



Delek Group Announces Board Approvals of Management Compensation

Tel Aviv, July 5, 2007, Delek Group (TASE: DLEKG) (hereinafter: the "Company" or the "Group") released today two announcements to the Tel Aviv Stock Exchange. The following summarizes the highlights of both announcements.

On July 4, 2007 the Company's Board of Directors approved several transactions outlined below. These transactions have been approved by the Company's audit committee, on July 3, 2007, and are subject to the approval of the General Assembly.

1. The granting of a NIS 1.2 million annual bonus for 2006 to the Chairman of the Board of the Company (hereinafter: the "Chairman"), Mr. Gabriel Last.
2. The extension of the loan granted to the Chairman, Mr. Gabriel Last, on August 4, 2004, to the amount of NIS 4.4 million. The loan, currently valued at NIS 5.08 million, is due for repayment on August 4, 2007. The loan was extended for an additional 3 years under the same terms: A recourse loan bearing annual interest of 4%, linked to the Israeli Consumer Price Index (CPI), for the purpose of purchasing shares of the Group's companies.
3. The granting of a NIS 300,000 bonus to the director, Mr. M. Amit, under his role as Chairman of Delek – the Israel Fuel Corp. (an indirectly held subsidiary of the Company). The approval of the bonus was brought before the Audit Committee and Board of Directors since Mr. Amit also serves as a director in the Company, and will therefore also subject to the approval the General Assembly.

During the next few days the Company will convene a General Meeting (hereinafter: the "Meeting"). The Meeting agenda will include, among other things, the approval of the above noted transactions. The company will issue an immediate report announcing the convening of the Meeting, which will include details regarding the above noted transactions, based on the Israel Security Authorities' regulations regarding the compensation of senior executives.

The following transactions were also approved by the Company's Board of Directors and Audit Committee and are not subject to the approval of the General Assembly.

1. Granting of Bonuses
 - a. Granting a NIS 1.55 million bonus for 2006 to the Company's CEO, Mr. Assy Bartfeld
 - b. Granting a NIS 0.87 million bonus for 2006 to the Company's deputy CEO and CFO, Mr. Alan Gelman
2. Company Loans to Officers
 - a. Granting a \$1.25 million non-recourse loan to the Company's deputy CEO and CFO, Mr. Alan Gelman, adjacent to his initial employment, as outlined in his employment contract
 - b. Granting a \$0.50 million non-recourse loan to the Company's VP Strategy, Ms. Lisa Haimovich.

Both loans are for a period of 3 years, bearing an annual interest of 4%, linked to the CPI. The loans were granted for the purpose of acquiring shares in the Group's companies. In the instance that the said shares are sold, the proceeds on the sale will first go towards the repayment of the loan. In the instance whereby the position-holder terminates his role before the loans maturity, the position-holder will be required to repay the loan.
3. Transaction with Officer with respect to the sale of shares in a Company subsidiary:

The Company's CEO, Mr. Assy Bartfeld, will acquire (by 30th September 2007) from the Company 0.2% of the shares of IDE Technologies Ltd. (hereinafter: "IDE"), in which the Company indirectly

holds 50%, and in which Mr. Bartfeld serves as a director, for a total of \$800,000. The Company will grant a non-recourse loan of \$ 800,000 to the Company's CEO, for a period of 3 years (or the end of his term as Company CEO, whichever the earlier), bearing an annual interest rate of 4%, linked to the CPI.

About The Delek Group

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 an 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.

Contact

Dalia Black

Head of Investor Relations

Delek Group

Tel: +972 9 863 8444

Email: black_d@delek.co.il

Kenny Green/Ehud Helft

International Investor Relations

GK Investor Relations

Tel: (US) 1 866 704 6710 / (UK) 0871 474 1218

E-mail: kenny@gk-biz.com