



Delek Group

Court Ruling Concerning Delek Hungary

January 27, 2020

Tel Aviv, January 27, 2020. Delek Group (TASE: DLEKG, US ADR: DGRLY) ("the Company") announces that further to what was stated in Note 31C.6 of the Company's financial statements as of December 31, 2018 that was published on March 31, 2019 (ref. no. 2019-01-029344) and to what was stated in Note 7E of the Company's financial statements as of September 30, 2019 that was published on November 28, 2019 (ref. no. 2019-01-103617), on January 27, 2020 the Company was informed that the High Court sitting as the Court of Civil Appeals had accepted the civil appeal filed by the Taxes Authority.

In the appeal the tax assessor had petitioned the High Court to change the ruling of the District Court that had supported the position of Delek Hungary Ltd ("Delek Hungary") concerning orders issued to Delek Hungary about the calculation of capital gain accruing to Delek Hungary from the disposal of shares in Delek US Holdings Inc. in the years 2012 - 2013.

It should be noted that issues in dispute with the Taxes Authority that arose during the legal proceedings refer to the year 2014, and the total tax in dispute for the said years came to NIS 170 million.

The Company together with its legal counsel is assessing the ruling and the filing of an application for a further hearing on the ruling.

This is a convenience translation of the original HEBREW immediate report issued to the Tel Aviv Stock Exchange by the Company on January 27, 2020.

About The Delek Group

Delek Group is an independent E&P and the pioneering visionary behind the development of the East Med. With major finds in the Levant Basin, including the Leviathan (21.4 TCF) and Tamar (11.2 TCF) reservoirs and others, Delek is leading the region's development into a major natural gas export hub. In addition, Delek has embarked on an international expansion with a focus on high-potential opportunities in the North Sea and North America. Delek Group is one of Israel's largest and most prominent companies with a consistent track record of growth. Its shares are traded on the Tel Aviv Stock Exchange (TASE:DLEKG) and are part of the TA 35 Index.

For more information on Delek Group please visit www.delek-group.com

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