



## **Delek Confirms Subsidiary Holding Preliminary Discussions for Sale of Republic**

**Tel Aviv, February 18, 2009. Delek Group (TASE: DLEKG) (the "Company")** announced today that, in response to the publication in the Israeli media, the Company announced that on February 3, 2009, the Company's wholly-owned foreign subsidiary, Delek Finance US Inc, signed a non-binding Term Sheet with a third party to review the possibility of a transaction for the sale of its entire shareholding in Republic Companies Inc. ("Republic").

The third party has initiated preliminary due diligence and, if a full due diligence process will take place, it is estimated that it will be possible to both complete the review and define the terms of the transaction within two months.

The consideration has yet to be determined, however will probably be based on a formula taking into account Republic's shareholders' equity in addition to modifications to be defined between the parties.

There is no certainty that the negotiations between the parties will lead to a binding transaction.

### **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:DK), 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**

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