



Delek Subsidiary IDE to Establish Sea Water Desalination Plant in China

Tel Aviv, June 10th, 2007. Delek Group (TASE: DLEKG) the Company is announcing that IDE Technologies Ltd. (here in after 'IDE') signed an agreement on June 8th 2007, to establish a sea water desalination plant in China, for a local energy company. Size of the transaction is approximately \$119 million.

IDE is held 50% by the Delek Group.

About IDE Technologies Ltd.

IDE Technologies Ltd. is a pioneer and leader in delivering sophisticated water solutions. IDE develops, designs, installs and maintains environmentally-friendly and economical plants for saline water desalination, industrial streams purification and effluent concentration. IDE's product line also includes a range of heat pumps and ice machines.

Since its inception in 1965, IDE has installed over 360 plants of various technologies and capacities in approximately 40 countries.

About Delek Group Ltd.

The Delek Group is one of the leading and most prominent and dynamic investment groups in Israel.

The Delek Group is diversified into the following three major subsidiaries:

- Delek Petroleum, with its two subsidiaries: Delek Israel, a gasoline and lubricants distributor in Israel, and Delek USA (NYSE), which operates gas stations and convenience stores and a oil refinery in Southern United States.
- Delek Investments and Properties, a holding company with subsidiaries in the energy, infrastructure, automotive, finance and media sectors.
- Delek Real Estate, through its subsidiaries Dankner and Delek Belron Investments, owns and manages prime global real-estate investments.

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