Energy for the Next Cycle

Delek US

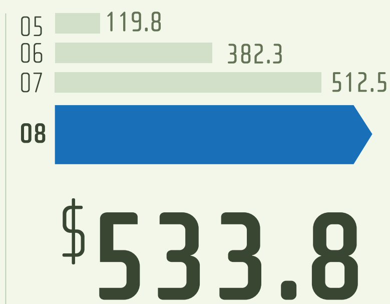
2008 Annual Report

Who We Are

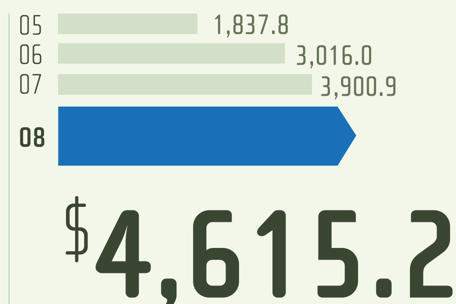
Delek US Holdings (NYSE: DK) is a diversified energy business focused on petroleum refining, wholesale sales of refined products and retail marketing. Our business consists of three operating segments: refining, marketing and retail. Our refining segment operates a 60,000 barrels per day ("bpd") high conversion, moderate complexity, independent refinery in Tyler, Texas. Our marketing segment sells refined products on a wholesale basis in west Texas through company-owned and third party-operated terminals. Our retail segment markets gasoline, diesel, other refined petroleum products and convenience merchandise through a network of company-operated retail fuel and convenience stores located in Alabama, Arkansas, Georgia, Kentucky, Louisiana, Mississippi, Tennessee and Virginia. We also own a 34.6 percent minority equity interest in Lion Oil Company, a privately held Arkansas corporation, which owns and operates a moderate conversion, independent refinery with a design crude distillation capacity of 75,000 barrels per day, and other pipeline and product terminals. The refinery is located in the city of El Dorado.

Delek US: Geographic Footprint

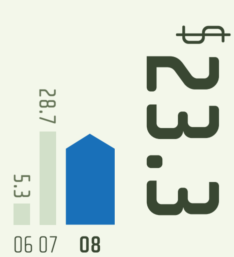
Financial Highlights



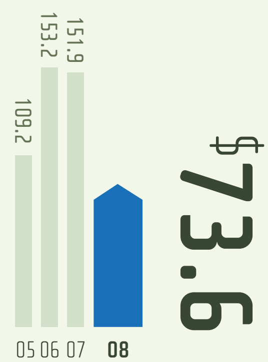
Stockholders' Equity
(in millions)



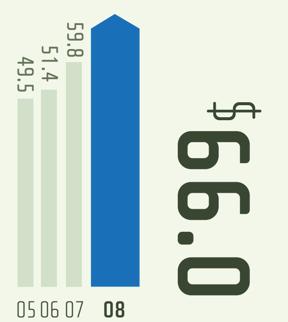
Net Sales [1, 2, 3, 4]
(in millions)



Marketing Contribution Margin [3]
(in millions)



Refining Contribution Margin [2, 4]
(in millions)



Retail Contribution Margin [1]
(in millions)

[1] Retail operating results for 2007 and 2006 have been restated to reflect the reclassification of Virginia stores to discontinued operations.

[2] Refinery segment operating results reflect certain reclassifications made to conform prior year balances to current year financial statement presentation. Sales of intermediate feedstocks have been reclassified to net sales, which had previously been presented on a net basis in cost of goods sold. Certain pipeline expenses previously presented in cost of goods sold have been reclassified to operating expenses, general and administrative expenses and depreciation. These reclassifications had no effect on either net income or shareholders' equity, as previously reported.

[3] Effective August 1, 2006, marketing operations were initiated in conjunction with the acquisition of the Pride assets.

[4] Effective April 29, 2005, we completed the acquisition of the Tyler refinery and related assets. We operated the refinery for 247 days in 2005. The results of operations of the Tyler refinery and related assets are included in our financial results from the date of acquisition.

To Our Stakeholders:

Many of us will remember 2008 as a year characterized by macroeconomic and industry-specific challenges of historic proportion, but also as a time during which Delek US further solidified its position as one of the more attractive long-term opportunities in the downstream energy markets. Our Company managed to maintain profitability for the sixth consecutive year in 2008, despite facing the "perfect storm" of commodity price volatility, tight credit markets and a cautious consumer spending environment.

Ezra Uzi Yemin
President &
Chief Executive Officer

It has been said that opportunity is often most plentiful when the consensus believes conditions are most bleak. We agree. Since 2001, Delek US has engaged in a series of calculated, often contrarian investments in distressed, undervalued assets. Today, these assets – each of which reported positive contribution margin in 2008 – form the basis of our refining, marketing and retail segments. Clearly, the tangible benefits of our diversified downstream model were crucial to our continued success during 2008, even as the U.S. economy slipped into recession.

Over time, every industry will experience its share of cyclical peaks and troughs – recessions followed by recoveries followed by growth spurts, and so on. At Delek US, we not only expect such cyclical change – we prepare for it. Over the years, our diversified model has positioned us to both capitalize on favorable sector trends while carefully managing sector risk across a broad array of customers and markets. In so doing, we have created an investment vehicle that allows investors to participate in multiple emerging-growth ventures, while also partitioning industry risk at the subsidiary level.

Entering 2009, we remain committed to seizing strategic opportunities without compromising balance sheet discipline. When we employ capital for reinvestment in the business, it will be for projects that are anticipated to have a direct positive impact on profitability. Although our industry may not be immune to the challenges facing the U.S. economy in the coming year, we remain committed to managing the business with an emphasis on disciplined cost management, operational execution and profitable growth.

The Year in Review

Between late 2005 and 2007, the U.S. refining complex experienced a cyclical "bull" market characterized by steady, upward-trending product demand and limited refining capacity additions. This cycle ended in 2008, as the price of crude oil and other commodities increased dramatically to record levels during the course of the year, reaching a peak during the mid-summer. As the primary cost for a refinery, the escalation in crude prices had a significant negative impact on profitablity.

Beginning in August, crude prices began to reverse course, ending a trend of steady price escalation that started in the first quarter 2007. The sharp decline in crude prices, in addition to the return of a contango market structure, helped support refining margins entering 2009.

For the better part of 2008, benchmark refining margins were supported by a higher distillate margin that was partially offset by a marginally depressed gasoline margin. Unfortunately, higher crude oil prices in the first half of 2008 weighed heavily on the 5-3-2 Gulf Coast benchmark crack spread, driving the full-year crack spread lower when compared with the prior year.

For our retail segment, 2008 was a record year. With 458 convenience stores in operation at year-end, of which more than half are located on Company-owned property, MAPCO Express® remains one of the largest convenience store operators in the United States. In addition to our size, our concentration in key markets throughout the southeastern United States remains a key competitive advantage, allowing us to realize significant economies of scale and a higher degree of operational efficiency over smaller operators in what continues to be a highly fragmented industry.

Our retail segment contribution margin increased to a record level in 2008, in large part due to strong fuel margins at the pump. We achieved these results in spite of a number of macro-related challenges, including record-high retail fuel prices, a generally weaker discretionary spending environment, and hurricane-related supply shortages that impacted the industry during the early fall.

Finally, at our marketing and supply segment, it was generally business as usual during 2008, which – in the volatile operating environment we experienced – was a good thing. With minimal capital requirements and relatively fixed costs, marketing and supply remains a key component of our long-term downstream model.

Planning for the Future

Entering 2009, our Board of Directors has established a number of strategic initiatives, some of which are near term in nature, and others of which will be longer-term objectives for us to achieve over a multi-year period.

At Delek Refining, our primary near-term objective is to facilitate a safe, timely restart of the Tyler refinery. Leading up to the restart, our attention will be focused on the completion of several capital projects intended to enhance the profitability of Tyler, going forward.

Our Tyler refinery has been offline since November 20, 2008, following a fire that occurred in the vicinity of the Saturates Gas Unit. We expect our insurance will cover the bulk of reconstruction costs, in addition to lost revenue and related expenses while we are offline. We intend to complete a rebuild of the fire-affected units, in addition to two major capital projects whose schedules have been moved up from the fourth quarter 2009 to the first half of the year, thereby allowing us to make the most of the unscheduled downtime.

Remembering November 20, 2008

On November 20, 2008, an explosion and fire occurred at our 60,000 BPD refinery in Tyler, Texas, claiming the lives of two colleagues and injuring several others. At present, there are several parallel investigations underway, including our own, to determine the cause of the event. Ultimately, it is our objective to learn from an experience like this and, in so doing, support our most valuable resource, our employees, as they perform their jobs. As always, we remain wholly committed to operating a facility where the safety of our employees and contractors is our number one priority.

The most potentially impactful series of capital projects underway during 2009 are what we collectively refer to as "crude optimization projects." Upon completion, these projects should significantly increase the profitability of the Tyler refinery by allowing us to substitute light/sweet crudes with less expensive types of crude, all while maintaining a comparable level of light product output. Although we anticipate the optimization projects will reach full completion by mid-2010, the bulk of the work should be completed in the first half of 2009.

Concurrent with the rebuild of the fire-damaged units and the crude optimization projects, we have accelerated the timing of a planned turnaround initially scheduled for the fourth quarter 2009 to the first quarter 2009. Collectively, these three projects will compose the majority of our capital spending in 2009.

At our retail segment, we have two primary areas of focus entering 2009: store "reimaging" and the expansion of our private label product line.

First launched in 2006, our reimaging effort is part of a longer-term initiative to coalesce our various convenience store brands into a single recognizable brand identity. Typically, a reimaged store will undergo a comprehensive makeover, including an upscale interior/exterior remodeling designed to elevate the status of the MAPCO® brand in the eyes of consumers. Since 2006, approximately 20 percent of our store base has been reimaged, including 54 stores during 2008. In 2009, we intend to continue this initiative, particularly given the positive impact the reimaging campaign has had in certain of our test markets.

In a recessionary environment, we believe consumers would rather purchase less expensive "replacement products" than eliminate spending altogether. Our growing list of proprietary products, which includes private label juice drinks, snacks, candy and soft drinks, typically carries lower price points and significantly higher margins than their branded counterparts. We believe private label products could be a significant catalyst for margin expansion in coming years as they begin to gain momentum with our target audiences.

Finally, over the longer term, we will remain opportunistic acquirers of undervalued assets across the downstream energy markets. In addition, we will continue to selectively divest non-core assets to reinvest in core areas of our business where we can strengthen our position as a market leader. From a balance sheet perspective, we believe our ongoing focus on debt reduction will help provide us with the financial flexibility necessary to pursue one or more strategic opportunities as they may arise, while continuing to reinvest in the organic growth of existing businesses.

Performance Driven

At Delek US, our ability to recognize and leverage our collective strengths will remain critical to our future success. Looking ahead to 2009, our optimism is matched with an equal measure of pragmatism: we realize there are significant challenges facing both the macro economy and our respective industries, but view such challenges with a level-headed confidence in the stability of our model and the longer-term opportunities for growth evident therein.

Our employees come to work every day with the aim of building a better, stronger, more competitive business. To that end, we truly believe our employees are the greatest asset of the company. From the board room to the refinery to the hundreds of convenience stores we operate throughout the country, we seek to hire and retain the best people year after year. I would like to salute our employees for their outstanding efforts on behalf of our stakeholders during 2008.

Finally, I want to extend my sincere thanks to all of our partners, vendors, customers and stakeholders for their continued support – in the past, present and future.

Sincerely,

Ezra Uzi Yemin
President & Chief Executive Officer
March 2009

Opportunistic Growth

From inception, our strategic vision has been to merge the acquisition savvy of a private equity firm with the management and operational expertise of seasoned energy industry veterans. The result is a company that has become one of the more active acquirers of downstream energy assets in recent years. However, our success has not been solely the result of an opportunistic acquisition strategy. Our growth has hinged greatly on the ability of management to consistently enhance the efficiency and profitability of purchased assets in later years. The good news for our shareholders is that we're just getting started.

Since 2001, we have completed 11 acquisitions in the refining, marketing/logistics and convenience store industries. Today, these assets are held in three segments – refining, marketing and supply, and retail segments – which, collectively, form our asset base.

The merging of assets from across the downstream energy supply chain has positioned us to benefit from a diversified revenue base – a key advantage when compared with "pure-play" competitors whose profitability is linked to a single business or industry. At an operational level, this diversified revenue base has generated consistent growth and profitability for our stakeholders year in and year out. By leveraging the synergies, scalability and operational efficiencies that overlap throughout our asset portfolio, we are an attractive investment opportunity in virtually any business cycle.

Acquisition Timeline

2001

198 retail fuel and convenience stores

Acquired from: A subsidiary of Williams Express, Inc.

36 retail fuel and convenience stores in Virginia

Acquired from: East Coast Oil Corporation

2003

Seven retail fuel and convenience stores

Acquired from: Pilot Travel Centers

2004

89 retail fuel and convenience stores in Alabama, and a wholesale fuel and merchandise operation

Acquired from: Williamson Oil Co., Inc.

2005

Refinery, pipeline and other refining, product terminal and crude oil pipeline assets located in and around Tyler, Texas, including physical inventories of crude oil, intermediaries and light products ("Tyler refinery")

Acquired from: La Gloria Oil and Gas Company

21 retail fuel and convenience stores in the Nashville, Tennessee area

Acquired from: BP Products North America, Inc.

2006

43 retail fuel and convenience stores located in Georgia and Tennessee

Acquired from: Fast Petroleum, Inc. and affiliates

Refined petroleum product terminals, seven pipelines, storage tanks, idle oil refinery equipment and rights under supply contracts

Acquired from: Pride Companies, L.P. and affiliates

2007

107 retail fuel and convenience stores located in northern Georgia and southeastern Tennessee

Acquired from: Calfee Company of Dalton, Inc. and affiliates

34.6% equity ownership in Lion Oil Company, an owner and operator of a refinery in El Dorado, Arkansas and other pipeline and product terminals

Acquired from: TransMontaigne, Inc. and other shareholders of Lion Oil

Diversified Asset Base

An investment in Delek US is an investment in a company whose asset base spans the spectrum of downstream energy assets, from refineries and pipelines to terminals and the corner convenience store. Throughout our history, we have prided ourselves on the strength and breadth of our asset base, as well as the long-term value these assets have continued to generate.

Why have the majority of our strategic acquisitions been so profitable? The best answer is relatively simple: location. We have made it a practice to buy undervalued, distressed assets in niche markets with high barriers to entry where, over time, we are able to achieve and/or maintain a position of market leadership.

Our Tyler, Texas refinery is a great example. In April 2005, Delek US purchased the property, plant and equipment at the Tyler refinery for approximately $16 million. Although the facility has required significant capital investment, the refinery has generated nearly $500 million in contribution margin since we purchased the asset in April 2005. Central to the ongoing profitability of the Tyler facility has been its location: Delek US is the only full-service supplier of refined petroleum products within a radius of approximately 100 miles. As a result, the bulk of Tyler's production is sold into the local market, largely free of external competition. It is this combination of niche market location and high barrier to entry that positions Tyler to remain a valuable growth engine.

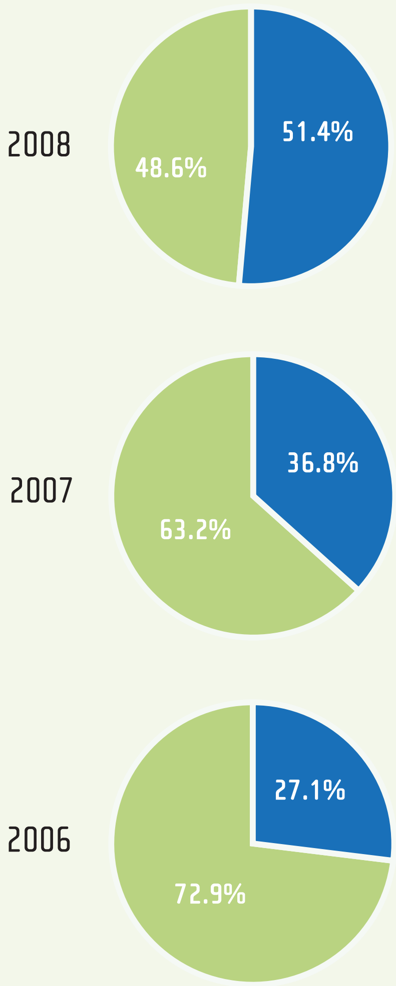
In our convenience store business, the location factor is equally important. Since 2001, we have purchased approximately 500 convenience store locations in seven separate acquisitions. Importantly, each acquisition has included convenience store locations in rapid-growth markets throughout the southeastern United States, where demographic trends remain favorable. By consolidating our market presence in an eight-state radius, we have been able to use size and scale to our advantage, positioning us as the leader in markets such as Nashville, Memphis, northern Alabama and northern Georgia. Notably, of the 458 stores we operated at year-end, a majority were situated at the highly sought after "corner locations" in their respective markets.

Owned Assets

Refining	Marketing and Supply	Retail
60,000 BPD Refinery / 9.5 Complexity	Pipelines and Terminals	Operate 458 Stores [1]
34.6% Interest in 75,000 BPD Refinery / 10.0 Complexity	Wholesale Distribution Business	Own More Than Half of the Real Estate of the Stores We Operate

[1] Excludes 24 Virginia Locations Held For Sale as of 12/31/08

Contribution Margin Shift



As a Percent of Total Contribution Margin

- Retail + Marketing Contribution Margin [2, 3, 5]
- Refining Contribution Margin [2, 4]

[2] Total contribution margin excludes Corporate and other.

[3] Retail operating results for 2007 and 2006 have been restated to reflect the reclassification of Virginia stores to discontinued operations.

[4] Refining segment operating results excludes a $10.9 million pre-tax expense associated with the write-down of crude and product inventory to market price as of December 31, 2008, which was lower than our LIFO layer cost. The refinery has not operated since the November 20, 2008 explosion and fire.

[5] Effective August 1, 2006, marketing operations were initiated in conjunction with the acquisition of the Pride assets.

Reinvesting for the Future

Looking ahead to 2009, we intend to strategically reinvest in the future growth of our core businesses. We remain highly committed to managing shareholder capital in a disciplined and prudent manner – particularly given the recent volatility in the credit markets. However, we also understand the critical role strategic investment will play in helping us maintain a competitive edge. With this in mind, we have several capital projects planned for 2009 that, upon completion, are each intended to improve profitability, enhance efficiency and further build brand equity.

At the refining subsidiary, two major initiatives are scheduled for 2009, including a series of crude optimization projects and a scheduled turnaround. At the retail subsidiary, management intends to proceed with a multi-year store "reimaging" campaign that began in 2006 and will continue into the foreseeable future.

The Tyler refinery is anticipated to be offline until May 2009. As a result, discretionary and maintenance-related capital projects initially scheduled for the fourth quarter of 2009 have been accelerated to coincide with the rebuild of the fire-damaged units during the first half of the year.

At the refining segment, two of the three crude-slate enhancing projects, collectively referred to as the crude optimization projects, remain a top priority heading into 2009. Upon completion, these projects will improve Tyler's ability to process a wider array of heavier, sour types of crudes that typically sell at a discount to light, sweet types of crude. By reducing the relative cost of purchased crudes used in the production of gasoline, distillate and other residual products, the crude optimization projects are anticipated to substantially improve the profitability of Tyler beginning in late 2009.

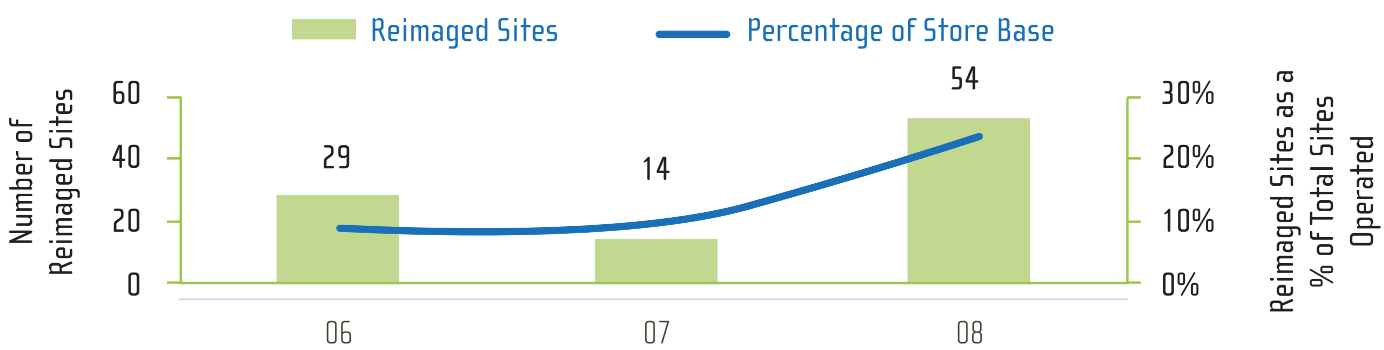
Refining Reinvestment

Major Completed Projects Since 2005	Purpose
DHT and Sulfur Unit	100% ULSD Production
MEROX Unit	Jet Fuel Production
Ethanol Projects	100% E-10 Blending Capability
GHT	100% Low Sulfur Gasoline Production

Major Capital Projects in 2009	Purpose
Crude Optimization Projects	Increase Sour Crude Processing Ability
Turnaround	Scheduled Maintenance
Rebuild of Fire-Damaged Units	Online in May 2009

In the retail business, we remain highly focused on continuing to build brand equity through the reimaging of our convenience store portfolio. Over the years, we have purchased more than 500 convenience stores from a number of retail chains including East Coast®, Discount Food Mart™, Fast Food and Fuel™ and Favorite Markets® brands. While many of these legacy brands have some local brand equity, we intend to gradually consolidate the store base under the umbrella of one unified brand, MAPCO Express. Through year-end 2008, approximately 20 percent of the store base has been reimaged. Notably, many of these reimaged stores have outperformed non-reimaged stores during the past year. Over time, we believe the benefits of brand consolidation and cosmetic reimaging will serve to expand our customer base and, ultimately, help drive increased sales.

Retail Reinvestment



Corporate and Shareholder Information

Directors

Ezra Uzi Yemin
Asaf Bartfeld
Carlos E. Jordá
Philip L. Maslowe
Gabriel Last
Zvi Greenfeld
Charles H. Leonard

Management

Ezra Uzi Yemin
President & Chief Executive Officer
of Delek US Holdings, Inc.

Frederec Green
President & Chief Operating Officer
of Delek Refining, Inc

Lynwood Gregory
Senior Vice President of Delek US Holdings, Inc. & Executive Vice President & Chief Operating Officer of MAPCO Express, Inc.

Pete Daily
Vice President & Chief Operating Officer of Delek Marketing & Supply, Inc.

Edward Morgan
Vice President & Chief Financial Officer of Delek US Holdings, Inc.

Assi Ginzburg
Vice President of Strategic Planning
of Delek US Holdings, Inc.

Kimberly O'Dell
Vice President of Marketing
of MAPCO Express, Inc.

Joane Walker
Vice President & Chief Accounting Officer of Delek US Holdings, Inc.

Greg Intemann
Vice President & Treasurer
of Delek US Holdings, Inc.

Kathy Roadarmel
Vice President of Human Resources
of Delek US Holdings, Inc.

Charles Williams
Vice President of Trading & Supply
of Delek Refining, Inc.

Mike Norman
Vice President of Environmental & Regulatory Affairs of Delek Refining, Inc.

Paul Melgaard
Vice President of Fuel Supply
of MAPCO Express, Inc.

Kent Thomas
General Counsel & Secretary
of Delek US Holdings, Inc.

Headquarters:
Delek US Holdings, Inc.
7102 Commerce Way
Brentwood, TN 37027

Stock Exchange Listing:
New York Stock Exchange
Ticker Symbol: DK

Annual Meeting:
Tuesday, May 5, 2:00 p.m.

Auditors:
Ernst & Young, LLP
Nashville, TN

Transfer Agent:
American Stock Transfer & Trust Company
59 Maiden Lane
New York, NY 10038
(718) 921-8208

Form 10-K:
The company's annual report on Form 10-K, which is filed with the Securities and Exchange Commission, is available upon request and may be obtained by writing:

Investor Relations Contact:
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Director of Investor Relations
Phone: (615) 435-1356
Email: noel.ryan@delekus.com

Safe Harbor Provisions Regarding Forward-Looking Statements: This annual report contains forward-looking statements that are based upon current expectations and involve a number of risks and uncertainties. Statements concerning our current estimates, expectations and projections about our future results, performance, prospects and opportunities and other statements, concerns, or matters that are not historical facts are "forward-looking statements," as that term is defined under the federal securities laws.

Investors are cautioned that the following important factors, among others, may affect these forward-looking statements. These factors include but are not limited to: our competitive position and the effects of competition; the projected growth of the industry in which we operate; changes in the scope, costs, and/or timing of capital projects; management's ability to execute its strategy of growth through acquisitions and transactional risks in acquisitions; general economic and business conditions, particularly levels of spending relating to travel and tourism or conditions affecting the southeastern United States; risks and uncertainties with respect to the quantities and costs of crude oil, the costs to acquire feedstocks and the price of the refined petroleum products we ultimately sell; potential conflicts of interest between our majority stockholder and other stockholders; and other risks contained in our filings with the Securities and Exchange Commission.

Forward-looking statements should not be read as a guarantee of future performance or results and will not be accurate indications of the times at or by which such performance or results will be achieved. Forward-looking information is based on information available at the time and/or management's good faith belief with respect to future events, and is subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in the statements. Delek US undertakes no obligation to update or revise any such forward-looking statements.

Delek US

Energy for the Next Cycle

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