

Release to Australian Securities Exchange

REDFLEX Executes Red Light Enforcement Contract with the Largest City in the Commonwealth of Virginia – Virginia Beach

2 October 2008

Redflex Traffic Systems Inc, a wholly owned subsidiary of Redflex Holdings Limited, is pleased to announce the execution of a new contract with the City of Virginia Beach, Virginia.

Virginia Beach, VA

It is the most populous city in Virginia and the 41st largest city in the United States with an estimated population of 450,000.

In 1995 the Virginia State Legislature authorised red light cameras for a 10-year period concluding 1 July, 2005.

Commencing in September 2004 through 1 July 2005 and resulting from a successful competitive tender, Redflex and the City of Virginia Beach implemented a highly successful red light camera program that reduced red light running crashes by 40% at the monitored intersections.

In 2005, the Virginia General Assembly did not renew this enabling legislation and as a result, effective 1 July 2005, all municipalities across Virginia were required to terminate their respective contracts and indefinitely shut down their programs.

In 2007 the General Assembly enacted new legislation allowing communities to implement comprehensive red light camera programs. Under the new legislation cities are allowed to enforce one intersection for every 10,000 residents.

The contract scope is open-ended. The initial phase as authorised by Council is for 20 systems at 10 intersections however, the enacted legislation allows for the maximum program build-out of up to 43 intersections. The contact term is for five years with three one-year renewals.

“As the true pioneer of the photo enforcement industry, Redflex has been an active leader in legislative initiatives in more than half of the 21 states in which it operates. To ensure the industry’s successful propagation, Redflex has made a strategic investment in a team of legislative experts with a keen knowledge of working the delicate, formal, legislative processes and grass root efforts. When the original 1995 Virginia photo enforcement legislation was not renewed, we implemented a focused legislative effort: two-years later, these efforts were successfully received by the Virginia General Assembly as referenced by the state-wide enablement of photo enforcement programs. As the largest municipality in Virginia, it was a great validation to be awarded the Virginia Beach photo enforcement contract through two separate competitive tenders at two points in time; firstly in 2004 and more recently in 2008. This achievement demonstrates our longevity, unequivocal leadership and unwavering commitment to delivering world-class public safety programs” said Karen Finley, CEO Redflex Traffic Systems.

Redflex Traffic Systems, Inc has contracts with more than 200 U.S. cities, and is the largest provider of digital red light and speed enforcement services in North America. With photo speed programs in nine states and photo red light programs across 21 states, REDFLEX has consistently led the market in contract wins, system installation rates and market share.

For further information:

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