



## Delek US to Increase Investment in Lion Oil Co.

**Tel Aviv, August 23, 2007. Delek Group (DLKG.TA)** announces that following the press release from 16 July 2007, that Delek US Holdings Inc., ("Delek US"), a subsidiary of the Company, announced yesterday in the evening hours (US time), that it had signed an agreement to acquire additional Lion Oil shares equal to an interest of approximately 6.24%. Lion Oil is a privately held company, owns and operates a 75,000 barrel per day, high conversion crude oil refinery in El Dorado, Arkansas. Following completion of the transaction, Delek's total equity interest in Lion Oil will increase to approximately 35%. Total cash to be paid for the additional interest is approximately \$23 million. The transaction is subject to customary closing conditions and governmental approvals and is anticipated to close during the third quarter of this year.

Delek US, also announced that it has completed the acquisition of a 28.34% interest in Lion Oil. Total cash paid to the selling shareholders by Delek US was approximately \$65.4 million in the aggregate. As part of the transaction, Delek US also issued 1,916,667 shares of its common stock, or 3.7% of its issued and outstanding shares, to TransMontaigne Inc., a wholly-owned subsidiary of Morgan Stanley Capital Group Inc. Following the above mentioned allocation, the Company will hold indirectly 74% of the share capital of Delek US and the estimate of the expected profit at this stage (based on the financials statements of Delek US, correct as of 30 June 2007 and other estimations) will be a range of between NIS110 – 125 million

### **About The Delek Group**

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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, 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.

### **Contact**

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