

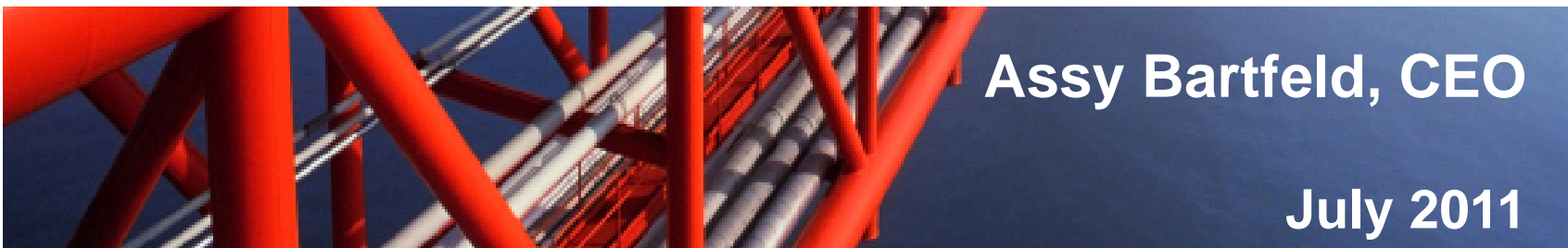
TASE Israel Opportunity Conference London



Delek Group



Delek Group



Assy Bartfeld, CEO

July 2011

This presentation has been prepared by Delek Group Ltd (“Delek” or “the Group”) and is provided to you solely for your information and is not to be copied or distributed to any other person. This presentation does not purport to be all-inclusive or to contain all of the information that may be relevant in making any decision concerning an investment in the securities of the Delek Group or any company in the Group.

No representation or warranty, express or implied, is made by any person as to the accuracy or completeness of any of the information contained herein. In particular, no representation or warranty is given as to the achievement or reasonableness of any forecasts about the future prospects of the Delek Group or any company in the Group.

This presentation does not constitute an offer or invitation to purchase or subscribe for any securities, and neither this presentation nor anything contained herein shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

Balanced Portfolio of World-Class Assets

- One of Israel's largest corporations, approx \$3 bn market cap and approx. \$7 bn enterprise value
- Listed on TASE and included in the TA-25 index
- Evolved from Israeli fuel retailer in 1951 to global energy and infrastructure group
- Experienced management team with a proven track record of value creation

Energy & Infrastructure

Upstream



Downstream



Infrastructure



Financial Services & Other

Insurance / Finance



Automotive



Liquid / Financial Investments



Energy & Infrastructure Portfolio*



**Oil & Gas
Exploration &
Production**

Israel
Delek Energy
[79.9%]

Delek Drilling
[71.7%]□

**Avner Oil & Gas
Exploration**
[60.9%]□



**Gas Stations,
Convenience
Stores & Marketing**

US
Delek US [73.0%]◇

Israel
Delek Israel
[77.2%]

UK
Road Chef [100%]

Europe
Delek Europe
[80%]



Oil Refining

US
Delek US [73.0%]◇



**Independent
Power Plants**

Israel
IPP [100 %]



**Water
Desalination**

Global
IDE Tech. [49.8%]

* The data is correct as of March 31, 2011
□ Cumulative holdings of Delek Group (direct and indirect)
◇ As of April 29, 2011, Delek Group's holdings in Delek US was 69%

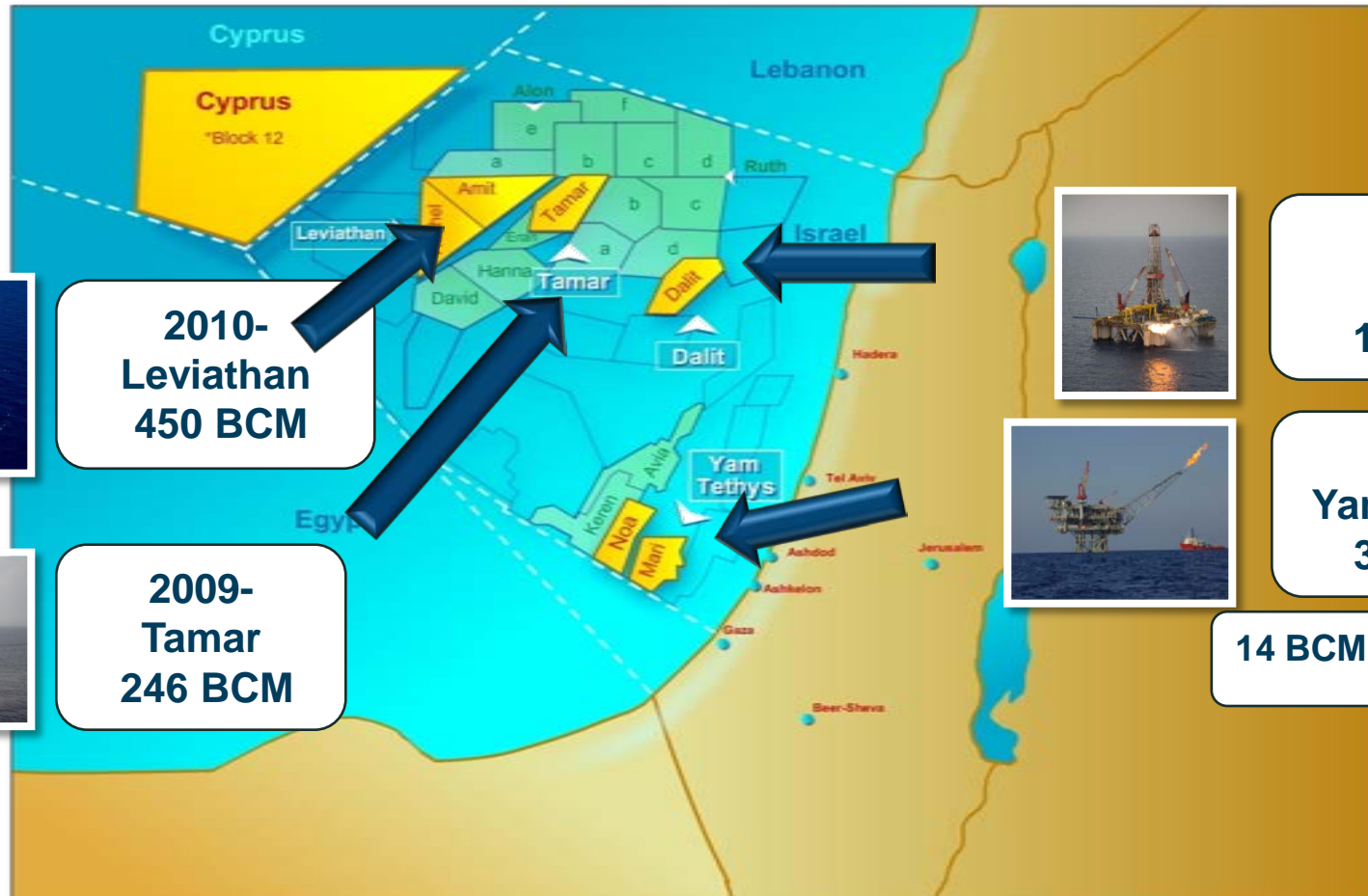


Energy & Infrastructure

Full power. From exploration to energy.

Development of Israel's Natural Gas Resources

Map of Delek Drilling and Avner rights in the Levantine Basin – Illustration**

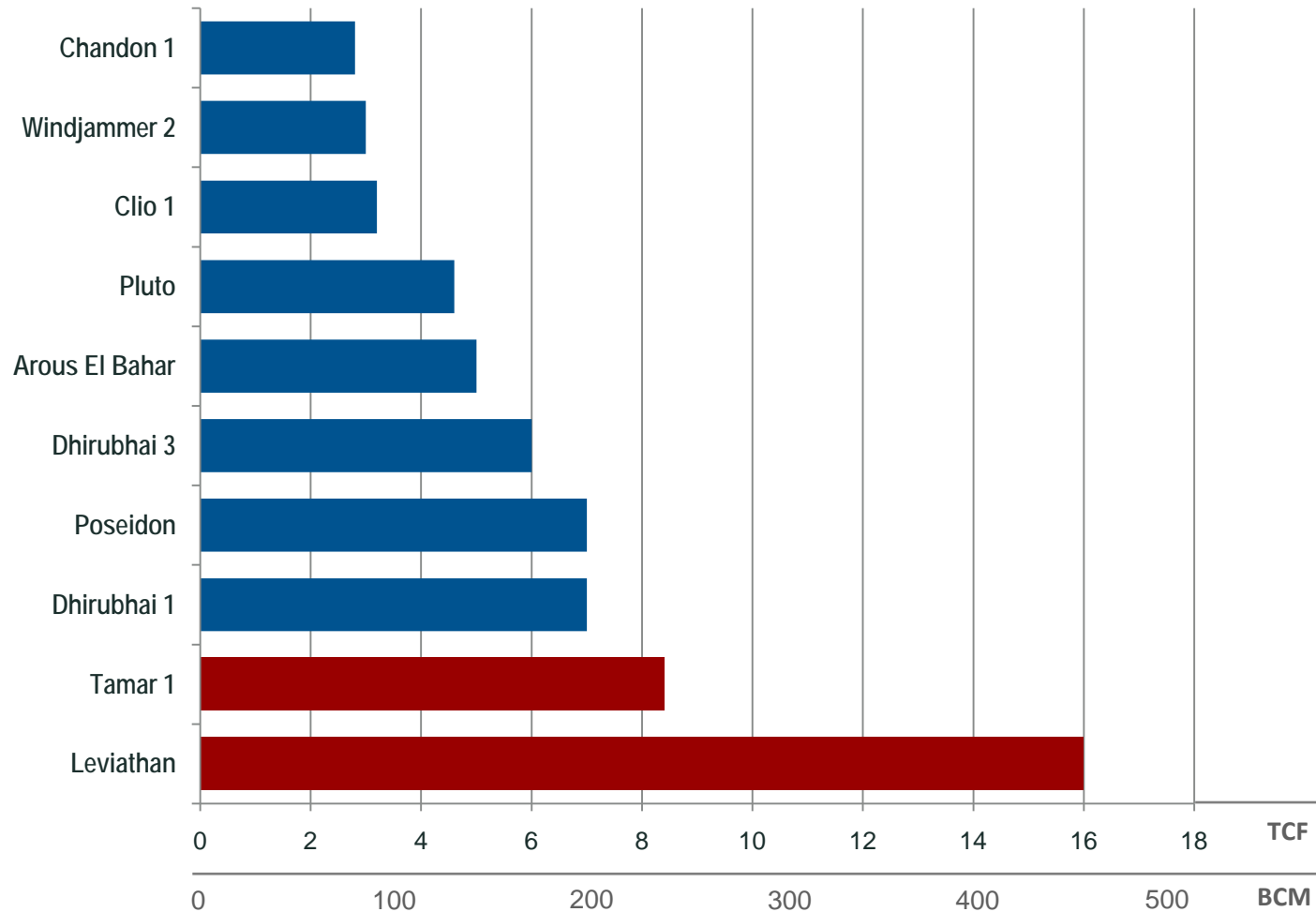


*Delek Drilling and Avner are in the process of receiving rights in Cyprus Block 12

**Reserves correct as of 31.12.2010, according to Netherland and Sewell & Associates, Inc.

Largest Gas Discoveries in the World in Last Decade

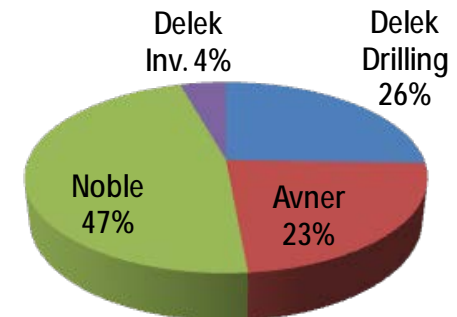
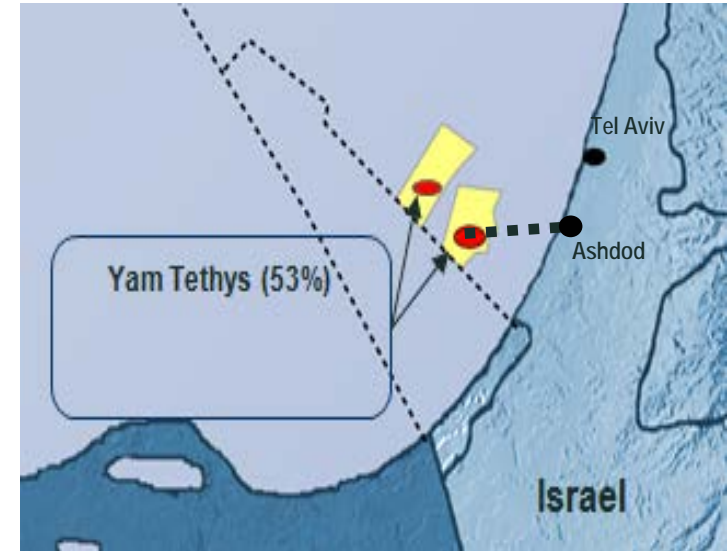
Top 10 Deepwater Gas Discoveries 2001-2010



(1) Sourced from IHS-EDIN database. Filtered for non-associated gas fields, water depth greater than 1000 ft and discovery date from 2001-2010.

Yam-Tethys – Sole Domestic Gas Producer

- Discovered in 1999; first gas - 2004
- Delek Group holds controlling stake of approx. 53% in Yam Tethys
- Israel's sole producing gas asset
- Israel Electric Company's largest natural gas supplier
- Low cost, high margin operations
- Potential to convert Mari-B into an operational and strategic gas storage facility post-depletion



2P Reserves: 0.506 TCF** (14.32 BCM)

*Correct as of June 2011

**Note: Reserves are correct as of 31.12.2010, according to Netherland and Sewell & Associates, Inc.

Tamar – Significant Near-Term Development

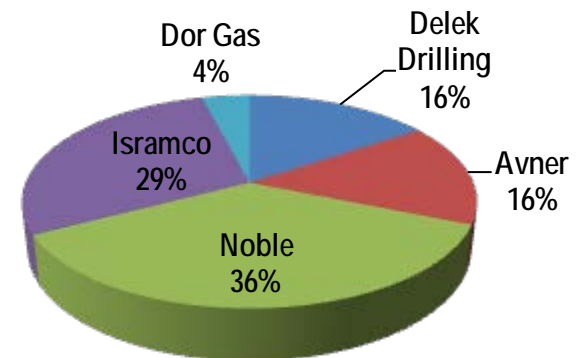
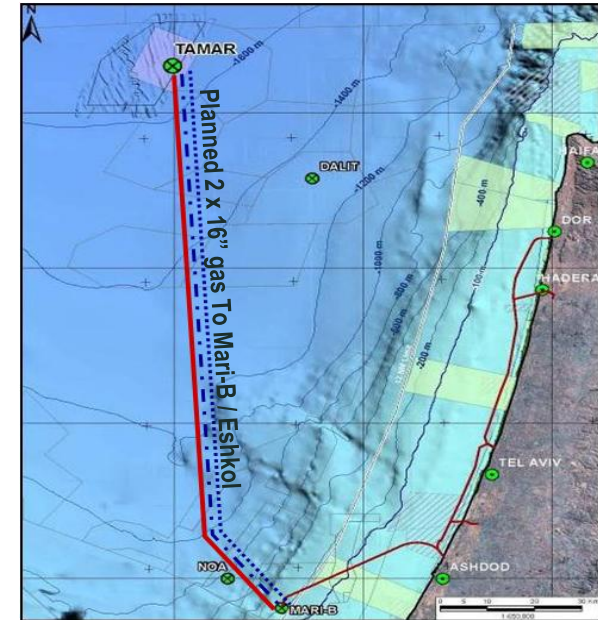
Potential to supply entire local gas demand for over 20 years

- Discovered in 2009 with first production expected in H1 2013
- Delek Group holds controlling stake of approx. 31% in Tamar
- Development budget - \$3.06 billion

2C Reserves: 8.7 TCF** (246.35 BCM)

*Correct as of June, 2011

**Note: Reserves are correct as of 31.12.2010, according to Netherland and Sewell & Associates, Inc.

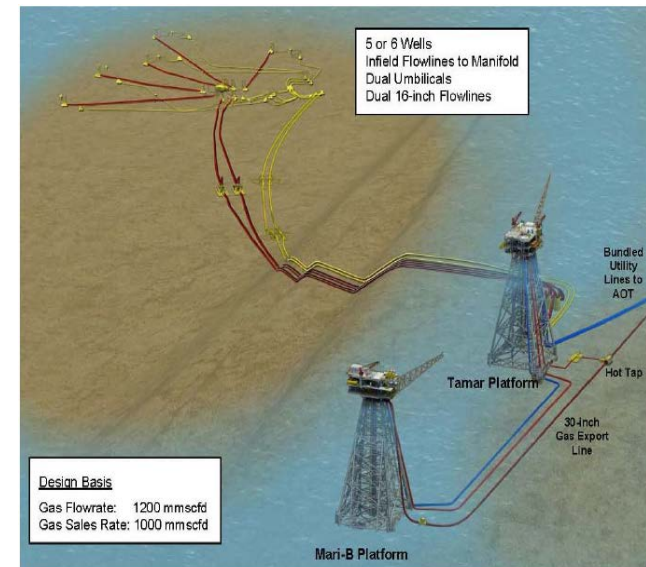


Tamar Development



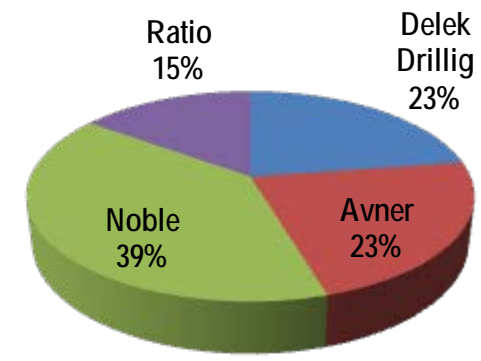
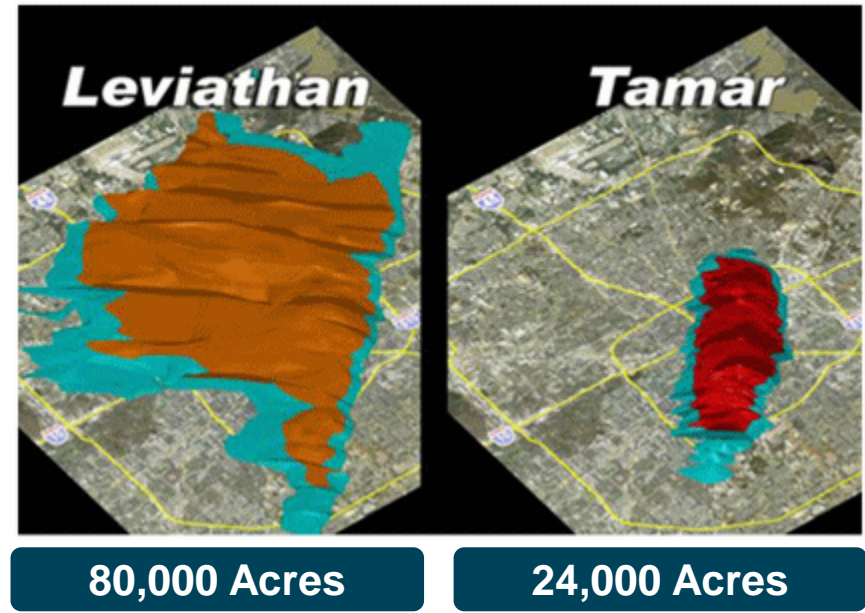
Delek Group

- 5 subsea wells (200 to 250 Mmcf/d each)
- Production will be gathered at the field and delivered via Dual 16" flow lines
- **New platform** will be constructed adjacent to the existing Mari-B structure
- The Tamar platform will tie into the existing 30" pipeline that delivers natural gas to the Ashdod onshore receiving terminal
- Initial processing capacity up to 1.0 bcf/d (~10BCM per year).
- The project development program includes **gas injection, storage and withdrawal** in the Mari-B reservoir



Leviathan – Largest Discovery in a Decade

- Leviathan Discovery in 2010
- 2C Resources: 16TCF** (450.26BCM)
- 3C Resources: 21.1TCF** (596.95BCM)
- Delek Group holds controlling stake of approx. 45% in Leviathan
- Potential for oil in:
 - Oligocene prospect
 - Lower Cretaceous prospect
- Leviathan 3 appraisal well currently underway



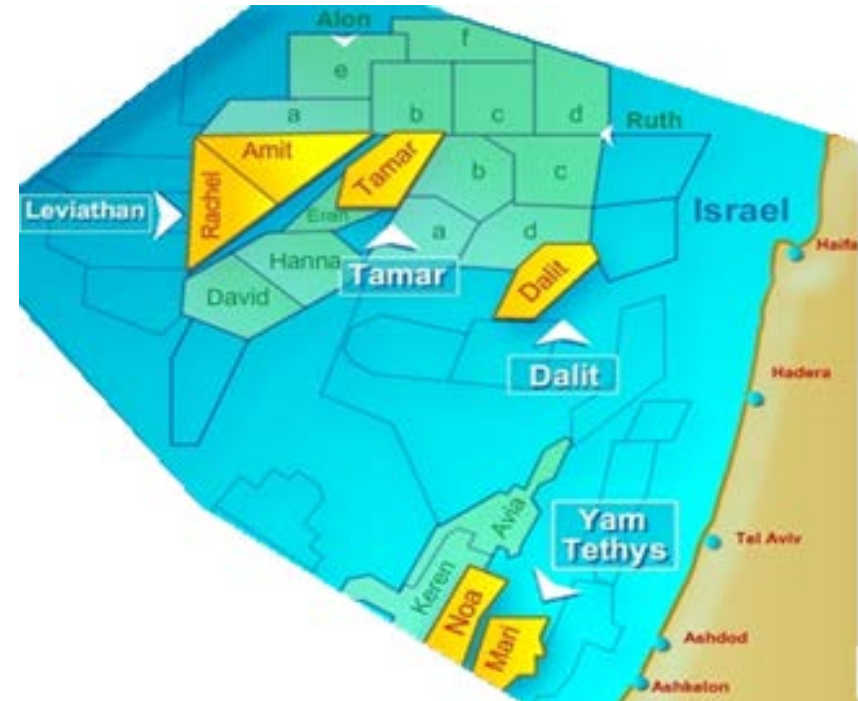
*Correct as of June, 2011

**Note: Reserves are correct as of 31.12.2010, according to Netherland and Sewell & Associates, Inc.

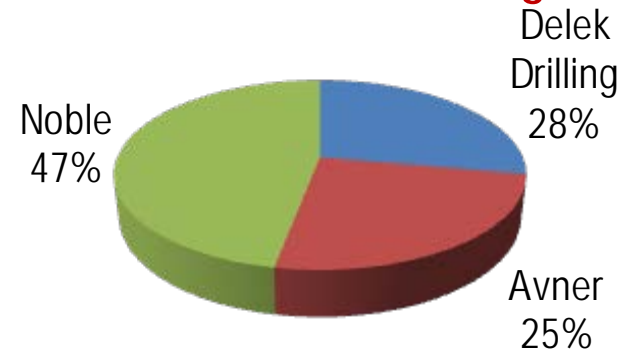
Significant Opportunity in the Levantine Basin



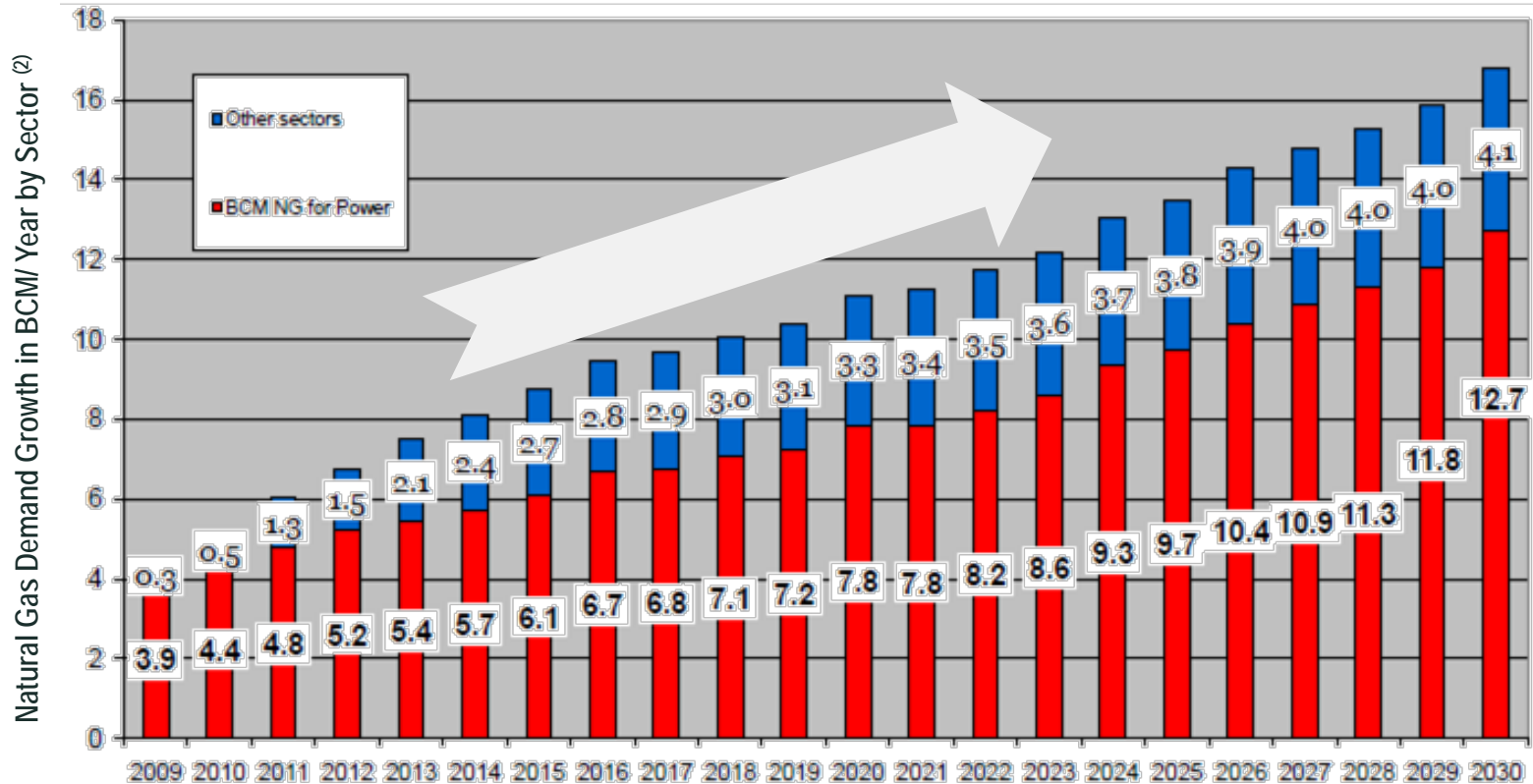
- Delek has 15 additional offshore Licenses
- Total acreage of 5,800 square km
- Prospects with potential of 14 TCF of natural gas were identified in the Noble/Delek acreage in Levantine Basin



Ruth & Alon Holdings



Long-Term Gas Demand Driven by Power & Industrial Usage



(2) Source: Ministry of Infrastructure Natural Gas Demand Forecast 2009-2030

Strong and Well Established International Retail Network

Delek US

United States: 474 Stations



- Top 3 player in core markets
- Refining capacity of 140K BPD in Tyler, Texas and El Dorada, Arkansas



Delek Europe

Benelux and France: 1,250 Stations



- Recent acquisitions
- A top player in each market



RoadChef

UK: 19 Motorway Service Stations



- Leading UK motorway service station operator
- Investing in capex



Delek Israel

Israel: 244 Stations



- 23% market share and #2 position⁽¹⁾



(1) Israel market share based on number of stores.

- Leader in water desalination technologies
- Over 400 plants in over 40 countries
- Industry leading position in accessible markets e.g. China
- Commercialized technologies to produce solutions for adjacent markets (e.g. snow machines)
- Delek Group holds 50%, Israel Chemicals holds the other 50%

Selected Projects

Tianjin, capacity of 200,000 m³/day
China's largest MED desalination facility



Hadera, Israel capacity of 127 million m³/year
The world's largest operating SWRO facility⁽¹⁾



⁽¹⁾ In accessible markets only.

IPP - Niche Power Generation Portfolio

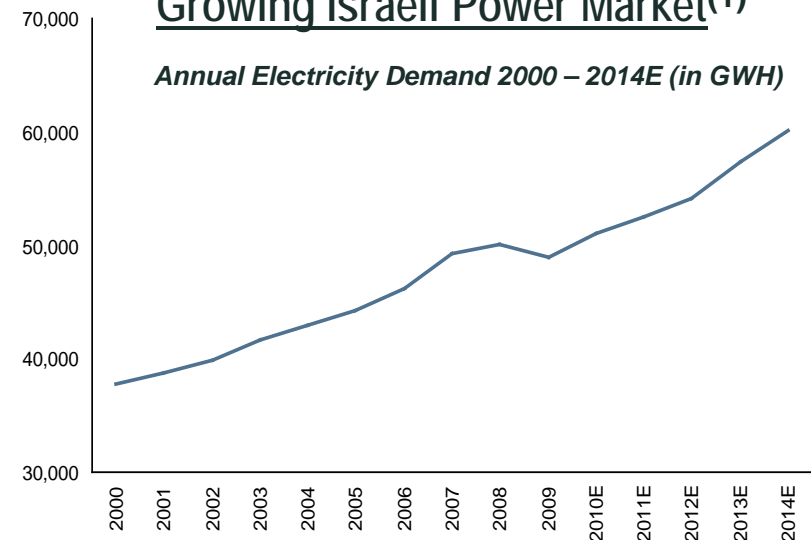
- Strong growth in Israeli electricity demand: expected CAGR of 4.2% between 2010 and 2014
- Capacity stretched in Israel: State encouraging IPP activity
- Delek IPP Israel's first independent power producer with 87 MW plant completed in 2008
- Well positioned with backlog of 4 IPP projects underway with total generation capacity of 450MW
- Strong anchor customers including desalination plants and leading industrials

(1) Source; Israel Electric Company

Assets Under Development

| | Delek's Interest | Gross Capacity | Operational start date |
|----------------------|------------------|----------------|------------------------|
| Ramat Gabriel | 57% | 55 MW | Q313 |
| Alon Tavor | 57% | 55 MW | Q313 |
| Eshkol Gatt | 84% | 240MW | Q214 |
| Sorek | 100% | [100-130MW] | Q115 |

Growing Israeli Power Market⁽¹⁾

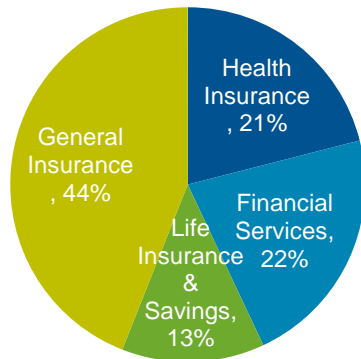




Financial Services and Other | Leading the market and cash flow generating assets.

The Phoenix Holdings - *in Israel*

Business Mix ⁽¹⁾

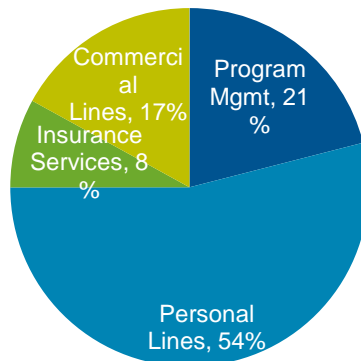


- A top 5 insurance group in Israel
- New management team in 2009 managing profit oriented strategy
- Market share; 16% in Life Insurance & 21% Health Insurance⁽³⁾
- 78% holding in Excellence – one of Israel’s strongest investment houses
- Potential for strong synergetic growth
- Embedded Value of NIS 5.2 billion as of 31.12.2010

Ownership: 55%

Republic Companies, Inc. - *in the United States*

Business Mix ⁽²⁾



- Property and casualty insurer focused in 7 South-Western States
- 8 insurance companies with licenses in 43 States
- Targeting under served markets e.g. hole-in-one insurance
- Expanding within states to reduce weather related risks
- Niche business with large growth potential

Ownership: 100%

Note:

(1) Phoenix Business Mix based on 9m10 profit contribution.

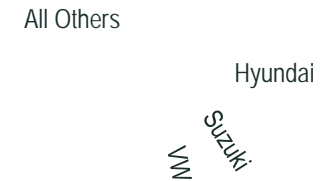
(2) Republic Business Mix based on 6Yr average GWP from 2004-2009.

(3) Market share correct to September 30th 2010

Automotive Import

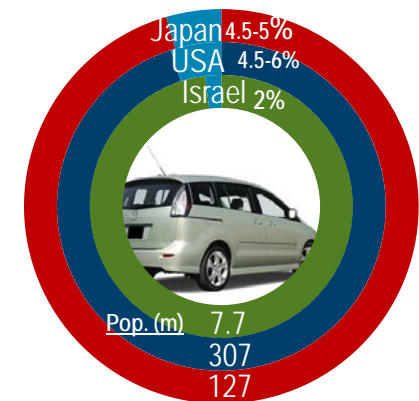
- Delek Automotive Systems is Israel's leading vehicle importer since 1995
- Sole importer & distributor of Mazda & Ford
 - Mazda is a leading brand in Israel for many years
 - Ford is a leading selling European vehicle since 2002
- Market share of 16% in Q1 2011
- Potential for long term growth:
 - Israel far under penetrated
 - Constantly increasing average vehicle age
 - Upcoming new models of Ford Explorer & Ford Focus

#1 Market Share: 16%*



Ownership: 33%

New Car Purchases out of Population**



*Ministry of Transport data, March 2011

**Delek Automotive Estimates & Automotive News

Aim to expand leadership through new models and maturing Israeli market

Delek at a Glance
Business Unit Strategy

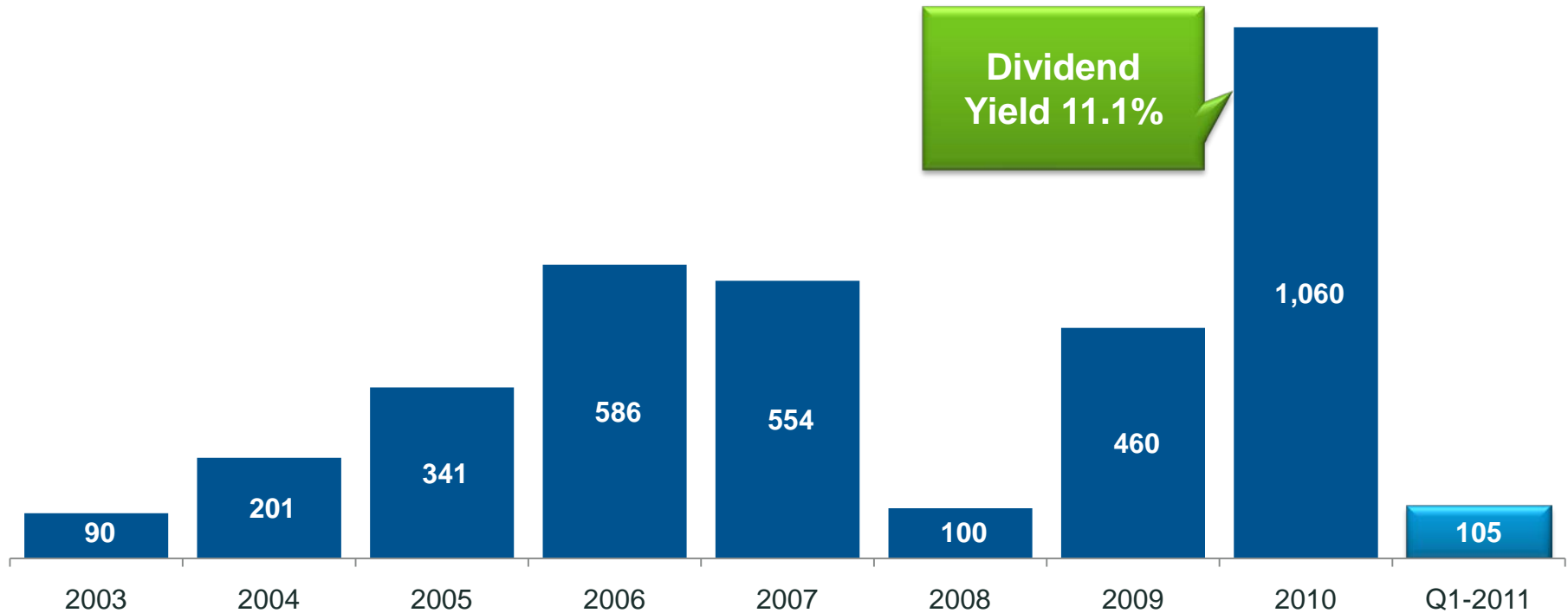
Equity Story

Financials



Long-Term Dividend Growth

Dividend declared per year in NIS millions



Company's policy is to share rewards of performance with shareholders;
On average, around half of net profits are distributed as dividends

Net Income According to Contribution by Sector

| <i>Unit: NIS million</i> | Q1 2011 | Q1 2010 | 2010 |
|--|------------|------------|--------------|
| Oil and Gas Exploration | 79 | 30 | 64 |
| US Fuel Sector Operations | 64 | (42) | (213) |
| Delek Europe | (5) | 16 | 69 |
| Israeli Fuel Sector Operations | 12 | 24 | 48 |
| Motorway service area operations in the UK | (22) | - | - |
| Insurance and Financial Operations | 75 | 95 | 188 |
| Automotive operations | 32 | 94 | 195 |
| Others and Capital Gains | (25) | (12) | 1,350 |
| Net Income | 210 | 205 | 1,701 |



Delek Group – Proven Track Record of Success

Pioneer in the Israeli natural gas industry with a world-class E&P asset portfolio

Well established and scalable international presence in retail fuels marketing

Portfolio of high quality, cash-generative non-energy businesses, supporting attractive dividend policy

Highly experienced management team with a demonstrated ability to execute large-scale projects

Thank you

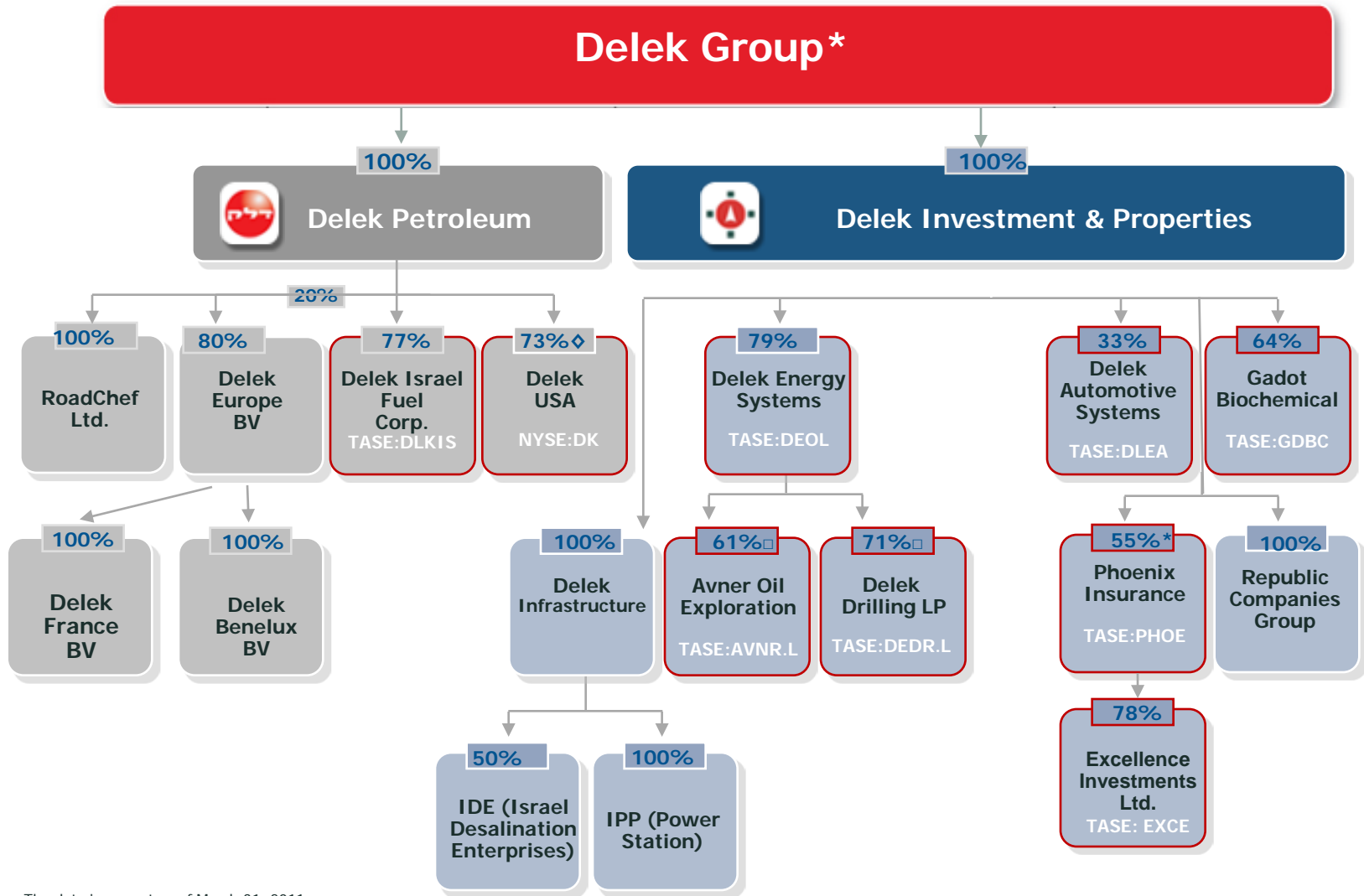
Contact Us

Dalia Black / Dina Vince
Email: investor@delek.co.il
Tel: +972 9 863 8444
www.delek-group.com



Appendix

Major Holdings in Delek Group



* The data is correct as of March 31, 2011
 □ Cumulative holdings of Delek Group (direct and indirect)
 ◇ As of April 29, 2011, Delek Group's holdings in Delek US was 69%
 Public companies