

ASX ANNOUNCEMENT

10 January 2019

Redflex Holdings Limited | ABN 96 069 306 216

Redflex 

Q2 FY19 Sales Activity Update

Redflex Holdings Limited (**ASX:RDF**) releases to the market its Q2 FY19 Sales Activity Update.

About Redflex

The Redflex Group has established itself as a world leader in traffic enforcement products and services, developing leading enforcement camera technology and owning and operating one of the largest networks of digital speed and red-light cameras in the world. Redflex develops and manufactures a wide range of digital photo enforcement solutions including red light camera, speed camera and school bus stop arm camera systems, all utilising the most advanced sensor and image capture technologies.

The Redflex Group runs its own systems engineering operations, system integration technologies and innovation centre for research and development. With our continuous development of new safety products, the Redflex Group has been helping to reduce collisions and to save lives for more than 20 years.

Redflex Holdings Limited was listed on the Australian Securities Exchange in January 1997.

For further information:

Mark J. Talbot
Group Chief Executive Officer
Redflex Holdings Limited
mtalbot@redflex.com
T +61 3 9093 3324

Neville Joyce
SVP - Group Chief Financial Officer
Redflex Holdings Limited
neville.joyce@redflex.com.au
T +61 3 9093 3324

Redflex Holdings Limited

31 Market Street (P.O. Box 720), South Melbourne, Victoria, Australia 3205 t: +613 9093 3324
e: redflexholdingslimited@redflex.com.au

www.redflex.com

Redflex Holdings Limited ASX.RDF

Q2 FY19 Sales Activity Update

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Q2 FY19 Sales Activity Update



Continued strong sales momentum with confirmed new orders in all key geographies

- Total Contract Value (TCV) of **\$11.4m** in confirmed sales orders for both project and annuity streams. This represents 18% growth on our strong Q1 result.
- New project orders of **\$7.9m (55% growth on prior year)** and annuity orders of **\$3.5m (46% growth on prior quarter)**.

Key highlights include:

New and expanding programs in the Americas (\$2.1m)

- New program won for Pasco, Washington with expansion to a number of existing programs.

Additional equipment orders in UK and Europe (\$3.0m)

- Additional order from Highways England for \$2.0m of equipment for delivery in FY19.
- Further expansion of the program in Belgium with an order for additional mobile units (\$0.7m).

Further projects for delivery in Australia (\$2.4m)

- Ongoing orders for programs within Australia underpinned by new installations on Peninsula Link in Victoria (\$1.3m) and a variety of projects for Roads & Maritime Services in New South Wales (\$0.4m).

Equipment orders to support existing programs in the Middle East (\$2.5m)

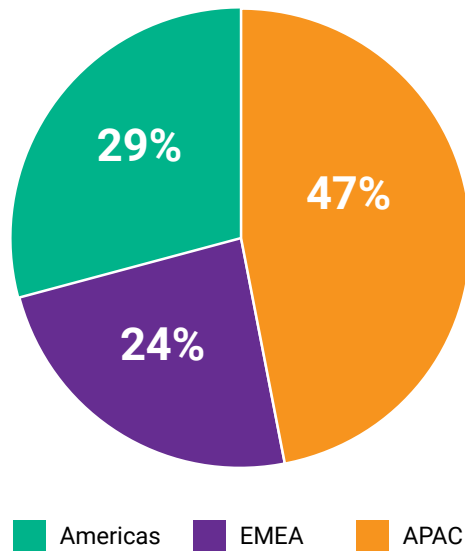
- Additional equipment orders to support existing programs in Saudi Arabia and United Arab Emirates.

Retention rates remain greater than 90%

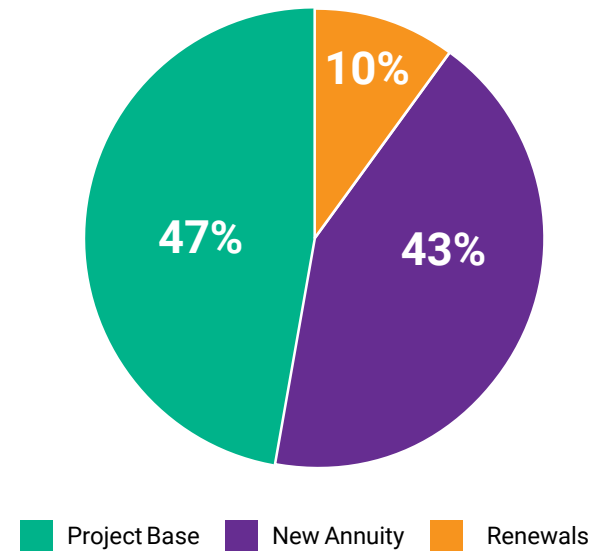
- **\$15.1m** of TCV was renewed in Q2 across both the Americas and International businesses.

Sales Pipeline remains > \$300m TCV

Sales Pipeline - TCV by Region



Sales Pipeline - TCV by Revenue Type

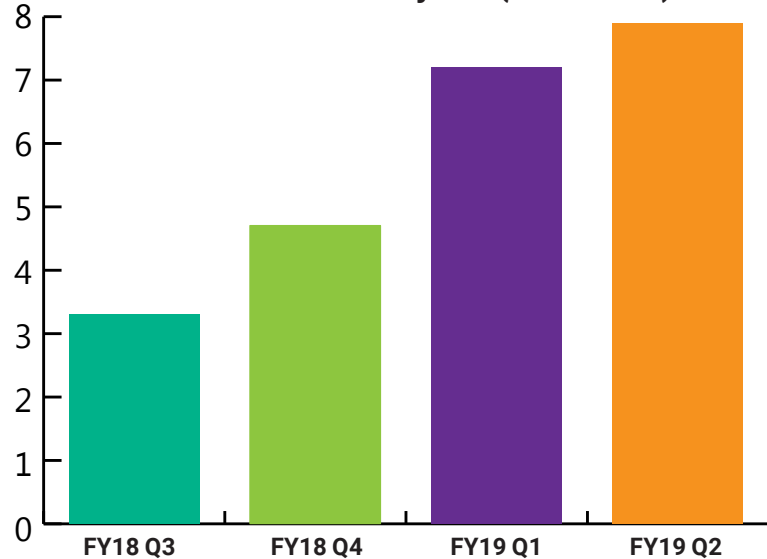


- Global Sales Pipeline with estimated close dates in the next four quarters remains in excess of \$300m.
- Significant Sales Pipeline opportunities remain within all of our key geographies.
- Sales Pipeline value is measured as the TCV attributable to an opportunity.

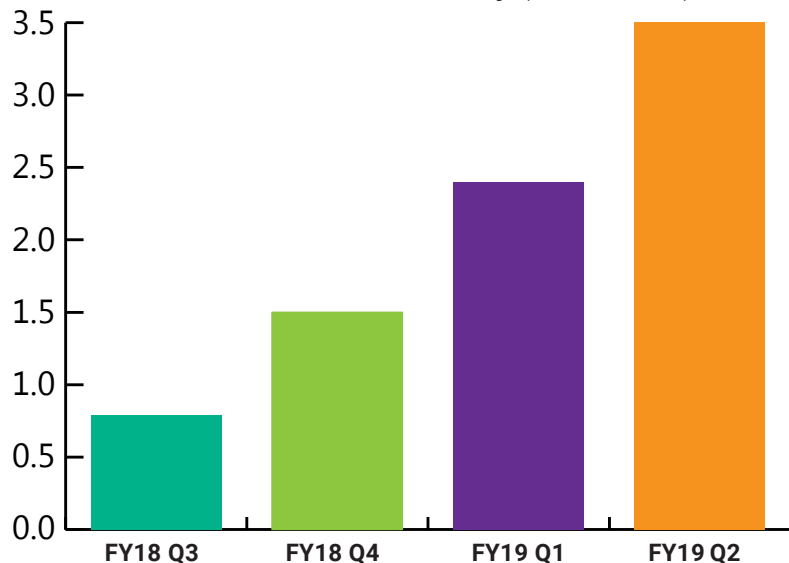
- We have a solid balance of new projects and new annuity sales opportunities.
- Continued focus on growing annuity streams in both the Americas and International segments.
- Renewal rates remain stable at above 90%.

Sales leadership remains focused on qualifying and converting pipeline opportunities!

**Confirmed Orders
New Business - Projects (TCV* - \$m)**



**Confirmed Orders
New Business - Annuity (TCV* - \$m)**



55% growth in Project bookings compared to prior year and **46% growth** in Annuity bookings from Q1 19

- TCV of **\$11.4m** in confirmed sales orders received in Q2 FY19:
 - Confirmed project orders of **\$7.9m (TCV)** reflects continued growth in forward orders, **H1 FY19 Project Bookings of 15.2m represents a 102% increase in bookings compared to H1 FY18.**
 - Annuity orders of **\$3.5m (TCV)** includes a new program in Pasco, Washington; expansion of some existing US based programs; and maintenance services to support additional U.K. equipment sales.
- New orders received from each of our key regions – Europe, Middle East, Australia and the Americas.

*TCV = Total Contract Value which is the expected contracted revenue over the life of the contract.

Glossary

Annuity Revenue	Annually recurring revenue generated by service contracts which have a term of three to five years.
Project Revenue	Non-recurring revenue generated by a sales order which is expected to be recognised within 18 months from the order date.
Sales Pipeline	Qualified sales opportunities with expected order dates within the next four quarters.
Total Contract Value (TCV)	The total expected revenue to be recognised over the base contract term plus priced option periods.

All dollar values are in Australian dollars (“A\$”) unless stated otherwise.

Disclaimer

Overview

This Presentation has been prepared by Redflex Holdings Limited (ACN 96 069 306 216) (“RDF” or “Company”) and is dated on the front cover sheet.

Summary Information

This Presentation contains summary information about the current activities of RDF as at the date of this Presentation. The information in this Presentation is of a general nature and does not purport to be complete. This Presentation does not purport to contain all the information that an investor should consider when making an investment decision nor does it contain all the information which would be required in a disclosure document or prospectus prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with RDF’s other periodic and continuous disclosure announcements lodged with the ASX, which are available at www.asx.com.au. Neither RDF nor its directors, employees or advisers give any warranties in relation to the statements and information in this Presentation.

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Financial data

All dollar values are in Australian dollars (“A\$”) unless stated otherwise.

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Past performance information is given for illustrative purposes only and is not, and should not be relied upon as, an indication of future performance. This Presentation may also contain certain forward-looking statements with respect to the financial condition, results of operations, projects, contracts and business of RDF and certain plans and objectives of the management of RDF. These forward-looking statements involve known and unknown risks, uncertainties and other factors which are subject to change without notice. Forward-looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. Neither RDF nor any other person gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. In particular, such forward-looking statements are subject to significant uncertainties and contingencies, many of which are outside the control of RDF. Further, none of RDF, its officers, agents or employees, except to the extent permitted by law, accept responsibility for any loss, claim, damages, costs or expenses arising out of or in connection with the information contained in this Presentation. Investors should independently satisfy themselves as to the accuracy of all information contained herein.

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