



Update with Regards to Natural gas supply agreements from the Tamar project

December 29, 2015

Tel Aviv, Tuesday, December 29, 2015. Delek Group's gas subsidiaries announced that on December 28, 2015, the Antitrust Commissioner ("the Commissioner") made a decision regarding an exemption for the conditions in restrictive arrangements between the Tamar gas reservoir partnership and natural gas consumers, further to the application of the Tamar partners, according to which the Commissioner granted an exemption from a restrictive arrangement in accordance with Section 14 of the Antitrust Law, 1988, which applies to nine agreements for the supply of natural gas signed by the Partnerships in the Tamar project, listed in the decision (the main ones are the agreements with OPC Rotem Ltd., Dorad Energy Ltd., and Paz Ashdod Refinery Ltd.).^[1] The terms set out in the Commissioner's decision are substantially similar to the terms set out in the preceding decisions, except that it prescribes that the announcement of the reduction of the purchase quantity will be permitted at any time during the period, which will end at the later of the following periods: (a) the period [between January 1, 2020 and December 31, 2022](#) (in the previous decision, the period was [between January 1, 2018 and December 31, 2020](#)); or (b) the period starting at the beginning of the fifth year from the date of natural gas supply and ending at the end of the seventh year ("The Commissioner's New Decision").

The receipt of the Commissioner's New Decision fulfilled the precondition in the agreements related to the decision, which required the Commissioner's approval.

The Tamar partners will take steps to amend the purchase agreements with these consumers in accordance with the Commissioner's New Decision.

The Partnership believes that the Commissioner's New Decision is not expected to have a material effect on the Partnership's projected cash flow from the Tamar project.

For more information please see the immediate reports as published on TASE:

http://mava.tase.co.il/bursa/report.asp?report_cd=1011141