

5 January 2012

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

Director's Share Purchase

Amiad, a leading global producer of water treatment and filtration solutions, announces that it has been informed that Simon Olswang, a non-executive director of the Company, purchased 4,500 ordinary shares of 0.5 NIS each ("Ordinary Shares") in the Company on 3 January 2012, at a price of 224.5 pence per share.

Following this purchase, Simon Olswang has an interest in 49,500 Ordinary Shares in the Company.

Enquiries:

Amiad Water Systems Ltd.	
Arik Dayan, Chief Executive Officer	+972 4 690 9500
Nomura Code Securities Ltd.	
Chris Collins, Giles Balleny	+44 20 7776 1200
Luther Pendragon	
Harry Chathli, Claire Norbury	+44 20 7618 9100