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COMP/M.4251 - BERKSHIRE / ISCAR METALWORKING COMPANIES

SECTION 1.2

Description of the concentration

Pursuant to an Acquisition Agreement by and among Iscar Ltd. ("Iscar"), IMC International Metalworking Companies B.V. ("IMC"), Berkshire Hathaway Inc. ("Berkshire Hathaway" or "Berkshire"), Wertheimer Company Ltd. ("Wertheimer"), and certain shareholders of Wertheimer, Berkshire intends to acquire an 80 per cent. stake in, and control of, IMC (the Proposed Transaction).

Berkshire Hathaway is a company incorporated under the laws of Delaware, USA and its common stock is listed on the New York Stock Exchange. Berkshire Hathaway and its subsidiaries engage in diverse business activities, among which the most important is its property and casualty insurance business conducted on both a direct and reinsurance basis. IMC provides a comprehensive range of cutting tools for the full scope of metalworking applications. Ancillary activities involve the manufacture and supply of carbide metal powder and industrial ware parts. IMC's products are manufactured through a global network, with the largest manufacturing sites located in Tefen, Israel, and with additional manufacturing facilities in the United States; Korea; Brazil; China (manufacturing expected to commence in September 2006); Germany; India; Italy and Japan; and sold through subsidiary offices, joint ventures and agents located in 61 major industrial countries worldwide. IMC is privately held. The parent company, Wertheimer Company Limited, is incorporated in Israel.

There are no reportable markets for the purposes of this notification and in particular there is no overlap between the activities of the parties.

The Proposed Transaction will enable Berkshire to invest in a leading company in the cutting tools industry, which has exposure to Europe, Asia and Latin America, as well as significant opportunities for growth as it continues to expand in North America. IMC believes that the Proposed Transaction will further strengthen its position in North America and worldwide and allow it to continue the rapid growth that it has experienced over the past 50 years.