



מכתשים אגן תעשיות בע"מ

Makhteshim Agan Industries Ltd.

For Immediate Distribution
March 27, 2013

Makhteshim Agan of North America and Control Solutions, Inc. Files Suit Against BASF for Contempt of Court in Fipronil Case

(Tel-Aviv, Israel & Pasadena, TX) - Makhteshim Agan of North America (MANA) and Control Solutions, Inc. (CSI) announced today that on March 22, 2013, the companies filed a contempt of court suit against BASF with the U.S. District Court for the Middle District of North Carolina for violating an October 27, 2010 Consent Judgment as it relates to the longstanding fipronil patent infringement case between parties.

Under the terms of the October 2010 Consent Judgment, BASF agreed that the process by which the fipronil active ingredient in the Taurus[®] SC product is manufactured, “will not infringe any claim of U.S. Patent No. 5,618,945”. The Consent Judgment further provides that BASF would not prosecute a claim that the process used to make MANA’s and CSI’s Fipronil infringes U.S. Patent No. 5,618,945 (the ‘945 patent).

Disregarding the October 2010 Consent Judgment, BASF filed another complaint on March 20, 2013 alleging infringement by MANA and CSI of the ‘945 patent. BASF’s filing was submitted in a different District - the U.S. District Court for the Northern District of Georgia, Atlanta Division.

MANA and CSI maintain consistency in statements that their process for manufacturing Fipronil has not changed since October 2010 and therefore still does not infringe any claim of BASF’s patent; therefore BASF’s claim has no merit. MANA’s and CSI’s process for manufacturing Fipronil uses Makhteshim Agan Group’s proprietary technology and a patent application was filed to protect its intellectual property rights to the process.

MANA and CSI called attention at last week’s Court motion for contempt that the repeat pattern of timing regarding BASF’s annual filings of complaints, new lawsuits and motions show possible intent for creating ongoing marketplace havoc for sales of Taurus[®] SC. BASF filed its initial lawsuit against MANA and CSI in Spring 2010; filed numerous “emergency” motions with the Court in Spring 2011; and filed a motion for contempt in the Spring of 2012.

Mr. Mark Boyd, President and CEO of CSI states, “Once again, BASF’s most recent filing comes at the onset of the U.S. termite control season - which is a critical period for CSI’s sales of Taurus[®] SC to licensed pest control applicators. We believe that the timing of BASF’s latest complaint is notable – following last



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week's Federal Circuit ruling affirming an earlier District Court decision that the Taurus[®] SC products did not infringe patents directed toward methods of using Fipronil as a termiticide.”

The Federal Circuit's unanimous decision authorized MANA and CSI with the continuation of U.S. marketplace activity and customer engagement in relation to Taurus[®] SC product sales.

Background:

BASF has maintained allegations dating back to April 2010, of patent infringement against MANA and CSI in regards to the Taurus[®] SC brand. Both in the district and the appeal cases, MANA and CSI have all been favored in previous Court rulings.

In June 2011, Makhteshim Agan Industries' affiliate CSI launched sales of fipronil-based products under the brand names Taurus[®] SC for the professional pest control market, and Prefurred[™] for companion animal use.

Fipronil is utilized for termite prevention and treatment, flea, ant and tick control, and as a broad-spectrum insecticide for crop markets in a variety of branded products throughout the world. The active ingredient is used in crop protection mainly for treatment of cotton, potatoes, rice and seed treatment in addition to broad uses for non-crop applications.

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About Control Solutions, Inc.

Control Solutions began as a family owned business in 1958 and is built on to the commitment of serving the professional pest control and retail markets. CSI has added product lines for the Industrial, Lawn and Garden, Animal Health and Biocide markets, and is working with 80 + distributors serving those markets. Control Solutions maintains relationships with chemical manufacturers worldwide and maintains a ready supply of products in numerous distribution warehouses across the U.S.

Today our partnership with Makhteshim Agan Industries multiplies Control Solutions' agility in continuously adding new products to meet the needs of professionals and homeowners. The one constant since the beginning in 1958 is our mission focus: to seek out and distribute effective and economical solutions for our customers.

About Makhteshim Agan

Makhteshim Agan Industries Ltd. is a leading manufacturer and distributor worldwide of crop protection solutions and the largest off-patent player in the industry.

The Company supplies efficient solutions to farmers that assist them in combating disease and increasing yields. In 2012, the Company's revenues were over \$2.83 billion, and it is ranked seventh in the world in the overall agro-chemicals industry. The Company is characterized by its know-how, high-level technological-chemical abilities, expertise in product registration, and observance of strict standards of environmental protection, stringent quality control and global marketing and distribution channels.



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Makhteshim Agan Industries Ltd.

Makhteshim Agan Group sells its crop protection products in over 120 countries and together with its strategically located global manufacturing and distribution facilities delivers simplicity in agriculture around the globe.

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