



De La Rue House
Jays Close
Viables
Basingstoke
Hampshire RG22 4BS
England

This document is important and requires your IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are advised to consult your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised pursuant to the Financial Services and Markets Act 2000 immediately. If you have sold all of your Ordinary Shares in De La Rue you should pass this document and the accompanying form of proxy to the purchaser or transferee or to the person through whom the sale was effected for transmission to the purchaser or transferee.

To Shareholders

16 June 2009

Dear Shareholder

Annual General Meeting

At the end of this letter you will find the notice of our Annual General Meeting (AGM) which will be held at De La Rue House, Jays Close, Viables, Basingstoke, RG22 4BS, at 10.30 a.m. on Thursday 23 July 2009. The Meeting will deal with the usual business of our AGM, including the approval of the final dividend for the year ended 28 March 2009. Attached to this letter as Appendix 1, and incorporated in the Notice of the AGM, are Explanatory Notes on resolutions to be proposed as special business at the AGM.

Recommendations

The Board believes that all the resolutions to be considered at our AGM and as set out in the Notice of Meeting will promote the success of the Company and are in the best interests of the Company and its shareholders as a whole. Accordingly the Board unanimously recommends shareholders to vote in favour of them. Individual members of the Board intend to vote their own beneficial and non-beneficial holdings currently amounting to 0.035 per cent of the issued Ordinary Share capital of De La Rue plc in favour of all resolutions.

What to do next

You will find a proxy form for the AGM with this letter. This allows someone else to attend the AGM and vote on your behalf. That person need not be a shareholder. Alternatively, you can use the form to allow me to vote for you. Please fill in the proxy form and return it to the Company's Registrar by 10.30 a.m. on Tuesday 21 July 2009. Shareholders may, if they wish, submit proxy votes electronically via the Registrar's website, www.eproxyappointment.com. CREST members who wish to appoint a proxy or give an instruction through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST manual. More details are set out in the notes on the form of proxy. CREST members wishing to appoint multiple proxies for a holding should contact the Company's Registrar. If you vote electronically your vote must also be registered by 10.30 a.m. on Tuesday 21 July 2009. You may still attend the Meeting whether you reply by post or electronically.

Electronic shareholder communication

If you would like to receive e-mail notifications each time we publish new shareholder documents, you should register on-line at www.investorcentre.co.uk/ecomms. You will need to have your shareholder reference number ("SRN") available to register. This 11 character number (which starts with the letter C or G) may be found on either your share certificate or form of proxy. When you reach the website you should select the Company from the list (De La Rue plc) and follow the on screen instructions to register your e-mail address and choose the way in which you receive your documents.

If you choose this option you will receive notification by e-mail each time the Company publishes shareholder documents on its website and you will be able to download and read them at your convenience. You may, however, vary your instruction or request a paper copy of any shareholder document at any time in the future by contacting the Registrar at www.investorcentre.co.uk/contactus or by writing to them at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY.

The use of electronic communication is entirely voluntary. If you wish to continue receiving communications in paper form by post you need take no action.

Yours sincerely,

Nicholas Brookes
Chairman

Notice of Meeting

Notice is hereby given that the tenth Annual General Meeting of De La Rue plc (the "Company") will be held at De La Rue House, Jays Close, Viables, Basingstoke, Hampshire RG22 4BS on Thursday 23 July 2009 at 10.30 a.m. for the following purposes:

Ordinary Resolutions

1. To receive and adopt the Directors' Report and the financial statements of the Company for the year ended 28 March 2009 together with the report of the auditors.
2. To approve the Remuneration Report for the year ended 28 March 2009.
3. To declare a final dividend on the Company's Ordinary Shares in respect of the year ended 28 March 2009.

To elect the following Directors retiring pursuant to Article 33.1 of the Company's Articles of Association who, being eligible, offer themselves for election:

4. James Hussey
5. Simon Webb

To re-elect the following Directors retiring by rotation pursuant to Article 38.1 of the Company's Articles of Association who, being eligible, offer themselves for re-election:

6. Gill Rider
7. Warren East

To re-elect the following Director retiring annually pursuant to the Combined Code who, being eligible, offers himself for re-election.

8. Nicholas Brookes
9. To re-appoint KPMG Audit Plc as auditors of the Company to hold office until the conclusion of the next General Meeting at which accounts are laid before the Company.
10. To authorise the Directors to determine the auditors' remuneration.
11. That the Directors be generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 (the "1985 Act") to exercise all the powers of the Company to allot relevant securities up to an aggregate nominal amount of £14,668,431 provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company and that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement notwithstanding that the authority conferred hereby has expired and in this resolution the expression "relevant securities" and the references to the allotment of relevant securities shall bear the same respective meanings as in section 80 of the 1985 Act.

To consider and, if thought fit, pass resolutions 12, 13 and 14 as special resolutions

Special Resolutions

12. That, subject to the passing of the previous resolution, the Directors be empowered pursuant to section 95 of the 1985 Act to allot equity securities whether for cash, pursuant to the authority conferred by the previous resolution above or otherwise in the case of treasury shares (as defined in Section 162(3) of the 1985 Act), in each case as if section 89(1) of the 1985 Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:
 - (i) in connection with an offer of such securities by way of rights, open offer or other offer of securities, to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings of such shares, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange, or any other matter whatever; and
 - (ii) otherwise than pursuant to sub-paragraph (i) above up to an aggregate nominal amount of £2,200,264;

and shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution, save that the

Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred hereby has expired and in this resolution the expression "equity securities" and references to the allotment of equity securities shall bear the same respective meanings as in section 94 of the 1985 Act.

13. That the Company be generally and unconditionally authorised, pursuant to Article 83 of its Articles of Association and in accordance with section 166 of the 1985 Act, to make one or more market purchases (within the meaning of section 163(3) of the 1985 Act or, after 1 October 2009, Section 693(4) of the Companies Act 2006 (the "2006 Act")) of any of the Company's Ordinary Shares of 44¹⁵²/₁₇₅ pence), on such terms and in such manner as the Directors of the Company may from time to time determine, provided that:

- (i) the maximum aggregate number of Ordinary Shares hereby authorised to be purchased is 9,807,598 representing 9.99 per cent of the Company's issued Ordinary Share capital provided that in the case of shares purchased in the market and held in treasury such maximum aggregate nominal value of shares held shall not at any time exceed 9.99 per cent of the issued share capital of the Company at that time;
- (ii) the minimum price which may be paid for each Ordinary Share is 44¹⁵²/₁₇₅ pence;
- (iii) the maximum price which may be paid for each Ordinary Share is an amount equal to 105 per cent of the average of the middle market quotations of the Company's Ordinary Shares, as derived from the London Stock Exchange Daily Official List, for the five business days immediately preceding the day on which the share is contracted to be purchased;
- (iv) unless previously renewed, varied or revoked, the authority hereby conferred shall expire on the conclusion of the next Annual General Meeting of the Company or twelve months from the date of passing of this resolution, if earlier; and
- (v) the Company may make a contract or contracts to purchase Ordinary Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make a purchase of ordinary shares in pursuance of any such contract or contracts.

14. That in substitution for the existing authority and in accordance with Section 366 and Section 367 of the Companies Act 2006 (the "2006 Act"), the Company, and each company which is or becomes its subsidiary during the period to which this resolution relates, be and are hereby authorised to:

- i) make donations to political parties and/or independent election candidates,
- ii) make donations to political organisations other than political parties, and
- iii) incur political expenditure during the period commencing on the date of this resolution and ending on the date of the Company's Annual General Meeting in 2010, provided that the total aggregate amount of all political donations and political expenditure incurred by the Company and its subsidiaries in such period shall not exceed £50,000 per annum. For the purposes of this Resolution, 'political donations', 'political organisations', 'political parties', 'independent election candidates' and 'political expenditure' have the meanings given in Part 14 of the 2006 Act

By order of the Board

Mr E H D Peppiatt, Secretary

16 June 2009

Registered Office:

De La Rue House,

Jays Close,

Viables,

Basingstoke,

Hampshire

RG22 4BS

Registered in England, number 3834125

Appendix 1 Explanatory notes

A shareholder entitled to attend and vote is entitled to appoint a proxy to exercise all or any of his rights to attend, speak and vote in his place. A member may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares. A proxy need not be a shareholder of De La Rue plc. This right does not apply to persons nominated by a shareholder to receive information rights under Section 146 of the Companies Act 2006 (the "2006 Act"). Persons nominated to receive information rights under Section 146 of the 2006 Act who have been sent this notice of meeting are hereby informed, in accordance with Section 149(2) of the 2006 Act, that they may have the right under an agreement with the registered shareholder by whom they were nominated to be appointed, or to have someone else appointed, as a proxy for this meeting. If they do not have such a right or do not wish to exercise it, they may have a right under such an agreement to give instructions to the registered shareholder as to the exercise of voting rights. Nominated persons should contact the registered shareholder who nominated them in respect of these arrangements.

A proxy form accompanies this notice and should be completed and returned to the Company's Registrar: Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY. Alternatively, you may register your vote electronically by accessing the Registrar's website: www.eproxyappointment.com. **Proxy forms should be deposited at the office of Computershare Investor Services PLC not less than 48 hours before the time for holding the Meeting. Electronic votes must also be registered not less than 48 hours before the time for holding the Meeting.**

A member may change proxy instructions by returning a new proxy appointment using the methods set out above. A member who has appointed a proxy using the hard copy form of proxy but would like to change the instructions using another hard copy proxy form, should contact Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY. The above deadline for receipt of proxy appointments also applies to amended instructions. Any attempt to terminate or amend a proxy appointment received after the relevant deadline will be disregarded. Where two or more valid, separate appointments of proxy are received in respect of the same share relating to the same meeting, the one which is sent last shall be treated as replacing and revoking the other or others.

As permitted by Regulation 41 of the Uncertificated Securities Regulations 2001, shareholders who hold shares in uncertificated form must be entered on the register at 6.00pm on the date which is two days prior to the Annual General Meeting or any adjournment of it in order to be entitled to attend and vote at the Annual General Meeting. Such shareholders may only cast votes in respect of shares held at that time. Changes to entries on the register after this time will be disregarded in determining the rights of any person to attend and vote at the meeting or adjourned meeting.

In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (i) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (ii) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (www.icsa.org.uk) for further details of this procedure. The guidance includes a sample form of representation letter if the Chairman is being appointed as described in (i) above.

As at 19 May 2009 (being the latest practicable day prior to the publication of this Notice), the Company's issued share capital consists of 98,075,985 ordinary shares, carrying one vote each. Therefore the total voting rights in the Company are 98,075,985.

The following documents will be available for inspection during normal business hours (Saturdays, Sundays and public holidays excepted) from Tuesday 16 June 2009 at the registered office of the Company and at the offices of Herbert Smith, Exchange House, Primrose Street, London EC2A 2HS and will also be available for inspection at the place of the Annual General Meeting from 10.15a.m. on the day of the Meeting until the conclusion of the Meeting:

- the register of interests of Directors (and their families) in the share capital of the Company and its subsidiaries;
- a copy of the Memorandum and Articles of Association of the Company; and
- copies of the contracts of service of Directors together with non-executive Directors' letters of appointment.

Directors – resolutions 4, 5, 6, 7 and 8

The Board, having carried out the effectiveness and evaluation process, considers the performance of each of the Directors standing for election and re-election at this year's Annual General Meeting to be fully satisfactory and is of the opinion that they have demonstrated continued commitment to the role. The Board strongly supports their election and re-election and recommends that shareholders vote in favour of the resolutions at the Annual General Meeting.

Share capital - resolutions 11 and 12

Under the 1985 Act the directors of a company may only allot unissued shares if authorised to do so by the shareholders in general meeting. The Directors will be seeking authority at the Annual General Meeting in respect of unissued shares of the Company. There is no statutory limit on the maximum nominal amount of the Section 80 authority under the 1985 Act but, under the current guidelines of the Association of British Insurers ("ABI"), save where additional authority is sought solely for use in relation to rights issues, the authority should be the lesser of either the Company's unissued ordinary share capital or a sum equal to one-third of the issued ordinary share capital.

The authority which is sought in respect of the unissued shares of the Company is dealt with in resolution 11 and is within the guidelines described above. In that resolution the shares for which authority to allot is being sought are called "relevant securities". The resolution would authorise the Directors to allot securities up to a maximum of 32,691,995 securities, representing one-third of the Company's issued share capital as at 19 May 2009. The Directors do not currently intend to exercise this authority except in respect of exercises of share options and the release of shares awarded under the Deferred Bonus and Matching Share Plan.

If equity securities are to be allotted for cash using the authority given by resolution 11, section 89(1) of the 1985 Act requires that those securities are offered first to existing shareholders in proportion to the number of ordinary shares they each hold at the time of the offer. An offer of this type is called a rights issue and the entitlement to the offer of the new securities first is known as a "pre-emption right".

There are circumstances when it is in the interests of the Company for the Directors to be able to allot new equity securities for cash other than by way of a strict rights issue. This cannot be done under the Act unless the shareholders have first waived their pre-emption rights. The authority given by resolution 12 empowers the Directors to modify this requirement for rights issues so that they may effect such exclusions or other arrangements as they may deem necessary or expedient in relation to fractional entitlements or legal or practical problems arising under the laws or requirements of any recognised regulatory body or any stock exchange or otherwise in any overseas territory or any other matter. The Companies (Acquisition of Own Shares) (Treasury Shares) Regulations 2003 (the "Regulations") provide that the pre-emption rights that apply to the allotment of new shares apply to the sale of treasury shares but may also be similarly disapplied with the agreement of shareholders. Resolution 12 therefore also authorises the Directors to allot equity

securities for cash in circumstances other than a rights issue and to sell treasury shares held by the Company up to a maximum aggregate limit of 4,903,799 ordinary shares (including treasury shares sold on a non pre-emptive basis), representing 5 per cent of the issued share capital of the Company as at 19 May 2009.

The authority given by resolutions 11 and 12 will last until the conclusion of the next Annual General Meeting, which will take place within the period of six months beginning on the day following the Company's accounting reference date.

Share buyback – resolution 13

The resolution to be proposed will seek to renew authority granted to the Directors at the Extraordinary General Meeting in November 2008 and which will expire on 23 July 2009. No shares have been acquired pursuant to that authority.

If Shareholders pass resolution 13 the authority, unless previously renewed, varied or revoked, will expire at the conclusion of the next Annual General Meeting of the Company or twelve months from the date of passing this resolution, if earlier.

The Directors consider that there may be circumstances in which it would be desirable for the Company to purchase its own shares in the market. They would like to be able to act quickly if circumstances arose in which they considered such a purchase to be desirable, for example when, in the Board's opinion, market prices do not reflect the Company's worth. Purchases would only be made if their effect would be expected to increase earnings per share and would be expected to benefit Shareholders generally.

The Company's Articles of Association permit the purchase of the Company's own shares whether for cancellation or to be held in treasury, subject to the requirement under company law to obtain Shareholders' approval. Shares purchased under this authority would be cancelled and the number of shares in issue would be reduced accordingly, or held in treasury if considered appropriate. At present no Ordinary Shares are held in treasury.

This authority will apply to up to 9,807,598 Ordinary Shares, having an aggregate nominal value of £4,400,529, being 9.99 per cent of the issued ordinary share capital on 19 May 2009. The minimum price which may be paid is $44\frac{152}{175}$ pence per share and the maximum price is an amount equal to 105 per cent of the average of the middle market quotations of the Company's shares, as derived from the London Stock Exchange Daily Official List for the five business days immediately preceding the day on which the share is contracted to be purchased.

The total number of options to subscribe for ordinary shares outstanding at 19 May 2009 was 1,891,564 being 1.93 per cent of the current issued share capital at that date and 2.41 per cent of the issued capital if the full authority to purchase shares (existing and proposed) is used.

Political Donations – resolution 14

Shareholders will be aware that it is the Company's policy not to make political donations. This policy will remain unchanged whether or not resolution 14 is passed. However, it is possible that certain routine activities undertaken by De La Rue plc and its subsidiaries may unintentionally fall within the broad scope of the provisions controlling political donations and expenditure contained in the Companies Act 2006. Accordingly, as a precaution and in order to avoid any possibility of inadvertently contravening the 2006 Act, the Board considers that it would be prudent to follow the procedure specified in the 2006 Act to obtain shareholder approval for the Company and its subsidiaries to make political donations or incur political expenditure until the conclusion of the 2010 Annual General Meeting of the Company.

As stated earlier the Board will continue its policy of not making political donations and incurring political expenditure but the Company will report any such expenditure in its 2010 Annual Report.