

De La Rue PLC 09 March 2005 2005-03-09 07:09:42
De La Rue PLC - Disposal
RNS Number:5073J
De La Rue PLC
09 March 2005

DE LA RUE PLC DISPOSAL OF SEQUOIA VOTING SYSTEMS INC.

De La Rue announces the sale of Sequoia Voting Systems its US based election systems business to Smartmatic Corporation, a US based device networking and election systems company. The total cash consideration comprises an immediate payment of £7.3m (US\$14m), and a further payment of £1.0m (US\$2m) due on 30 June 2006.

At the interim results in December 2004, the Board announced its intention to exit the Sequoia business by the current year end. In the year ended 27 March 2004, the business had sales of £44.2m (US\$74.7m) and operating losses of £1.9m (US\$3.2m). Net assets at completion are estimated at £2.6m (US\$4.9m).

Commenting on the sale, Leo Quinn, chief executive of De La Rue, said:

"De La Rue is pleased to have successfully completed the sale of Sequoia, which is in line with the timetable for exiting the business that we detailed in December. We are also confident that the transaction we have concluded with Smartmatic represents a good outcome for our shareholders."

Moreover, we are particularly satisfied to have achieved such a good strategic fit for Sequoia. We believe Sequoia and Smartmatic, with their respective strengths in the US domestic and international markets, will combine to create a strong force in the electronic voting industry."

For further information please contact:

Stephen King Group Finance Director +44 (0) 1256 605307
Mark Fearon Head of Corporate Affairs +44 (0) 1256 605303
Richard Mountain Financial Dynamics +44 (0) 207 269 7291

9 March 2005

Notes to Editors:

1. De La Rue acquired Sequoia Voting Systems Inc. on 29 May 2002. Sequoia offers hardware products in all major segments of the North American elections market, including direct recording equipment and optical scan systems. The company is based in Oakland, CA and currently employs about 100 people.
2. 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 travellers cheques and authentication labels. The Company is a leading provider of cash handling equipment and software solutions to banks and retailers worldwide, helping them to reduce the cost of handling cash. Employing over 6,600 people across 31 countries, De La Rue is also pioneering new technologies worldwide in government identity solutions for national identification, drivers licence, passport issuing schemes.

For more information visit www.delarue.com

3. Eureka Capital Markets, LLC acted as De La Rue's financial adviser in the disposal

This information is provided by RNS - The company news service from the London Stock Exchange