

7 September 2011

**Amiad Filtration Systems Ltd.
("Amiad" or "the Company")**

Amiad establishes subsidiary in Brazil

Amiad, a leading global producer of water treatment and filtration solutions, is pleased to announce that it has established Amiad Sistemas de Agua LTDA ("Amiad Brazil") as a wholly-owned subsidiary to enhance the sale and marketing of the Company's products and solutions in Brazil. Initially, Amiad Brazil will target the non-irrigation segments in this fast-growing market.

As stated in the Company's full year results on 14 April 2011, Amiad has been growing its presence in South America and seeking to expand further in the region. Brazil, in particular, is experiencing increasing interest and investment in water infrastructure projects. The Aquapolo tertiary wastewater treatment plant in São Paulo, Brazil, for which Amiad will provide its disc filtration technology (as announced on 13 June 2011), will be one of the largest of its kind in the Southern Hemisphere. By establishing a company incorporated in Brazil, Amiad will be able to better service this demand, and expand its sales and marketing network.

Arik Dayan, Chief Executive Officer of Amiad, said: "The establishment of this subsidiary in Brazil marks an important milestone for Amiad. A local presence will enable us to accelerate our growth and penetration in this country and, along with Amiad Andina in Chile, to benefit from the rapid economic development in the South American region."

Enquiries

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