



Release to Australian Securities Exchange

Redflex Dividend Reinvestment Plan – Dividend payable on 3 November 2008

9 October 2008

The company advises that a letter is being sent from the Chairman to non-participating eligible members who hold more than 5,000 shares. A sample of the letter follows:

For further information:

Graham Davie
Chief Executive Officer
graham.davie@redflex.com.au
+61 3 9674 1715

Marilyn Stephens
Company Secretary
marilyn.stephens@redflex.com.au
+61 3 9674 1712



REDFLEX
HOLDINGS

Redflex Holdings Limited

ABN 96 069 306 216

31 Market Street (PO Box 720), South Melbourne
Victoria, Australia 3205
Tel: +61 3 9674 1715
Fax: +61 3 9699 3566
Web: www.redflex.com.au

All correspondence to:
Computershare Investor Services Pty limited
GPO Box 2975 Melbourne
Victoria 3001 Australia
Enquiries (within Australia) 1300 850 505
(outside Australia) 61 3 9415 4000
Facsimile 61 3 9473 2500
web.queries@computershare.com.au

000001 000 RDF
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030



Dividend Reinvestment Plan

Dear Shareholder

I am pleased to invite you to participate in Redflex's Dividend Reinvestment Plan (DRP) which offers shareholders the opportunity to invest their dividends in additional shares while retaining the benefits of dividend franking. DRP shares are issued free of brokerage, commission and other costs.

As you are no doubt aware, the Company continues to grow at a rapid rate. Such expansion last financial year required capital expenditure of \$35.5 million - a figure which we expect to be exceeded in the next twelve months. Such funding needs have the effect of making participation in the DRP by shareholders particularly valuable to the Company. The Company would hope for as high a level of participation as possible and in this regard notes participation of approximately 58% last year - hopefully this figure will be even greater this year. I note that all directors who are eligible (ie the directors who are Australian residents) have all elected to participate again this year.

The DRP booklet, incorporating the DRP Rules, is enclosed, and it can also be viewed on our website at www.redflex.com.au

As announced to the ASX on 26 August, the directors of Redflex have declared a dividend of 4.5 cents per share fully franked. The Record Date for determining entitlements to this dividend is 17 October 2008 with the dividend paid, and DRP shares issued, on 3 November 2008. The issue price of shares under the DRP in respect of this dividend will be calculated at a 5% discount to the average market price of all Redflex shares on the ASX during the 5 trading days up to and including 17 October 2008.

If you choose to take this opportunity to participate in the DRP, please complete the enclosed DRP Election Form and return it in the reply paid envelope for receipt by Computershare no later than 5pm Melbourne time on 17 October 2007. You may nominate all or only some of your shares for participation and you can vary, terminate and rejoin the DRP whenever you wish.

Redflex recently released its financial year 2008 results and you can view these on the website now at www.redflex.com.au

We look forward to your continued support of Redflex.

Yours sincerely

Chris Cooper
Chairman