



Release to Australian Stock Exchange

Redflex enters the New Market of Massachusetts – The Town of Saugus, Massachusetts, and continues to grow in Texas

21 December 2006

Redflex Traffic Systems, Inc, a wholly owned subsidiary of Redflex Holdings Limited, is pleased to announce the execution of our latest contract in a **new** state through the execution of an agreement with the Town of Saugus, Massachusetts and continued growth in Texas with contract implementation in two new cities.

Town of Saugus, Massachusetts

The Town of Saugus, with a population of approximately 27,000, is located in Essex County and is situated in the Greater Boston Area. The contract was awarded as a result of a competitive tender and is for a term of three years and is for up to 10 intersections and various designated speed zones.

“After undertaking an extensive vendor evaluation process and based on reference checks and a formal Request for Proposals, it is our finding that Redflex is clearly the leader in this industry. The Town of Saugus selected Redflex for its proven history of demonstrated experience, advanced technologies and working knowledge of helping communities with their efforts in increasing public safety and modifying bad driving behavior”, said Andy Bisignani, Town Manager, Saugus.

“We are very pleased to be working with the Town of Saugus with their trail blazing red-light and speed enforcement efforts. We have made a strategic investment in opening new markets such as Massachusetts, thereby implementing an operating paradigm that follows best practices in legal, ethical and operational integrity” said Karen Finley, CEO.

N. Richland Hills, Texas

The City of North Richland Hills, Texas has a population in excess of 61,000 and is located in Tarrant County and is part of the Fort Worth - Arlington metro area. The program is for up to 20 intersections and for a term of three years, plus three automatic one-year renewals.

Dalworthington Gardens, Texas

The City of Dalworthington Gardens is also in Tarrant County, in the Dallas-Fort Worth metro area. The City is unique as it is completely encircled by the City of Arlington which has a population in excess of 360,000 thereby causing substantial traffic challenges across the community. The program is for up to 20 intersections and for a term of nine years consisting of nine consecutive one-year automatic renewals.

“We are very pleased with our continued momentum across the State of Texas. With ten new Texas contracts since July 1, 2006, I feel this is a testament to our ability to swiftly and effectively mobilise our efforts in new markets; thereby successfully establishing Redflex in leading market share” said Karen Finley, CEO

Redflex Traffic Systems Inc has contracts with over 100 USA cities, and is the largest provider of digital red light and speed enforcement services in North America. With photo speed programs in 9 states and photo red light programs across 17 states, Redflex has led the market in installed systems, installation rate and market share over the past 12 months.

For further information:

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