

# **Delek Group Ltd.**

("the Company")

## **Voting Ballot - Part One**

Pursuant to Companies Regulations (Written Votes and Position Papers), 2005 ("the Regulations")

1. **Type of meeting:** Extraordinary meeting of the Company's shareholders
2. **Date of meeting:** Wednesday, October 31, 2012, at 10:00 a.m.
3. **Place and date of the meeting:** The Company's offices at Beit Adar, 7 Giborey Israel Street, Netanya
4. **Details of the topic on the agenda which may be voted on by means of voting ballots:**

As of June 30, 2012, Delek Real Estate has an unsecured debt to the Company in the amount of NIS 247 million (linked to the consumer price index) ("the Original Debt"). In addition, the Company provided collateral in limited amount to secure part of the liabilities of Delek Real Estate and its subsidiary to two banks, which as of June 30, 2012 amounted to a total of NIS 62 million ("the Collateral"). In return for providing the Collateral, the Company is entitled to receive annual commission of 1.5% of the guaranteed amount.

It is hereby proposed to approve the rescheduling of the Original Debt of Delek Real Estate Ltd. ("Delek Real Estate") to the Company ("The Debt Rescheduling") as follows: (1) When the creditors settlement agreement between Delek Real Estate, its controlling shareholder, its shareholders and debenture holders comes into effect ("the Settlement"), attached as Appendix A to this report, the amount of Delek Real Estate's debt to Company will be fixed at 45% of the Original Debt ("the Outstanding Debt"). It should be noted that the debt in the Company's books following the reduction will be NIS 10 million. (2) The Outstanding Debt will bear annual interest of 2%. The right to interest will arise each year. The interest for the first year will be paid at the end of the fifth year, the interest for the second year will be paid at the end of the sixth year and from the third year, the interest will be paid once each year. (3) The Outstanding Debt will be settled in full on June 30, 2022. (4) If the guarantee provided for Bank Mizrahi Tefahot Ltd., in the amount of NIS 32.8 million (as of June 30, 2012), will be exercised, in whole or in part, the Company will be entitled to repayment from Delek Real Estate for the foregoing exercised loan under the terms of the debt rescheduling set forth above. If the guarantee provided for Bank Hapoalim Ltd., in the amount of NIS 29.4 million (as of June 30, 2012), will be exercised, in whole or in part, the Company will be entitled to repayment of the foregoing exercised loan in full from Delek Real Estate and such debt will not be part of the debt rescheduling set forth in this report. (5) The foregoing debt rescheduling will become effective on the date of approval of the settlement, if it is approved, and subject to the approval of the general meeting by the majority vote as set out in section 6 below.

Proposed resolution: To approve the rescheduling of Delek Real Estate's debt to the Company as set forth in the Immediate Report dated September 19, 2012.

5. **Place and time for viewing the full text of the proposed resolution:**

The Immediate Report and the full text of the proposed resolution may be viewed on the website of the Tel Aviv Stock Exchange Ltd. at [www.maya.tase.co.il](http://www.maya.tase.co.il) and the distribution website of the Securities Authority at [www.magna.isa.gov.il](http://www.magna.isa.gov.il). Furthermore, the notice to the shareholders and a copy of any document pertaining to the agreement, including documents submitted to the audit committee and board of directors as part of the discussions and approval of the agreement, are available for viewing at the Company's offices at 7 Giborey Israel Street, Netanya, subject to the law, during regular business working hours, by appointment (Tel: 09-8638555) until the date of convening of the general meeting.

6. **The majority required for adopting the proposed resolution:**

The majority required for adopting the resolution on the agenda of the general meeting is the majority as set forth in section 275 of the Companies Law, 1999 ("the Companies Law"), according to which the general meeting may approve the agreement by an ordinary majority, provided that one of the following exist:

- (a) The count of the majority votes in the general meeting includes a majority of all the votes of the shareholders who do not have a personal interest in the approval of the transaction and who participate in the vote; the count of all the votes of the shareholders will not take abstentions into account;
- (b) The total votes against the resolution from among the shareholders referred to in sub-section (a) above do not exceed 2% of all the voting rights in the Company.

7. **Additional details**

The written vote will be cast using the second part of this voting ballot.

In Part Two of the voting ballot, space is allocated for indicating the existence or absence of an interest as required under section 275 of the Companies Law, and for a description of the nature of the relevant interest. It is hereby clarified that the vote of shareholders who do not indicate an interest as aforesaid or do not describe the nature of such interest, will not be taken into the count.

This voting ballot will be valid only if a certificate of title for shareholders of shares held through a TASE member (under section 177(1) of the Companies Law) or photocopy of ID, passport or certificate of incorporation, if the shareholder is registered in the Company's books, is attached thereto.

The deadline for delivery of the voting ballot is 72 hours before the time set for the vote, i.e. Wednesday, October 28, 2012, at 10:00 a.m.

The voting ballots and position papers will be delivered by hand or by registered post to the Company's offices at Beit Adar, 7 Giborey Israel Street, Netanya.

The deadline for delivery of position papers to the Company by the Company's shareholders will be up to 10 days following the effective date, i.e. Sunday October 7, 2012.

The deadline for submitting the board of directors response to the position papers is no later than 4 days following the deadline for delivery of the position papers to the Company, i.e. Friday, October 12, 2012.

The voting ballot and position paper are available on the website of the Tel Aviv Stock Exchange Ltd. at [www.maya.tase.co.il](http://www.maya.tase.co.il) and the distribution website of the Securities Authority at [www.magna.isa.gov.il](http://www.magna.isa.gov.il), and at the Company's registered office.

A shareholder is entitled to receive a certificate of title from the branch of a TASE member or by mail to its address if so requested and such request is made in advance to a specific securities account.

An unregistered shareholder is entitled to receive by email, free of charge, a link to the text of the voting ballot and position paper on the distribution website, from the member of the TASE through which it holds its shares, unless it has notified the TASE member that it does not wish to receive said link, or that it wishes to receive voting ballots and position papers by mail in consideration of payment. Notice in respect of the voting ballots will also apply to the receipt of position papers.

One or more shareholders holding a percentage of shares constituting five percent or more of the total voting rights in the Company, and a shareholder holding this percentage of the total voting rights which are not held by a controlling party in the Company, as defined in Section 268 of the Companies Law, is entitled after the General Meeting has been convened, to view the voting ballots which have arrived at the Company, as set forth in Regulation 10 of the Regulations, at the registered office of the Company on Sunday – Thursday during regular business hours.

The number of shares constituting 5% of the total voting rights in the Company (less treasury shares) is 568,863 ordinary shares. The number of shares constituting 5% of the total voting rights in the Company (less treasury shares) not held by the controlling shareholder is 196,567 ordinary shares.

A shareholder will cast its vote in connection with topics on the agenda in the form which constitutes the Part Two of the voting ballot.

## Voting Ballot - Part Two

Pursuant to Companies Regulations (Written Votes and Position Papers), 2005 ("the Regulations")

Company name: Delek Group Ltd.

Address of Company (for submitting and sending of voting ballots): Beit Adar, 7 Giborey Israel Street, Netanya

Company No. 520044322

Date of meeting: Wednesday, October 31, 2012, at 10:00 a.m.

Type of meeting: Extraordinary general meeting

Effective Date: Thursday, September 27, 2012, at the end of trading on the Tel Aviv Stock Exchange Ltd.

### Particulars of the Shareholder

Shareholder name: \_\_\_\_\_

I.D: \_\_\_\_\_

If the shareholder does not hold an Israeli ID card -

Passport no. \_\_\_\_\_

Country of issue: \_\_\_\_\_

Valid until: \_\_\_\_\_

If the shareholder is a corporation -

Corporate No. \_\_\_\_\_

Country of association: \_\_\_\_\_

### Casting of Vote:

Resolution on the Agenda:	Casting of Vote <sup>2</sup>			Are you an interested party in the resolution? <sup>1</sup>	
	For	Against	Abstain	Yes*	No
Approval of rescheduling of Delek Real Estate Ltd.'s debt to the Company					

<sup>1</sup> The vote of a shareholder who fails to fill in a column or who marks "Yes" and does not supply details will not be included in the count.

<sup>2</sup> Failure to mark the ballot will be considered as an abstention on said topic.

\* Details of interest: \_\_\_\_\_

Date: \_\_\_\_\_

Shareholder's signature: \_\_\_\_\_

For shareholders holding shares through a TASE member (under section 177(1) of the Companies Law, 1000) this voting ballot is valid only with the certificate of title attached thereto, other than in cases where the vote is cast via the internet. Shareholders registered in the register of Company shareholders – this voting ballot is valid when it is attached to a photocopy of an ID card / passport / certificate of incorporation.

\* Specify