

Release to Australian Securities Exchange

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REDFLEX TRAFFIC SYSTEMS, INC.

UNITED STATES OF AMERICA

RESIGNATION OF PRESIDENT AND CHIEF EXECUTIVE OFFICER

The Company announces today that Mr James Saunders, President and Chief Executive Officer of the Company's U.S. subsidiary, Redflex Traffic Systems, Inc (**RTSI**), has decided to resign to pursue other opportunities.

Mr Saunders resignation will be effective at close of business on Tuesday 30 June 2015, although this period may be shortened by the Company, in its discretion.

Mr Saunders joined RTSI on 12 October 2010 as a Vice President of Account Management. Subsequent to this role Mr Saunders was appointed as the President and Chief Executive Officer of RTSI on 17 July 2013.

As President and Chief Executive Officer of RTSI, Mr Saunders has made a significant contribution to the operations of the Company's U.S. business. Mr Saunders has continued to develop the Company's important relationships with its government customers and other stakeholders and has been instrumental in seeking out revenue opportunities for the Company across the U.S.

Mr Saunders stated on announcing his resignation to the Company:

"Redflex has been an important part of my life for the last five years. During that time I've been fortunate to work with great customers and great people. The Company is pursuing exciting new markets and is well positioned with a strong management team and engaged Board. I leave Redflex in good hands."

Mr Paul Clark, Group Chief Executive Officer of Redflex paid tribute to Mr Saunders exceptional stewardship of the Company's North American business.

Mr Clark stated:

"On behalf of the directors and senior management team of the Redflex Group, I wish James well in his future endeavours. We sincerely thank him for his dedication and loyal support he has shown to the Redflex Group and for his outstanding leadership of our North American team. His deep knowledge and understanding of our industry and markets in which we operate has been second to none."

After the effective date of his resignation, Mr Saunders may continue to work with RTSI on a short term basis in an advisory capacity on certain key areas of the Company's U.S. operations.

The Company is in the process of appointing a suitable successor.

About Reflex

The Reflex Group has established itself as a world leader in traffic enforcement products and services, developing world leading enforcement camera technology and owning and operating the largest network of digital speed and red-light cameras in the world.

The Reflex Group develops and manufactures a wide range of digital photo enforcement solutions including red light camera, speed camera and school bus stop arm camera systems all utilising the most advanced sensor and image capture technologies.

Based in South Melbourne, Victoria, Australia, the Reflex Group runs its own systems engineering operations, system integration technologies and innovation centre for research and development. With our continuous development of new safety products, the Reflex Group has been helping to reduce collisions and to save lives for more than 25 years.

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

For further information:

Paul Clark
Group Chief Executive Officer
Reflex Holdings Limited
paul.clark@reflex.com.au
+61 3 9674 1836

Craig Durham
Group General Counsel & Company Secretary
Reflex Holdings Limited
craig.durham@reflex.com.au
+61 3 9674 1771