Delek Group

Transaction for Sale of Shares of The Phoenix and Swap Transaction

Tel Aviv, August 30, 2018. Delek Group (TASE: DLEKG, US ADR: DGRLY) ("the Company") announces that on August 30, 2018 it contracted with a bank for the sale of 12,500,000 ordinary shares of The Phoenix Holdings Ltd ("The Phoenix") with a par value of NIS 1 each, representing 4.9% of the Phoenix's issued capital ("the Sold Shares") to a third party and at the same time carried out a swap transaction with the bank.

The Sold Shares will be sold in a transaction outside the stock exchange in a full sales transaction by the Company to the third party via the bank at a price of NIS 20.25 per share (the closing price of The Phoenix shares on the stock exchange on August 29, 2018), for an overall consideration of NIS 253 million. This price reflects a value for The Phoenix of NIS 5.2 billion.

As part of the swap transaction, at the end of a period of up to 24 months at dates and in tranches to be determined in the agreement, accounting will be carried out between the Company and the bank concerning the difference between the sales price of the Sold Shares to the said third party and the value of the Sold Shares at the accounting date (which will be set according to the price at which the Sold Shares will be sold at that date by the third party, adjusted for dividends).

On account of the swap transaction, the Company has made available to the bank a pledged monetary deposit as is usual in transactions of this sort and which the Company has undertaken to increase it if there is a drop in the shares' value (mark to market).

This is a convenience translation of the original HEBREW immediate report issued to the Tel Aviv Stock Exchange by the Company on August 30, 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

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