

FOR IMMEDIATE RELEASE

DELTA GALIL COMPLETES ACQUISITION OF P.J. SALVAGE BRAND

Expands Branded Business, Upper Retail Market Position and International Footprint

Tel Aviv, July 31, 2015 – Delta Galil Industries, Ltd. (DELT/Tel Aviv Stock Exchange, DELTY.PK/OTCQX), the global manufacturer and marketer of branded and private label apparel products for men, women and children, as well as leisurewear and activewear, today announced that it has completed its previously announced acquisition of the P.J. Salvage brand and other assets of California-based Loomworks Apparel, Inc. ("Loomworks"), a leading sleepwear, loungewear and intimates manufacturer and distributor with an international following.

The purchased business, now operating as part of U.S. subsidiary Delta Galil USA, enhances Delta Galil's leadership position in intimate apparel, while expanding its strong portfolio of branded businesses, which includes Schiesser, Karen Neuburger, and LittleMissMatched & Delta among others.

"We are pleased to add the well-regarded P.J. Salvage brand and Loomworks' other business to the Delta Galil portfolio, thus increasing our presence in the upper retail market segment and broadening our global footprint," said Isaac Dabah, CEO of Delta Galil.

P.J. Salvage is widely known for chic style and luxury fabrics, and pioneered the crossover of bedroom fashion into loungewear and everyday wear. The brand's meticulous attention to detail, superior quality, rich fabrics and flattering fit have made P.J. Salvage a favorite among celebrities and the fashion-minded. Its "California cool" sensibility is featured in leading high-end department store chains and specialty boutiques.

The deal is expected to be accretive to Delta's earnings.

Ohana & Co. acted as exclusive financial advisor to Delta Galil in this transaction.

About Delta Galil Industries

Delta Galil Industries is a global manufacturer and marketer of branded and private label apparel products for men, women and children. Since its inception in 1975, the Company has continually strived to create products that follow a body-before-fabric philosophy, placing equal emphasis on comfort, aesthetics and quality. Delta Galil develops innovative seamless apparel including bras, shapewear and socks; intimate apparel for women; extensive lines of underwear for men; activewear, sleepwear and leisurewear. For more information, visit www.deltagalil.com.

Safe Harbor Statement

Matters discussed in this press release contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. When used in this press release, the words "anticipate," "believe," "estimate," "may," "intend," "expect" and similar expressions identify such forward-looking statements. Actual results, performance or achievements could differ materially from those contemplated, expressed or implied by the forward-looking statements contained herein, and while expected, there is no guarantee that we will attain the aforementioned anticipated developmental

milestones. These forward-looking statements are based largely on the expectations of the Company and are subject to a number of risks and uncertainties. These include, but are not limited to, risks and uncertainties associated with: the impact of economic, competitive and other factors affecting the Company and its operations, markets, product, and distributor performance, the impact on the national and local economies resulting from terrorist actions, and U.S. actions subsequently; and other factors detailed in reports filed by the Company.

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