

Release to Australian Securities Exchange

Redflex Traffic Systems Announces American Traffic Solutions' Withdrawal of Its Appeal to Overturn Decision on Arizona's Photo Enforcement Contract

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Redflex Traffic Systems, Inc. ("REDFLEX"), a wholly owned subsidiary of Redflex Holdings Limited, is pleased to announce that REDFLEX' competitor, American Traffic Solutions (ATS), voluntarily withdrew its appeal to the Department of Administration ("DOA") of the State of Arizona regarding the Statewide Photo Enforcement contract award.

In July of 2008, REDFLEX was awarded the Statewide Contract, the first of its kind in the United States, by the Arizona Department of Public Safety. In the competitive bid process, REDFLEX scored a total of 929.7 points on the evaluation as compared to 743.5 for ATS. Shortly after the award announcement, ATS filed a protest with the State in an attempt to overturn the decision. The Department of Public Safety rejected ATS' protest. ATS then appealed to the DOA. ATS notified the DOA on January 8, 2009, however, that it was withdrawing its appeal.

ATS' decision comes after REDFLEX signed a consent decree with the United States Federal Communications Commission ("FCC") on December 23, 2008. ATS had filed complaints with the FCC in the summer of 2008 regarding the certification of the radar REDFLEX is using. REDFLEX settled the matter with the FCC by agreeing to implement certain compliance measures; REDFLEX also made a voluntary \$22,000 contribution to the United States Treasury.

Receiving the news that ATS had withdrawn its appeal of its protest, Karen Finley, President and CEO of REDFLEX said, "We are pleased that the complaint has been settled and that it was in no way able to endanger the continued execution of this important road safety initiative for the State of Arizona."

The Statewide photo enforcement program began on September 26, 2008 and fatal collisions have been reduced by 29%. Three fewer fatalities per month can be attributed to the State's safety program, according to the Arizona Department of Public Safety.

Redflex Traffic Systems, Inc. has contracts with more than 230 U.S. 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 22 states, REDFLEX has consistently led the market in contract wins, system installation rates and market share.

For further information:

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