



ARAD

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ARAD NEWS

Arad News June 2010

The first half of 2010 has been very encouraging.

Many of the activities which we worked on during previous months have been successfully completed.

The following edition will be devoted mainly to these projects.

In January 2010 a Spanish company called Contazara joined the Arad group.

The company is a leader in the Spanish utility market and has some unique products.

A detailed profile of Contazara follows.

In January 2010 Arad was awarded a tender issued by Southern Water (SW) – a UK utility company. Arad is to be the prime supplier of AMR meters during the next 5 years. The entire contract is for an estimated quantity of 700 thousand meters. This contract is the largest ever in Arad's history and one of the biggest ever published contracts for AMR water meters.

Arad Technologies won a contract to supply AMR water meters in Mumbai, India, along with Itron/Actaris. The contract is for 150 thousands meters.

Along with these significant occurrences, the Octave is proving to be a success in different markets. The hundreds of meters installed so far have shown that the Octave can be differentiated from other bulk meters which exist in the market.

We are more than glad to announce these important occurrences and share with you the effects on the group.

Nissan Barkat
VP Marketing

A T u n e d M e a s u r e





► **Contazara:**  <http://www.contazara.net>

Following long and intense negotiations, Arad announced at the end of 2009 the acquisition of 51% of the Spanish company Contazara.

Contazara is a manufacturer of water meters located in the city of Zaragoza. In operation since 1984, Contazara was the first company to present the Smart Meter to the water metering industry.

The meters have electronic registers which enable the storing and retrieving of data for water management purposes.

During the years Contazara has gained a significant market share in major Spanish utilities while developing a new generation of Smart Metering, with broadening information capabilities.

Today Contazara offers Smart Meters in all sizes with various communication capabilities for many applications.

The joint venture between Arad and Contazara will enable both companies to utilize each others products, manufacturing and engineering capabilities in order to better serve the ever-increasing demands for sophisticated water measurement throughout the world.

► **Southern Water (SW)** -  Providing water supply and sewerage services across Kent, Sussex, Hampshire and the Isle of Wight

After a long tendering process, studying and assessing the existing alternatives for AMR solutions in the UK market, SW selected Arad as the preferred provider of AMR systems for the next 5 years with a possibility of an extension of a further 5 years.

On February 1 2010 the agreement was signed in Arad in the presence of Mr. Les Dawson, CEO and Mr. Malcolm Butchers, Product Manager

SW is responsible for the daily supply of 555 million liters drinking water to more than one million households and treats and recycles wastewater from nearly two million households across Sussex, Kent, Hampshire and the Isle of Wight.

SW will be the first UK utility to implement full AMR reading to all their customers.

The signature of the contract took place Monday February 1st in the presence of SW CEO Mr. Les Dawson and Malcolm Butchers SW Commercial Manager.

The contract is for the supply of 700 thousand AMR meters over the next 5 years. The contract is the largest ever awarded to Arad and one of the biggest for AMR applications worldwide. The product offered by Arad to SW is the Gladiator with DIALOG 3G specially tailored according to SW requests.

Together with the SW contract and the other contracts already handled in the UK market, we expect to reach a market share of 20%.

Arad Metering Services (AMS) – managed by Ray Ogden, is responsible for the UK operation. The company has recently moved to a new location which will enable them to better serve the growing market and its needs.





► **AMR Water contract in INDIA -**

The Municipal Corporation of Great Mumbai (MCGM) has awarded contracts to Itron Inc. and Arad Technologies Ltd. For the delivery by each of 150,000 automated meter reading (AMR) water meters.

The contracts follow the completion of successful trials by the two companies starting in early 2009, and the deployment is expected to be completed within two years.

The project is part of a major water conservation initiative being undertaken by MCGM, in an effort to secure its water distribution network and avoid water theft, illegal connections and leakages, which results in the loss of 700 million liters per day in the city.

The two companies will also undertake maintenance and training.

Metering bulletin issue 1 2010.

octave

Over 12 months experience has been gained with Octave installations and we have confidence in the performance of the meter. It is clear that the Octave is fully compatible with the compound meter and can be installed in sites where previously only the compounds could cover the specific applications.

More than 30 Octaves meters have been installed in line with compound meters and connected to AMR applications.

The readings gathered over a period of several months demonstrate that the accumulated Octave readings exceed those of the compound meters.

Changes

As of 1 June Rami Ziv will be joining Arad as Vice President International Marketing. Nissan Barkat who has served as manager of the international market department for more than 10 years, will be Vice President Local Market and Business Development Projects.

During these 10 years the international market department has changed significantly and we are confident that it will continue to prosper and grow for many years to come.

We wish them both much success for the future in Arad.



Arad for the community

Arad 's project with Beit Zinger is in its 5th year. This year we are upgrading the computers in the computer center established by Arad in 2005, as well as installing computers throughout the home. In addition a large group of volunteers spent an afternoon with the children preparing a seating area outside by the computer centre and other activities.

