

ASX ANNOUNCEMENT

17 January 2019

Redflex Holdings Limited | ABN 96 069 306 216

Redflex

U.S. and Australian Investigations Closed

Further to the Company's announcement on 24 December 2016, Redflex Holdings Limited (**ASX:RDF**) announces that the two-year term of the Non-Prosecution Agreement between Redflex Traffic Systems, Inc. and the U.S. Department of Justice (**U.S. DOJ**) has now expired. The Company does not expect any action or other financial liabilities to arise from the U.S. DOJ in respect of this now expired agreement.

In addition, further to the Company's announcement on 1 February 2016, the Company also announces that it has received a letter from the Australian Federal Police stating that it has concluded its investigation and that no action will be taken regarding the Company or a former officer that was the subject of its investigation. The Company therefore does not expect any future financial liabilities to arise in relation to this matter.

Despite the close of these matters for the Company, Redflex remains committed to the high standard of corporate governance and risk management and to the maintenance of the 'compliance culture' that it has developed over many years.

In line with good corporate governance standards:

- the Company discloses its Risk & Compliance Policy & Framework and its policy relating to anti-bribery and anti-corruption on its website; and
- the Redflex Board continues to closely monitor management's compliance with these policies and regularly reviews them to assess their effectiveness.

In relation to the Company's remaining liability to the City of Chicago (see the Company's ASX announcement dated 4 February 2017), after making the required payments under the agreed release and settlement agreement by the due dates, this liability is currently USD9 million with the next instalment payment due to be paid to the City of Chicago on or before 31 December 2019.

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 the most 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 safety products, the Redflex Group has been helping to improve safety and alleviate congestion on roadways for more than 20 years.

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

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