



PRESS RELEASE

Van Lanschot ready for Basel III through conversion of preference shares

- Agreement reached with shareholders about early conversion of preference shares into ordinary shares
- After conversion, Core Tier I ratio increases to about 8% (pro forma) at 31 March 2010

Conversion of preference shares

Van Lanschot and the holders of preference A and B shares have reached agreement about the early conversion of the preference shares into ordinary A shares in Van Lanschot. This results in an increase in the bank's core capital by € 166 million to € 1,092 million (pro forma) at 31 March 2010. After the conversion, the Core Tier I ratio will rise to about 8% (pro forma) at 31 March 2010 (prior to the conversion: 6.8%). This conversion leads to a 15% increase in the number of ordinary shares. The dilution effect on earnings per share is limited due to the fact that the annual dividend on the preference shares of € 11.25 million is no longer due.

In December 2008, Van Lanschot issued preference shares to institutional and private investors for an amount of € 150 million. With this issue, the bank succeeded in reinforcing its solvency position during the banking crisis by relying on its own strength.

Van Lanschot expects that this conversion of preference shares will enable it to comply with the new capital adequacy requirements of the pending Basel III framework. The bank expects to be able to further strengthen its capital position through the internal generation of solvency. Thanks to its prudent balance sheet management, Van Lanschot has a low leverage ratio, which already comfortably meets the possible new requirements for this ratio.

An Extraordinary General Meeting of Shareholders (EGM) will be held shortly in order to formalise the intended conversion, subject to approval of the Dutch Central Bank, and the required amendment to the Articles of Association.

Refined long-term targets

During the Annual General Meeting of Shareholders which is to be held today, Van Lanschot will present its refined long-term targets. These financial targets are as follows:



| | Target |
|------------------------------|---|
| Capital ratios | Core Tier 1 ratio At least 8.0% Tier 1 ratio At least 10.0% BIS total capital ratio At least 12.5% |
| Leverage ratio | Ratio of total assets / shareholders' funds less than 20 |
| Return on equity | On average 2% higher than cost of equity |
| Growth in earnings per share | At least 5% per annum, based on normal profit levels |
| Dividend policy | Unchanged, between 40-50% |

In addition to financial targets, targets have also been defined in terms of clients and staff, such as duty of care, market share, client satisfaction, investment performance and employer status.

The full presentation for the Annual General Meeting of Shareholders will be available on the website from 4 p.m. today (www.vanlanschot.nl/aboutvanlanschot).

First quarter of 2010 confirms signs of recovery

In the first quarter of 2010, the signs of gradual recovery of income, as seen since the second quarter of last year, were confirmed. Owing to declining market rates on funds entrusted, the interest margin further increased in the first quarter of 2010, compared with the last quarter of 2009. All months of the first quarter were profitable.

Assets under management increased further in the first quarter, thanks to net new money and positive value changes in respect of private individuals, institutional clients as well as in-house funds. The new asset management concepts A La Carte and Select are popular among private clients.

Operating expenses were slightly down on the last quarter of 2009. Loan loss provisions were still at a high level for Van Lanschot. The inflow of accounts to the recovery section further declined both in terms of number and size. As noted in March, Van Lanschot expects this reduced inflow to have a positive impact in the form of a lower addition to the loan loss provisions. Such lower addition to the provisions will become visible in the second half of 2010 at the earliest, provided that the upward economic trend persists.

The bank's liquidity position remained robust. With a funding ratio of nearly 80% Van Lanschot largely finances its lending activities with funds entrusted by its clients. In order to diversify the type and term to maturity of its liquidity, Van Lanschot issued bonds for an amount of € 400 million to institutional investors in March of this year.



The capital ratios at 31 March 2010 (core activities) were:

Core Tier I ratio: 6.8%, Tier I ratio: 10.1%, BIS total capital ratio: 12.2%.

If the revival in economic activity continues, the bank expects to be able to make significant headway in 2010 towards achieving normalised profit levels.

's-Hertogenbosch, the Netherlands, 6 May 2010

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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 the Euronext Amsterdam Stock Market.