

Redflex Holding Limited
Annual General Meeting 25 November 2005
Chief Executive Officer's Address

Ladies and Gentlemen,

Thank you for attending today. I intend to touch briefly on the highlights and performance of the company and the Communications division and then hand over to Bruce Higgins for a detailed presentation on the Traffic business.

Redflex Holding Limited has now been listed on the Australian Stock Exchange for over eight years. It has approximately 86 million shares on issue, with over 3600 registered holders, and a market capitalisation of around \$300 million. Staff numbers are now around 280, with about half in Australia and half in the USA.

The headquarters for Redflex Holdings is in South Melbourne, with Redflex Traffic Systems Inc headquartered in Scottsdale Arizona, USA. We have other offices in Culver City California, Reston Virginia, Sydney, the UK and agents and representatives around the world.

We have two businesses: our Traffic Photo Enforcement business and the Communications business.

Highlights of the Year

Highlights for the period from 1 July 2004 have been:

Profitable performance:

There have been significant increases in revenue, EBITDA and profit – more on this later.

Traffic Business

Highlights of the Traffic Business have been:

- An increase in the number of traffic camera systems installed in the USA from 301 at 30 June 2004 to 524 today.
- Growth in the contracted base of traffic cameras to 76 Cities in 15 states in the USA, and in 92 cities worldwide in eleven countries.
- The signing of a contract to install speed enforcement systems on the 101 Freeway in Scottsdale Arizona – what we understand to be the first speed enforcement on a freeway in the United States.
- New regional sales staff have been recruited to expand the sales coverage throughout the USA.
- Opening of new market areas for traffic photo enforcement with first sales into the Asian market, and the South American market.
- Research and Development activities have continued on many fronts, to provide enhancements to existing products and develop new products. The new high definition digital camera, which is one of the R&D projects, has been fielded during the year.

- The Australian based traffic business has exceeded budget for the year. A number of new projects and extensions to existing projects have been delivered. The point to point speed camera technology has been undergoing trials successfully in New South Wales.
- Patent litigation with smaller competitor Nestor has been dismissed.

Communications Highlights

Highlights for the Communications division have been:

- Further contracts were secured with the US Department of Defense for communications systems.
- Development of key elements of the third generation Switchplus technology under the Research and Development START grant from the Commonwealth government.
- The award to Redflex Communications of a major contract by Lockheed Martin was seen as a major highlight for the division. Unfortunately Lockheed Martin have decided to employ another solution and have indicated their intention to terminate the contract, and negotiations are in progress.

Financial Highlights

Some Financial Highlights have been:

- Strong financial support with the establishment of a US\$13 million facility with Harris N.A. Bank, which has allowed the continued growth in the USA. This facility has been increased recently to US\$19 million.
- Ongoing support from shareholders, with the Share Purchase Plan in November 2004 raising \$5.1 million.

Financial Performance

The financial performance for the 2004/2005 financial year was pleasing.

Firstly, at the group level:

An increase of 183% in Net Profit Before Tax (NPBT) from \$3.3 million to \$9.4 million.

An increase of 171% in Net Profit After Tax (NPAT) from \$3.3 million to \$9.0 million; The graph shows the year on year increase in profitability. The 2005/06 financial year is the first year that we expect to be accounting for full tax, and the expected tax rate across the group, which averages Australian and US effective tax rates, will be about 35%. Consequently I would point out that a Net Profit Before Tax (NPBT) is a better basis for comparison between FY05 and FY06 results.

An increase of 39.7% in revenue from \$33.1 million to \$46.3 million.

An increase of 103% in Earnings Before Interest Taxation Depreciation and Amortisation (EBITDA) from \$8.5 million to \$17.3 million.

Earnings per share increased from 4.36 cents to 10.66 cents – up 144% on the previous financial year.

For the Traffic division we have seen an increase of 72% in operating profit from \$5.7 million to \$9.8 million (excluding head office charges).

And in the Communications division an operating profit of \$1.95 million (excluding head office charges), which was up \$2.8 million on the result for the previous corresponding period.

Cash Position

The company had a strong cash position at the end of the 2004/05 financial year. The \$5million received from the Share Purchase Plan at this time last year was still on deposit at the bank.

Over the four months of the current 06 financial year, our Earnings Before Interest Taxation Depreciation and Amortisation (EBITDA) for the US Traffic business have run at a rate of 89% of capital expenditure for the division. This compares with EBITDA at 43% of CAPX for the first four months of the 05 financial year. It is clear that we are converging on the point at which cash generated from operations will be sufficient to fund our planned growth. Until we reach that point, borrowings from our existing facilities should be sufficient to fund the difference.

The Harris Bank facility was put in place to fund the growth. Initially it was a US\$13 million facility, and that has been increased recently to US \$19 million. This increase in the facility is a strong indication of the support that we enjoy from our financier.

At 30 June 05 we had cash and cash equivalents on hand of \$8.34 million.

Share Price

The next slide shows the comparison of the year end share price against the All Ordinaries index, to highlight the long term relative performance in the market.

Research and Development

As a technology based Company with a dependence on using best available technology to maintain our strong market position, we have continued to invest in Research and Development activities over the past financial year. We have invested over 7% of revenues in R&D activities and, in addition, have received part of a \$2.8 million government R&D START grant over the 2004/05 financial year. This level of R&D commitment is considered an appropriate level for the current stage of the Company.

Enhancements to the existing product suite and development of new products are ongoing activities for the Traffic Division to ensure that the number one market position we enjoy in the USA, and elsewhere, is maintained. During the year we have delivered and fielded our new high definition camera system, our new flash units, and continue to develop our latest generation back office processing system.

The development of the Switchplus GenIII product by the Communications Division is now well advanced with products based on this technology having been shipped to customers. Development continues in the 2005/06 financial year.

R&D is focussed on products that will add value and generate profits in to the future. R&D costs are capitalised where they are expected to give rise to significant future benefits, in accordance with the company's accounting policies. Capitalised R&D is written off over the assessed useful life of the technologies developed.

Group Outlook

Redflex Holdings Limited is positioned for continuing high growth. The Build Own Operate business is the key driver for the expected growth, with a leading position in the market, a substantial and increasing number of contracts already secured and strong long-term annuity type revenue streams in place.

Our challenge is to continue to generate levels of sales necessary to fuel the growth in the Build Own Operate model and to ensure that the other parts of the business also contribute to the ongoing growth of the group.

Redflex Communications Systems

I will touch relatively briefly on the Communications business. The business provides specialised communications systems to its predominantly defence and government related customers.

Key events over the last financial year and to date are:

- The division delivered a significant profit for the 2005 financial year of \$1.95 million.
- The major contract with Lockheed martin is in the process of being terminated. Settlement terms are yet to be negotiated. The implications for the future of the division have not yet been assessed, however all options will be considered.
- New contracts have been won with the United States Department of Defense in the areas of Secure Conferencing and Battlefield Communications systems
- Key contracts have been delivered to customers over the year
- A new market area in simulation systems has been identified, with two wins over the 05 financial year and one subsequently

The majority of revenue is sourced overseas.

The business model has been to provide specialised products and services to defence and government agencies or to major prime contractors dealing with government related clients. Prime contractors that Communications has worked with are Lockheed Martin, Northrop Grumman, Boeing, Thales, British Aerospace and Raytheon.

The Communications business recorded revenue for the 2004/05 financial year of \$8.4 million. Operating profit was \$1.95 Million, which was up 2.89 million on the previous year. EBITDA was \$3.03 million.

The core technology for the Communications business is Switchplus, a highly reliable communications system which is built on a redundant, or duplicated architecture to ensure high levels of fault tolerance. It is scalable from small to very large systems, and provides both circuit switched and packet switched capabilities which allow for operation with legacy systems while transitioning to state of the art approaches.

It implements Voice over Internet technologies, adapted and enhanced to meet the specific requirements of the specialised application that it is applied to. Typically systems are touchscreen based for easy and efficient operation. High levels of configurability mean that it can be adapted to a wide range of situations in the field. It

has specialised interfaces to enable it to work with a range of external systems and devices.

Communications Outlook

The Battlefield Communications Systems project is now nearing completion of the development phase and first systems should be shipped this year. This is an indefinite delivery indefinite quantity contract which is expected to result in further orders for the United States Air Force amounting to up to \$14 million over the next few years.

There are a number of other projects in progress. The short term order book is somewhat limited, however there is a substantial sales pipeline for the longer term. Winning significant additional orders needs to be a key focus for the future.

The outlook for the Communications business will be affected by the Lockheed Martin contract situation. When the way forward there is clear, the future direction be assessed. All options remain open at this stage.

Appreciation

Finally, I would like to take this opportunity to thank all those people have supported the Company over the past year, and contributed towards its success. Firstly, thanks to the staff who through their hard work and commitment have delivered a record profit for Redflex. In particular, I would like to thank Bruce Higgins for his significant contribution, as President and CEO of Redflex Traffic Systems Inc., to building the Redflex Traffic business over the past four years. Also, thanks to shareholders, professional advisers, financiers, and of course the Board, who have collectively made the progress of the Company possible.

Graham Davie
Chief Executive Officer

REDFLEX HOLDINGS LIMITED
2005



ANNUAL GENERAL MEETING





Redflex AGM – November 2005



Christopher Cooper

- **Non Executive Chairman**
Redflex Holdings Limited



Redflex AGM – November 2005

Item 2

“That Christopher Cooper, who retires in accordance with the Company’s Constitution, be elected a Director of the Company”.

Votes where the proxy directed to vote ‘for’ the motion	23,516,504
Votes where the proxy was directed to vote ‘against’ the motion	35,279
Votes where the proxy may exercise a discretion how to vote	10,298,174
In addition, the number of votes where the proxy was directed to abstain from voting on the motion was	31,949



Redflex AGM – November 2005

Item 3

“That Robin Debernardi, who retires in accordance with the Company’s Constitution be elected a Director of the Company”.

Votes where the proxy directed to vote ‘for’ the motion	23,543,521
Votes where the proxy was directed to vote ‘against’ the motion	21,044
Votes where the proxy may exercise a discretion how to vote	10,298,074
In addition, the number of votes where the proxy was directed to abstain from voting on the motion was	19,267



Redflex AGM – November 2005

Item 4

“That approval be given for the purposes of Listing Rule 10.14 for the issue to Mr Graham Davie, being an Executive Director, of 199,178 shares in the Company under the Redflex Executive Share Plan, details of which are contained in the Explanatory Statement”.

Votes where the proxy directed to vote ‘for’ the motion	22,660,816
Votes where the proxy was directed to vote ‘against’ the motion	909,967
Votes where the proxy may exercise a discretion how to vote	9,784,571
In addition, the number of votes where the proxy was directed to abstain from voting on the motion was	40,353



Redflex AGM – November 2005

Item 5

“That the Remuneration Report section of the Directors’ Report for the Company for the year ended 30 June 2005 be adopted”.

Votes where the proxy directed to vote ‘for’ the motion	23,206,659
Votes where the proxy was directed to vote ‘against’ the motion	308,479
Votes where the proxy may exercise a discretion how to vote	10,301,215
In addition, the number of votes where the proxy was directed to abstain from voting on the motion was	65,553



Redflex AGM – November 2005

Item 6

“That, for the purposes of Listing Rule 10.17 and for all other purposes, that the maximum aggregate remuneration out of the funds of the Company to which the Directors are entitled each year for their services as Directors, be increased from \$200,000 to \$400,000 to be divided among them in such proportions and manner as the Directors may decide. Such increase to take effect from 1 July 2005”.

Votes where the proxy directed to vote 'for' the motion	14,774,096
Votes where the proxy was directed to vote 'against' the motion	5,279,768
Votes where the proxy may exercise a discretion how to vote	8,970,940
In addition, the number of votes where the proxy was directed to abstain from voting on the motion was	44,091

REDFLEX GROUP



ANNUAL GENERAL MEETING





Redflex AGM – November 2005



Graham Davie

- **CEO**
Redflex Holdings Limited



Redflex overview

ASX Listed

- since 1997 - RDF

Shares on issue

- 85.7 Million

Market cap

- ~\$300 million

Headquarters

- 31 Market Street, South Melbourne. Australia.

Staff

- Approximately 280

Divisions

- Traffic & Communications





Redflex Group highlights

Profitable Performance

- Increase in Revenue, EBITDA and Profit

Traffic Business

- Growth in installed cameras – 301 at July 2004 to 524 to date
- 76 cities in 15 states in USA
- 92 cities in 11 countries worldwide
- 101 Freeway speed enforcement, Scottsdale, Arizona
- New sales staff for expanded coverage
- New markets – first sales to Asia and South America
- R&D investment, incl. new HDX camera system fielded
- Patent litigation brought by Nestor dismissed



Redflex Group highlights

Communications Business

- Profitable performance in 2005
- New contracts with US Department of Defense
- Switch*plus*[™] GenIII product development continued with the aid of a government START grant.

Financial Highlights

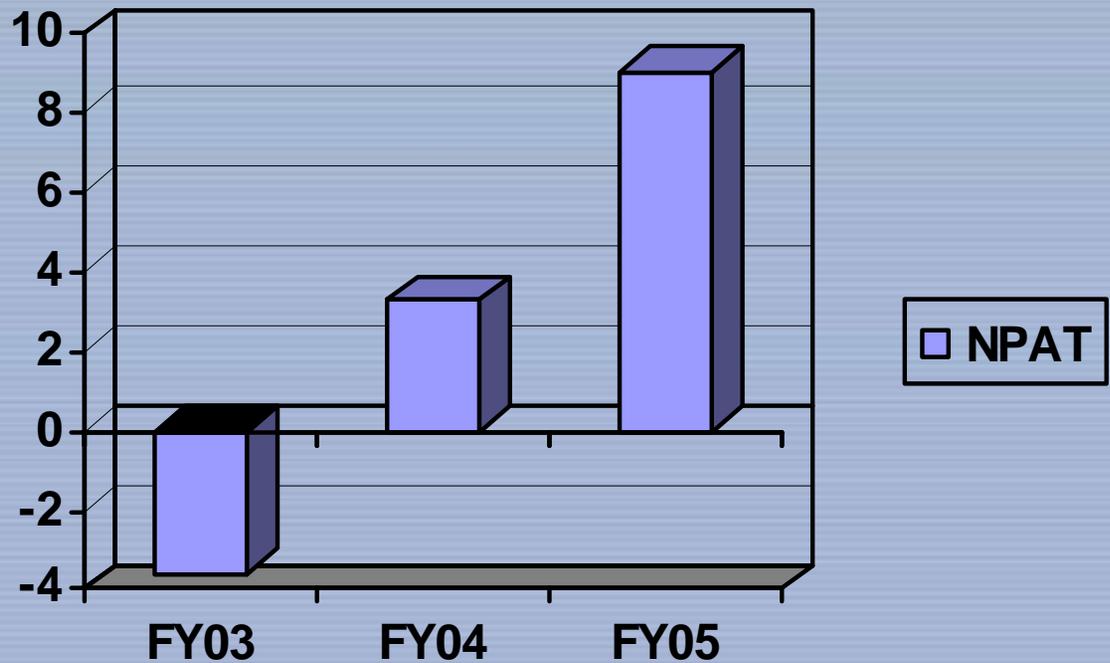
- Harris Bank Facility revolving facility – initially US\$13 million, increased to US\$19 million
- Share Purchase Plan - raised \$5.06 million in November 2004



Financial performance

Net Profit After Tax (NPAT)

- Up 171% to from \$3.32 million to \$9.00 million

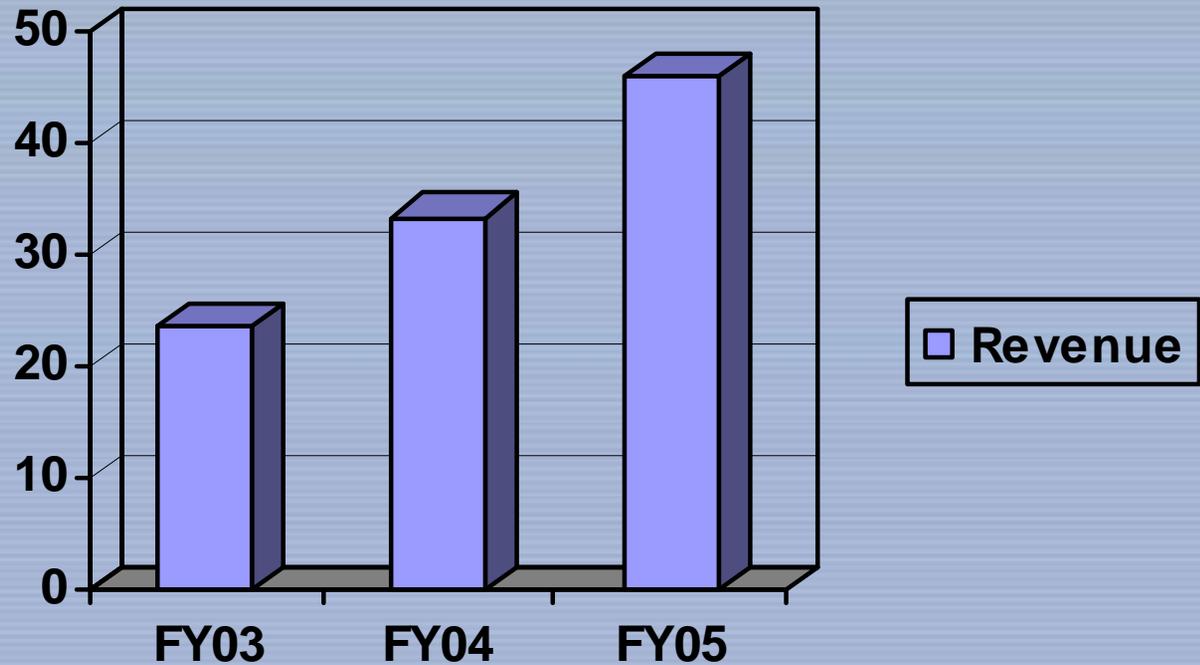




Financial performance

Revenue

- Up 39% from \$33.1 million to \$46.3 million

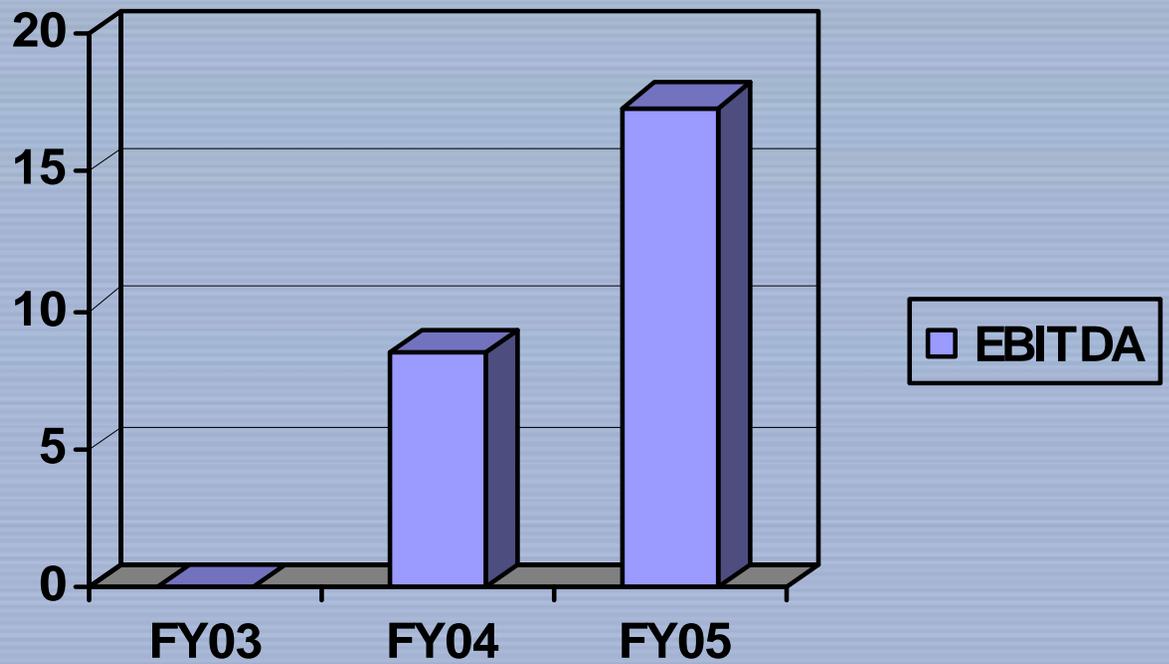




Financial performance

Earnings Before Interest, Tax, Depreciation & Amortisation (EBITDA)

- Up 103% from \$8.5million to \$17.3 million

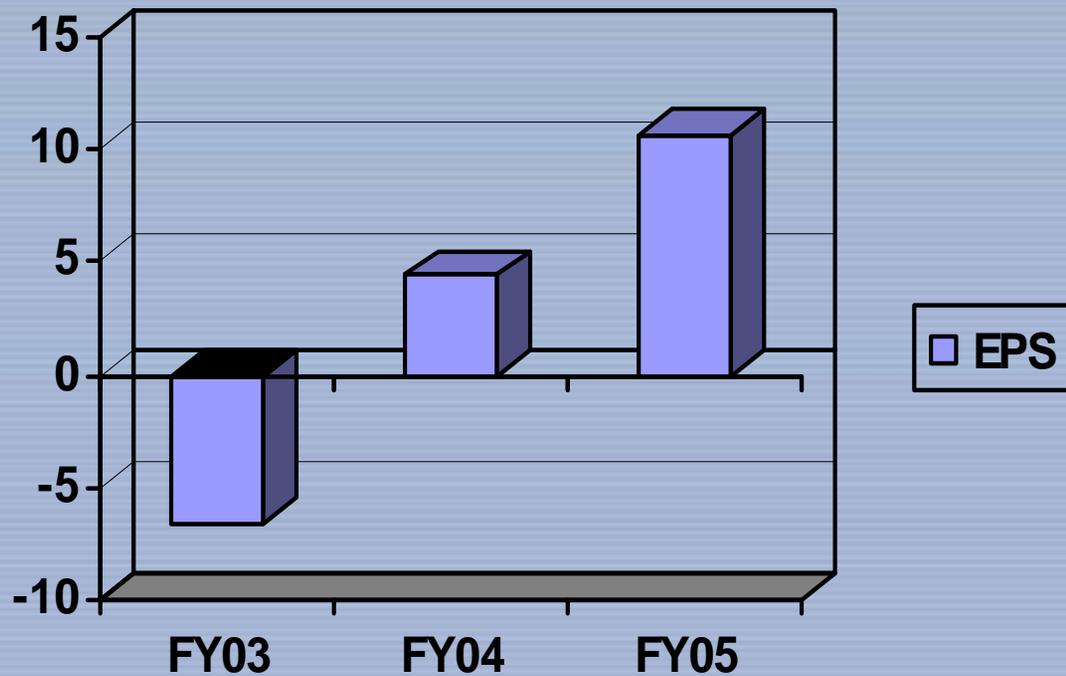




Financial performance

Earnings per Share (EPS)

- Up 144% to from 4.36 cents to 10.66 cents

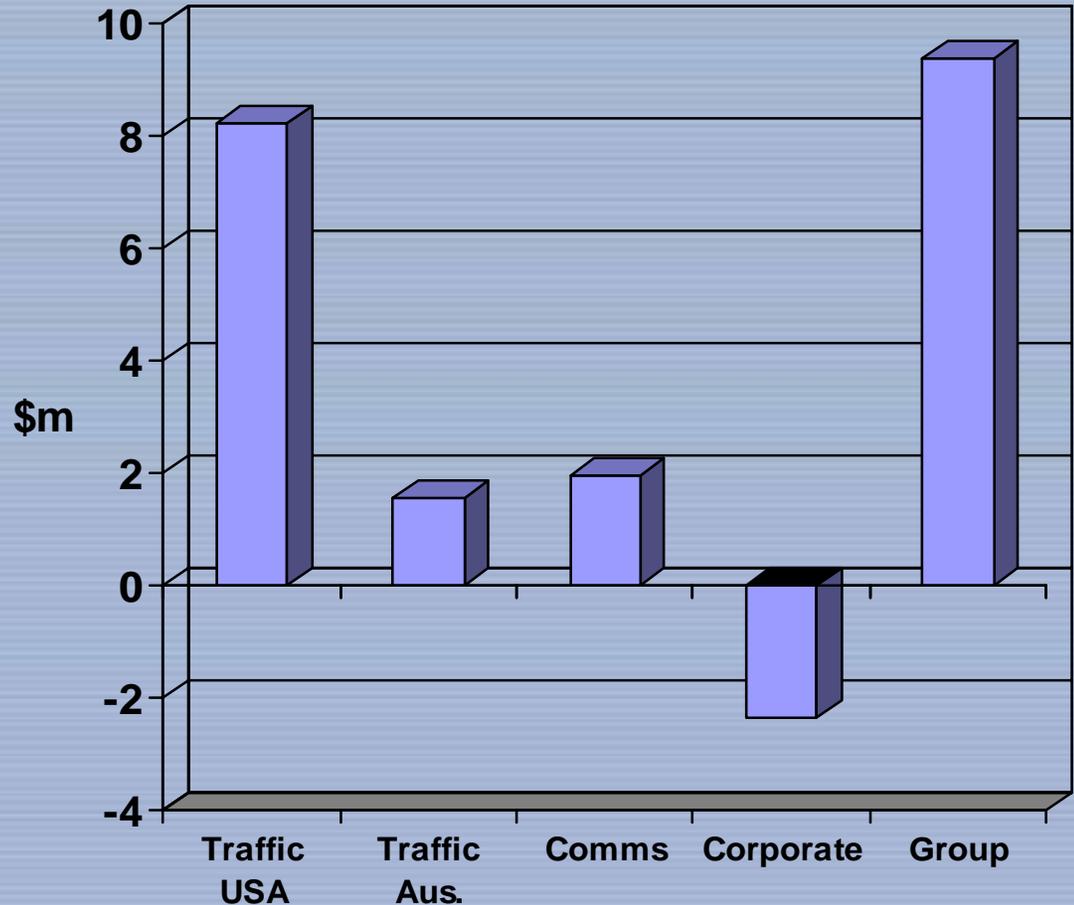




Profit by division FY 05

Net Profit Before Tax

- Traffic USA
\$8.24 million
- Traffic Australia
\$1.57 million
- Communications
\$1.95 million
- Corporate
\$(2.36) million
- **Group**
\$9.39 million





Cash position highlights

\$5.06 million received from Share Purchase Plan

- On term deposit at 30 June 05

Traffic EBITDA at 89% of CAPX over past 4 months

- 43% for the previous corresponding period.

Planned growth expected to be fundable with facilities from existing financiers and cash generated from operations

Harris Bank facility

- Initially US\$13 million
- Increased to US\$19million
- Drawn to US\$9.4million at 30 June 05

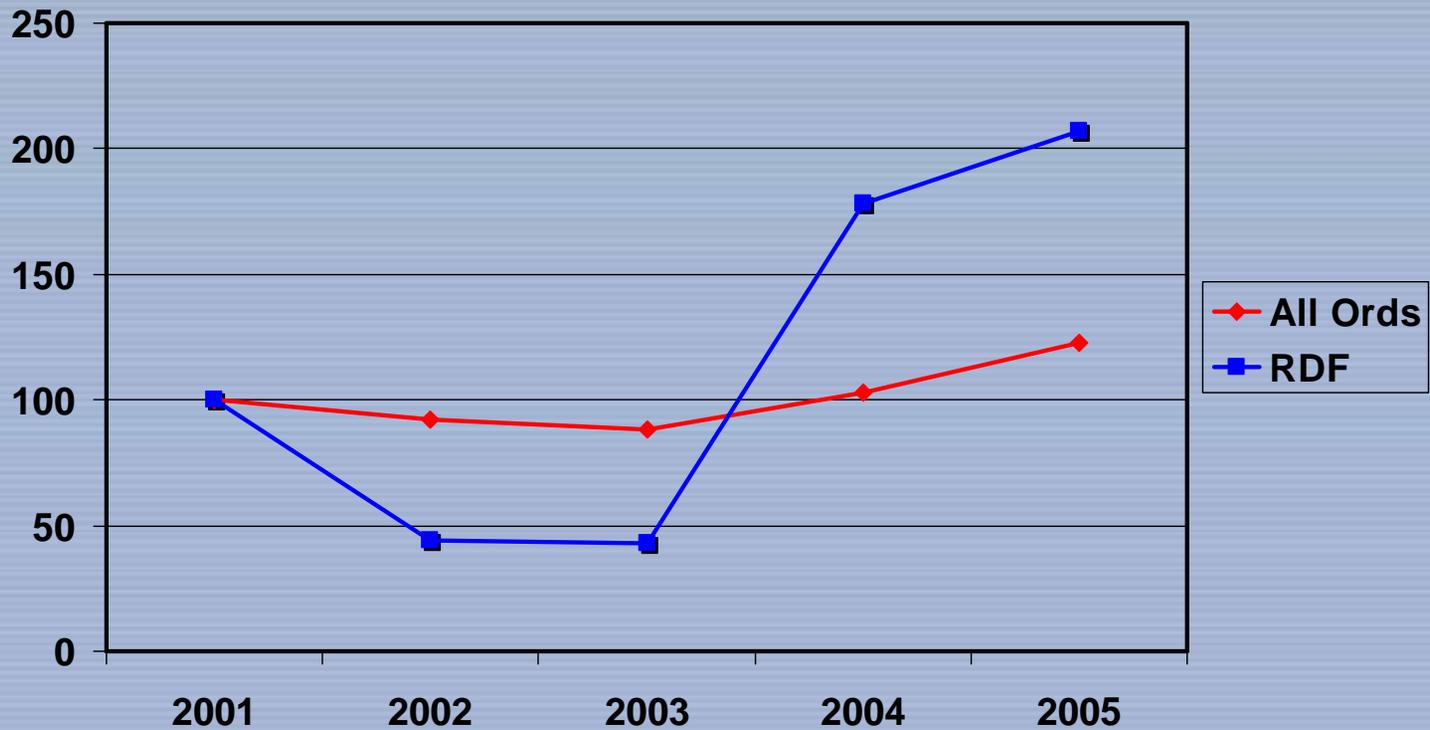
Cash and equivalents on hand at 30 June 05 \$8.34 million



Share Price performance

5 years Share Price (compared to All Ords)

- Based on price at 30 June





Research and Development

Investment of over 7% of revenues in R&D

Government Grant of \$2.8 million – part expended in FY05

Enhancements to existing products

New products developed

R&D focus is on added value and generation of future profits



Redflex Holdings Outlook

Positioned for continuing growth

The Build Own Operate Traffic business is the key driver for growth

Increasing number of contracts

Long term annuity type revenue streams

REDFLEX COMMUNICATIONS SYSTEMS



ANNUAL GENERAL MEETING





Communications – Key Events

Profitable in 2005(\$1.95m)

Major Contract with Lockheed Martin

- In process of being terminated
- Settlement to be negotiated
- Implications for future of RCS not yet assessed

New US Defence wins

- Battlefield Communications System extensions
- Secure Conference System

Delivery of key contracts

R&D Grant of \$2.8 million over 2.5 years

- Project over 50% complete, on track
- New Switchplus Gen 3 technology being developed

New Market – Simulation

- 2 systems delivered in FY05
- New order in FY06

Defence and Government Project Based Business

- World class specialised communications systems
- Long duration projects, long sales lead time
- Milestone payments, generally positive cash flow

Clients - Governments & Large Prime Contractors

- US Army, Navy and Air Force
- Lockheed Martin
- BAE
- Raytheon





Communications – FY 2005 performance

Revenue \$8.36 million

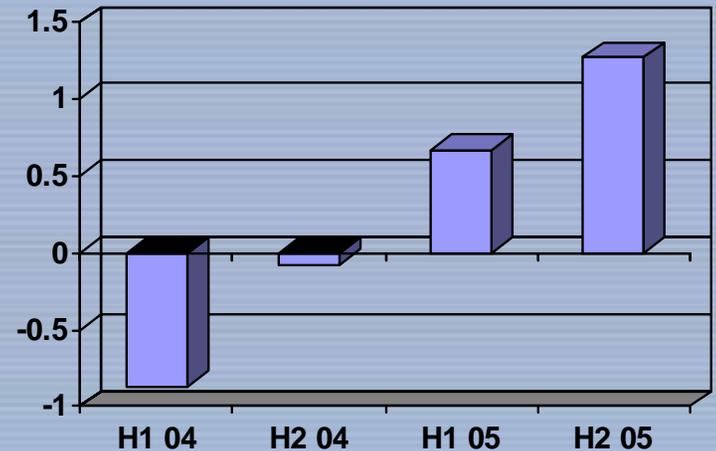
Operating profit \$1.95 million

- Up \$2.89 million on FY04

Increased profit over year

- H1 \$0.67 million
- H2 \$1.27 million

EBITDA - \$3.03 million



Switchplus® – core technology

Highly reliable

- Fault tolerant
- Redundant architecture

Scalable – from small to very large systems

Circuit switched and packet switched voice & data

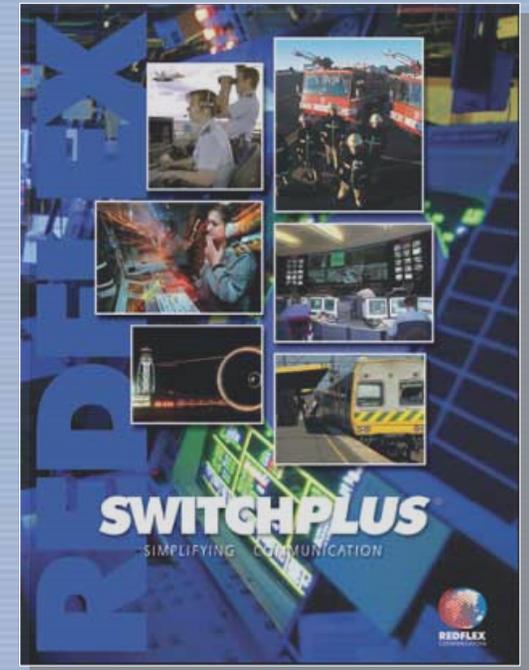
Voice over Internet (VoIP)

- RCS commenced R&D on VoIP three years ago and is now commercializing this technology.

Touchscreen control

Very configurable

Large number of specialised interfaces





Communications outlook

Battlefield Communications System

- Ongoing orders expected for approximately 4 years (total \$17m expected - \$3m to date)

Impact of termination of FS21 project with Lockheed Martin being assessed

- Settlement terms yet to be negotiated

Short term order book is limited, sales pipeline is reasonable

- Future performance & growth will depend on winning substantial orders

REDFLEX TRAFFIC SYSTEMS



ANNUAL GENERAL MEETING





Redflex AGM – November 2005



Bruce Higgins

- **Executive Director**
Redflex Holdings Limited
- **CEO and President**
Redflex Traffic Systems Inc.

Division overview- Redflex Traffic Systems Inc.



Melbourne Office



Los Angeles Office



Scottsdale, Arizona Office

Redflex Traffic Systems Inc.

- 100% owned by Redflex Holdings Limited (ASX RDF)
- Registered in Delaware
- Largest digital photo enforcement outsourcing operation globally with 76 contracts in the USA
- Business history in the USA since 1985
- Acquired American Traffic Systems business in 1999



RTS Company overview

Business arena:

- Photo Enforcement

Subsidiaries (100%)

- Redflex Traffic Systems (California) Inc.
- Redflex Traffic Systems Pty Ltd (Australia)

Employees:

- 240+ (including RTS Australia)

Sales:

- A\$ 38M FY05

Tangible Assets:

- A\$ 58M



Our technology delivers proven public safety benefits which are funded through the citations issued by the delivered systems.

RTS USA business model



Build Own Operate-USA Example

- 5 to 7 year contracts with cities for red-light programs.
- Revenue stream based on system performance and driver behaviour.
- Revenue models
 - Fixed monthly fee or fee + per citation mix
 - Fixed fee per citation issued or collected
- High quality debtors, payment on 30 days generally.
- Typically 6 - 20 red-light camera systems per city.
- City shares revenues with Redflex.
- Accident/fatality reduction of 15 - 50% over time.
- Model proven over contracts with 60+ cities to date.
- Redflex has 100% contract retention to date.

RED LIGHT CAMERAS



2005

REDFLIX HOLDINGS LIMITED



Non-USA business model

Sales Model- Example Europe & Pacific region

- Sale of equipment to government departments or Police.
- Sale or licence of back office system to support the citation issuance.
- 1-5 year maintenance contracts and re-certification of installed systems.
- Typically repeat business as programs grow and requirements change.
- Profits and cash-flow available to reinvest.



USA Market

22 States with existing red light programs

- 129 Programs in place or announced

Redflex has photo enforcement programs in 15 States

- 76 Cities

Potential market ~2,500 cities for red-light and speed programs.

Speed Enforcement Opportunities Growing

- 101 Freeway Enforcement program order
- Davenport, IA Speed Enforcement order
- Trotwood, OH Combo RL & Speed enforcement order
- Northwood, OH red light/speed and mobile speed
- Bellwood, IL Red Light/Speed Enforcement order
- Chandler, AZ Pilot program existing contract



USA market

Speed photo enforcement market

- Market is small at present with mobile units in school zones and roadside
- Wider community support building
- Freeway opportunities expected to emerge
- Estimated market is US\$ 4 to 10 Billion

Potential red light enforcement market

- 350,000 signalized intersections
- Average potential 4 directions within each = 1,400,000 directions of travel
- 1/20 to 1/40 enforced = 35,000 to 70,000 approaches
- US\$ 2.1 to 4.2 Billion potential p.a.



First Fixed Speed Contract for USA Freeway

7.8 Mile segment of loop 101 freeway in Arizona

Fixed Speed enforcement program at 6 locations

**Public awareness program and warning program
Dec05/Jan06**

- Enforcement period of pilot program commences Feb 06.
- Important program to demonstrate the effectiveness of the photo enforcement program to improve public safety.
- Initial estimates of citations issued and paid by the city of Scottsdale is approximately 550 per day. Volumes will vary based on driver behavior and program effectiveness.





Operations Highlights

USA market presence expanded to include five new states:

- **Iowa**
- **Minnesota**
- **New Mexico**
- **Texas**
- **Tennessee**



Operations Highlights

USA Cities under contract since 30 June 2004 increased from 51 cities to 76:

- Albuquerque, NM
- San Leandro, CA
- Council Bluffs, IA
- Davenport IA
- Gardena, CA
- Rocklin, CA
- Marysville, CA
- Trotwood, OH
- Minneapolis, MN
- Loma Linda, CA
- Modesto, CA
- Plano, TX
- Northwood, OH
- Yuba City, CA
- Poway, CA
- Newberg, OR
- Sylvania, OH
- Richardson, TX
- Union City, CA
- Frisco, TX
- Laguna Woods, CA
- Denton, TX
- Los Alamitos, CA
- Knoxville, TN
- Bellwood, IL

10 New Cities July 1 2004 to 30 June 2005

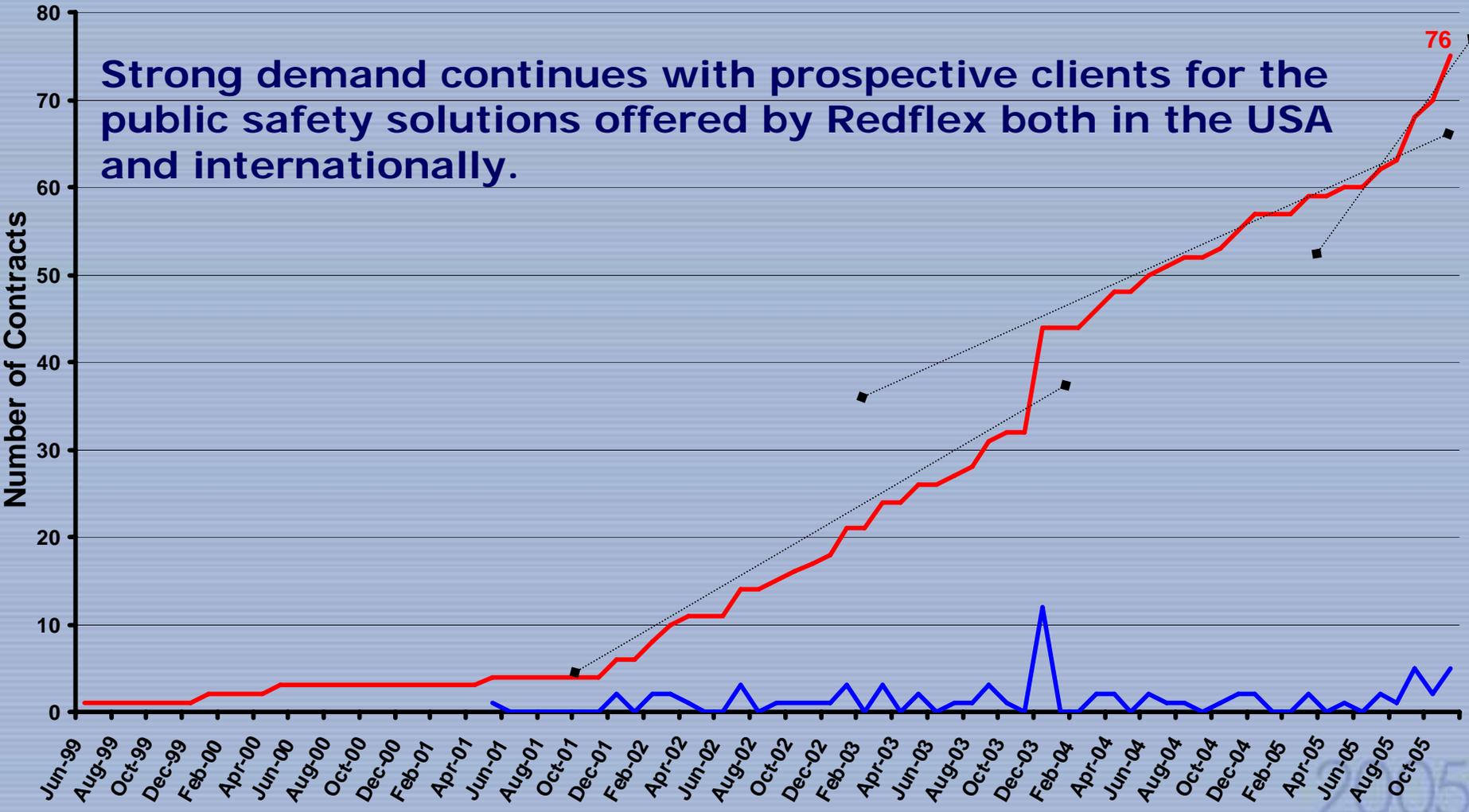
15 New Cities July 1 2005 to 25 Nov 2005

RTSI USA City Contract Award Trend



Number of USA City Contracts Per Month
(Monthly and Cumulative)

Strong demand continues with prospective clients for the public safety solutions offered by Redflex both in the USA and internationally.





Redflex Traffic Systems

- 500+ Operational Systems
- 76 Jurisdictions
- 15 States
- US Operations Since 1986

California (42)

- Bakersfield
- Compton
- Culver City
- Del Mar
- El Cajon
- El Monte
- Emeryville
- Encinitas
- Escondido
- Fairfield
- Fremont
- Garden Grove
- Gardena
- Hawthorne
- Inglewood
- Laguna Woods
- Loma Linda
- Los Alamitos
- Lynwood
- Marysville
- Maywood
- Modesto
- Oceanside
- Oxnard
- Paramount
- Poway
- Ridgecrest
- Rocklin
- San Jose
- San Juan Cap
- San Leandro
- San Mateo
- Santa Ana
- Santa Clarita
- Solana Beach
- South Gate

Oregon (3)

- Beaverton
- Medford
- Newberg

South Dakota (1)

- Sioux Falls

Minnesota (1)

- Minneapolis

Iowa (2)

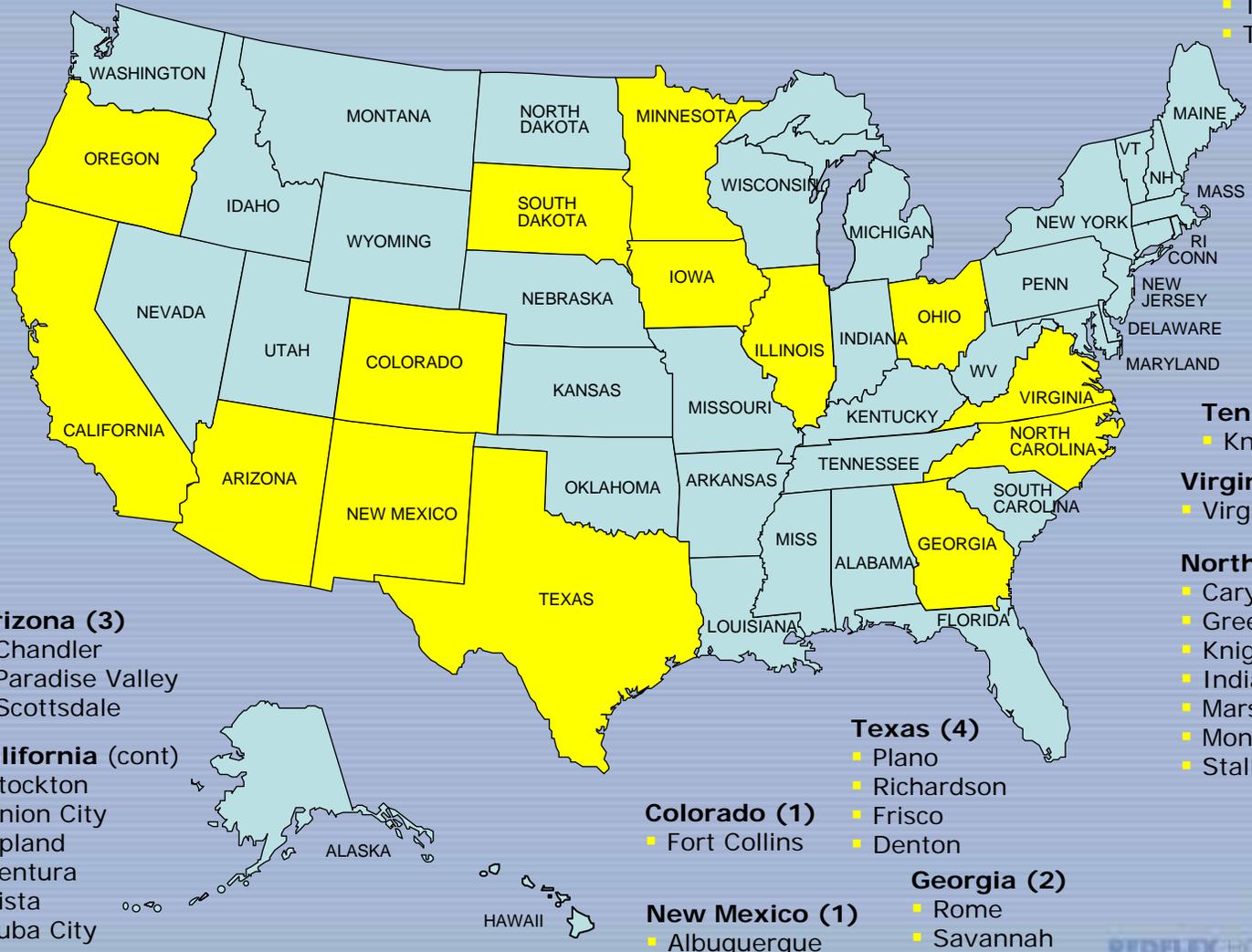
- Council Bluffs
- Davenport

Illinois (2)

- Bellwood
- Chicago

Ohio (5)

- Dayton
- Northwood
- Sylvania
- Toledo
- Trotwood



Arizona (3)

- Chandler
- Paradise Valley
- Scottsdale

California (cont)

- Stockton
- Union City
- Upland
- Ventura
- Vista
- Yuba City

Colorado (1)

- Fort Collins

New Mexico (1)

- Albuquerque

Texas (4)

- Plano
- Richardson
- Frisco
- Denton

Georgia (2)

- Rome
- Savannah

Tennessee (1)

- Knoxville

Virginia (1)

- Virginia Beach

North Carolina (7)

- Cary
- Greenville
- Knightdale
- Indian Trail
- Marshville
- Monroe
- Stallings



Business Highlights

Strong global demand continues for Redflex public safety solutions.

Non USA new contracts:

- Speed enforcement camera systems for the new cross Sydney tunnel.
- Rail crossing enforcement camera for trial in Victoria
- Speed Enforcement Camera systems for a major road tunnel in Taiwan
- Orders for photo enforcement systems in South Africa and the UK.
- First contract for photo radar speed enforcement in Guatemala.
- Additional portable Lasercam photo enforcement system orders.

Maintenance contracts in place to support over 160 photo enforcement systems in Australia.



Operations Highlights

Installed photo enforcement systems increased from 301 to 524 at the date of this report (223 systems constructed over the period since July 2004 to date and 5 older systems were decommissioned over the period due to city requirements and road works)





Financial Highlights

An increase of 72% in operating profit from \$5.7 million to \$9.8 million (excluding head office charges)

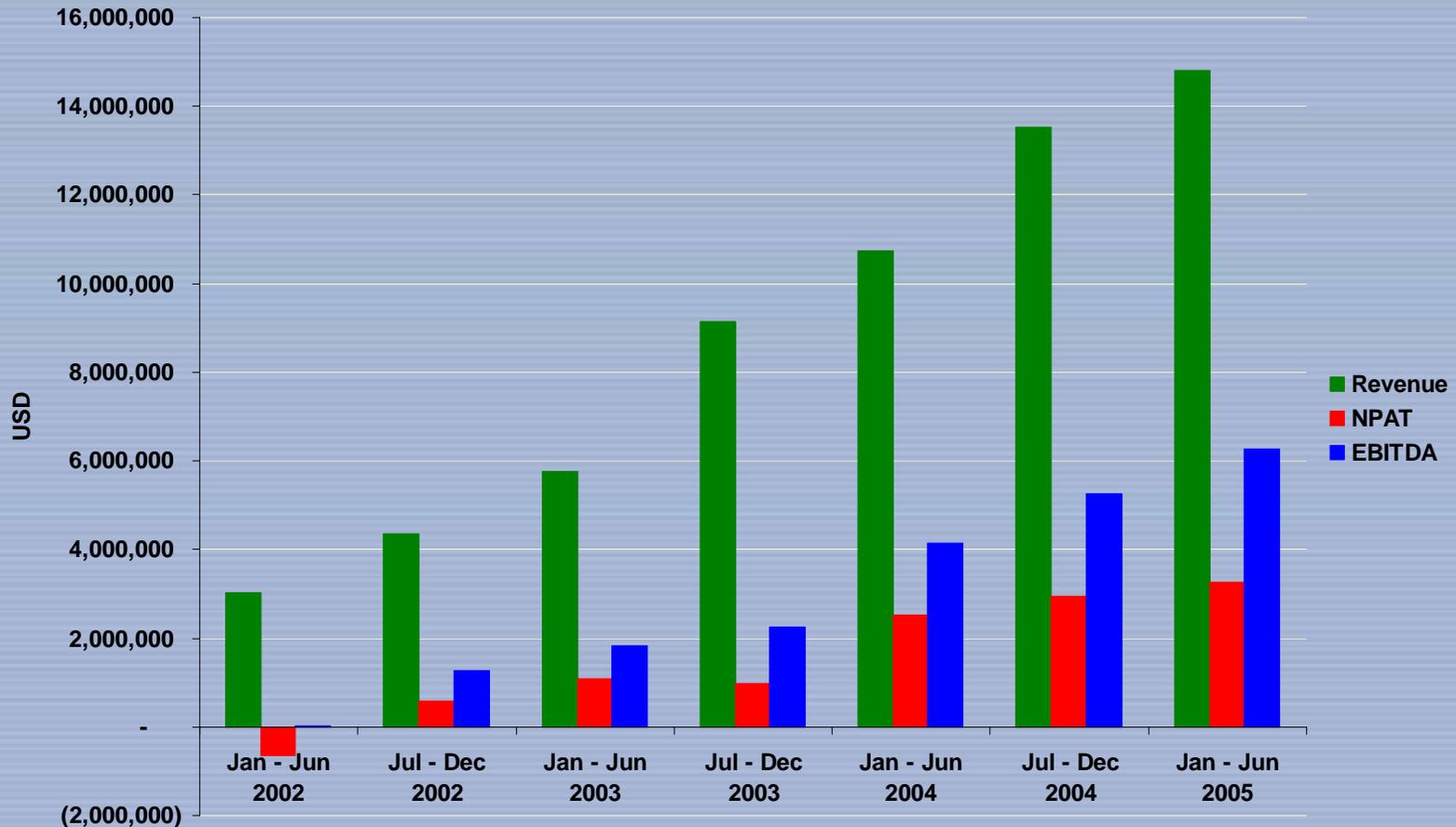
An increase of 53% in revenue from \$24.6 million in FY04 to \$37.7 million for the red light and speed photo enforcement business

An increase of 78% in EBITDA from \$9.6 million to \$17.1 million (excluding head office charges)



Redflex Traffic Systems financial trends

RTS Results 7 Half Year Periods – includes RTS Australia





Market leadership

Outsourcing programs with local government for public safety

- Redflex is the largest provider of red light photo enforcement in the USA.

Advanced digital camera technology

- Redflex camera systems deliver a more efficient and higher quality evidence package than the competition.

Vehicle detection technology for both position and speed

- Redflex detection technology delivers better results based on public data than competing products.

End to end processing of photo enforcement citations

- Redflex is the leader in providing end to end process of photo enforcement in both software design and operation.

Construction and program implementation.

- Redflex capability to design, install and commission leads the industry.



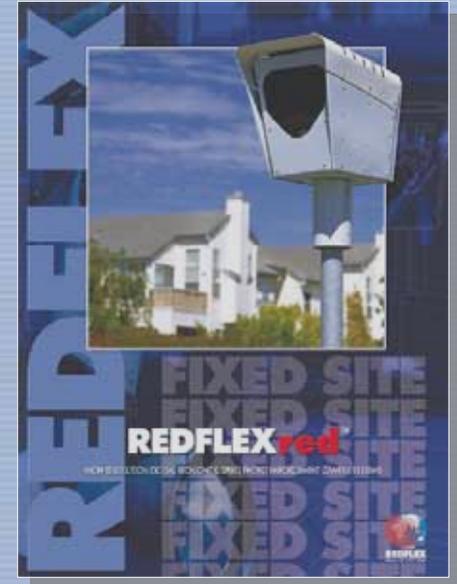
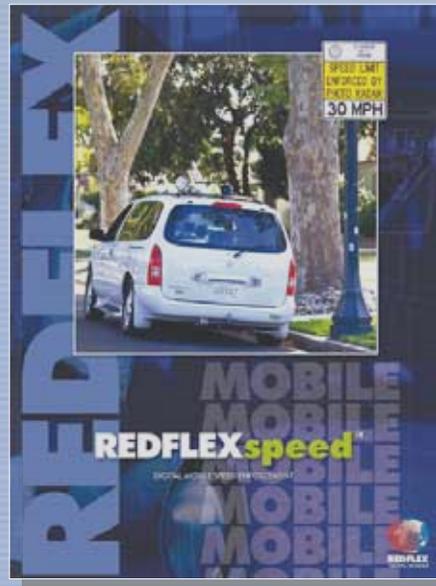
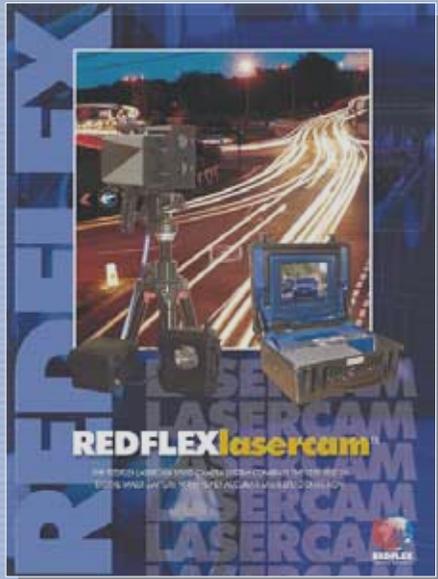


Products and services

Red-Light Enforcement

Red-Light/Fixed Speed

Roadside Fixed Speed



Products and services

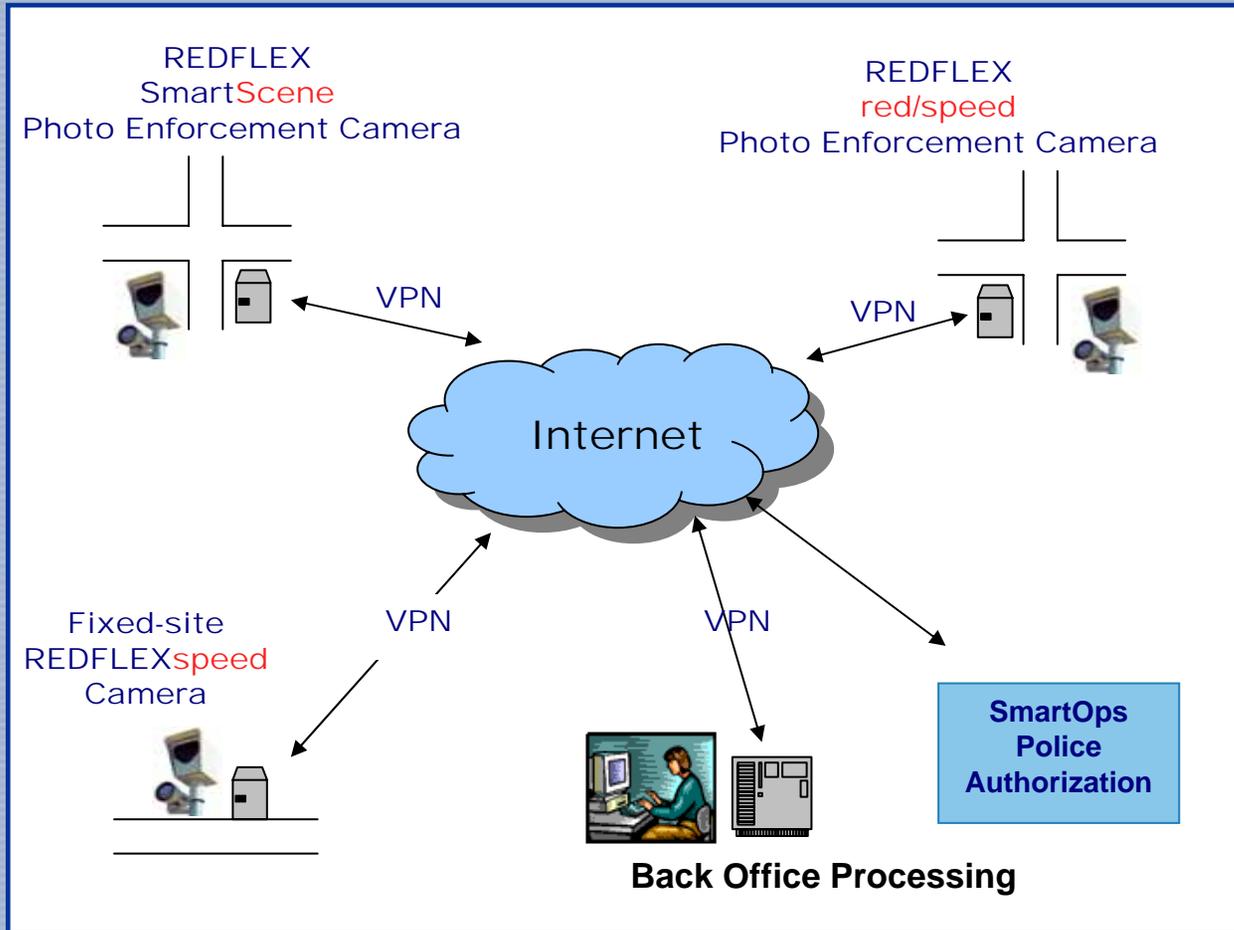
SMARTCAM® -DEPLOYMENT

- Mobile Photo Radar Speed Van



Redflex Architecture

Secure digital integrated system architecture



Redflex Back Office

Redflex proprietary SmartOps™ processing application

Scene "A"

- (Double Left Turn Lane)
- Vehicle clearly behind the limit line at 4/10ths of second into the red phase
- Red phase clearly visible
- Zoomed license plate image



Scene "B"

- (Double Left Turn Lane)
- Vehicle clearly committing the violation at 1.8 seconds into the red phase
- Red phase clearly visible
- Zoomed facial image



Redflex photo enforcement evidence...

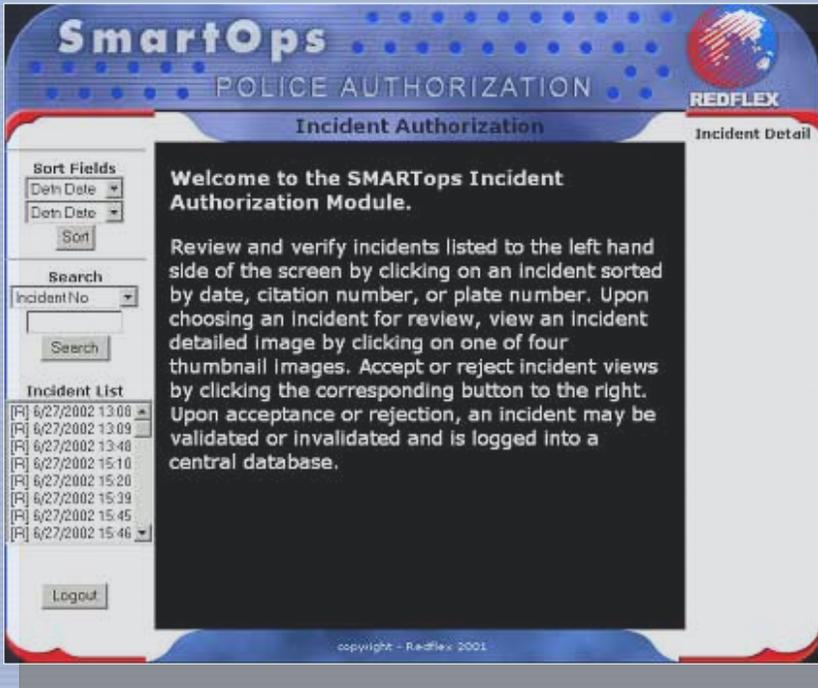
with combination SmartScene™ video animation

- SmartScene™ offers the first combined high resolution still photo evidence set combined with a video animation of the vehicle.



Strong market acceptance of this feature

Web based citation authorization



Citation Review Page >

- (Double Left Turn Lane)
- All images are clearly viewable from a single page
- Each image can be enlarged to full-page with a single-click
- All DMV & incident information plainly stated

< Citation Review Page

- All citations are accessed by an “inbox” format
- Citations are easily sorted and accessed





Non USA sales FY05 update

Redflex continues to lead the market in Australia

Point to Point Speed Detection System on trial throughout New South Wales

Additional sales of Redflex Lasercam™ systems to the State of Tasmania





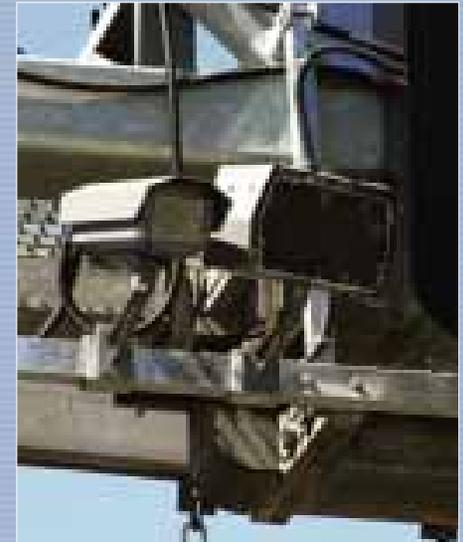
Non USA sales FY05 update

Award of the New Cross City Tunnel camera systems in Sydney

Award of maintenance for the ACT speed and red-light camera program

Upgrades to Speed Camera and Bus Lane Enforcement Systems in NSW

Growth in maintenance services throughout Australia





Non USA sales FY05 update

Continued sales of Lasercam™ to the United Kingdom



First Redflex sales into Spain

New sales of Fixed Speed and Red-Light Camera Systems to the largest BOOM operator in South Africa



Sales of portable Lasercam™ systems to South Africa

Achieved Redflex first sale in Asia with the award of speed camera systems for the Taichung tunnel in Taiwan

Redflex railway crossing enforcement trial

Example of Redflex railway crossing enforcement trial





Traffic System Business R&D

New Redflex HDX camera system deployed in USA revenue service and offers the ability to enforce up to eight lanes of traffic. Expected performance is 3 to 5 times competitive video based solutions.

HDX high resolution system deployed to mobile photo radar van.

Deployment of next generation point-to-point speed detection

Improvements to REDFLEXflash to allow prosecution over 7 lanes at night.

Non-intrusive Red-light systems delivered using video and radar detection.

Next generation Web-enabled back office processing systems deployed.

The Redflex goal is to offer the most efficient, reliable and accurate photo enforcement systems to meet and exceed market requirements within our cost goals and improve public safety.



Traffic System Business R&D Cont.

Migration of Weigh-in-Motion to commercial product in FY06

Rail crossing photo enforcement enforcement

Speed measurement devices, radar, video, laser and fixed road sensors

Redflex proprietary flash systems are demonstrating superior performance

Bus/Transit lane enforcement



Competitive advantages

Technical capability of delivered systems (higher yields)

Camera System Performance

Quality of services

Financial strength

Overall experience and roll out rate

Patent portfolio

Citation processing and back office capability

Satisfied customers

Proven business team



Outlook

Growth in new contracts show that our clients are adopting photo enforcement systems at a growing rate.

Growing base of experience within the USA market on the effectiveness of photo enforcement programs backed up by well documented international experience.

Redflex has the market access, experience, products, financial strength and capability to continue to lead the market for both red light and speed photo enforcement within the USA.

200+ new systems installed during the full Financial year planned. Less than half expected to be installed in H1, with a larger ratio to be installed in H2 based on client requirements in hand and estimated.

Profitable installed base and contracted backlog in hand to grow business in FY06.

Strong intellectual property and product portfolio in target markets.

Favourable market conditions and competitive position

2005

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ANNUAL GENERAL MEETING



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