



Ampal



COMPANY PRESENTATION

November 2010

About Ampal:

Ampal-American Israel Corporation ("Ampal" or the "Company") and its subsidiaries acquire interests primarily in businesses located in the State of Israel or that are Israel-related. Ampal is seeking opportunistic situations in a variety of industries, with a focus on energy, chemicals, communication and related sectors. Ampal's goal is to develop or acquire majority interests in businesses that are profitable and generate significant free cash flow that Ampal can control. For more information about Ampal please visit our web site at www.ampal.com.

Safe Harbor Statement on Forward-Looking Statements

Certain information in this presentation includes forward-looking statements (within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934) and information relating to Ampal that are based on the beliefs of management of Ampal as well as assumptions made by and information currently available to the management of Ampal. When used in this presentation, the words "anticipate," "believe," "estimate," "expect," "intend," "plan," and similar expressions as they relate to Ampal or Ampal's management, identify forward-looking statements. Such statements reflect the current views of Ampal with respect to future events or future financial performance of Ampal, the outcome of which is subject to certain risks and other factors which could cause actual results to differ materially from those anticipated by the forward-looking statements, including among others, the economic and political conditions in Israel, the Middle East, including the situation in Iraq, and the global business and economic conditions in the different sectors and markets where Ampal's portfolio companies operate. Should any of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results or outcome may vary from those described herein as anticipated, believed, estimated, expected, intended or planned. Subsequent written and oral forward-looking statements attributable to Ampal or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements in this paragraph. Please refer to the Ampal's annual, quarterly and periodic reports on file with the SEC for a more detailed discussion of these and other risks that could cause results to differ materially. Ampal assumes no obligation to update or revise any forward-looking statements.

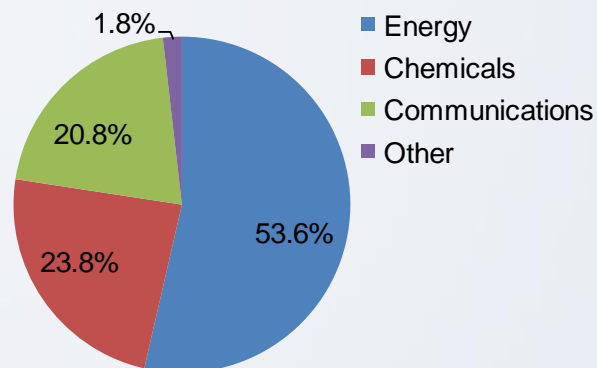
Use of Non-GAAP Financial Measures

Ampal uses certain non-GAAP financial measures in this presentation. Ampal uses non-GAAP financial measures as supplemental measures of performance and believes these measures provide useful information to investors in evaluating our operations, period over period. However, non-GAAP financial measures have limitations as analytical tools, and should not be considered in isolation or as a substitute for Ampal's financial results prepared in accordance with GAAP. In addition, investors should note that any non-GAAP financial measures Ampal uses may not be the same non-GAAP financial measures, and may not be calculated in the same manner, as that of other companies. Reconciliations of our non-GAAP financial measures are included in this presentation.

Company Profile | AMPAL

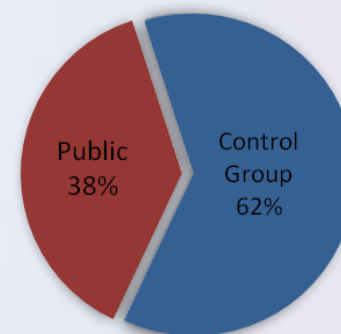
Proportion of Investments

(Holdings Book Value*)



Holding Structure

Traded on NASDAQ and TASE





General Data

- Incorporated in New York
- Invests in companies with a stable cash flow
- Market Value (Million US\$)** **138**
- Equity (Million US\$) **187.4**

*The Company Financial Statements are prepared in accordance with US GAAP (and not IFRS)

**Based on closing price on NASDAQ on November 3, 2010

Diversification of Segments | AMPAL

Areas of activities:	Communications	Chemicals	Energy
Holdings*: (Year Ampal made investment)	<p data-bbox="801 456 1052 606"> 012 Smile ⁽¹⁾ 100% (2010) </p> 	<p data-bbox="1188 456 1362 699"> Gadot Chemical Tankers 100% (2007) </p> 	<p data-bbox="1574 471 1709 614"> EMG 12.5% (2006) </p> <p data-bbox="1574 706 1709 849"> GWE 50% (2008) </p> <p data-bbox="1497 928 1787 1128"> Ethanol project in Colombia (Loan convertible to 25%) (2009) </p>

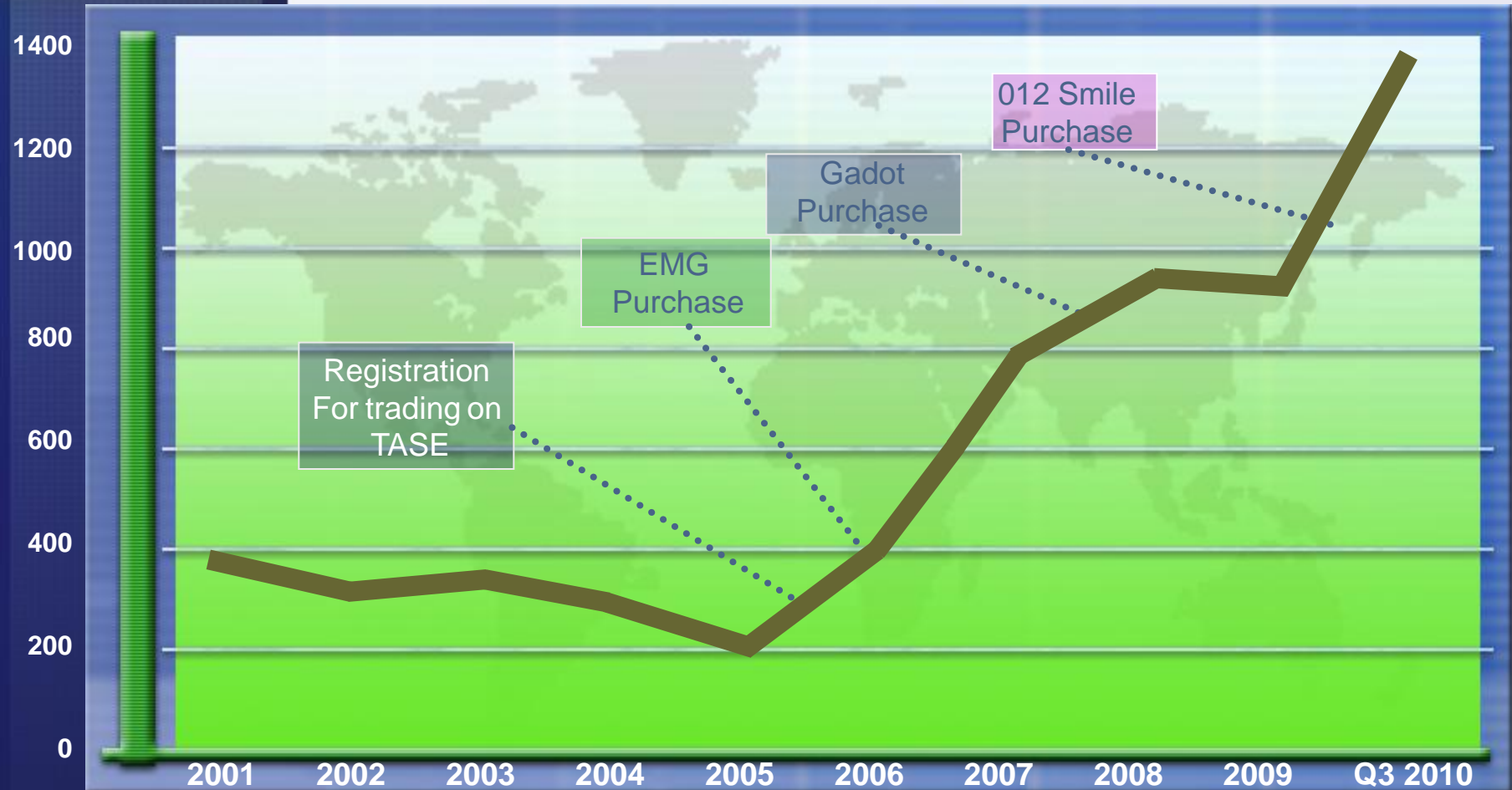
(1) On October 13, 2010, the Company's wholly owned subsidiary signed an agreement for the sale of all the issued and outstanding share capital of 012 Smile. For further details see Page 14



*Percentage indicates Ampal's ownership interest in the applicable company

Major Milestones | AMPAL

Total Assets (Million US\$)



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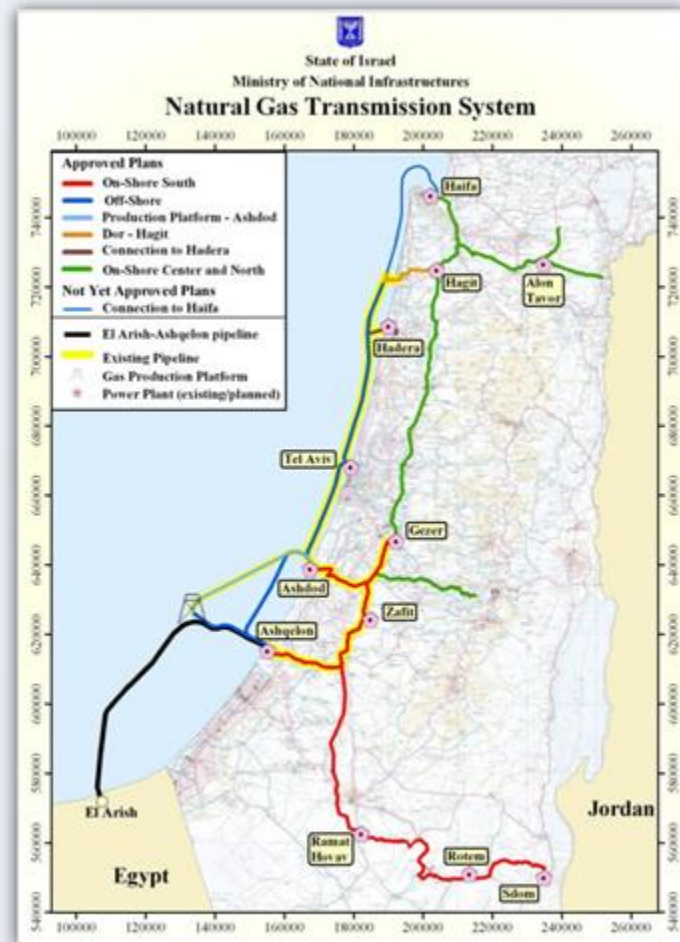
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Energy

EMG Profile

- EMG was established in Egypt in 2000 and has constructed an off-shore gas pipeline, as well as on shore facilities, from El-Arish (Egypt) to Ashkelon (Israel). The gas flow to Israel began in June 2008 and currently provides 2.5 BCM annually to Israel Electric Corporation and Mashav.
- Egypt has undertaken to export up to 7 BCM of natural gas annually to Israel through EMG. EMG's contracts with Israeli buyers for the re-sale of Egyptian natural gas may have terms of up to 20 years, with a total of 140 BCM.
- If and when the full 7 BCM per year is contracted by EMG with Israeli buyers, the estimated annual income for EMG shall exceed 1 Billion US\$.



Natural Gas in Israel

- Demand for natural gas in Israel continues to increase
- EMG is one of only two companies supplying natural gas in Israel.
- EMG supplies approximately half of the natural gas in the Israeli market
- EMG is currently the only company that can provide additional quantities of gas to Israel in the years 2010-2013

EMG

- EMG has access to Egyptian gas reserves in excess of 2,500 BCM from proven and diverse sources
- EMG has skilled and professional management with decades of experience in Egypt and its gas industry
- EMG holds several long term contracts for the sale of over 65 BCM valued at over 10 Billion US\$
 - Israel Electric Corporation (20 years*) **42 BCM**
 - Dorad (18 years*) **13.6 BCM**
 - Makteshim, Haifa Chemicals, Mashav, Ashdod Energy, Solad and Ramat Negev **9 BCM**

Renewable Energy

Energy

Global Wind Energy

- Ampal's partnership with Clal Energy (50/50)
- Developing wind and photovoltaic projects
- The company currently has projects in Greece and Poland, which are in varying developmental stages, with a total capacity of over 250 MW (first project of 42 MW in Greece was granted a production license in Feb. 2010 and a second project of 16 MW received a positive opinion from the Greek authorities and a production license is expected until the end of 2010)



Ethanol Project in Colombia

- Production of Bio-Ethanol fuel from sugarcane
- The Project includes: 10,000 hectare of land (leased and purchased), irrigation, agriculture, erection of an Ethanol Extraction Plant, sale of Bio-Ethanol to the local market.
- Due to local regulations of Ethanol usage, the local market suffers a substantial shortage of Ethanol.
- Expected construction period – 3 years.
- Ampal holds a loan of approximately US\$22 Million convertible to 25% of the Project, subject to a financial closing.



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Chemicals



Gadot Profile

- The leading Israeli company for chemical supply and services to customers throughout the supply chain of chemicals from producer to end-user (mainly liquid chemicals).
- Operates in the fields of procurement, marketing and distribution (shipping with a fleet of tankers and ISO-Tanks), storage in Terminals, trailers and special storage areas for hazardous materials.
- Gadot is the representative, marketer and distributor in Israel to more than 100 international chemical companies including DuPont, Exxon, BASF, DOW, CHEVRON, SHELL and others.



Chemicals Field

- Years of experience in storage, handling, packaging, transporting and shipping hazardous materials.
- Provides services to the entire chemicals supply chain in Israel.
- Geographic Areas of Activity: Israel, Western Europe, South and Central America, USA.
- Clients, including major Israeli companies:
Teva, Makhteshim, ICL, Palsan, HP and others.
- Completed in the 3rd quarter the purchases of ADPO Ghent (which owns and operates a state of the art chemical storage terminal in Ghent, Belgium) and of Merhav Agro (a supplier of agricultural protection products in Israel)





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Communications

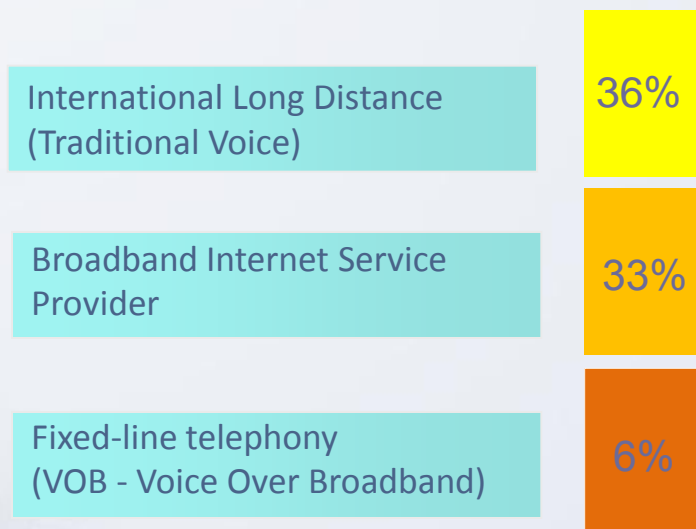
012 Smile Share Purchase Agreement Dated October 13, 2010

- On October 13, 2010, a subsidiary of the Company has entered into a definitive share purchase agreement to sell all of the outstanding shares of 012 Smile Telecom Ltd. , to Partner Communications Company Ltd. (NASDAQ: PTNR) .
- The purchase price is approximately 692 million New Israeli Shekels ("NIS"), or \$191 million, of which approximately NIS 42 million, or \$11.6 million, are to be paid by way of 012 Smile assigning payments due from a third party.
- As part of the transaction, Partner has also agreed to assume approximately NIS 800 million, or \$221.6 million, of long-term debt, which brings the total transaction value to a total of approximately NIS 1.492 billion, or \$412 million.
- The transaction, which is expected to close in 2-3 months, is subject to customary closing conditions, including the regulatory approvals of the Israeli Ministry of Communications and the Israeli Antitrust Commissioner. However, it is not subject to a financing condition.

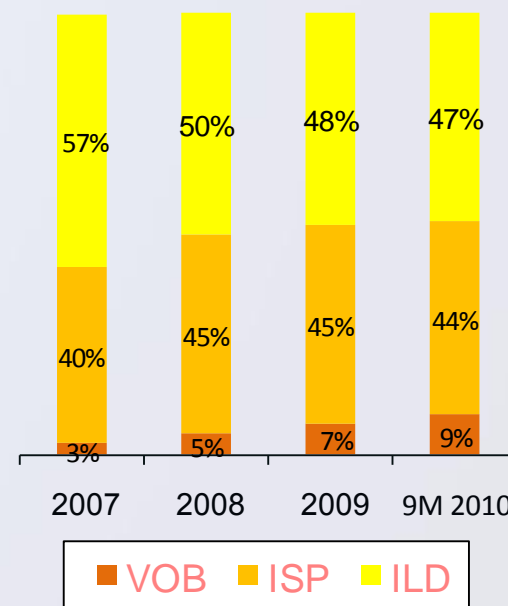


012 Smile Profile

012 Smile maintains three major Areas of Activity



Distribution of Income to Areas of Activity

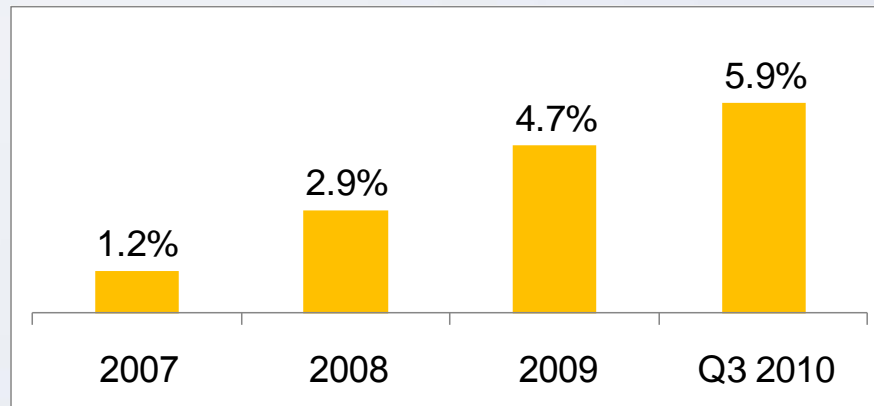


012 Smile offers its clients a “Triple Package” which includes Internet services and a bundle of minutes for international long distance and local calls



Communications Field in Israel

- A strong brand name in the ISP and international long distance market in Israel
- Successful penetration of the fixed-line telephony market through voice over broadband (VOB) area
- Market Share – Local Telephony:



- Years of experience in the Israeli communications market and a quality management team



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Financials

Condensed Solo* (unconsolidated) Balance Sheet (Pro-Forma) – September 30, 2010

<u>Assets</u>		<u>Liabilities and Shareholders' Equity</u>	
	<u>US\$</u> (in Millions)		<u>US\$</u> (in Millions)
Cash, deposits and other financial items**	98.4	Banks and Debentures	439.8
Investments	505.7	Accounts Payable	12.6
Fixed Assets	2.7	Noncontrolling interest	0.2
Other	33.2	Equity	187.4
Total	640.0	Total	640.0

* Including Gadot, 012 Smile, Merhav Ampal Energy Holdings, LP and Country Club Kfar Saba on equity basis and not consolidated.

** Including a convertible loan of approximately US\$22M to the project in Colombia.

Main Holdings – September 30, 2010

Financials

	Ampal's ownership %	Book Value (US\$ in Millions)	Method of Book Value
EMG*	12.5%	266.3	Cost
Gadot	100%	117.8	Consolidated
012 Smile ⁽¹⁾	100%	112.2	Consolidated
Other		9.4	
Total		505.7	

(1) On October 13, 2010, the Company's wholly owned subsidiary has agreed to sell all of the issued and outstanding share capital of 012 Smile . See Page 14

* Ampal's Financial Statements reflect a 16.8% interest in the shares of EMG (approximately US\$366M), which includes the 8.6% interest in EMG held by Ampal's joint venture with certain Israeli institutional investors, of which a 4.3% interest in EMG (approximately US\$100.0) is attributable to the institutional investors.

Results of Operations in Consolidated Companies*

Revenue (US\$ in Millions)	Q3 2010	Q3 2009	2009
Gadot	121	105	415
012 Smile***	81	77	311
	202	182	726

EBITDA **(US\$ in Millions)	Q3 2010	Q3 2009	2009
Gadot	6	6	25
012 Smile***	18	18	74
	24	24	99

* The investments in 012 Smile and Gadot by Ampal account for 45% of Ampal's total holdings (according to their book value)

** See EBITDA break-down on Appendix A

*** all data on 012 Smile.Communications Ltd. prior to the acquisition of its business by 012 Smile is based on publicly available information of B Communications Ltd. (f/k/a 012 Smile.Communications Ltd.) on the Tel Aviv Stock Exchange and NASDAQ.

Condensed Consolidated Balance Sheet – September 30, 2010

Financials

	US\$ (in Millions)		US\$ (in Millions)
Current Assets (excluding cash, deposits and other financial items)	257.9	Current Liabilities (excluding banks and debentures)	152.3
Cash, deposits and other financial items*	111.6	Loans:	
Fixed Assets	248.3	Debentures	269.9
EMG (Ampal)	266.3	Banks – Ampal	172.1
Investments:		Banks – 012 Smile	215.4
EMG (Institutional Investors)	100.0	Banks – Gadot	213.8
Other Investments	5.1	Gadot – Construction of Vessels	48.9
Other Non-Current Assets	54.3	Capital Note – Institutional Investors in EMG	100.0
Goodwill and Intangible Assets	335.3	Other Liabilities (including Minority rights)	19.0
		Equity	187.4
	1,378.8		1,378.8

*Including a convertible loan of approximately US\$22M to the project in Colombia



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Thank you!

Appendix A – EBITDA Break-Down for 012 Smile

	January 2010	February 1 to September 30, 2010 (Unaudited)	Nine Months Ended September 30, 2010 (Unaudited)	Nine Months Ended September 30, 2009 (Unaudited) (1)	Three Months Ended September 30, 2010 (Unaudited)	Three Months Ended September 30, 2009 (Unaudited) (1)	Twelve Months Ended December 31, 2009 (1)
Revenues	26	211	237	231	81	77	311
Expenses	(19)	(151)	(170)	(160)	(59)	(54)	(212)
Profit	7	60	67	71	22	23	99
Marketing, sales, General, administrative and other expenses	(5)	(46)	(51)	(39)	(18)	(13)	(52)
Depreciation and amortization	4	34	38	23	14	8	26
EBITDA	6	48	54	55	18	18	73
Non-recurring and stock compensation expenses	*	*	*	*	*	*	1
Adjusted EBITDA	6	48	54	55	18	18	74

* Less than 1.

(1) all data on 012 Smile.Communications Ltd. prior to the acquisition of its business by 012 Smile is based on publicly available information of B Communications Ltd. (f/k/a 012 Smile.Communications Ltd.) on the Tel Aviv Stock Exchange and NASDAQ.



Appendix A – EBITDA Break-Down for Gadot

	Nine Months Ended September 30, 2010 (Unaudited)	Nine Months Ended September 30, 2009 (Unaudited)	Three Months Ended September 30, 2010 (Unaudited)	Three Months Ended September 30, 2009 (Unaudited)	Twelve Months Ended December 31, 2009
Revenues	358	299	121	105	415
Expenses	(327)	(272)	(111)	(96)	(375)
Profit	31	27	10	9	40
Marketing, sales, General, administrative and other expenses	(29)	(23)	(9)	(7)	(33)
Depreciation and amortization	12	12	4	4	18
EBITDA	14	16	5	6	25
Non-recurring and stock compensation expenses	2	*	1	*	*
Adjusted EBITDA	16	16	6	6	25

* Less than 1.



Adjusted EBITDA is defined as earnings before interest, income tax provision, depreciation and amortization, adjusted for non recurring expenses. Management believes adjusted EBITDA for 012 Smile and Gadot to be a meaningful indicator of their performance that provides useful information to investors regarding their financial condition and results of operations. Presentation of adjusted EBITDA is a non-GAAP financial measure commonly used by management to measure operating performance. While management considers adjusted EBITDA to be an important measure of comparative operating performance, it should be considered in addition to, but not as a substitute for, net income and other measures of financial performance reported in accordance with Generally Accepted Accounting Principles. Adjusted EBITDA does not reflect cash available to fund cash requirements. Not all companies calculate adjusted EBITDA in the same manner, and the measure as presented may not be comparable to similarly-titled measures presented by other companies.