Texas Legislation Update (House Bill 1631)

Redflex Holdings Limited (**ASX:RDF**) confirms that the Texas state legislature in the United States of America passed House Bill 1631 ("**Bill 1631**") on Friday 17 May 2019 (U.S. time). Bill 1631 is awaiting signature by the Governor of Texas and is expected to have immediate effect once signed.

Bill 1631 effectively prohibits the future implementation and operation of photographic traffic signal enforcement systems (i.e. red-light camera systems) with respect to a highway or street under the jurisdiction of a local authority within the state of Texas. Bill 1631 also prohibits local authorities from issuing a civil or criminal charge or citation for an offense or violation based on a recorded image produced by a photographic traffic signal enforcement system.

Adverse state legislation prohibiting photographic traffic infringement is a long-standing risk of operating a photo enforcement business within the United States and therefore Redflex has been, over many years, engaged in a broad range of activities to illuminate the significant road safety benefits of automated red-light enforcement to both legislators and the wider community.

We are disappointed that the clear benefits of photo enforcement have been overlooked with the enactment of Bill 1631. Nevertheless, we will continue to work closely with our customers who rely upon our technology and services to change driver behaviour and improve road safety throughout the United States.

The Company expects the enactment of Bill 1631 will have a material impact on the Company's financial performance but is unable to assess the quantum at this time given Bill 1631 has various provisions that the Company is still evaluating. Our Texas contracts represented approximately 13% of Redflex Group revenues derived in the 6-month period ended 31 December 2018. We will seek to manage our costs accordingly, while investing in our products and people to ensure strong and continued engagement with our current and prospective customers in the United States and globally.

About Redflex

The Redflex Group has established itself as a world leader in developing and implementing intelligent traffic management products and services. Redflex develops, manufactures and operates a wide range of platformed based solutions including red light camera, speed camera, auto number plate recognition (ANPR) and school bus stop arm camera systems, all utilising advanced sensor and image capture technologies enabling active management of state and local motorways.

The Redflex Group runs its own systems engineering operations, system integration technologies and innovation centre for research and development. With our continuous development of new products, the Redflex Group has been helping to improve roadway safety, alleviate congestion and reduce the harmful impacts of vehicle emissions for more than 20 years.

Redflex Holdings Limited was listed on the Australian Securities Exchange in January 1997.

For further information:

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