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Further development re Chicago investigation

On 4 March 2013, Redflex Holdings Limited (the Company) announced a summary of its four-month long, independent, internal investigation into its subsidiary's (RTSI) Chicago contract and associated matters.

The investigatory summary announced the departure of several U.S. employees for violating company policies, the adoption of enhanced compliance activities, and concluded that some of the activities "would likely be considered bribery by the authorities".

Today, the U.S. Department of Justice arrested John Bills, a former employee of the City of Chicago, for alleged bribery relating to the Chicago contract. The Company's subsidiary was not criminally charged in connection with this arrest. In response, Redflex Traffic Systems, Inc. issued the following statement to the media:

"Last year we publicly released the findings of our internal investigation into the conduct of several former employees and announced new leadership, new policies and a line between our past and today's Redflex. As promised, we also fully cooperated with the authorities. We did what a responsible company should do and we are pleased that our internal investigation contributed to the government's legal action."

Redflex Traffic Systems, Inc. continues to cooperate with authorities as requested.

Since releasing the summary of its internal investigation more than a year ago, Redflex Traffic Systems, Inc. has signed or renewed over 100 contracts with communities across the United States.

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