

Delek Group Ltd.

Further to the agreement for the purchase of all of Delek Group Ltd.'s ("**Delek**") holdings in Phoenix Holdings Ltd. ("**Phoenix Holdings**") by Yango Investment PTE. Ltd. ("**Yango**"), reflecting approximately 52.3% of Phoenix Holdings' share capital, which was signed on August 21, 2016 and as was amended on February 17, 2017 and April 5, 2017 (the "**Share Purchase Agreement**"), we hereby inform you that on April 30, 2017, Yango executed a Share Purchase and Cooperation Agreement with Mr. Yonel Cohen, through Ofek DN (2015) - Limited Partnership, a company in their control ("**Yonel**"), with the following principal terms:

1. Yonel will purchase 4% of Phoenix Holdings' shares, at a company value of NIS 3.2 billion, so that 2.2% of Phoenix Holding's share capital will be purchased directly from Yango at the closing date of the Share Purchase Agreement (the "**Shares Purchased from Yango**"), while 1.8% of Phoenix Holding's share capital will be purchased by Yonel in the stock market (the "**Additional Shares**"). Yonel will pay Yango a total consideration of approximately NIS 72.3 million (which will principally be paid on the closing date). Additionally, arrangements were set out between the Parties regarding participating in the acquisition of the Additional Shares by Yonel. Following the sale of the shares to Yonel, Yango will hold approximately 50.1% of the shares in Phoenix Holdings.
2. The agreement sets out a framework for corporate governance principles in Phoenix Holdings and in several of the companies in its control. These corporate governance principles include, among other things, the following: The board of directors in Phoenix Holdings and The Phoenix Insurance Company Ltd. ("**Phoenix Insurance**") will be comprised of a majority of Israeli directors (the number of non-Israeli directors in Phoenix Insurance shall not exceed two directors in the first two years or three directors thereafter, out of a board of directors of 12 members); The participation of Yonel in the director's appointment mechanism of Phoenix, Phoenix Insurance and the other regulated entities of the Phoenix group; Yonel Cohen will (personally) serve as the chairman of the board of Phoenix Holdings Phoenix Insurance and will additionally serve as a member of the Nostro Investment Committee and as a director in the other regulated entities in the Phoenix group; all investments of the regulated entities in assets outside of Israel, excluding the acquisition of publicly traded securities, may only be performed subject to the approval of the board or the audit committee; Yonel will receive certain veto rights, including with respect to interested party transactions with Yango, The agreement additionally sets out arrangements in connection to future requirements for additional funding in Phoenix Holdings, in the even that such requirements arise.

3. Yonel undertakes not to sell his shares in the controlling core for a period commencing on the date of the consummation of the transaction and ending 15 years after the consummation of the transaction, at the end of which an agreed mechanism is set for a mutual sale. The agreement additionally provides Yonel with a tag along right if Yango sells its shares in the controlling core.
4. The agreement is subject to the to the consummation of the Share Purchase Agreement and to the obtainment of all regulatory approvals required for Yonel to join the controlling core in Phoenix Holdings, which include the obtainment of a control permit from the Commissioner of Capital Markets, Insurance and Savings.