

PRESS RELEASE

Powerful recovery at Van Lanschot in 2010; resumption of dividend

- **Net profit grows to € 65.7 million (2009: net loss of € 14.8 million)**
- **Assets under management increase € 5.5 billion (up 18%) to € 35.4 billion**
- **Excellent solvency and liquidity position**
- **Dividend distribution of € 0.70 per share**

Floris Deckers, Chairman of the Board of Managing Directors of Van Lanschot: "2010 was a year of two halves. The first six months of 2010 were still dominated by stabilisation, while in the second half of the year the rate of growth picked up. The results for 2010 show a strong recovery and a further improvement in the quality of income; the increases in commission and interest reflect the fact that the growth in income came from the bank's core business. The addition to the loan loss provision was lower than in 2009, but the decrease was not as sharp as had initially been expected. No dividend was paid for the 2009 financial year. The results for 2010, however, and in particular the Core Tier I ratio of 9.6% and the Tier I ratio of 12.1%, mean we are in a position to resume our normal dividend policy.

Van Lanschot managed, entirely through its own efforts, to maintain its traditionally strong levels of solidity and liquidity and bring them into line with post-crisis requirements: core capital increased 24%. As a private bank, a large proportion of funding, especially short-term funding, comes from clients. The bank's funding profile was further diversified by raising long-term funding on the wholesale market. With a pro forma Net Stable Funding Ratio of 98% (minimum required is 100%) and a pro forma Liquidity Coverage Ratio of 158% (minimum required is 100%), the bank will comply with Basel III well before the deadline.

The business model of Van Lanschot as a private bank constantly emphasises the relationship with, the interests of, and the duty of care for the client. Van Lanschot is a service provider, not a product-oriented bank; the bank's success is measured in terms of the quality of its services. Our focus on the interests of our clients is reflected in, among other things, the completely open architecture in asset management and the fact that Van Lanschot was one of the first banks in the Netherlands to pass on the net distribution fees to its asset management clients. This is in keeping with the spirit of the Dutch Banking Code, which Van Lanschot embedded within its organisation in 2010. Last year, the bank took further steps in the areas of customer care, remuneration policy, governance, risk management and the audit function. Where required, these aspects were brought into line with the Dutch Banking Code.

Looking ahead, Van Lanschot expects that the recovery in operating profit that began in 2010 will continue in 2011. The downward trend in the loan loss provisions will continue, but the rate of decline will depend on the ongoing economic recovery. We expect income to rise further and for growth in assets under management to have a positive impact on management fees. Given increased margins on the lending portfolio and higher funding costs due to stricter capital and liquidity requirements, the interest margin is expected to stabilise. In 2011, the bank will continue to pay close attention to cost awareness, efficiency improvements and operational excellence, and it will also continue to invest in the quality of its services and in growth. We are well on track, and are confident that with these results we have made further progress towards normalised profit levels."



RESULTS RECOVER STRONGLY THANKS TO HIGHER INCOME, LOWER EXPENSES AND LOWER LOAN LOSS PROVISION

- Income up 8% to € 613.3 million (2009: € 568.5 million)
- Interest margin improved to an average of 1.68% (2009: 1.32%) on savings accounts and deposits as well as loans and advances
- Commission up 3% to € 232.2 million (2009: € 224.7 million); recurring management fees¹ accounted for 64% of total securities commission (2009: 54%) due in part to the increase in assets under discretionary management
- Operating expenses down 2% to € 422.3 million (2009: € 428.8 million); expenses at Van Lanschot Bankiers down 7%
- Addition to the loan loss provision down 24% to € 86.5 million (2009: € 113.2 million)
- Operating profit before tax € 88.5 million (2009: operating loss of € 36.3 million)
- Net profit € 65.7 million (2009: net loss of € 14.8 million)
- Earnings per share € 1.45 (2009: negative earnings per share of € 0.72)
- Proposed dividend for 2010 of € 0.70 per ordinary share

STRONG INFLOW OF NEW ASSETS UNDER MANAGEMENT, PARTICULARLY UNDER DISCRETIONARY MANDATES

- Total assets under management increased 18% to € 35.4 billion in 2010 (year-end 2009: € 29.9 billion), of which € 3.0 billion inflow of new assets, or 10% of assets under management, in both Private & Business Banking (€ 0.9 billion) and in Asset Management (€ 2.1 billion)
- Of the total assets under management for Private & Business Banking clients, 32% comprised assets under discretionary management (year-end 2009: 28%)
- Total client assets (assets under management plus funds entrusted by clients) up 13% to € 49.0 billion (year-end 2009: € 43.2 billion)
- Investment performance of assets under management was again excellent in 2010, with all investment profiles outperforming the benchmark by between 1.3% and 3.7%

SOUND PROFILE SUPPORTED BY HIGH SOLVENCY RATIOS AND AMPLE LIQUIDITY POSITION

- Core Tier I ratio increased to 9.6% at year-end 2010 (year-end 2009: 6.6%) as a result of the conversion of preference shares into ordinary shares as of 1 June 2010, the introduction of F-IRB for the retail portfolio as of 1 July 2010, an active programme to reduce risk weighted assets, and the addition of profit to core capital
- Tier I ratio rose to 12.1% at year-end 2010 (year-end 2009: 9.8%), BIS total capital ratio rose to 14.2% at year-end 2010 (year-end 2009: 11.9%)
- The balance sheet is for our clients, as reflected in the very low leverage of 13.4 (year-end 2009: 16.6)
- Funding ratio (the ratio of lending to funds entrusted by clients) 86.2% at 31 December 2010 (31 December 2009: 79.0%)
- Long-term funding position improved with the issue of € 400 million in bonds to institutional investors in March 2010, and the placement on the market of € 750 million in RMBS bonds in November 2010
- Pro forma Basel III at year-end 2010: Liquidity Coverage Ratio 158%, Net Stable Funding Ratio 98% and leverage 15.1
- All credit ratings reconfirmed in 2010 at Single A minus (A-), outlook stable

¹ Management fee inclusive of portfolio commission and custody fee



DEVELOPMENTS BY SEGMENT

Since the second half of 2010, the Private Banking and Business Banking segments fall under a single management team and will therefore be reported as a single segment from now on.

PRIVATE & BUSINESS BANKING

Assets under management of Private & Business Banking rose 12% to € 21.3 billion in 2010 (2009: € 19.1 billion). Of this increase, 41% resulted from the inflow of new assets and 59% from market performance. Discretionary assets under the new asset management concepts rose to € 2.8 billion in the year under review (2009: € 0.1 billion). Assets under discretionary management now make up 32% of the total assets under management for Private & Business Banking (2009: 28%). This shift towards discretionary mandates can in part be attributed to the excellent performance of asset management in 2010, where all investment profiles outperformed the relevant strategic benchmarks (outperformance ranging from 1.3% for the income-oriented profile to 3.7% for the growth-oriented profile). Furthermore, Van Lanschot is leading in the market with a transparent fee structure in asset management, including the passing on of the net distribution fees to clients.

The operating profit before tax of Private & Business Banking rose to € 127.3 million in 2010 (2009: € 50.9 million). Net interest income was up 14% to € 394.1 million in 2010 (2009: € 346.9 million) especially thanks to higher margins on deposits and savings accounts and on loans. Commission declined 4% to € 131.5 million (2009: € 137.0 million). Management fees climbed strongly thanks to the growth in assets under discretionary management, but transaction commission dropped due to the low trading volumes.

The operating expenses were down 2% to € 316.1 million (2009: € 322.9 million). Staff costs rose in 2010 due to variable pay, as opposed to 2009, when this was not granted. This rise was however fully offset by lower other administrative expenses. The addition to the loan loss provision in this segment declined by 23% to € 86.7 million (2009: € 113.1 million). A negative value adjustment of € 13.5 million (2009: € 7.1 million) was recognised on the participations portfolio.

In Belgium, the second home market of Van Lanschot, assets under management grew by 13%, mainly as a result of a strong net inflow of new assets from both private and institutional clients.

	31-12-2010	31-12-2009	Δ %
<i>(x € billion)</i>			
Assets under management	35.4	29.9	18
Private & Business Banking	21.3	19.1	12
Asset Management	14.1	10.8	31

ASSET MANAGEMENT

In 2010, assets under management rose by 31% to € 14.1 billion (2009: € 10.8 billion). Of this increase, 64% resulted from the inflow of new assets and 36% from market performance.

The Asset Management segment generated an operating profit before tax of € 13.4 million in 2010 (2009: € 8.9 million), i.e. a rise of 51%. This was mainly due to a 17% increase in commission to € 49.8 million (2009: € 42.4 million). The increase in assets under management led to higher management fees. The performance fees were lower at € 7.2 million in 2010 (2009: € 11.6 million).



CORPORATE FINANCE & SECURITIES

Corporate Finance & Securities posted a rise in operating profit before tax to € 14.9 million in 2010 (2009: € 13.0 million). Commission was up 12% to € 49.7 million (2009: € 44.4 million), mainly thanks to higher success fees and fees related to capital market transactions.

OTHER ACTIVITIES

This segment includes income and expenses that cannot be allocated to other segments. In addition, this segment comprises income and expenses relating to interest rate, market and liquidity risk management. Operating profit before tax of the segment Other Activities improved to a loss of € 67.1 million (2009: a loss of € 109.1 million, due to the recognition of an impairment of € 55.1 million in this segment).

INVESTMENTS

In the fourth quarter, Van Lanschot reached an agreement with Ohpen Holding on the sale of Robein Leven. Since the acquisition by Van Lanschot in the third quarter of 2009, this non-strategic investment has operated fully independently from Van Lanschot. The transaction did not have a material impact on profit. The actual transfer of Robein Leven to Ohpen will take place once approval has been obtained from the Dutch Central Bank.



KEY DATA

INCOME STATEMENT <i>(x € million)</i>	2010	2010 core²	2009 core	Δ %	H2 2010 core	H1 2010 core
Income from operating activities	630.9	613.3	568.5	8	325.8	287.5
Operating expenses	439.9	422.3	428.8	-2	216.6	205.7
Gross result	191.0	191.0	139.7	37	109.2	81.8
Addition to loan loss provision	86.5	86.5	113.2	-24	42.6	43.9
Other impairments	16.0	16.0	62.8	-75	8.8	7.2
Operating profit before tax	88.5	88.5	-36.3	-	57.8	30.7
Discontinued operations	1.1	-	-	-	-	-
Net profit	66.7	65.7	-14.8	-	43.6	22.1

BALANCE SHEET <i>(x € million)</i>	31-12-2010	31-12-2010 core	31-12-2009 core	Δ %	30-06-2010 core
Equity attributable to shareholders	1,462	1,462	1,239	18	1,428
Equity attributable to minority interests	323	323	313	3	307
Public and private sector liabilities	13,546	13,546	13,380	1	13,075
Loans and advances to the public and private sectors	15,710	15,710	16,941	-7	16,418
Total assets	20,325	19,590	20,569	-5	19,928

CAPITAL MANAGEMENT	31-12-2010	31-12-2010 core	31-12-2009 core	Δ %	30-06-2010 core
Risk-weighted assets (x € million)	11,752	11,695	13,915	-16	13,459
BIS total capital ratio (%)	13.9	14.2	11.9	-	12.2
BIS Tier I ratio (%)	11.9	12.1	9.8	-	10.3
BIS Core Tier I ratio (%)	9.6	9.6	6.6	-	8.2
Leverage	13.9	13.4	16.6	-	14.0

ASSETS UNDER MANAGEMENT <i>(x € billion)</i>	31-12-2010	31-12-2010 core	31-12-2009 core	Δ %	30-06-2010 core
Total assets under management	35.4	35.4	29.9	18	32.2
Assets under discretionary management	20.9	20.9	16.2	29	18.7
- of which double-counted	0.7	0.7	0.5	40	0.7
Assets under non-discretionary management	14.5	14.5	13.7	6	13.5

KEY FIGURES	31-12-2010	31-12-2010 core	31-12-2009 core	Δ %	30-06-2010 core
Average number of ordinary shares (x 1,000)	38,367	38,367	34,870		35,901
Earnings per share based on average number of ordinary shares (in euros)	1.47	1.45	-0.72		0.48
Efficiency ratio (%)	69.7	68.9	75.4		71.5
Return on average equity (%)	4.2	4.1	-2.0		2.5
Funding ratio (%)	86.2	86.2	79.0		79.6
Number of staff (FTEs)	2,181.8	2,042.8	2,050.0		2,041.6

² Since 2009, the annual figures have reflected the impact of a number of non-strategic investments. In order to allow an adequate comparison, the figures in this press release are adjusted for these investments. In all cases, the comparative figures solely concern the core activities.



RESULTS 2010

	2010	2010 core	2009 core	Δ %	H2 2010 core	H1 2010 core
<i>(x € million)</i>						
Interest	335.9	336.9	272.8	23	176.6	160.3
Income from securities and associates	13.0	14.0	26.5	-47	7.0	7.0
Commission	232.2	232.2	224.7	3	117.0	115.2
Profit on financial transactions	30.2	30.2	44.5	-32	25.2	5.0
Other income	19.6	-	-	-	-	-
Income from operating activities	630.9	613.3	568.5	8	325.8	287.5
Staff costs	236.1	226.4	218.5	4	117.3	109.1
Other administrative expenses	167.1	159.9	173.2	-8	81.3	78.6
Depreciation and amortisation	36.7	36.0	37.1	-3	18.0	18.0
Operating expenses	439.9	422.3	428.8	-2	216.6	205.7
GROSS RESULT	191.0	191.0	139.7	37	109.2	81.8
Addition to loan loss provision	86.5	86.5	113.2	-24	42.6	43.9
Other impairments	16.0	16.0	62.8	-75	8.8	7.2
Operating profit before tax	88.5	88.5	-36.3	-	57.8	30.7
Income tax	22.9	22.8	-21.5	-	14.2	8.6
Discontinued operations	1.1	-	-	-	-	-
NET PROFIT	66.7	65.7	-14.8	-	43.6	22.1

RESULTS 2010 BY SEGMENT

<i>(x € million)</i>	Private & Business Banking	Asset Management	Corporate Finance & Securities	Other Activities	Total
Income from operating activities	543.9	49.8	59.6	-40.0	613.3
Operating expenses	316.1	36.4	42.8	27.0	422.3
GROSS RESULT	227.8	13.4	16.8	-67.0	191.0
Addition to loan loss provision	86.7	0.0	-0.2	0.0	86.5
Other impairments	13.8	0.0	2.1	0.1	16.0
Operating profit before tax	127.3	13.4	14.9	-67.1	88.5
Income tax	31.9	5.0	1.8	-15.9	22.8
NET PROFIT	95.4	8.4	13.1	-51.2	65.7
Efficiency ratio (%)	58.1	73.1	71.8	-67.5	68.9
Number of staff (FTEs)	1,594.8	180.9	189.0	78.1	2,042.8

For more detailed segment information, reference is made to the 2010 Financial Report.



ADDITIONAL INFORMATION

For additional information, please log on to www.vanlanschot.nl/aboutvanlanschot.

FINANCIAL REPORT, PRESENTATION AND WEBCAST OF PRESENTATION FOR ANALYSTS

The financial report on the 2010 annual results contains a detailed explanation of the results and balance sheet of Van Lanschot NV.

The presentation for analysts will be held in Amsterdam on 18 March 2011 at 2.00 pm CET, and can be followed live online via the webcast.

The financial report on the 2010 annual results, the presentation for analysts and the webcast can be found on www.vanlanschot.nl/results.

KEY DATES 2011

Publication of trading update first quarter of 2011	11 May 2011
Annual General Meeting of Shareholders	11 May 2011
Publication of 2011 half-year results	16 August 2011
Publication of trading update third quarter of 2011	8 November 2011

's-Hertogenbosch, the Netherlands, 18 March 2011

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Van Lanschot NV is the holding company of F. van Lanschot Bankiers NV, the oldest independent bank in the Netherlands with a history dating back to 1737. The bank focuses on three target groups: high net-worth individuals, medium-sized businesses (including family businesses) and institutional investors. Van Lanschot stands for high-quality services founded on integrated advice, personal service and customised solutions. Van Lanschot NV is listed on Euronext Amsterdam.

DISCLAIMER

Forward looking statements

This press release contains forward looking statements concerning future events. Those forward looking statements are based on the current information and assumptions of the Van Lanschot management concerning known and unknown risks and uncertainties.

Forward looking statements do not relate to definite facts and are subject to risks and uncertainty. The actual results may differ considerably as a result of risks and uncertainties relating to Van Lanschot's expectations regarding such matters as the assessment of market risk and revenue growth or, more generally, the economic climate and changes in the law and taxation.

Van Lanschot cautions that expectations are only valid on the specific dates, and accepts no responsibility for the revision or updating of any information following changes in policy, developments, expectations or the like. The financial data regarding forward looking statements concerning future events included in this press release have not been audited.