

29 January 2010

Amiad Filtration Systems Ltd.
(“Amiad” or “the Company”)

Notice of Extraordinary General Meeting

Further to the Company’s announcement of 20 January 2010, the Board of Amiad announces that an Extraordinary General Meeting (“EGM”) will be held at 9am GMT on Tuesday 9 March 2010 at the offices of Speechly Bircham LLP, 6 New Street Square, London, EC4A 3LX, England.

The business to be conducted at the EGM will be to consider and, if thought fit, pass resolutions:

- to approve the engagement of the Company in an agreement for the acquisition of the entire issued share capital of, and ownership rights in, Arkal Filtration Systems Cooperative Agricultural Society Ltd. (“Arkal”)
- to increase the authorised share capital of the Company by NIS 1,500,000 so that, following such increase, the authorized share capital of the Company shall be NIS 11,500,000 divided into 23,000,000 ordinary shares of 0.5 NIS each

Formal notice of the EGM, with forms of proxy and direction, has been posted to shareholders and holders of depository interests.

Copies of the Circular to shareholders and to holders of depository interests are available from the Company’s website.

In addition to the approval of the Company’s shareholders, the completion of the acquisition is subject, *inter alia*, to the following:

- (a) the approval of Beit Zera’s creditor banks and any other creditors of Kibbutz Beit Zera to the execution of the transaction, the final and complete release of Arkal from any and all obligations that secure any debt or obligation of Beit Zera or any of its affiliates (except Arkal and its subsidiaries), the removal of all charges or any other assurance pertaining to the rights in Arkal and/or assets of Arkal that secured the guarantees and indemnification obligations or any other obligations as mentioned above (excluding charges to guarantee the debts of Arkal itself) and an overall arrangement of Beit Zera debt with the abovementioned creditors; and
- (b) the approval of the Israeli Restrictive Trade Authority to execute the transaction according to its terms.

A further announcement regarding the expected timing of completion of the acquisition will be made following the EGM.

Enquiries:

Amiad Filtration Systems Ltd.	
Arik Dayan, Chief Executive Officer Rivka Kalmanzon, Chief Financial Officer	+972 4 690 9500
Panmure Gordon	
Andrew Godber	+44 20 7459 3600
Corfin Communications	
Harry Chathli, Claire Norbury	+44 20 7977 0020