

# Oil Refineries Ltd.

## First Quarter 2011 Results



May 2011

ORL

Oil Refineries Ltd.

# Disclaimer

- This presentation has been prepared by Oil Refineries Ltd. (the "Company") as a general presentation of the Company and its financial results. The information included in the presentation and any other information communicated by the Company while the presentation is being given (all such information as aforesaid or any part thereof - the "Information") is presented for convenience purposes only. The Information does not constitute a basis for investment decision, or replace the need for carrying out independent collection of information and analysis of the Information nor does the Information purport to make or give any recommendation and/or opinion and/or to substitute for the independent judgment of any potential investor.
- The Company does not warrant the completeness or accuracy of the Information and it disclaims any responsibility for any damages and/or losses whatsoever resulting from the use of the Information.
- In case of contradiction or inconsistency between the Information and information recorded in the Company's ledgers and/or appearing in official publications, such recorded information will prevail.
- The Information may contain various forward-looking statements based on current data and expectations. Actual operations, results and other data may differ materially from those stated in such forward-looking statements, owing to various uncertainties and risks, including the risk factors referred to and discussed in the Company's financial statements and Management Discussion and Analysis as published by the Company.
- The Company assumes no obligation to update the said data and expectations or any other part of the Information.

# Agenda

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

# Strategic Plan - On Track

## *Progress of 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

- Synergy Projects initiated with an investment of \$ 105 mm - annual return of \$80 mm

### Hydrocracker Investment

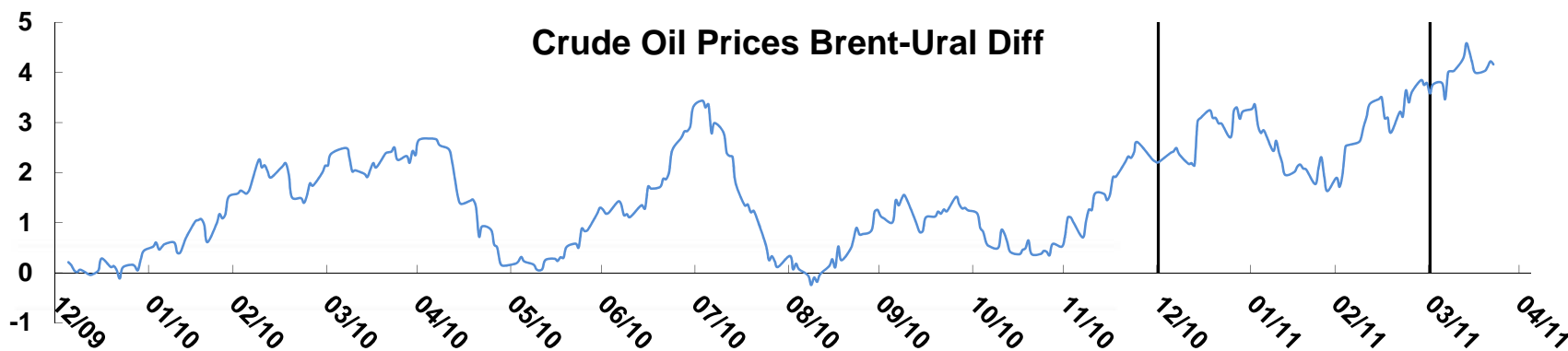
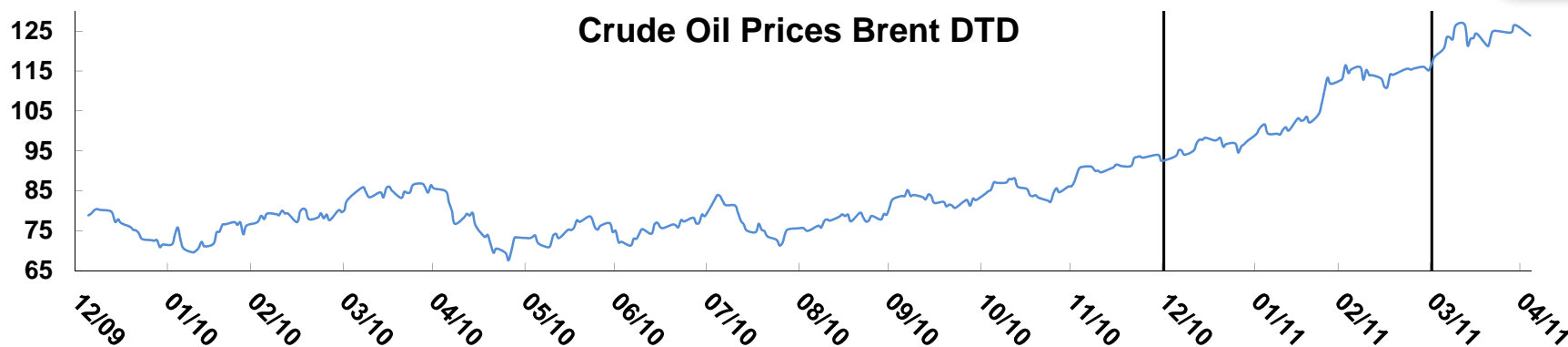
- Reactors now stationed on site
- Activation planned mid-2012

### Transition to Natural Gas

- Connection to gas system completed
- Agreement signed to acquire natural gas with 2 different suppliers

# Operating Environment

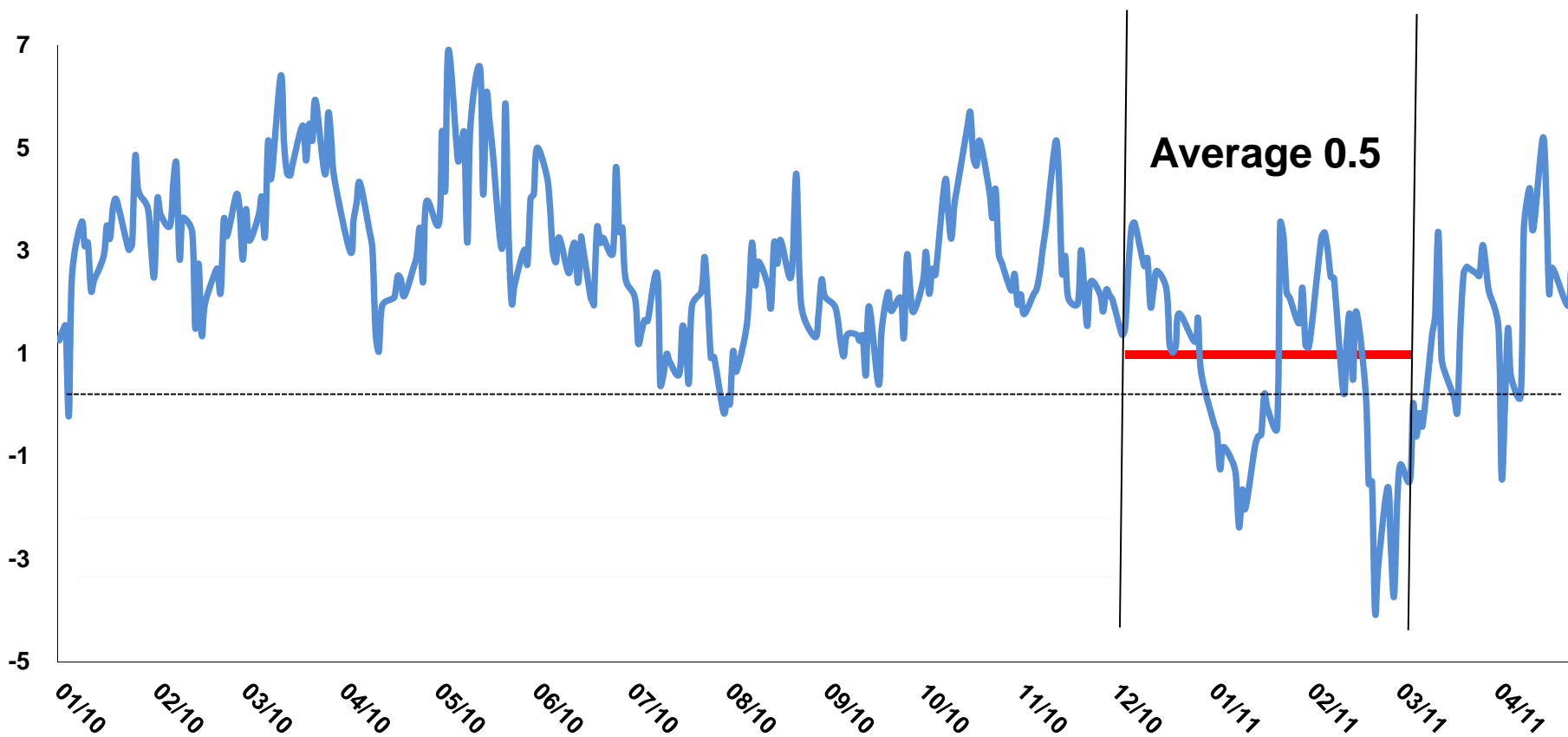
## Crude Oil Prices (USD/BBL)



- Continue to operate in highly volatile market
- In 2011, crude oil prices rose 26% to 117 USD/bbl, following 2010 in which prices rose by 19%
- The gap between Brent and Ural prices widened in 2011 to an average of 2.8 USD/bbl from 1.2 USD/bbl in 2009

# Operating Environment

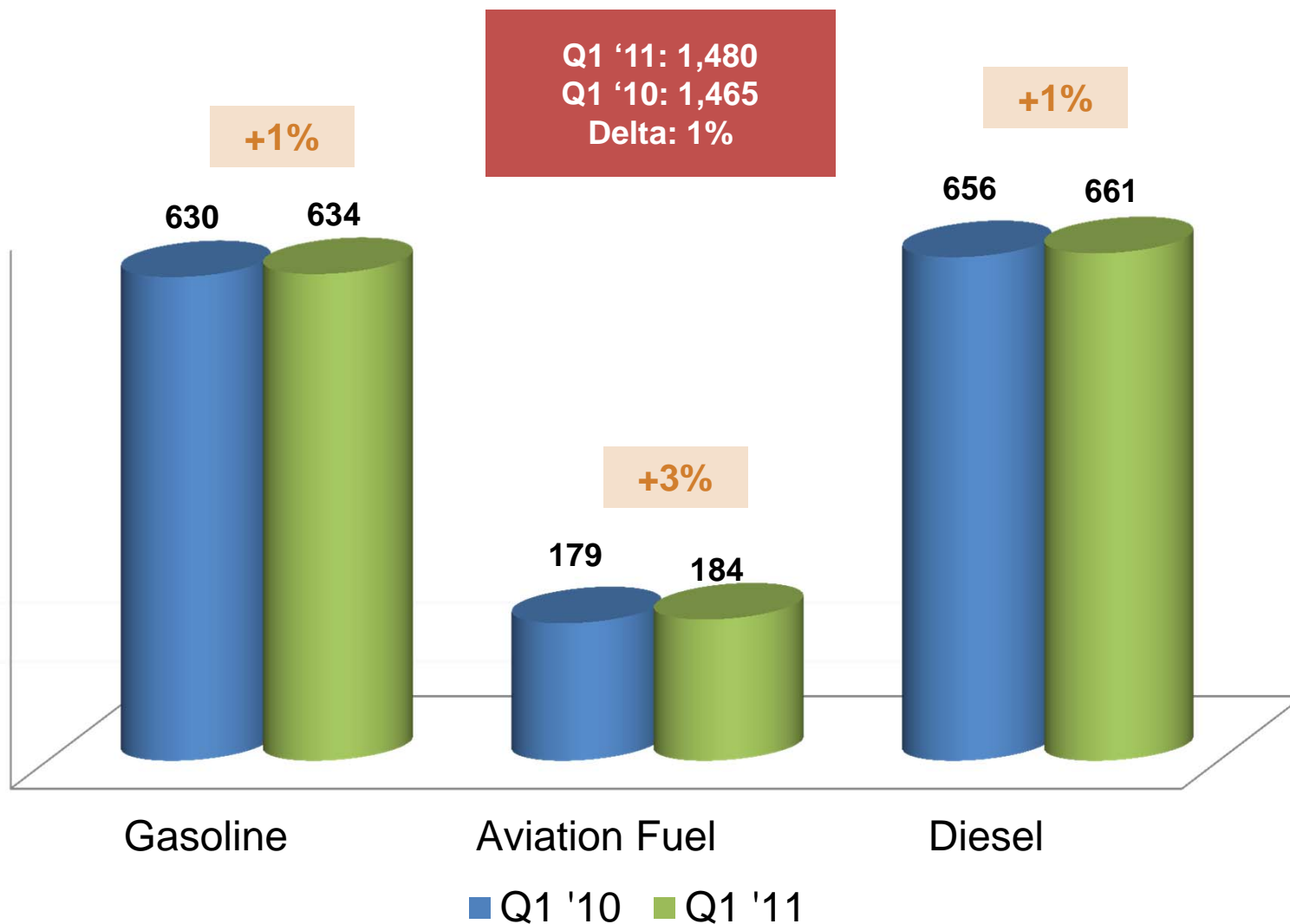
*Mediterranean Ural Cracking Margin (USD/BBL)*



# Operating Environment

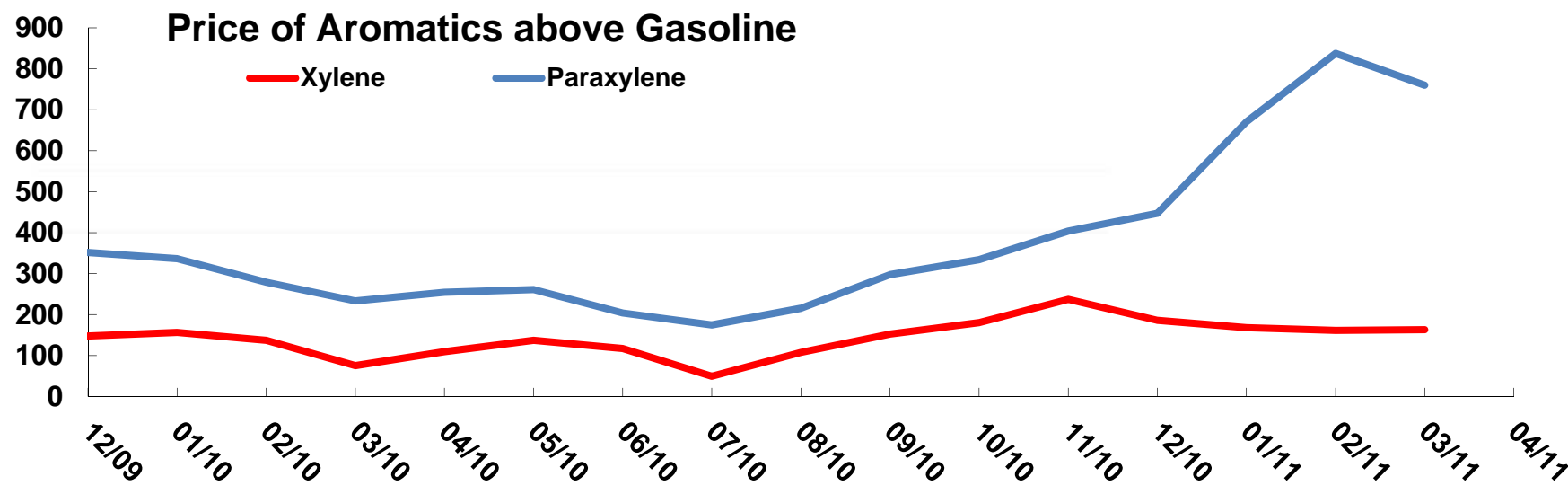
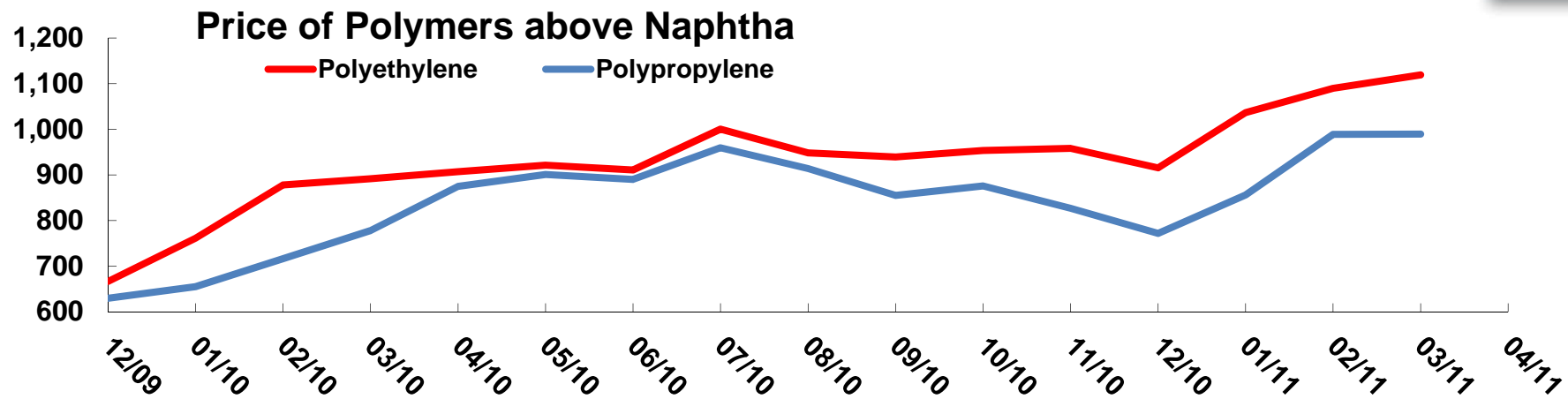
## Assessment of National Transportation Fuel Demand

(Thousand Tons)



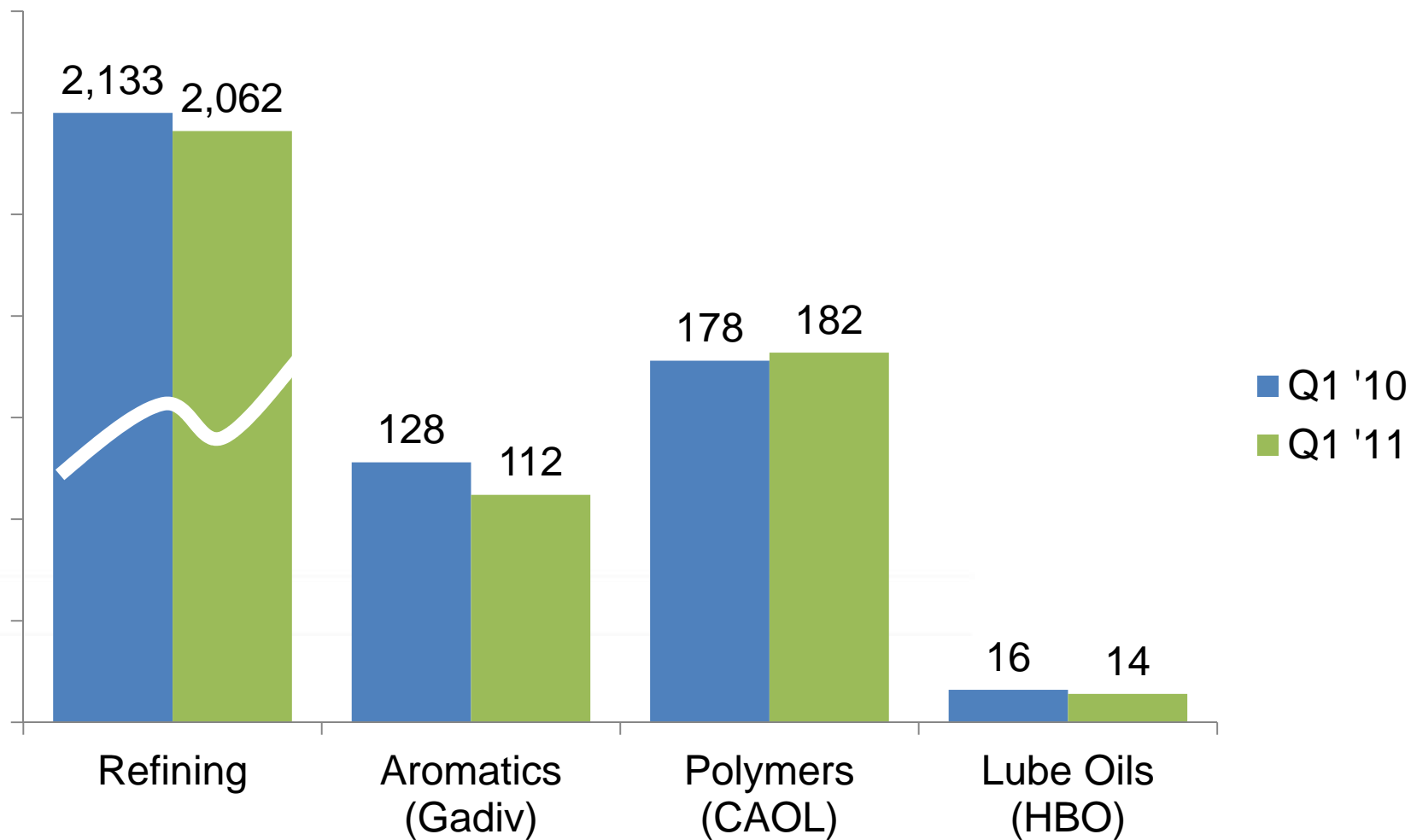
# Operating Environment

*Petrochemical Products (\$/Ton)*



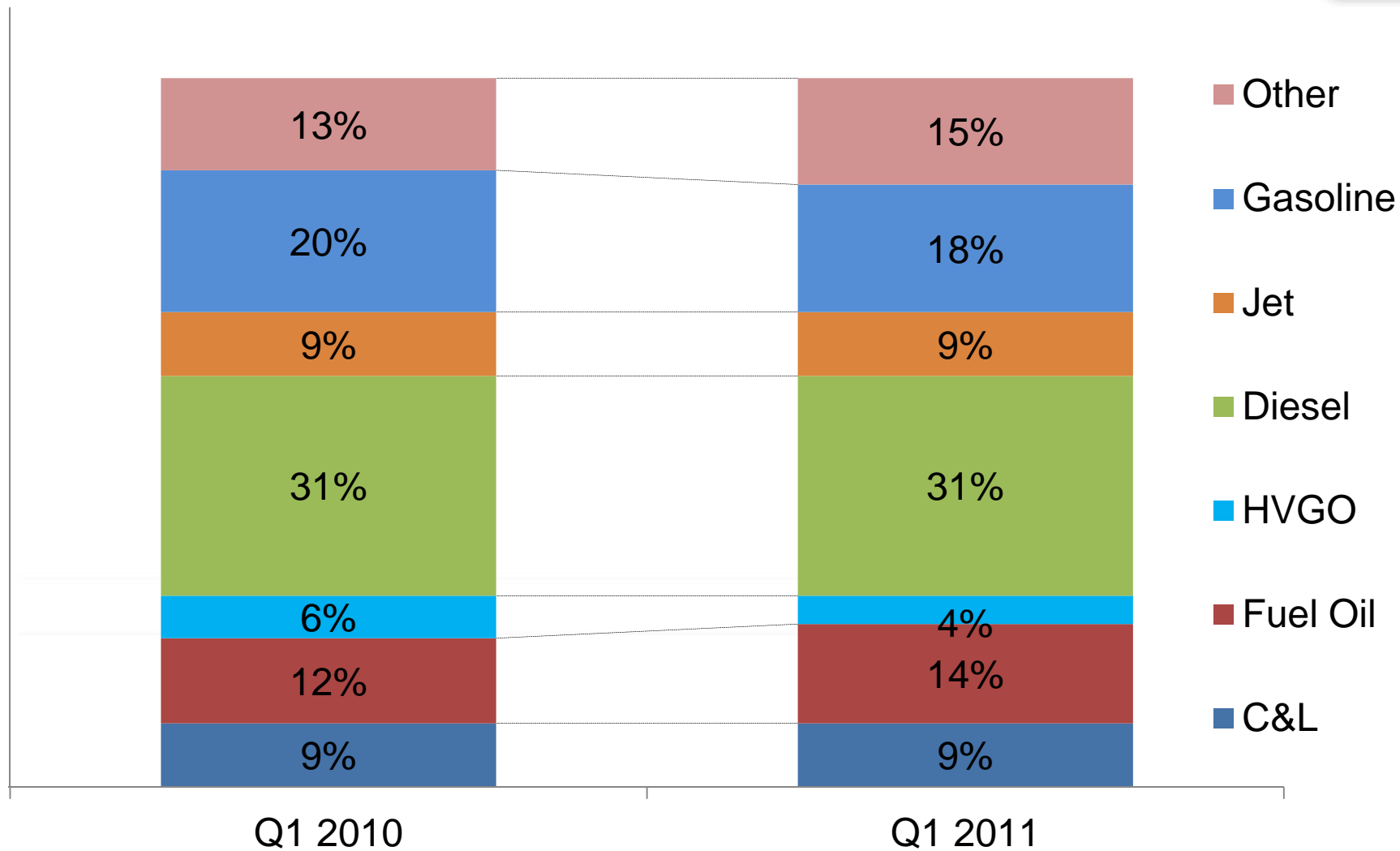
# Q1 2011 Results

*Refining & Production (Thousand tons)*



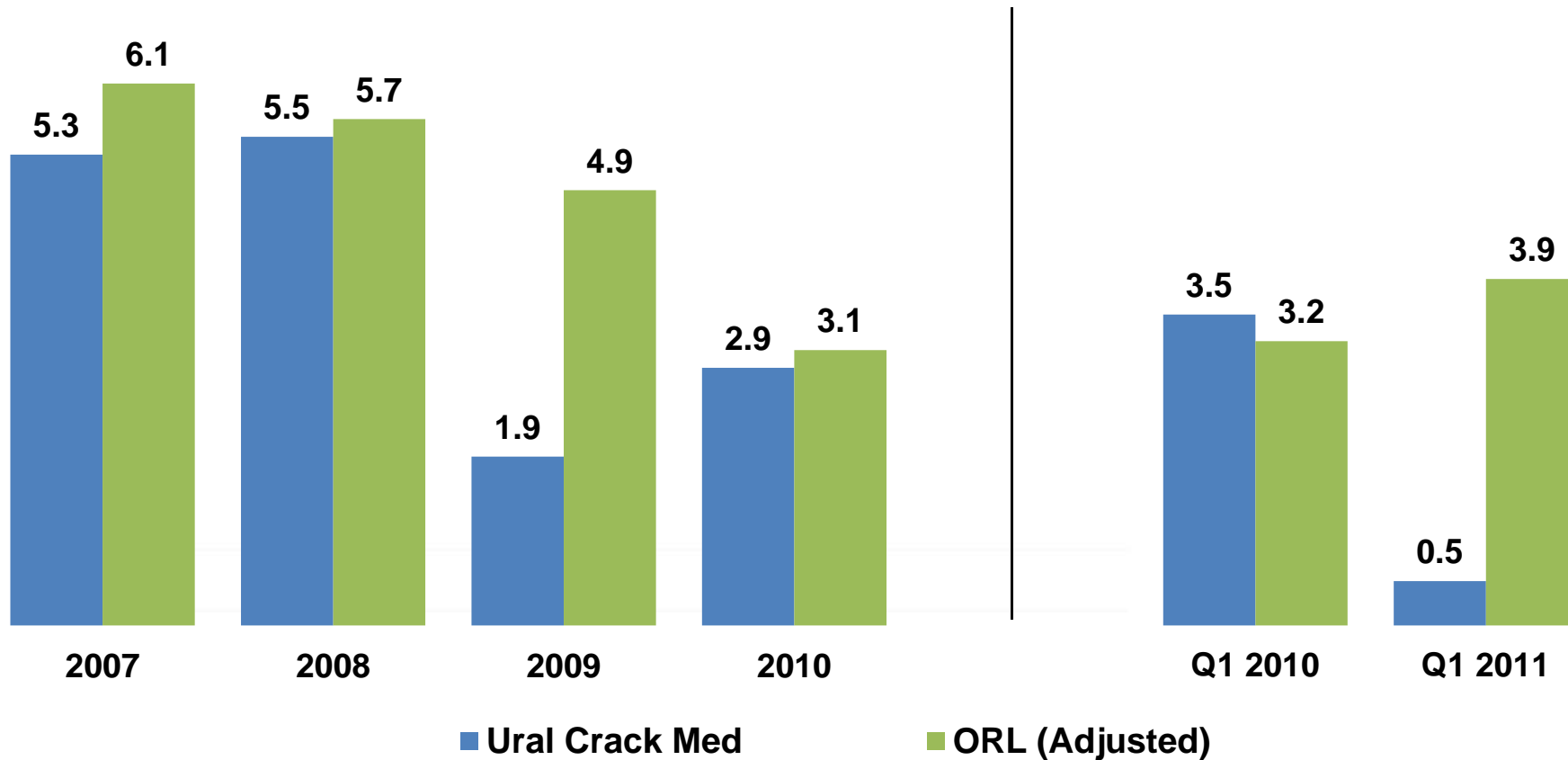
# Q1 2011 Results

## Product Production Breakdown



# Q1 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*

# Q1 2011 Results

*Key Figures (millions)*

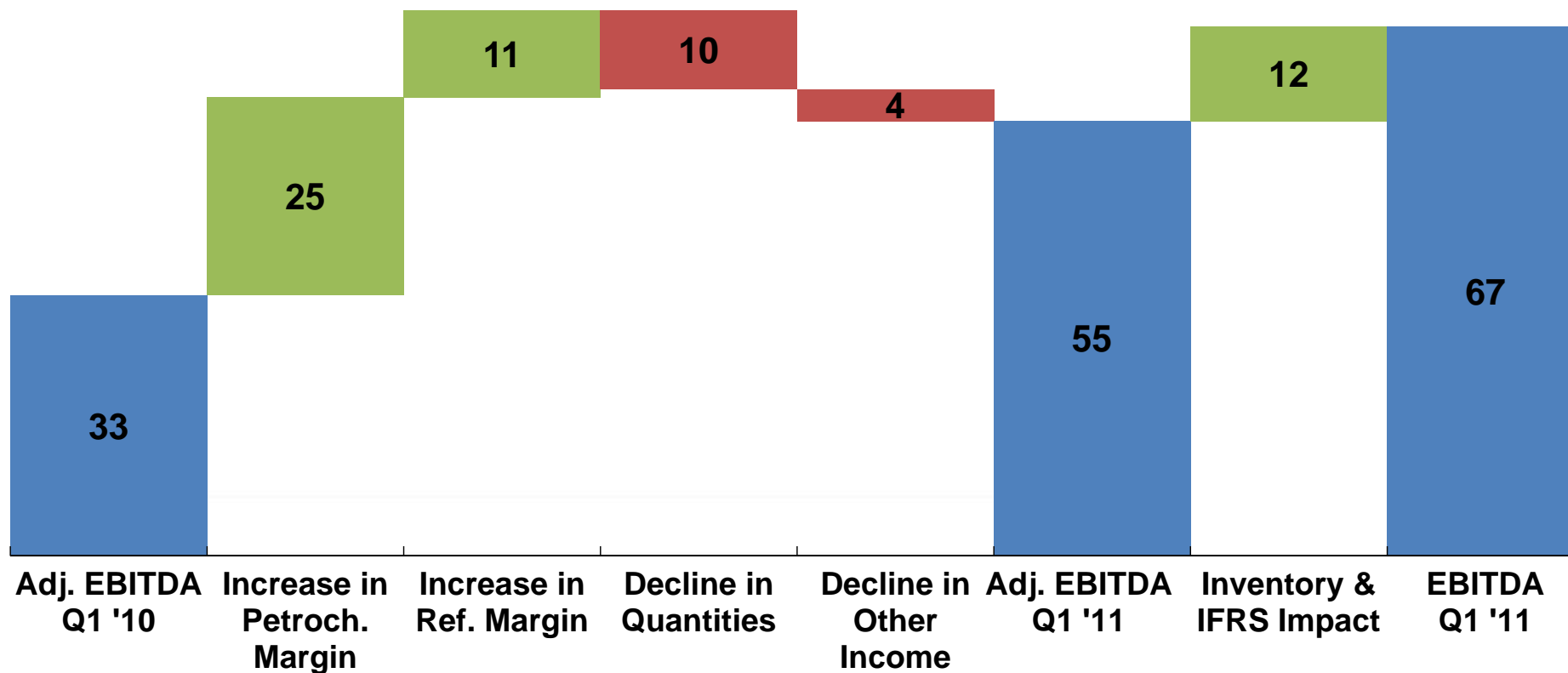
EBITDA	Q1 2011	Q1 2010
Refining & Trade	9	6
Polymers (CAOL)	40	17
Aromatics (Gadiv)	6	10
Lube-Oils (HBO)	3	3
Consolidation	(3)	(3)
<b>EBITDA Consolidated Adjusted</b>	<b>55</b>	<b>33</b>
<b>Net Consolidated Profit</b>	<b>6</b>	<b>(4)</b>

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

# Q1 2011 Results

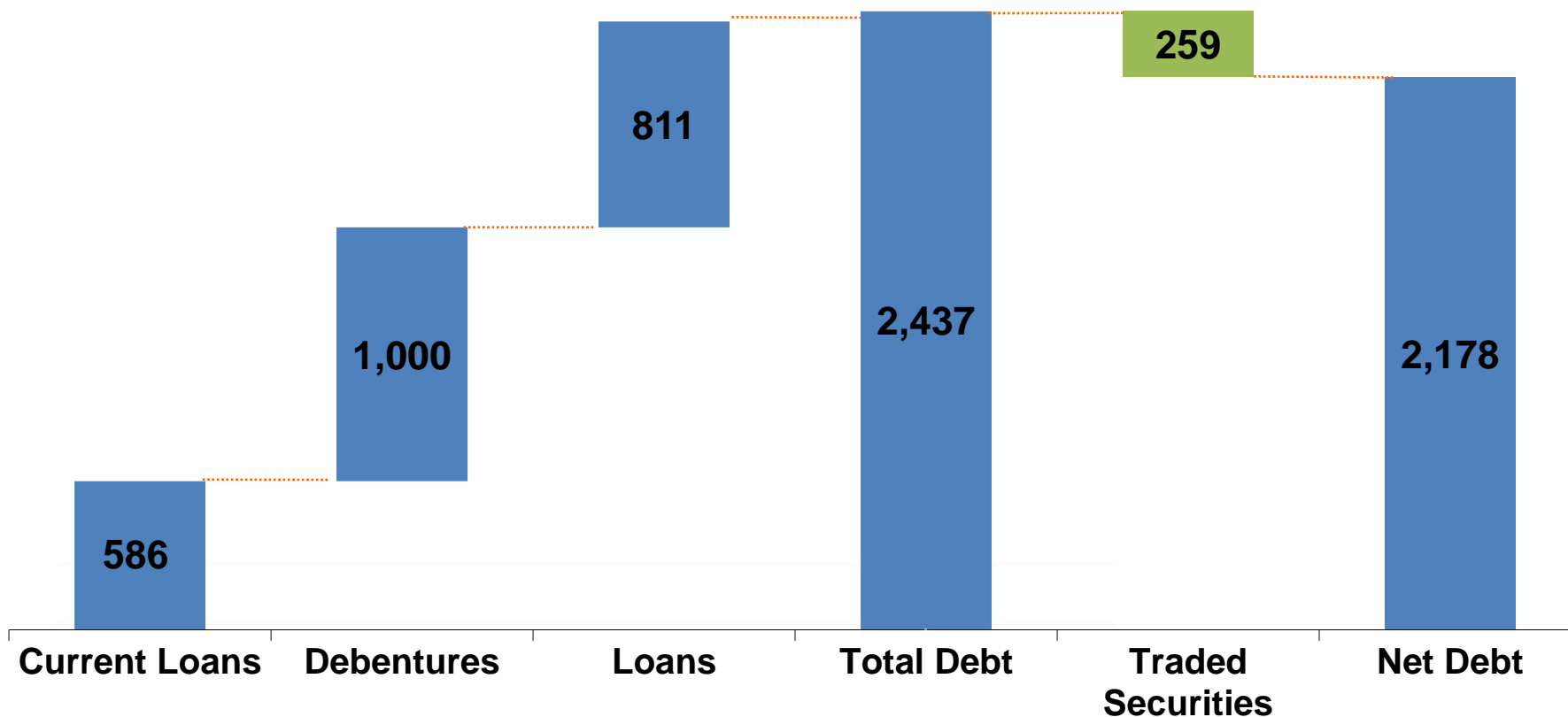
## Change in Adjusted Consolidated EBITDA

(m. US\$)



# Q1 2011 Results

*Consolidated Net Debt Bridge* (m. US\$ as of March 31, 2011)



Note: Loans & debentures include current maturities

# Q1 2011 Results

## *Balance Sheet - Consolidated, March 31, 2011*

*(m. US\$)*

<b>Current Assets</b>	
Cash & securities	259
Other current assets	673
Inventory	1,225
	<b>2,157</b>
<b>Non Current Assets</b>	
Other non-current assets	395
Property, plant & equipment	2,115
	<b>2,510</b>
	<b>4,667</b>

<b>Current Liabilities</b>	
Current financial liabilities	790
Other current liabilities	1,018
	<b>1,808</b>
<b>Non Current Liabilities</b>	
Non current fin. liabilities	1,647
Other non current liabilities	131
	<b>1,778</b>
<b>Capital</b>	
<b>Shareholder's capital</b>	<b>1,081</b>
	<b>4,667</b>

# Thank You



**ORL**

Oil Refineries Ltd.