At De La Rue plc's Annual General Meeting (AGM) being held today, the Chairman, Nicholas Brookes, will make the following statement, which comprises the Group's Interim Management Statement, for the period since 1 April 2008, as required by the UK Listing Authority's Disclosure and Transparency Rules:

Trading

"Trading during the period has been in line with our expectations, particularly reflecting a continued strong level of banknote demand. We expect this to result in year on year volume and revenue growth, partially offset by less favourable mix and lower overspill volumes. The other Security Products businesses have also traded in line with expectations.

"In the Cash Systems businesses which we have agreed to sell, trading in the first quarter of the financial year has been strong, despite the uncertainties in the retail and commercial banking sector. In the CPS business, investment has been increased in R&D and marketing to support the launch of key new products and expansion into new territories.

Balance Sheet

"The Group's balance sheet remains strong with net cash at the end of the first quarter of £100.5m. As announced in the Group's Preliminary Results, new credit facilities of £175m have been put in place, including a term loan for £50m. These are expected to be drawn down by £100m as part of the proposed return of cash to shareholders following completion of the disposal of the Cash Systems Division, excluding CPS.

Update on the disposal of Cash Systems

"The sale of Cash Systems, excluding CPS, to The Carlyle Group is conditional upon approval by De La Rue's shareholders, which was obtained at an EGM on Monday, July 14, 2008, and on various regulatory approvals being obtained.

"Following completion of the disposal, shareholders will receive as soon as practicable, a Circular outlining the process and timing of the proposed return of capital.

Outlook

"The order books both divisions remain at a four year high. In Currency, we expect this to result in the business continuing to operate at high levels of capacity throughout the remainder of the year. The Board remains confident in the trading outlook for the current year."

-ends-
Notes to Editors

1 De La Rue is the world's largest commercial security printer and papermaker, involved in the production of over 150 national currencies and a wide range of security documents such as passports, authentication labels and fiscal stamps. The Company is also pioneering new technologies worldwide in government identity solutions for national identification, drivers licence and passport issuing schemes. Employing over 6,000 people across 31 countries, it is also a leading provider of cash handling equipment and software solutions to banks and retailers worldwide, helping them to reduce the cost of handling cash.