



Investor News

Bayer CropScience and Makhteshim Agan sign multi-year non-exclusive supply agreement for Imidacloprid

Monheim (Germany) / April 19, 2004 – Bayer CropScience and Makhteshim Agan Industries have entered into a multi-year, non-exclusive supply agreement for the insecticide Imidacloprid for agricultural and non-agricultural markets (excluding Animal Health uses). The contract has been signed as of April 18, 2005. The terms of the agreement are confidential.

The active ingredient Imidacloprid was discovered by Bayer CropScience and is today one of the most successful in the world. Through this supply agreement, Bayer CropScience and Makhteshim Agan Industries aim at further expanding the market for Imidacloprid-based applications by drawing on the strength of their respective distribution channels.

Imidacloprid belongs to the chloronicotinyl class of substances and protects more than 140 crops against many sucking insects. Bayer CropScience will continue to actively market its Imidacloprid-based product line in more than 100 countries. Makhteshim will develop and commercialize their own range of products based on Imidacloprid, beginning in some countries and markets in 2005.

“We are pleased to have concluded this supply agreement with Makhteshim as part of our lifecycle management strategy for Imidacloprid. Bayer CropScience is the only company able to draw on three chloronicotinyl compounds in its portfolio, and we plan to continue to strongly grow our business in this category. As the market and innovation leader in the insecticides segment, we have all intention to further expand our market position by launching new active ingredients and optimizing the commercial value of our existing portfolio”, said Dr. Rüdiger Scheitza, Member of the Board of Bayer CropScience.

“The supply agreement reached with Bayer is an important step in the strategy of Makhteshim Agan, aimed at expediting the growth of our global crop and non crop

operations”, said Dr. Effic Koren, Vice-President and head of products portfolio at Makhteshim Agan Industries. “We believe Imidacloprid will play an important role in our portfolio in the future. We are confident this molecule will help us reinforce both our product mix and leading position as the world’s largest supplier of generic products.”

Bayer CropScience, a subsidiary of Bayer AG with annual sales of about EUR 6.0 billion, is one of the world’s leading innovative crop science companies in the areas of crop protection, non-agricultural pest control, seeds and plant biotechnology. The company offers an outstanding range of products and extensive service backup for modern, sustainable agriculture and for non-agricultural applications. Bayer CropScience has a global workforce of about 19,000 and is represented in more than 120 countries. (<http://www.bayercropscience.com>)

Makhteshim-Agan (TASE: MAIN) is the world’s leading generic manufacturer in the agrochemical market. The Group is characterized by its high level of technological-chemical competencies, its adherence to the strictest environmental standards, and its global reach for the registration, marketing, and distribution of many products. With over 70 active ingredients in the portfolio, Makhteshim Agan has an emphasis on growth in preferred markets such as North America and Western Europe. (<http://www.main.co.il>)

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