



Sirius International Insurance Group Notifies Delek Group of option exercise to acquire all of its holdings in The Phoenix - The Transaction is subject to Regulatory approval

Hamilton, Bermuda, November 27, 2017 - On September 14th 2017, Sirius International Insurance Group, Ltd. signed an agreement with Delek Group for the acquisition of 4.9% of The Phoenix Holdings Ltd. for NIS 208 million and received an option to acquire all of Delek Group's remaining holdings (47.35%) in The Phoenix. Sirius today announced that it has exercised its call option to purchase all of Delek's remaining shares in The Phoenix for another NIS 2.3 billion, subject to regulatory approvals of the transaction.

Allan Waters, CEO of Sirius International Insurance Group, today said, "Sirius has completed its due diligence investigation of The Phoenix and is delighted that it was found to be a good fit with Sirius Group's business. The Phoenix is one of Israel's leading insurance and services companies. Through it, Sirius will be able to offer new products to the Israeli market, receive access to Israel's world-class technology center and the opportunity to develop insurance technology solutions, enhance its financial results, and protect the interests of the Israeli public insured by the company."

Mr. Waters added, "Sirius is under strict regulatory oversight in all of the global markets in which it operates, including Bermuda, New York, the UK, Sweden, Singapore and others. We are confident in the sophistication of the Israeli regulatory system and we look forward to receiving approval for the acquisition of control. We intend to cooperate fully and transparently with the Israeli regulators, as we do with regulators around the world."

As part of the agreement, Sirius conducted a due diligence investigation of The Phoenix, at the end of which it informed Delek Group of its exercise of the call option to purchase all of Delek's remaining shares in The Phoenix (47.35%) for an additional cash sum of NIS 2.3 billion.

It is also important to note that in accordance with the agreement, Sirius has submitted all regulatory applications, filings and notices to the Israeli Commissioner of the Capital Markets, Insurance and Savings, Insurance Agencies Division, the Israel Securities Authority, the Tel Aviv Stock Exchange and the Israeli Antitrust Commissioner in connection with the proposed change of control of The Phoenix Holdings Ltd. and certain of its direct and indirect regulated group entities.

As Sirius undertook, the applications were filed 45 days after the date it signed the binding agreement with Delek Group.

Sirius is represented in Israel by Dr. Ornit Kravitz, and attorneys Doni Toledano, Roy Caner and Lior Oren of Erdinast, Ben Nathan, Toledano & Co.



About Sirius International Insurance Group:

Sirius is a 72-year-old global (re)insurance company. It was founded in 1945 in Stockholm, Sweden, with its corporate headquarters in Hamilton, Bermuda. Sirius Group has \$2.8 billion of GAAP capital and wrote \$1.3 billion of premiums in 2016 of which \$435 million were related to Accident & Health. Its largest offices are in Stockholm, New York City and London. The company's operations are carried out from 12 global offices run by local managers with deep experience in the insurance industry.

Sirius is globally licensed and overseen by the following regulatory bodies (among others):

- Bermuda Monetary Authority
- New York Department of Financial Services
- Swedish Financial Services Authority
- United Kingdom Prudential Regulatory Authority
- Monetary Authority of Singapore
- Hong Kong Commissioner of Insurance.
- Australia Prudential Regulatory Authority
- Insurance Department of Tennessee

Sirius has significant experience in insurance and a history of strong regulatory oversight. The company has a strong corporate governance structure. Board and governance structures are consistent with that of a public company and take place at the Sirius International Insurance Group, Ltd. entity level.

The company has over 7,000 treaties and accounts with over 2,000 clients in 140+ countries. It has a unique global reinsurance and specialty platform, with a strong presence in the U.S. (49% of net premiums) and Europe (28%). Sirius recently expanded its direct specialty focus (particularly A&H) with two strategic acquisitions in 2017 (ArmadaGlobal and IMG).

The company's global credibility with rating agencies - is reflected in its financial strength ratings:

- | | |
|---------------------|---------------------|
| • Standard & Poor's | A-, stable outlook |
| • A.M. Best | A, negative outlook |
| • Fitch | A-, stable outlook |

Additional information is available at Sirius Group's website located at www.siriusgroup.com.

For questions regarding this announcement, please contact Kip Oberting, Chief Financial Officer, Sirius International Insurance Group, Ltd. +1 (603) 277-3415