



Analyst Meeting

Amsterdam, 1 December 2010

Programme

2.30 pm

Ieko Sevinga
Private Banking

3.00 pm

Arjan Huisman
Operations

3.30 pm – 4.00 pm

Break

4.00 pm

Constant Korthout
Funding and Basel III

4.30 pm

Floris Deckers
Strategy & Outlook for the sector

5.30 pm

Drinks & dinner



Analyst Meeting

Ieko Sevinga, member of the Board of Managing Directors

Van Lanschot's strategy

Mission	To offer high-quality financial services to wealthy individuals, director-owners and other select client groups
Vision	Van Lanschot aims to be the best private bank in the Netherlands and Belgium
Targets 2010-2013	To be able to measure the achievement of its vision, Van Lanschot has formulated targets relating to clients and employees and financial targets
Strategy	<ol style="list-style-type: none">1. Focus on private banking2. Enhance commercial effectiveness3. Invest continually in service quality4. Maintain a solid profile
Core values	Independent Committed Professional Ambitious

Strategic priorities

Focus on Private Banking

- Full-service offering
- Acquisition focused on high net-worth individuals and entrepreneurs and their businesses

Enhance commercial effectiveness

- Growth of client satisfaction
- Growth in number of clients
- Growth in revenues

Invest continually in service quality

- Customer care
- Transparent and good product and service offering
- Operational excellence

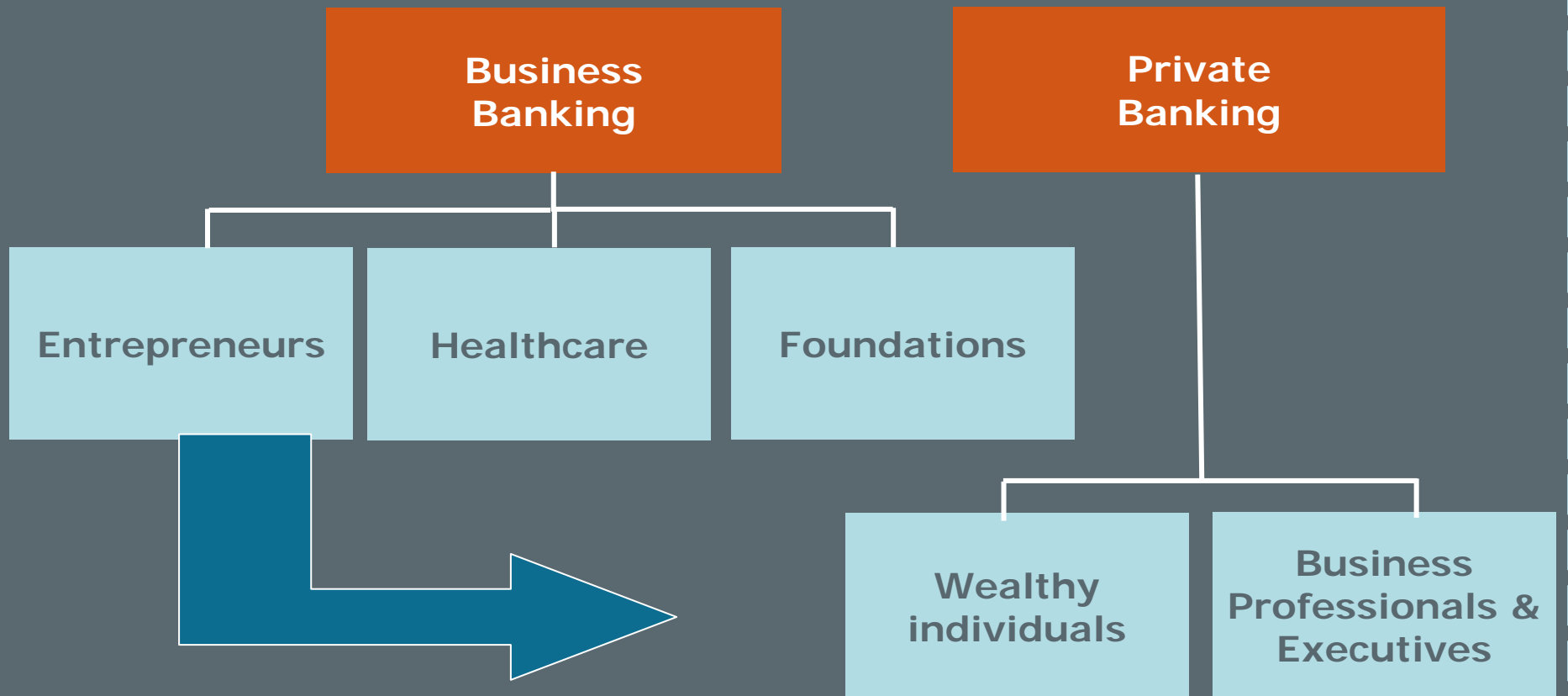
Maintain a sound profile

- Risk management
- Cost control
- Stricter deployment of capital for clients with a view to expected higher capital requirements

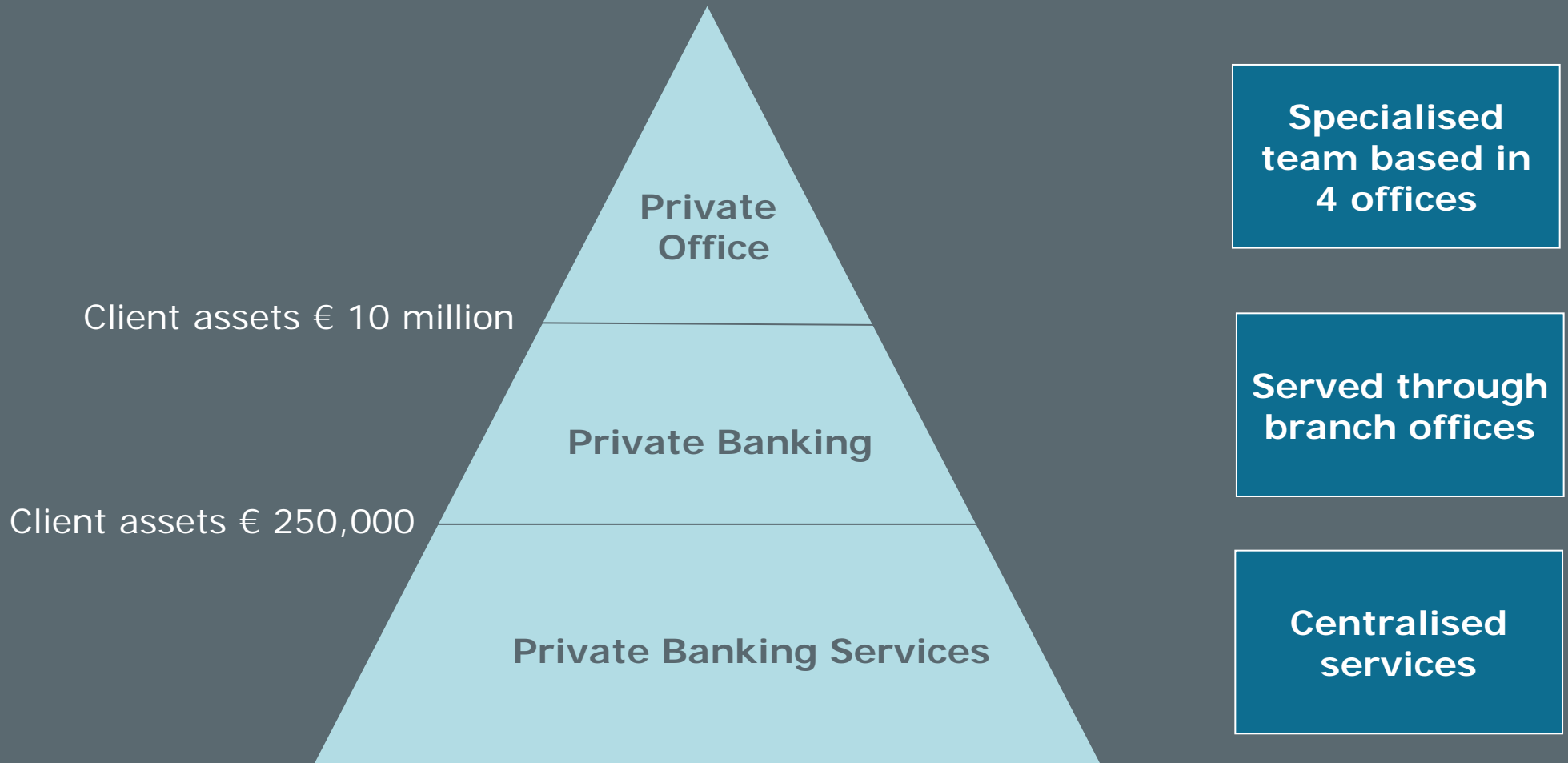
Focused business model



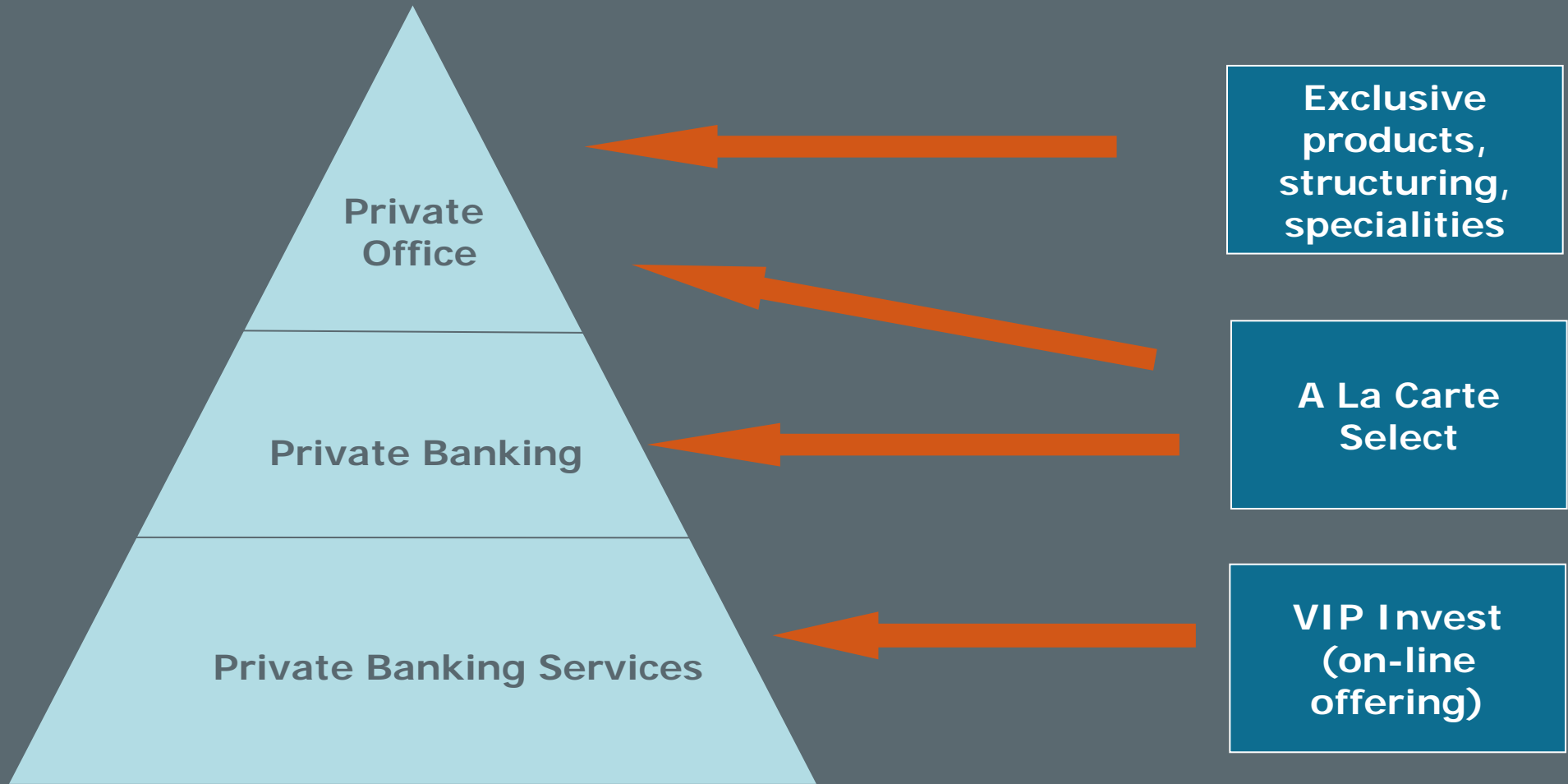
FULL SERVICE OFFERING



Client segments



Core product is asset management



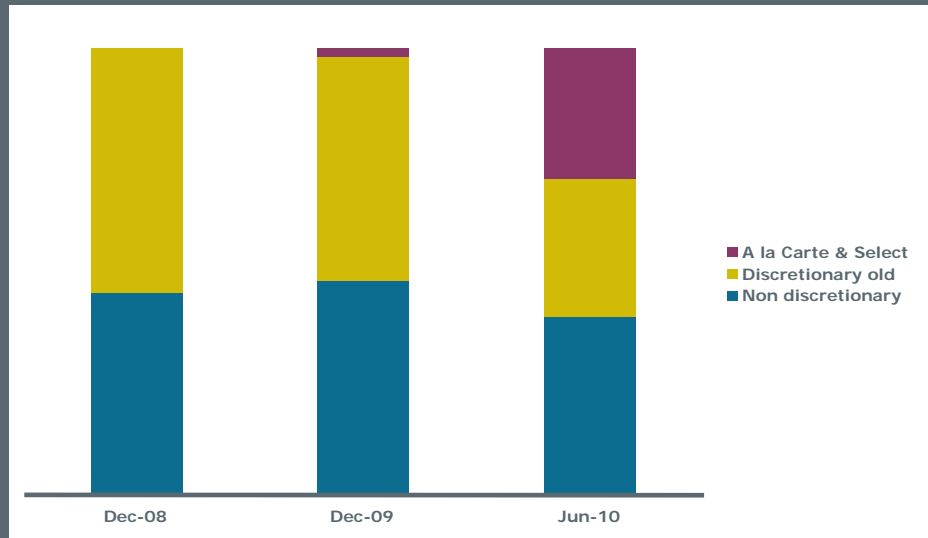
Exclusive products for top segment

Working together with private equity specialists

Egeria

- Dutch specialist fund targeting mid-sized companies not listed on the stock exchange
- Leading expertise with a proven track record
- Investing in promising Dutch mid-sized family and other businesses

Shift to discretionary mandates



Discretionary and non-discretionary assets under management (relative values)

Clients are increasingly opting for discretionary mandates

- Driven by success of new asset management proposition – A La Carte and Select
- Continuing outperformance on investment profiles
- Transparency – reimbursement of third party fund management fees

Improves earnings profile

- Margin on discretionary assets of 0.8% - 1.0%
- Margin on non-discretionary assets of 0.6% - 0.8%

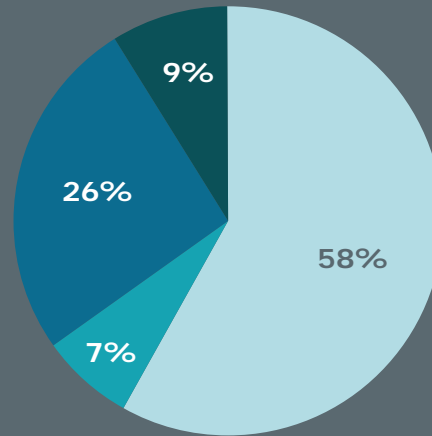
A La Carte: Outperformance of investment portfolios

Risk profile	Income oriented	Conservative	Neutral	Growth oriented	Aggressive
Performance 2009	12.6%	17.2%	22.9%	27.9%	33.3%
Outperformance of reference index	5.8%	5.4%	6.0%	5.9%	6.2%
YTD (to September) 2010	4.9%	5.6%	7.1%	8.6%	9.3%
Outperformance of reference index	0.4%	0.7%	1.9%	3.1%	3.3%



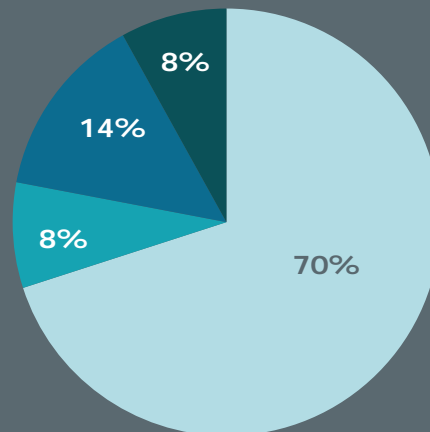
Majority of income and profit derived from core private banking & asset management activities

Income from operating activities



- Private Banking
- Asset Management
- Business Banking
- Corporate Finance & Securities

Operating profit before tax



Breakdown based on the four business segments, excluding Other Activities; H1 2010 figures

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Van Lanschot can improve its position in the HNW segment

Super affluent

€ 0.5-1 mln

- 1 Van Lanschot
- 2 Rabobank
- 3 ING
- 4 ABN AMRO
- 5 Fortis

High net worth I

€ 1-10 mln

- 1 Fortis
- 2 ABN AMRO
- 3 Nacheinius Tjeenk
- 4 Rabobank
- 5 ING
- 6 Theodoor Gilssen
- 7 Van Lanschot

High net worth II

€ 10-30 mln

- 1 ABN AMRO
- 2 Fortis
- 3 UBS
- 4 Merrill Lynch
- 5 HSBC
- 6 ING

Ultrahigh net worth

€ >30 mln

- 1 UBS
- 2 ABN AMRO
- 3 Fortis
- 4 HSBC
- 5 BNP Paribas
- 6 Deutsche Bank

SOURCE: Euromoney Private Banking Poll 2009

McKinsey & Company | 2

Van Lanschot Private Office

Focus

- Offering high-quality (financial) services to high net-worth individuals, director owners, trust funds, family offices and institutions with CA > € 10m
- Integration of 3 teams (Van Lanschot Kempen, International Wealth Management and Director-Owner Rotterdam) in new Van Lanschot Private Office
- Upgrading existing HNWI from branches to VLPO

Objectives

- Double digit growth: outperform market average
- Client satisfaction: excellent performance and realise shortlist position for HWNI before 2014
- Knowledge and competence centre for Van Lanschot group

Proposition

- Fiduciary and discretionary management
- Open architecture advisory and brokerage
- Structuring and finance solutions
- Cash management and reporting tools
- Trust services and International Private Banking

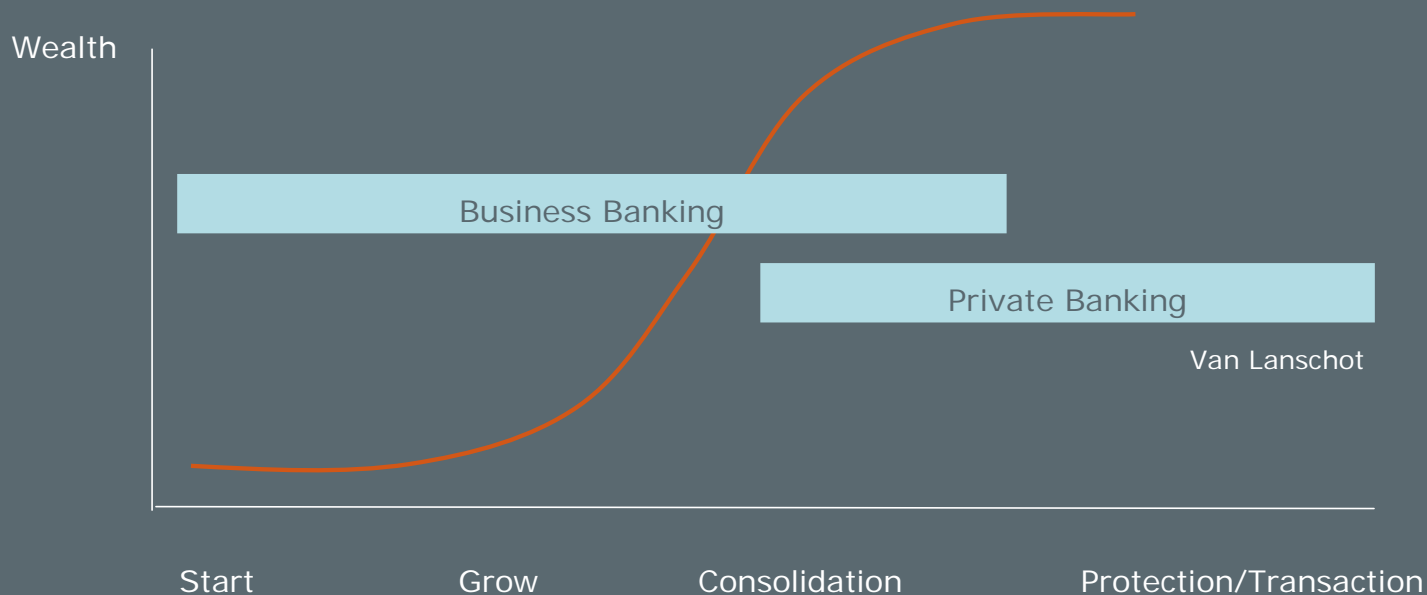
Best of both worlds

- Offering HNWI access to professional network of Van Lanschot and Kempen & Co
- Kempen & Co:
 - Corporate Finance, Equity Capital Markets, Securities and Trading
 - Asset Management and Multi-Management Research / Allocation Strategy

Private Banking – more effective organisation

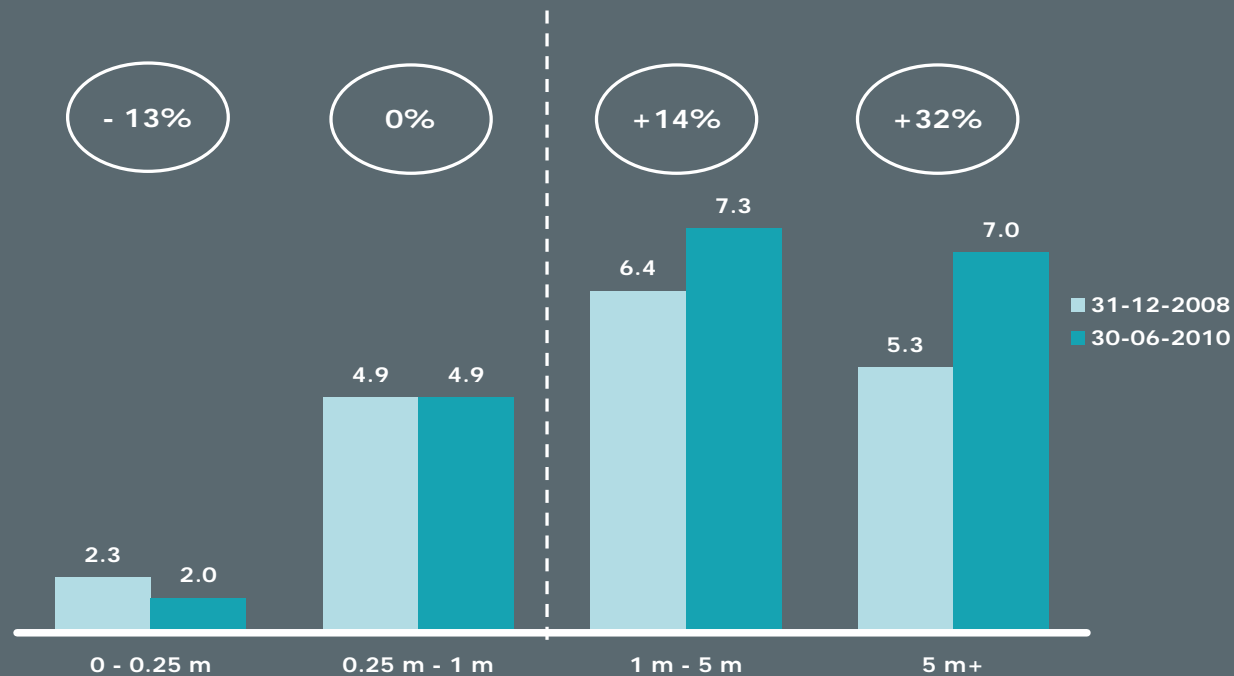
One team – Private Banking and Business Banking

- Private banking and Business banking operating as one unit, one management team and one set of goals
- Private bankers and business bankers working closely together to serve the entrepreneur



Business model at Van Lanschot

Client growth in the top segments



Private banking client assets by client segment (€ billion)

More efficient organisation

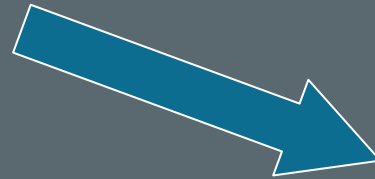
Centralisation of mid-office

- Mid-office function centralised in Den Bosch
- Frees up time for bankers to spend on serving existing clients and acquiring new clients
- Centralised processes increase efficiency and lead to fewer errors
- Efficiency translates into faster lead times for clients -> increased client satisfaction

Corporate and local marketing

Corporate marketing

- Centralised
- Recent campaign highlighting the personal story behind our bankers



Local marketing

- Increasingly decentralised
- Local offices can decide themselves how to use their marketing budget



Any questions?



Analyst Meeting

Arjan Huisman, COO

Strategic priorities

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- **Operational excellence**

Maintain a sound profile

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Status today

Operations

- Most mid and back office activities have been centralised (no longer at the branches and regional service centres)
- But still too much manual processing

ITM

- Most IT related activities outsourced
- IBM responsible for infrastructure
- KPN Getronics responsible for telephony and networks
- Accenture responsible for application management
- Outsourcing evaluated and improvement points defined
- Recently developed IT Road Map to define application development for coming years

Focus areas for operational excellence

- I. Simplification of organisational structure
- II. Product and process rationalisation
- III. Improvement of application architecture based on IT Road Map

I. Simplification of organisational structure

Current structure organised based on functional areas of expertise

- Operations
- Product Management
- Process and Information Management

In the process of reorganising around product/process chains

- Securities
- Financing
- Payments and client administration

Advantages of simplified structure

- Innovations and process responsibility under combined management
- More end-to-end process perspective

II. Product and process rationalisation

Reduce and simplify products

E.g.:

- A number of C&E products still to be phased out
- Payment products have too many (unnecessary) features with separate pricing

Simplify processes

E.g.:

- Harmonise products under single frame contract to minimise client hassle
- Electronic distribution of information
- Upgrade internet channel
- Investigate outsourcing of non-core activities such as payment processing

First steps completed

- Account opening process for current, savings and securities accounts significantly streamlined for new customers (30% reduction of workload)

III. Improvement of application architecture

Securities services

- Introduce Execution Only
- Implement new version of Eximius (portfolio management and reporting tool)
- Simplify Order Entry
- Upgrade back office administration

Client processes

- Electronic filing
- Document flow management
- Workflow management

Online services

- Insurance
- Execution Only
- VIPinvest
- Client administration

Clear guidelines for IT development

Architecture

- Developments as much as possible within current architecture
- In the case of new applications: applications already implemented in the Netherlands only
- No “tailor-made” development in standard software
- Keep 1-to-1 interfaces between applications to a minimum
- Preference for complete outsourcing of standard product services (e.g. payments) instead of in-house development

Projects

- Projects divided into manageable sub-projects which can be completed within at most 6-9 months and in that period can deliver tangible functional improvements

How will we benefit?

- Quicker client response times and less hassle
- Significant cost synergies, e.g.
 - 30% reduction of workload in new account opening process
 - Significant potential in securities back office
- More flexible IT architecture



Any questions?



Analyst Meeting

Constant Korthout, CFO / CRO

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Strategic priorities

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Invest continually in service quality

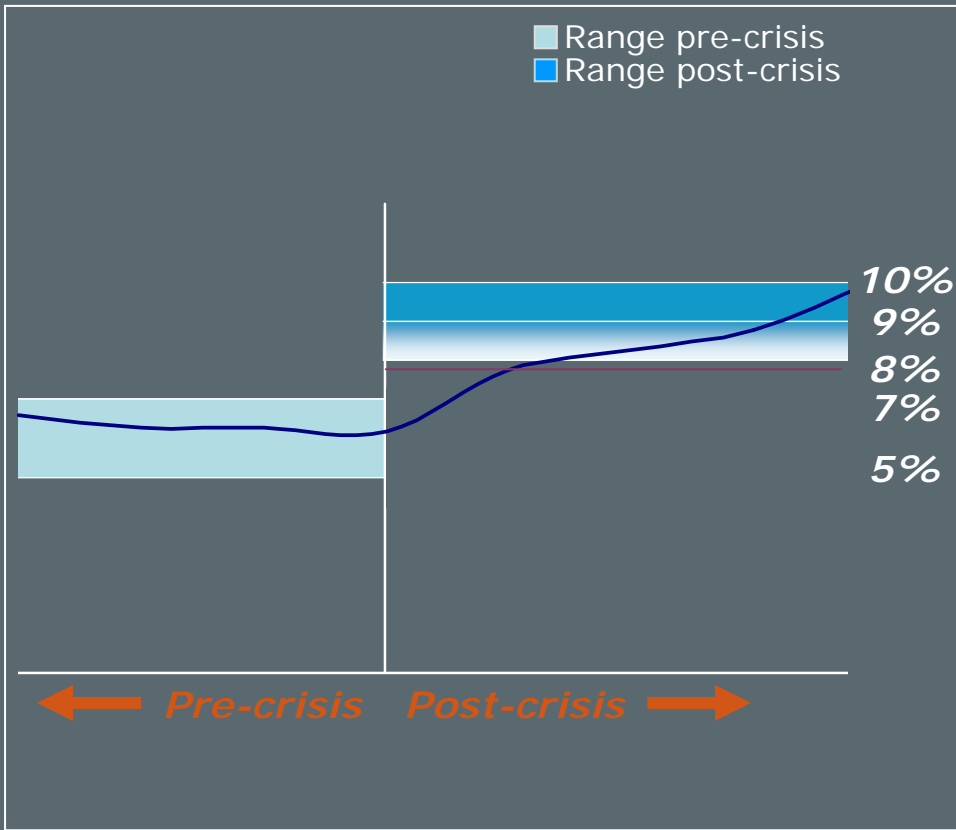
- Customer care
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Maintain a sound profile

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- Cost control
- Stricter deployment of capital for clients with a view to expected higher capital requirements

Capital plan 2010

Core Tier I ratio



In 2010 Van Lanschot aimed to ...

- Strengthen its capital base in anticipation of expected higher capital requirements under Basel III
- Apply a stricter deployment of capital for clients, reinforcing the focus on target group clients
- Capital targets announced in May 2010:
 - Core Tier I At least 8.0%
 - Tier I At least 10.0%
 - Total capital ratio At least 12.5%

Progress report H1 2010: Core Tier I rose from 6.6% to 8.2%*

Conversion of preference shares

- Following conversion, the Core Tier I ratio improved by 1.2%
- The BIS total capital ratio and Tier I ratio improved by around 0.1%
- The difference between Core Tier I capital and Tier I capital is reduced, remaining difference is two perpetual loans

Reduction of RWAs

- Active programme to reduce risk weighted assets, primarily in the corporate segment
- Focus on Business Banking clients with Private Banking potential
- In H1 2010, RWAs were reduced by € 400 million to € 13.5 billion

Sale of institutional healthcare portfolio

- Sale of institutional healthcare portfolio of € 550 million to BNG
- Positive impact on Core Tier I of ~25 bp

Profit

- Profit reported in H1 2010 of € 22.1 million

Further strong improvement of capital ratios in Q3 2010

Capital ratios at 30 September 2010*

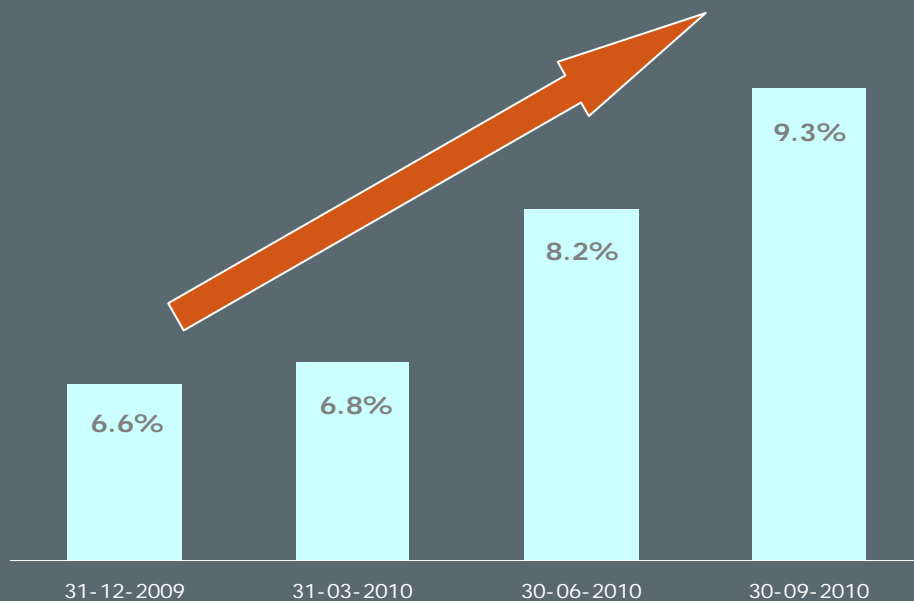
- Core Tier I ratio 9.3%
- Tier I ratio 11.6%
- BIS total capital ratio 13.7%

Strong increase of Core Tier I ratio in Q3 2010

Main factors:

- Migration of retail loan book from Standardised Approach to Foundation-IRB at 1 July 2010
- Ongoing reduction of risk weighted assets
- Addition of profit to core capital

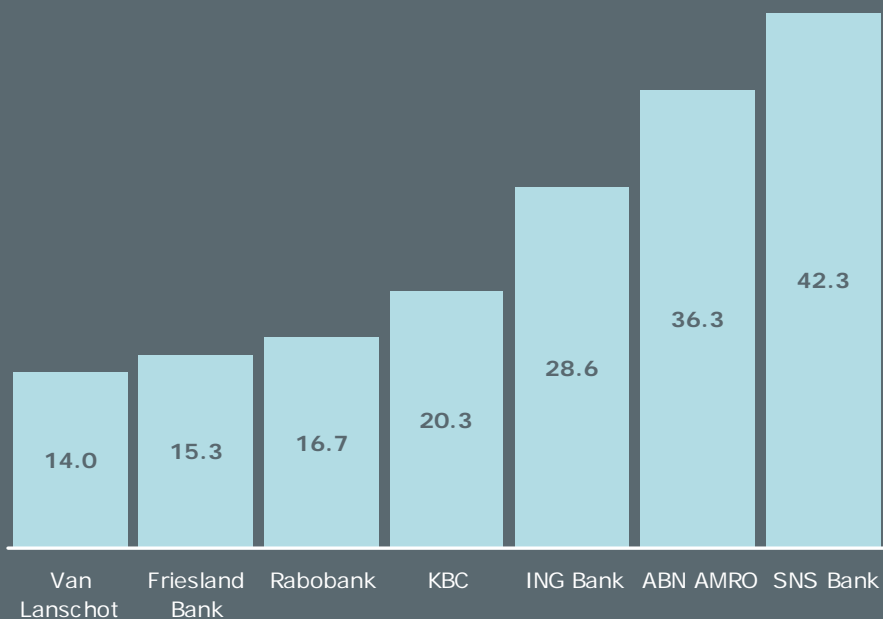
Solid ratios achieved without the need for state aid



Development of Core Tier I ratio in 2010

Low leverage is inherent in Van Lanschot's business model

- Van Lanschot traditionally has a very low leverage: 13.7 at 30 September 2010
- Reflects the low risk profile of the bank
- Balance sheet is for the client
- Van Lanschot does not invest in complex financial instruments
- No exposure to sovereign debt in Southern Europe or Ireland



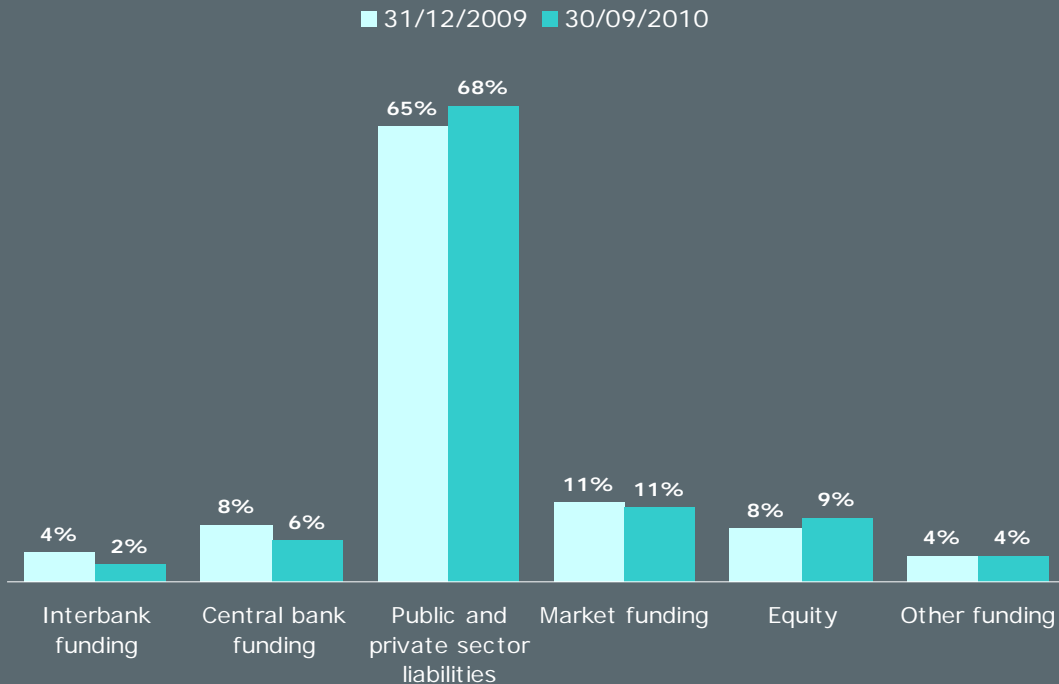
Leverage at 30 June 2010 (VL estimates)

Liquidity and funding

**Van Lanschot's
focus on
funding and
liquidity**

1. Diversity of funding sources / funding mix
2. Duration of funding
3. Cost of funding / liquidity

1. Diversity of funding sources / funding mix



Van Lanschot is active on several markets for its funding needs, including the wholesale market and RMBS market

About 68% of total funding consists of customer deposits

2010: substantial reduction in central bank funding

Funding mix (consolidated)

2. Duration of funding

Striking a balance between traditional retail funding and longer term market funding

Retail market

- Substantial part of customer deposits can be considered stable funding
- Funding ratio: about 80% of Van Lanschot's loan book is financed by customer deposits
- Van Lanschot has one of the highest funding ratios of all Dutch banks

Wholesale market

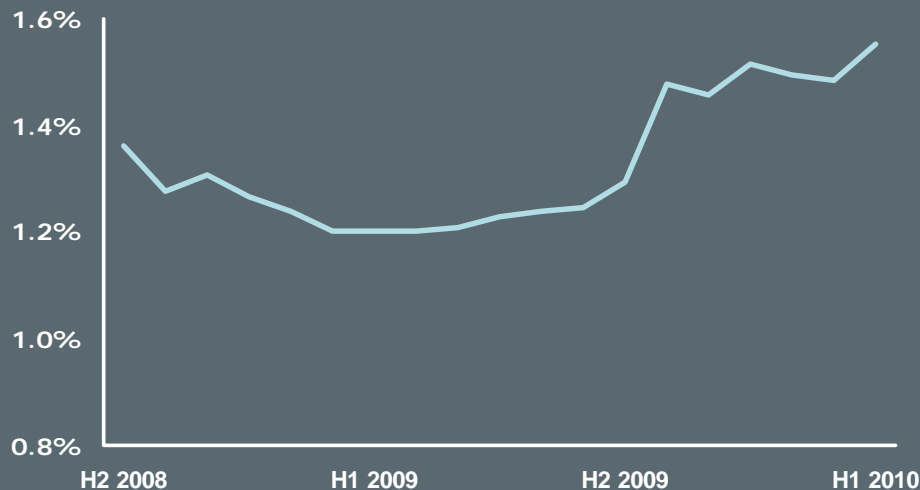
- March 2010: Van Lanschot successfully issued a 3-year senior unsecured note for an amount of € 400 million

RMBS market

- September 2010: two Citadel RMBS transactions closed, creating an additional € 2.4 billion of central bank eligible assets
- November 2010: sale of € 250 million A1 tranche of Citadel 2010-I, generating funding with an average maturity of 2 years
- November 2010: sale of € 500 million A2 tranche of Citadel 2010-I, generating funding with an average maturity of 5 years → transaction oversubscribed despite difficult market circumstances

3. Cost of funding and liquidity

Factors influencing future interest margins



- ↑ Easing of competition on the savings market
- ↑ Repricing of the loan book
- ↑ Conversion of preference shares in June 2010
- ↓ Repayment of Central Bank funding
- ↓ Issue of longer term market funding
- ↓ Reduction of risk weighted assets

Development of interest margin

Funding and liquidity plan 2011 and further

Van Lanschot plans to remain active on the funding markets in the coming years

- **Diversification and term of funding:**

Regular presence on wholesale markets, e.g. senior unsecured, RMBS

- **Private banking:**

Continued focus on retention / growth of retail funding base

- **Independence:**

No or very limited use of central bank lending facilities

Basel III: the arrival of new solvency and liquidity constraints

Solvency

1. Higher Core Tier I requirement

Stricter definition of capital, increased risk weightings, systemic and countercyclical buffers

2. Introduction of asset leverage

Total balance sheet and off-balance sheet items no more than 33 x Tier I capital

Liquidity

3. Liquidity Coverage Ratio

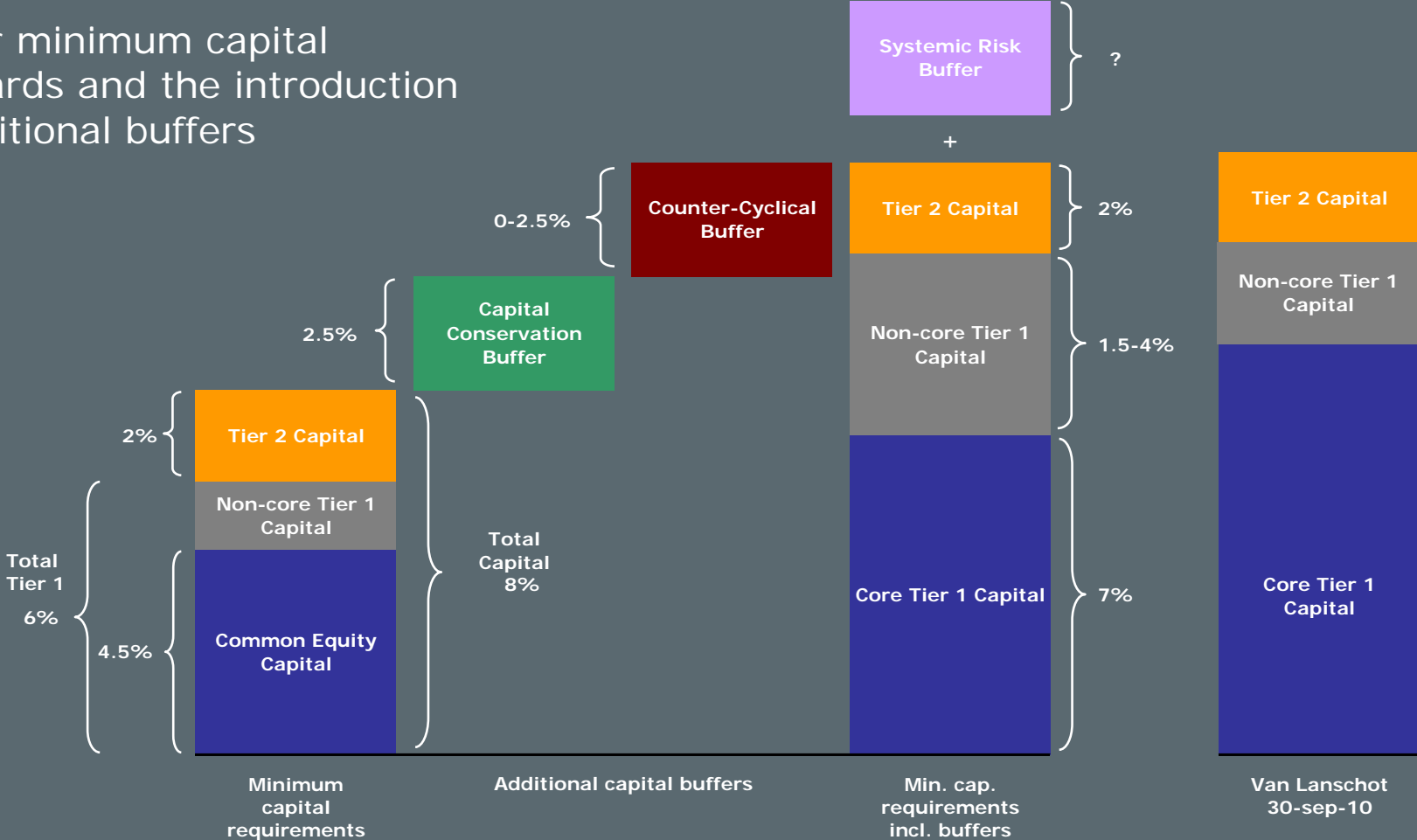
Availability of sufficient high quality liquid asset buffers to cover potential deposit outflow

4. Net Stable Funding Ratio

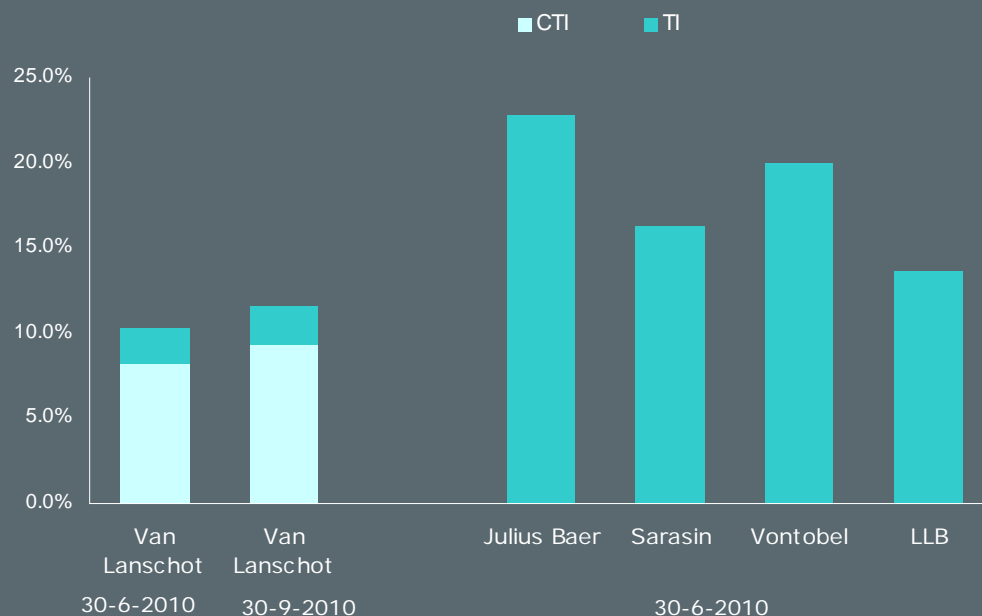
Availability of stable, long-term funding to finance assets

Basel III: Calibration of the capital framework

Higher minimum capital standards and the introduction of additional buffers



Van Lanschot: provisional Basel III capital impact assessment (I)



Common Equity Capital ratio (CECR)

- Van Lanschot's Core Tier I ratio was 9.3% at 30 September 2010
- Expected limited effect of the Basel III core capital deductions
- CECR will be well above the future minimum requirement of 7%
- What should be the target CTI ratio for Van Lanschot?

Tier I ratios of peer banks

Van Lanschot: provisional Basel III capital impact assessment (II)

Tier I and Tier II capital

- Capital instruments potentially no longer qualifying as Tier I or Tier II capital under Basel III:
 - perpetual loans € 315 million (Tier I capital)
 - subordinated debt (Tier II capital)
- Non-qualifying capital will be grandfathered
- Effective maturity date of the instruments will determine grandfathering period

Leverage

- Leverage of Van Lanschot expected to stay well within maximum limit of 33 (September 2010: 13.7)

Van Lanschot expects to comply with LCR and NSFR well before introduction date

Liquidity Coverage Ratio (LCR)

Measures a bank's short-term resilience to potential acute stress scenarios during a period of 30 days

Banks will have to hold more liquid assets to meet potential net cash outflows

Van Lanschot: Improved / more dynamic management for optimizing the bank's investment portfolio

Net Stable Funding Ratio (NSFR)

A longer term (>1Y) structural ratio to address liquidity mismatches and providing incentives to banks to use stable funding sources to finance assets

Banks will need to attract more stable funding

Van Lanschot: regular issues of longer term market funding, such as senior bonds and RMBS to supplement retail deposit base



Any questions?



Analyst Meeting

Floris Deckers, CEO



The story so far



Surviving the crisis

- Solid balance sheet without the need for aid
- Conservative risk management
- Cost control
- Recession is being felt
- The bank has continued to lend to clients
- Level playing field not yet in place



Revenues have been recovering since April 2009

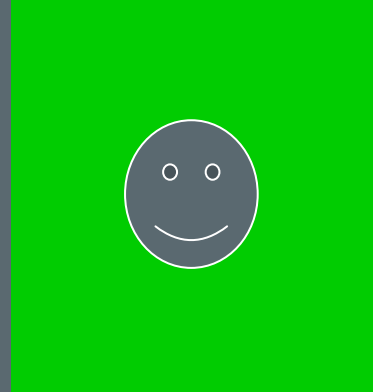

Supported by a clear strategy

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Targets translated into management agenda for 2010 and 2011

<p>Client satisfaction</p>	<p>Continue to outperform the benchmark in the loyalty index</p> <p><i>- Annual survey by Marketresponse</i></p>	
<p>Investment performance</p>	<p>Achieve a higher risk-weighted investment performance than the benchmark</p> <p><i>- Transparent and customised comparison reports</i></p>	
<p>Duty of care</p>	<p>Apply and continually improve a client care policy that is leading in the sector and that goes further than the statutory obligations</p> <p><i>- Innovative asset management concept – A la Carte</i></p>	<p>Ongoing</p>
<p>Market share</p>	<p>At least double the number of target group clients in the private banking market in the period 2009-2013</p> <p><i>- Focus on € 500k+</i></p>	<p>Ongoing</p>
<p>Employer status</p>	<p>Be an employer of choice for top talent in the financial sector</p> <p><i>- Independent private bank offering scope for ambition</i></p>	<p>Ongoing</p>

Solid capital, funding & liquidity position

Capital ratios	<p>Core Tier I ratio At least 8.0% Tier I ratio At least 10.0% BIS total capital ratio At least 12.5%</p> <p><i>- Targets consciously defined as minimum levels; in normal years the actual ratios will be above these levels</i></p>	
Leverage ratio	<p>Ratio of total assets / shareholders' funds of less than 20</p> <p><i>- Relatively low leverage ratio</i></p>	
Funding & Liquidity	<p><i>- Target ratios will be further defined in light of the expected net stable funding ratio and liquidity coverage ratio under Basel III</i></p>	Ongoing

Attractive value creation

Return on equity

Average of 2% higher than cost of equity

- *The definition of a more exact target expected in the medium term*
- *Achievable return expected to lie in the range 9% - 12%*

Earnings per share growth

After returning to normalised profit levels, at least 5% per annum

- *Long-term target after a return to normal profit levels in the medium term*

Dividend policy

Distribution of 40-50% of net profit available to ordinary shareholders

- *Current dividend policy remains unchanged*

Strategic priorities still valid in 2011

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Restoring trust in the sector

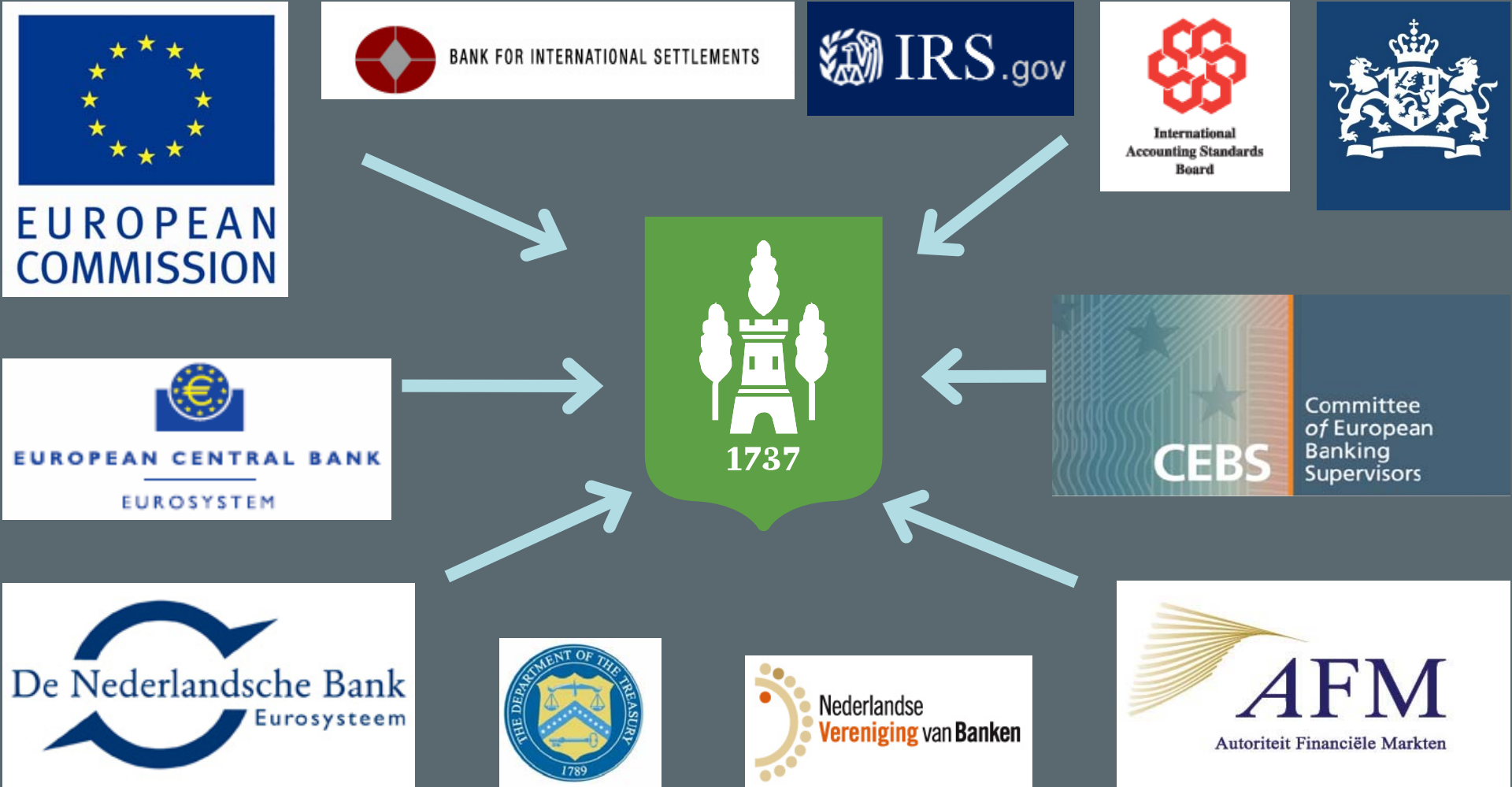
What are the lessons of the crisis?



The sector as a whole is working towards restoring trust

- 1 Transparent business model for financial institutions
- 2 Better risk management
- 3 Re-evaluation of fair value accounting
- 4 Separation of commercial and investment banks
- 5 Higher capital ratios and improved supervision
- 6 Revision of remuneration system

New rules are being imposed from all sides ...



Looking at a number of initiatives in depth

- 1 Transparent business model for financial institutions
 - ▶ Asset planning
- 2 Better risk management
 - ▶ Balance sheet is for the client
- 5 Higher capital ratios and increased supervision
 - ▶ Ready for Basel III

1 Transparent business model

- Banks should meet real needs of real clients
- Balance sheet should be used solely for the client
- Who are your clients?



- Private Banking: wealthy individuals, entrepreneurs and their businesses
- Key service: asset planning and asset management
- Evaluation of strategy: client is key
- Balance sheet is for the client: no exotic investments
- Customer care: continually enhancing a leading customer care policy that goes beyond legal requirements



2 Better risk management

- The risks that arose during the crisis had not been fully foreseen
- Maas Committee: CEO has explicit responsibility for the risk culture and risk appetite within the bank
- Banking Code: particular focus on risk management (prominent role of Supervisory Board, introduction of product approval process, etc.)



- Appointment of a Board member with specific responsibility for both risk and finance, CF(R)O
- Definition of Risk Appetite and regular monitoring
- Revised New Product Approval processes



5 Higher capital ratios & increased supervision


- Introduction of additional capital and liquidity ratios
- Higher costs as a result of increased supervision
- Trade off between additional supervision and regulatory overkill



- Maintaining a strong capital and liquidity position
- Low risk profile
- Stress tests: of the Dutch banks, Van Lanschot had the lowest hit to Tier I in stress scenario
- No exposure to European periphery
- Expect to meet all Basel III requirements



Ready for Basel III

Basel III	Van Lanschot  Bankiers
Minimum ratios CT I: 7.0% Tier I: 8.5% BIS: 10.5%	<ul style="list-style-type: none">▪ Ratios (under Basel II) are comfortably above the minimum capital requirements under Basel III (at 30 September 2010):<ul style="list-style-type: none">- Core Tier I ratio: 9.3%- Tier I ratio: 11.6%- BIS ratio: 13.7%▪ Capital ratios will be further increased through :<ul style="list-style-type: none">- Profit retention- Further reduction of risk weighted assets
Maximum leverage 33	<ul style="list-style-type: none">▪ Van Lanschot had a leverage of 13.7 at 30 September 2010, one of the lowest of all Dutch banks
LCR / NSFR 100%	<ul style="list-style-type: none">▪ Van Lanschot expects to meet the new <i>net stable funding ratio</i> and <i>liquidity coverage ratio</i> requirements under Basel III comfortably on time



Looking ahead



New rules are putting pressure on returns across the sector



Profit

RoE

Shareholders' equity



▪ Interest income



▪ Commission income



▪ Trading income



▪ Operating expenses



▪ Taxes



▪ Shareholders' equity



Level playing field is not yet in place

- Interest margins will remain high until the state aid has been repaid by banks
- Restoring the trust in the bank sector as a whole and in individual banks is crucial
- It is in the interests of society as a whole that the sector recovers as soon as possible
- Confirmation of credit ratings is a sign of strength

Van Lanschot's credit ratings reconfirmed in 2010 by S&P and Fitch



Development of credit ratings (S&P) pre-crisis and post-crisis

Current situation also brings commercial opportunities

- Van Lanschot is using the new rules as an opportunity to distinguish itself from the rest of the sector
 - In many cases, the new rules underpin the existing strategy of Van Lanschot
 - Robust balance sheet and risk management
 - Increased focus on Corporate Social Responsibility

Three pillars of CSR

- Commitment to charters:
 - Global Compact
 - International Labour Organisation
 - Principles for Responsible Investment
- Ethical Council
- ESG Board

Clients

- Know your client
- Customer due diligence

Lending

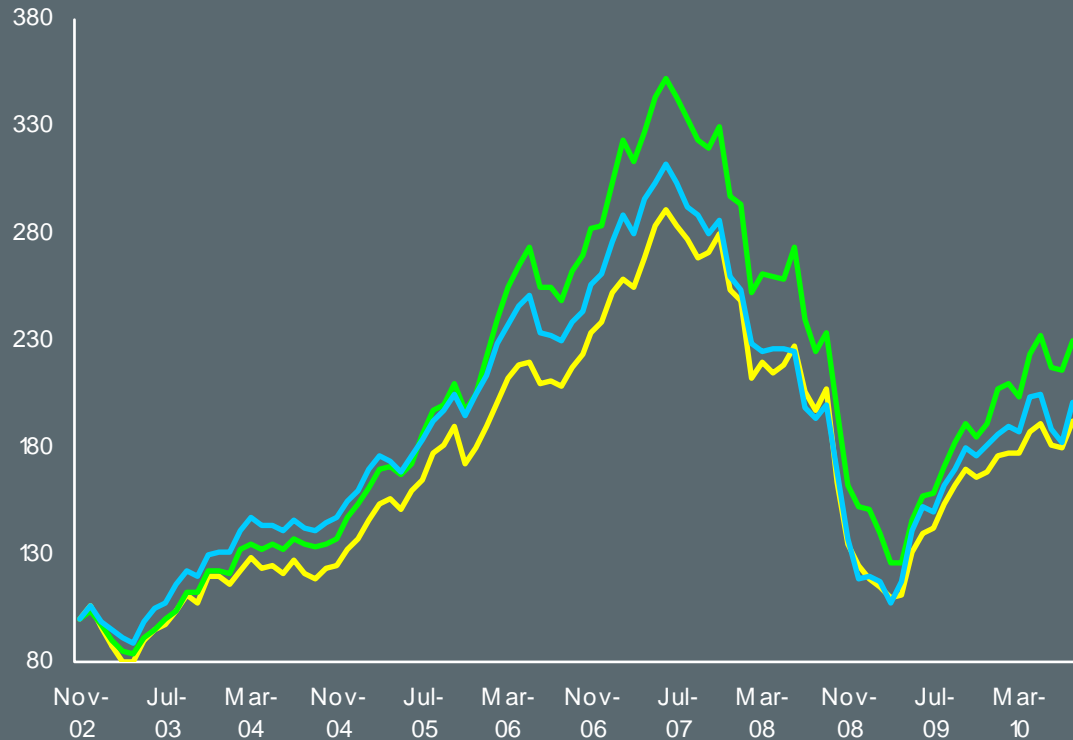
- Loan acceptance policy

Investments

- Engage / exclude
- Sustainable portfolios
- GES

Good yields on sustainable investments

Kempen Sense Fund - Outperformance since inception in October 2002



- Annual yield on the Sense Fund since inception : 12.9%
- Total yield on the Sense Fund since inception: 155.6%
- Total yield of the benchmark: 103.6%

— KEMPEN EUROPEAN SMALLCAP FUND — KEMPEN SENSE FUND
— HSBC SMALLER EUROPEAN COMPANIES

Van Lanschot: further growth in results in third quarter 2010

- Operating result markedly higher than for Q1 and Q2
 - Higher interest margin driving interest income
 - Conversion preference shares also lowered interest expense
 - Assets under management were up, result of both inflow and favourable market performance; Assets under discretionary management in particular posted a healthy increase
 - Transaction volumes and commission in line with H1
 - Costs stable at level of Q1 and Q2
- Core Tier I ratio at 30 September 2010 (core activities) was 9.3%, the Tier I ratio 11.6% and the BIS total capital ratio 13.7%
- Scale-down of RWA in the corporate portfolio continued (leverage 13.7)
- Loans and advances largely funded from funds entrusted by clients (funding ratio 81%)

Return to normalised profit levels?

What is a 'normal' level of profit?

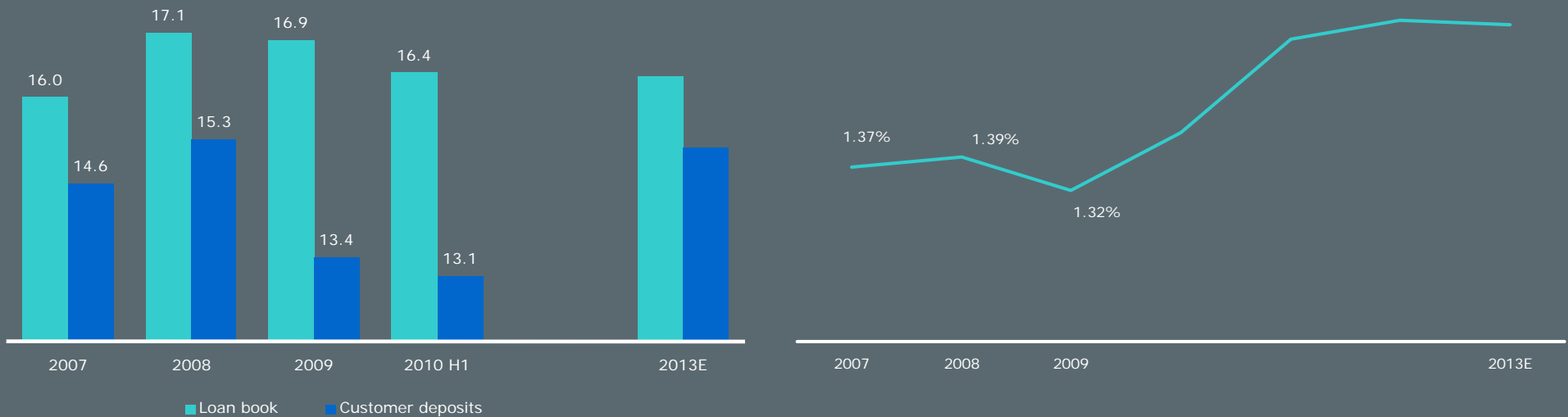
- € 4 to € 5 per share

Profit drivers:

- Inflow of clients and assets
- Improving interest margin on both customer deposits and the loan book
- Continuing migration to assets under discretionary management leading to higher and more stable fee income
- Strict cost control
- Declining loan losses

Interest drivers

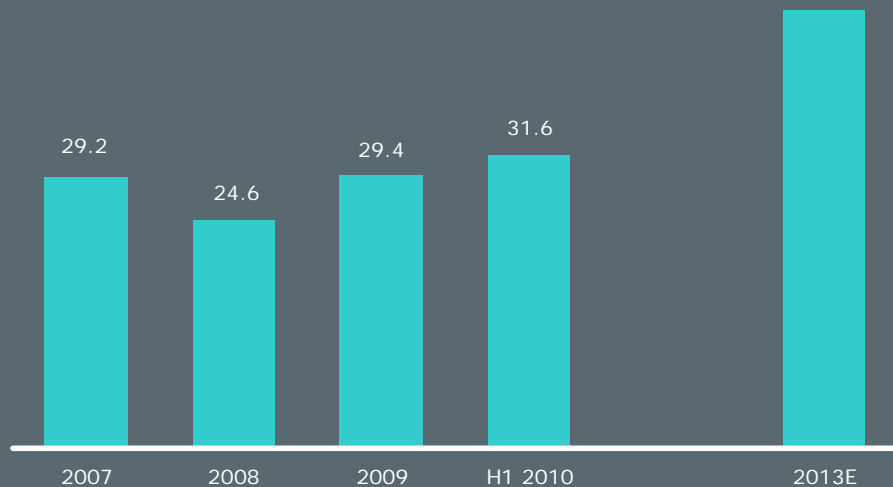
- Increasing interest margin due to:
 - Repricing of loan book
 - Lower market rates for customer deposits



Expected development in loan book and customer deposits (€ billion)

Expected development in interest margin (%)

Commission drivers



Development in assets under management
(€ billion)

- Steep rise in assets under management in the coming years due to:
 - Net new money inflows
 - Average market effect of around 5% per annum
- Trend towards assets under discretionary management
 - Higher earnings potential on discretionary mandates

Loan losses



- Peak of loan losses in Q4 2009
- Continuing reduction in loan losses dependent on pace of economic recovery
- Coverage ratio (percentage of impaired loans for which a provision has been formed) 31.7%
- Coverage ratio reflects high level of collateral

Addition to loan loss provisions (€ million)



Any questions?