



Petition to Approve Filing of Derivative Claim

Tel Aviv, December 2, 2018. Delek Group (TASE: DLEKG, US ADR: DGRLY) ("the Company") announces that the Company has been presented a petition for the approval of a derivative claim, which has been filed with the Tel-Aviv District Court (Economic Division), against Delek Drilling Limited Partnership ("the Partnership), the General Partner of the Partnership, the Directors of the General Partner of the Partnership, the Company, Delek Energy Systems Ltd ("Delek Energy"), Delek Royalties (2012) Ltd ("Delek Royalties") (the Company, Delek Energy and Delek Royalties, jointly "the Royalty Owners"), the CEO of General Partner of the Partnership, and the auditors of the Partnership, in respect of payment of royalties to the Royalty Owners of 6.5% (instead of 1.5%) from January 2018, the date of repayment of the Tamar Project investment (the "Petition for Approval").

According to the Petitioner, in brief, there were errors in setting and approving the date of repayment of the Tamar Project investment, including non-inclusion of the levy on gas and oil profits under the Tax on Profits of Natural Resources Law, 2011 ("Sheshinski Levy"), in the calculation of the repayment date of the investment. In addition, according to the Petitioner, the General Partner and officers were in breach of their duty of care and their duty of trust towards the Partnership in that they drew up an erroneous draft of the investment repayment date and/or that does not include the Sheshinski Levy. Thus the Petitioner claims a breach of the duty of fairness incumbent on the Royalty Owners and breach of the duty of care incumbent on the auditor of the Partnership.

The remedies sought in the Petition for Approval include declarative remedies, including a ruling that the Sheshinski Levy must be included in the calculation of the investment repayment date and accordingly to calculate the investment repayment date for a deferred date and only afterwards will the royalty rate of 6.5% apply, and until that deferred date the Royalty Owners will not be entitled to receive royalties above 1.5%, and a financial remedy in an amount equivalent to the difference between the amount of royalties the Partnership paid from the date of the investment repayment date at a rate of 6.5% and royalties of 1.5%.

The Company will study together with its legal counsel the details of the Petition for Approval.

It should be noted that as stated in the Company's previous reports, the Company and Delek Energy as well as as the Supervisor of the Partnership, are examining the various working assumptions and calculations in order to arrive at the investment repayment date, and it is possible that these checks will have an impact on the investment repayment date.

This is a convenience translation of the original HEBREW immediate report issued to the Tel Aviv Stock Exchange by the Company on December 2, 2018.

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

Contact

Investors

Yonah Weisz

Head of Investor Relations

Delek Group Ltd.

Tel: +972 9 863 8443

investor@delek-group.com