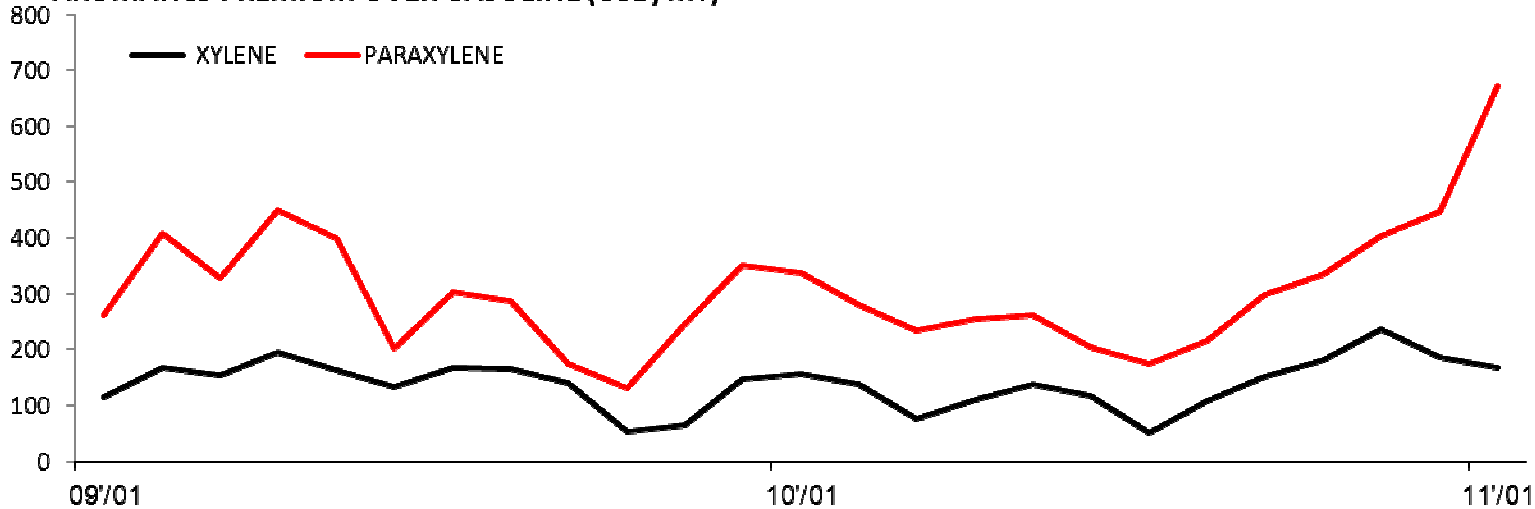


Source : National Infrastructure Ministry

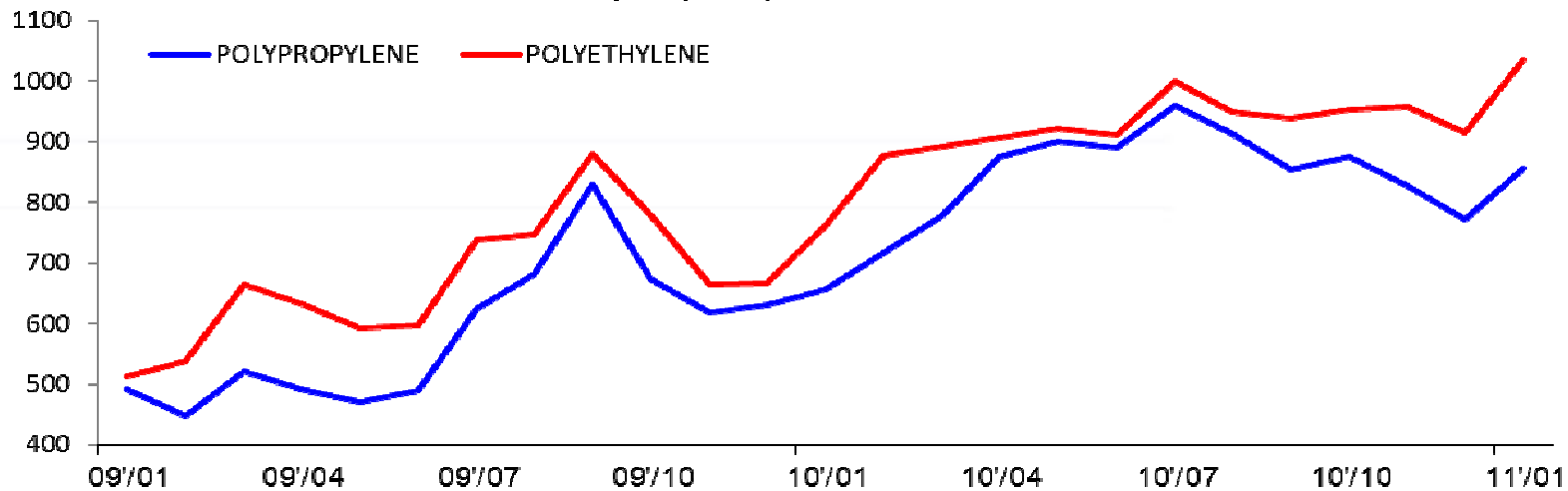
Operating Environment

Petrochemical Products (\$/Ton)

AROMATICS PREMIUM OVER GASOLINE (USD/MT)

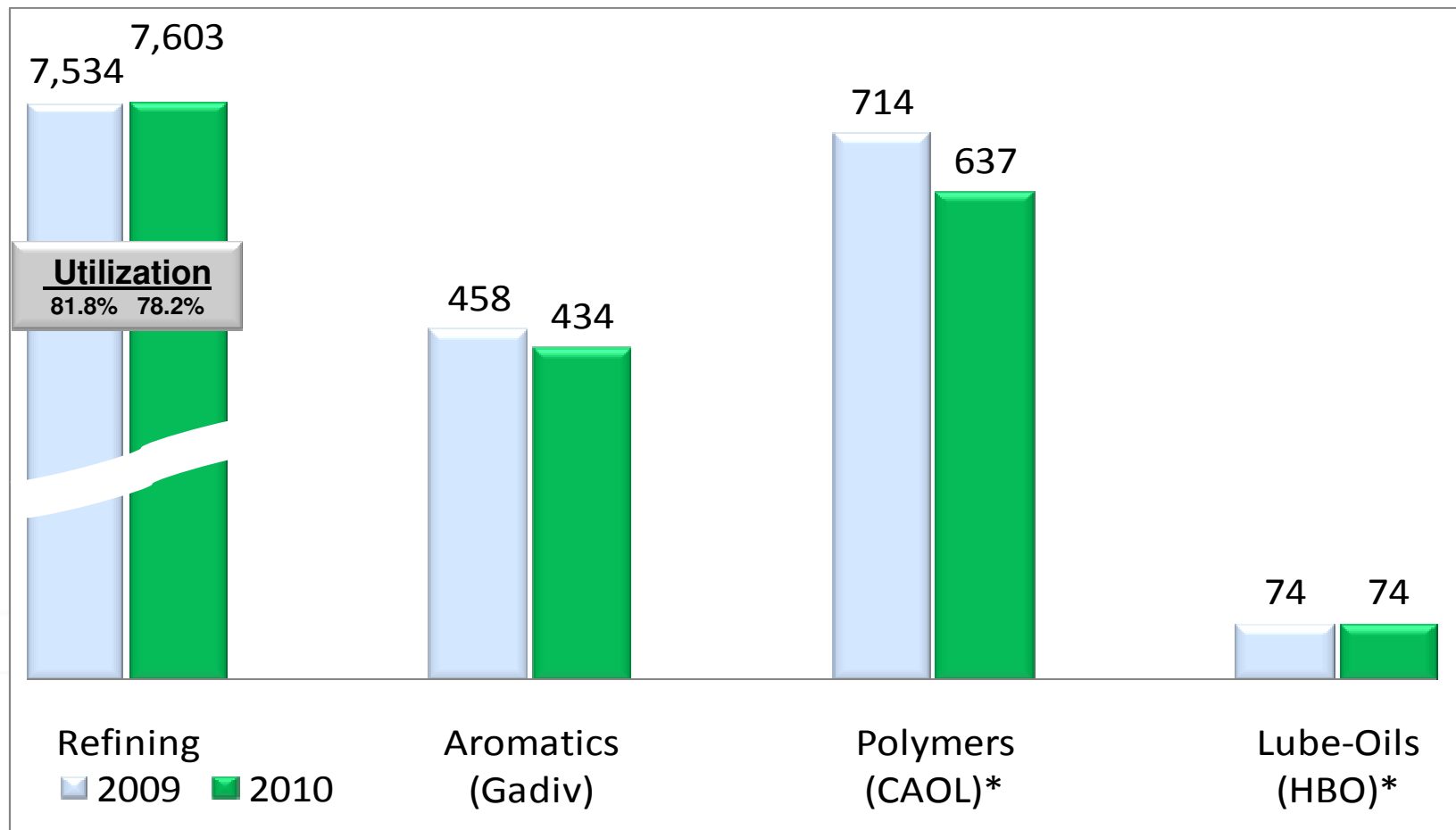


POLYMERS PREMIUM OVER NAPHTHA (USD/TON)



2010 Results

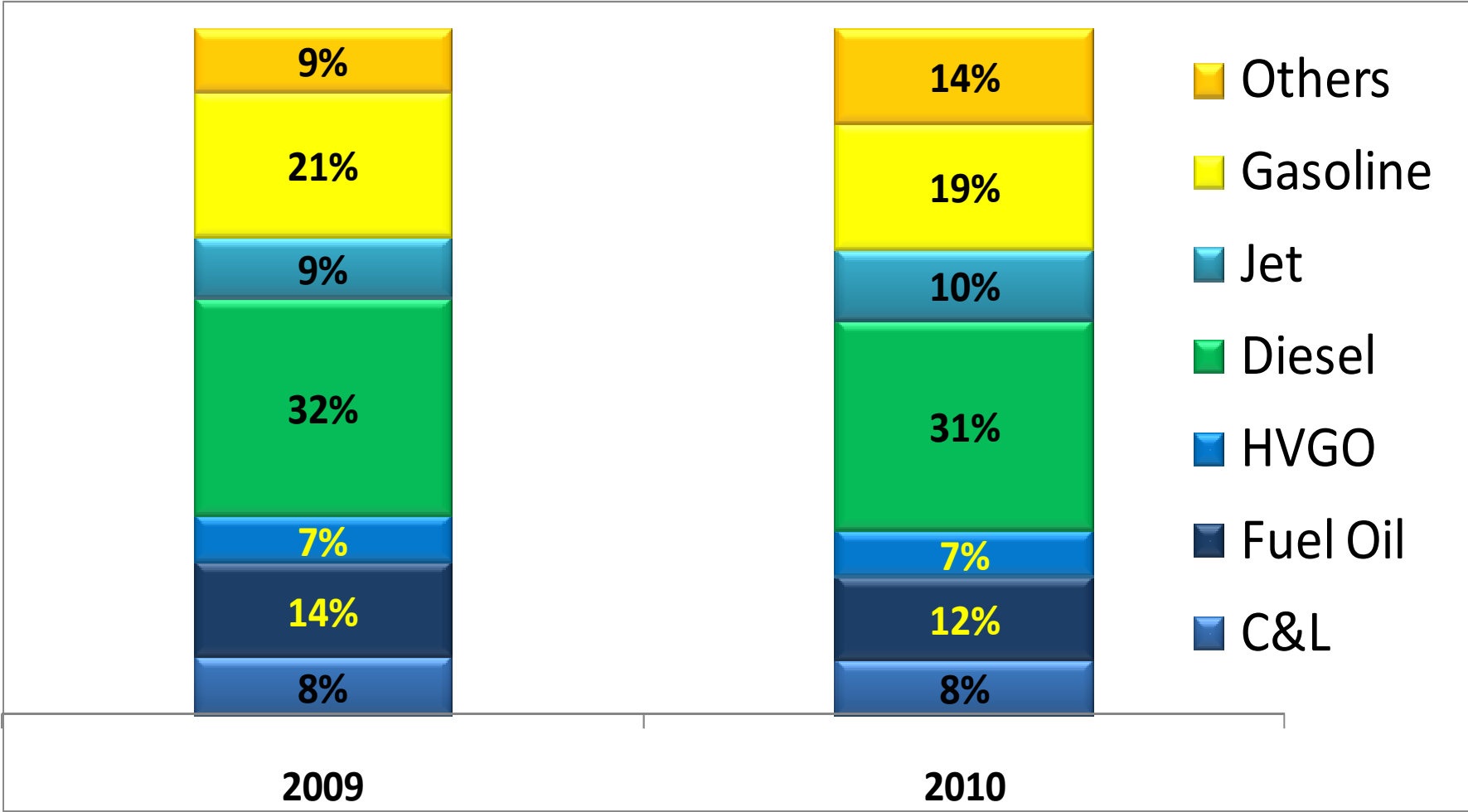
Refining & Production (Thousand tons)



* 100% (2009, CAOL was 50% owned and HBO was not yet merged)

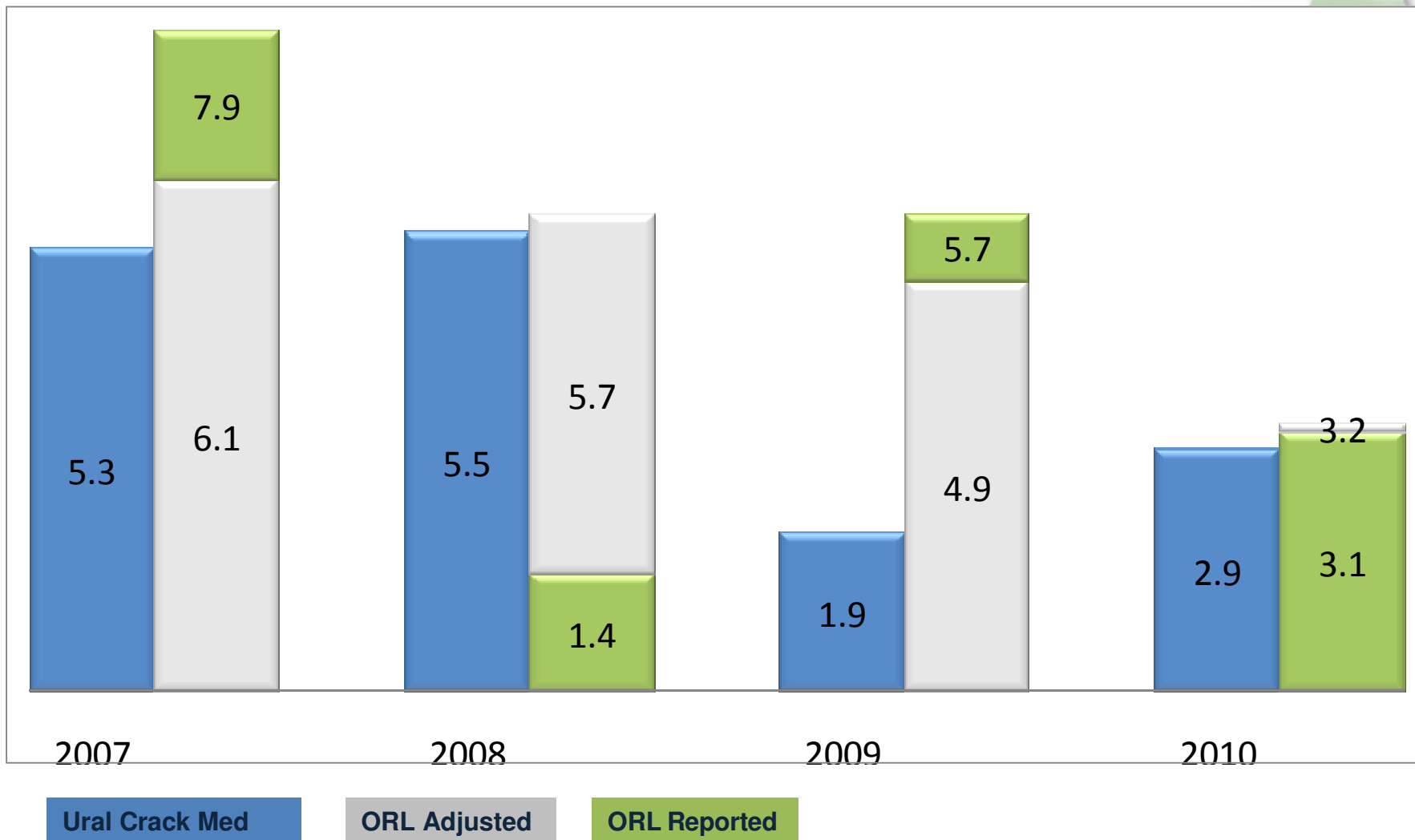
2010 Results

Product Production Breakdown



2010 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

2010 Results

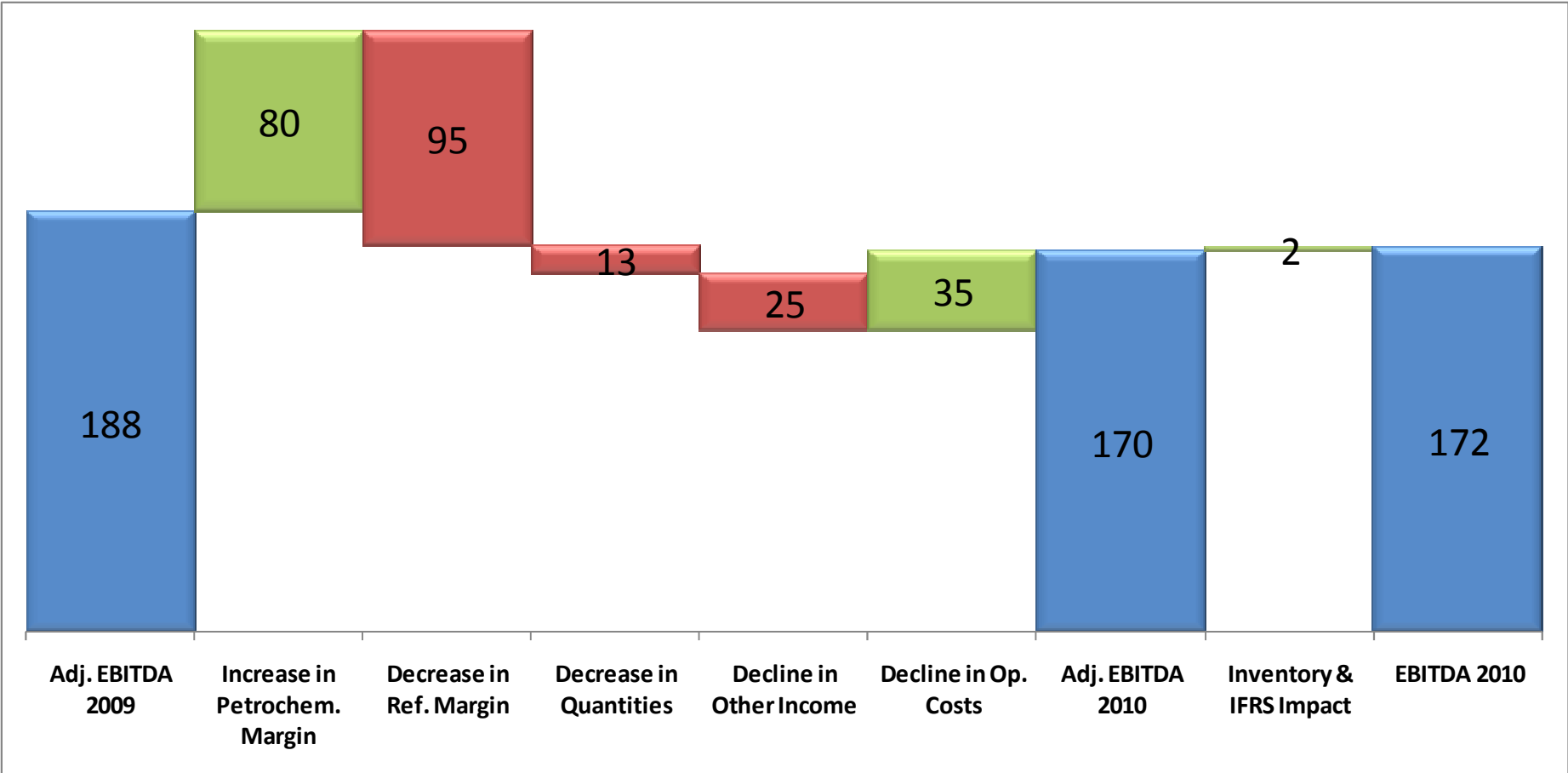
Key Figures (millions)

EBITDA	Yearly		Quarterly	
	2010	2009	Q4 10	Q4 09
Refining & Trade	29	120	(15)	25
Polymers (CAOL)	109	36	18	8
Aromatics (Gadiv)	27	34	3	7
Lube-Oils (HBO)	8	-	-	-
Consolidation	(3)	(2)	1	(1)
EBITDA Consolidated Adjusted	170	188	8	39
Net Consolidated Profit	77	349	24	182

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

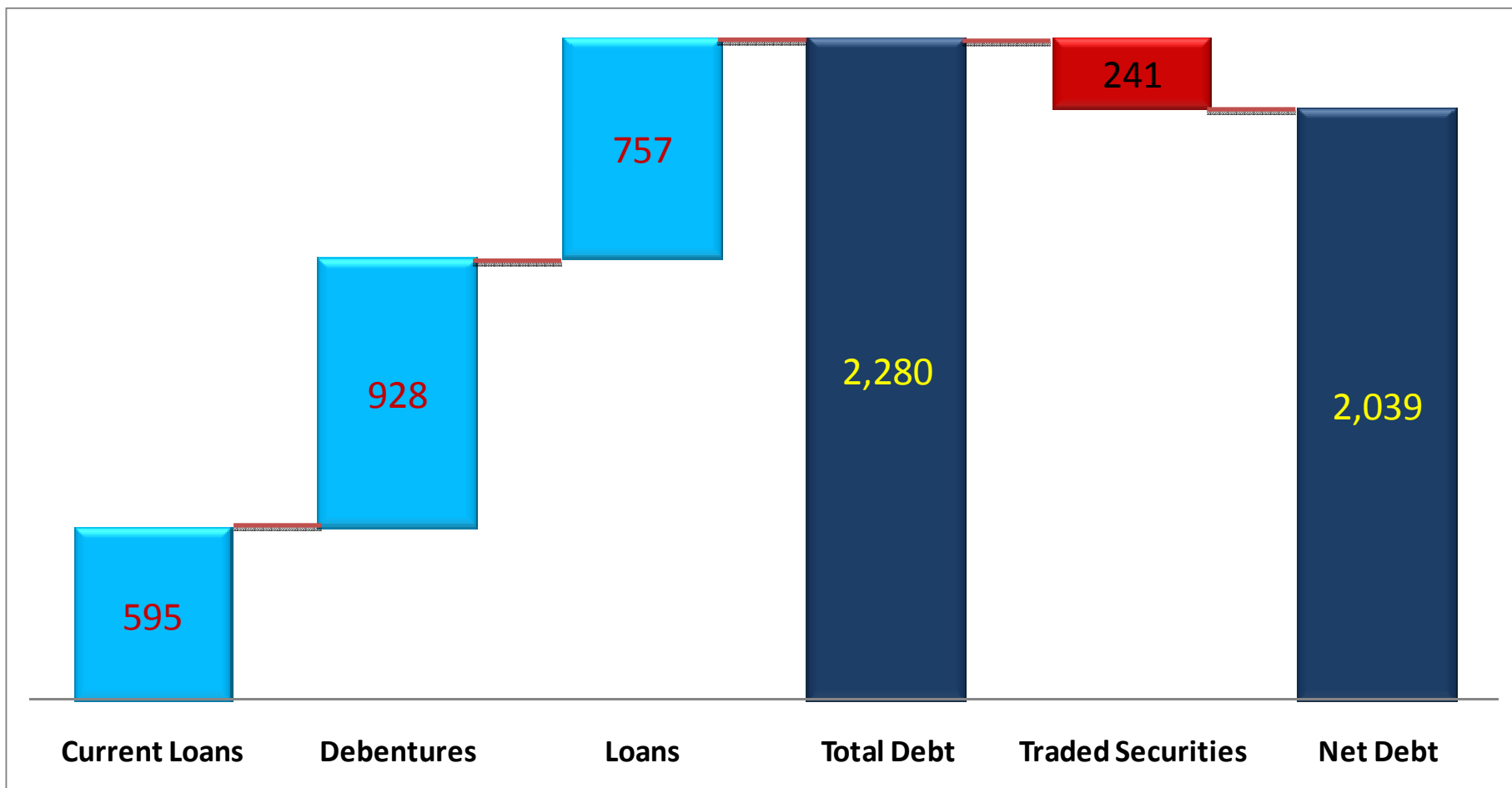
2010 Results

Change in Adjusted Consolidated EBITDA (m. US\$)



2010 Results

Consolidated Net Debt Bridge (m. US\$)



Note: Loans & debentures include current maturities

2010 Results

Balance Sheet - Consolidated, December 31, 2010

(m. US\$)

Current Assets	
Cash & securities	241
Other current assets	493
Inventory	1,201
	1,935
Non Current Assets	
Other non-current assets	409
Property, plant & equipment	2,030
	2,438
	4,373

Current Liabilities	
Current financial liabilities	774
Other current liabilities	818
	1,592
Non Current Liabilities	
Non current fin. liabilities	1,506
Other non current liabilities	135
	1,641
Capital	
Shareholder's capital	1,141
	4,373

Thank You



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