



Van Lanschot

Van Lanschot NV

INVESTOR PRESENTATION – CREDIT UPDATE 2010 FINANCIAL YEAR

MARCH / APRIL 2011

Executive summary

Van Lanschot aims to be the best Private Bank in the Netherlands and Belgium

- Offering high quality financial services to high net-worth individuals, director-owners and other select client groups
- Over 270 years of experience and a reputable franchise in the Netherlands and Belgium
- Strong client focus, Van Lanschot is a relationship-oriented bank
- Business strategy is constant, focused and has withstood the crisis

Van Lanschot came through the crisis unscathed

- Balance sheet has remained intact; Van Lanschot did not need government support
- The balance sheet is used solely for client-related business: no CDOs, SIVs or other complex financial instruments; the client always comes first
- Low risk profile: no exposures in Southern Europe or in Ireland, virtually no proprietary trading
- Solid capital base; well prepared for Basel III
- Effective risk management; loan losses reducing towards normalised levels; high quality mortgage book
- Strong funding and liquidity; mainly funded by customer deposits
- Diversification of funding sources and regular access to wholesale markets

- Profile

- Financial performance 2010
- Risk profile and asset quality
- Capital and Basel III
- Funding and liquidity

Evolution into an independent Private Bank

1737

2011



Van Lanschot aims to be the best private bank in the Netherlands and Belgium

- Van Lanschot's strategy is focused on offering high quality financial services
- Van Lanschot targets high net-worth individuals, director-owners and other select client groups
- Van Lanschot has a solid capital base, strong funding and liquidity position
- Van Lanschot has around 2,000 employees and offices in the Netherlands (30), Belgium (8) and a presence in Switzerland, Luxembourg, Curacao, Jersey, France and Spain

Listed on Amsterdam stock exchange; long-term and loyal shareholders

Van Lanschot's market cap at 28 March 2011: € 1.3bn

Delta Lloyd	31%	<ul style="list-style-type: none">- Shareholder since the early 1970s
Friesland Bank	23%	<ul style="list-style-type: none">- Shareholder since the mid 1990s- Shareholder agreement terminated on 13 December 2009
ABP	13%	
Van Lanschot family	11%	<ul style="list-style-type: none">- Shareholder agreement with right to maintain shareholding at current level in the event of share issues and to nominate one member of the Supervisory Board
SNS Reaal	5%	
Management and staff	4%	<ul style="list-style-type: none">- As a result of the acquisition of Kempen & Co.- As a result of increasing employee ownership through an employee incentive plan
Freefloat	13%	

Experienced and balanced management team



Floris Deckers (1950)
Chairman of the Board

Appointed: 2004

Background: 23 years at ABN AMRO, including as CEO of Latin America and Netherlands business unit



Constant Korthout (1962)
CFO / CRO

Appointed: 2010

Background: 18 years at Robeco Group, since 2002 as CFO



Ieko Sevinga (1966)
Commercial activities

Appointed: 2007

Background: 9 years as Director of Kempen & Co



Arjan Huisman (1971)
COO

Appointed: 2010

Background: 15 years with Boston Consulting Group, since 2004 as partner

Supervisory Board

- **Tom de Swaan, Chairman (1946)**
- **Jos Streppel, Deputy Chairman (1949)**
- **Willy Duron (1945)**
- **Godfried van Lanschot (1964)**
- **Truze Lodder (1948)**
- **Cees de Monchy* (1950)**
- **Abel Slippens (1951)**

- Former CFO of ABN AMRO
- Former CFO of Aegon
- Honorary chairman of KBC Group, former CEO KBC Group
- Independent investor
- Director of Dutch Opera
- Attorney and civil-law notary
- Former CEO of Sligro Food Group

Van Lanschot's strategy

Mission

To offer high-quality financial services to high net-worth individuals, entrepreneurs 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, employees and financial achievements

Strategy

1. Focus on private banking
2. Enhance commercial effectiveness
3. Invest continually in service quality
4. Maintain a solid profile

Core Values

Independent
Committed

Professional
Ambitious

Strategy translated into financial and non-financial targets

Client satisfaction

Continue to outperform the benchmark in the loyalty index

- Annual survey by Marketresponse

Investment performance

Achieve a higher risk-weighted investment performance than the benchmark

- Transparent and customised comparison reports

Duty of care

Apply and continually improve a client care policy that is leading in the sector and that goes further than the statutory obligations

- Innovative asset management concept – A la Carte

Market share

At least double the number of target group clients in the private banking market in the period 2009-2013

- Focus on € 500k+

Employer status

Be an employer of choice for top talent in the financial sector

- Independent private bank offering scope for ambition

Capital ratios (under Basel II)*

Core Tier I ratio At least 8.0%

Tier I ratio At least 10.0%

BIS total capital ratio At least 12.5%

- In normal years the actual ratios will be above these levels

Leverage ratio

Ratio of total assets / shareholders' funds of less than 20

Funding & Liquidity

- Target ratios will be further defined in light of the expected net stable funding ratio and liquidity coverage ratio under Basel III

Return on equity

Average of 2% higher than cost of equity

- Definition of a more exact target expected in the medium term

Earnings per share growth

At least 5% per annum

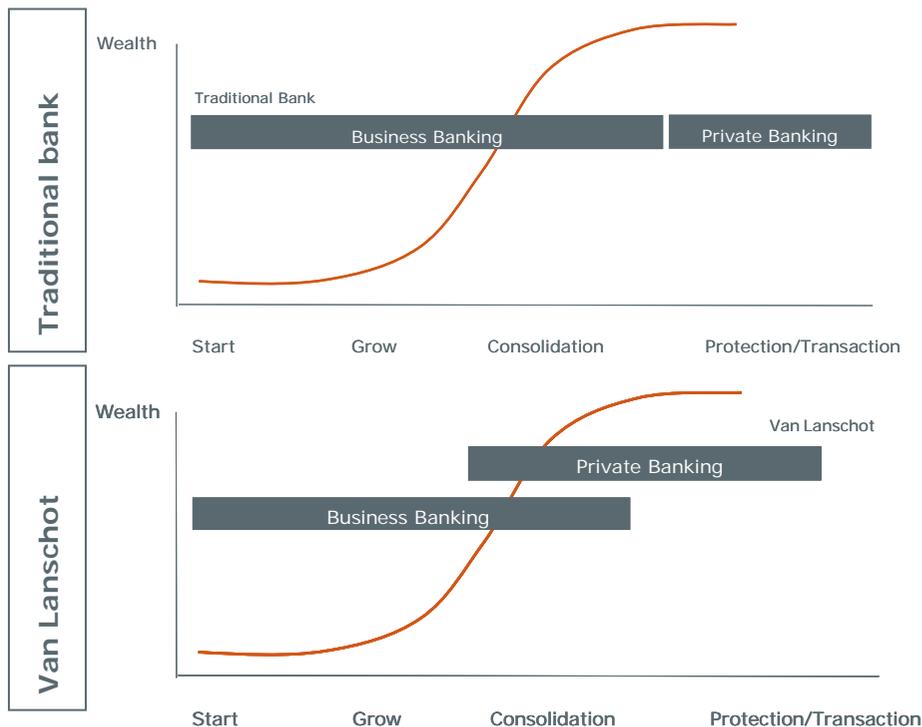
- Long-term target after a return to normal profit levels

Dividend policy

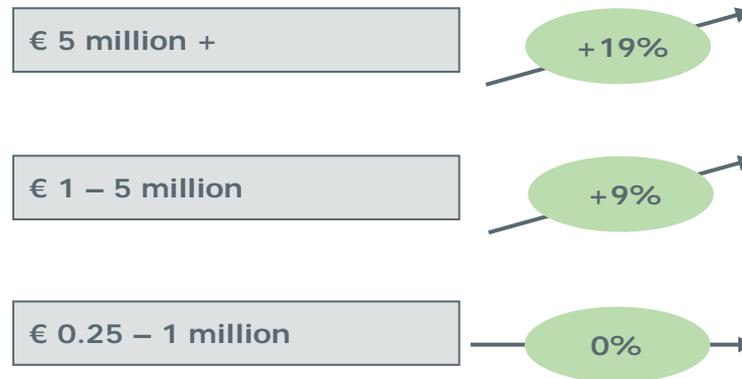
Distribution of 40-50% of net profit available to ordinary shareholders

Focus on private banking: Strong growth in target segments in line with strategy

- Strategic focus starts to deliver
- Private Banking and Business Banking working together under one management team and with one set of targets
- Private Office: one wealth management team focusing on the top segment



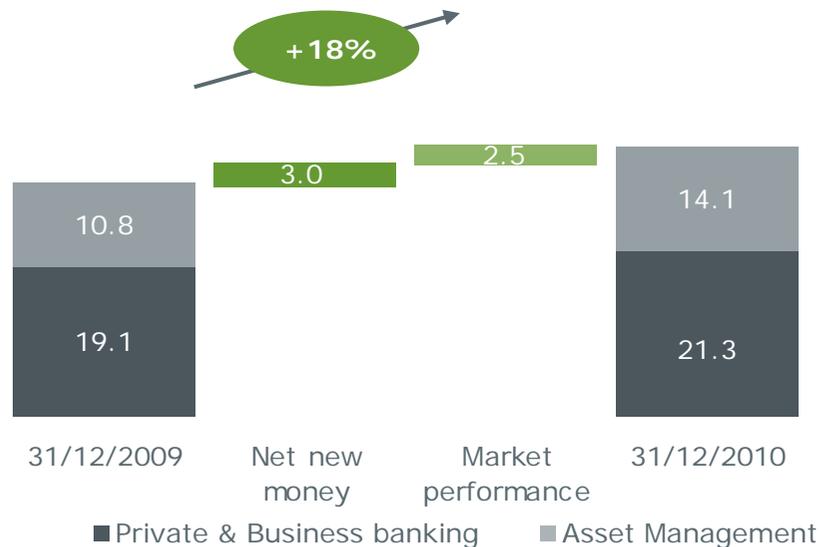
Growth in client assets of Private Banking clients in 2010



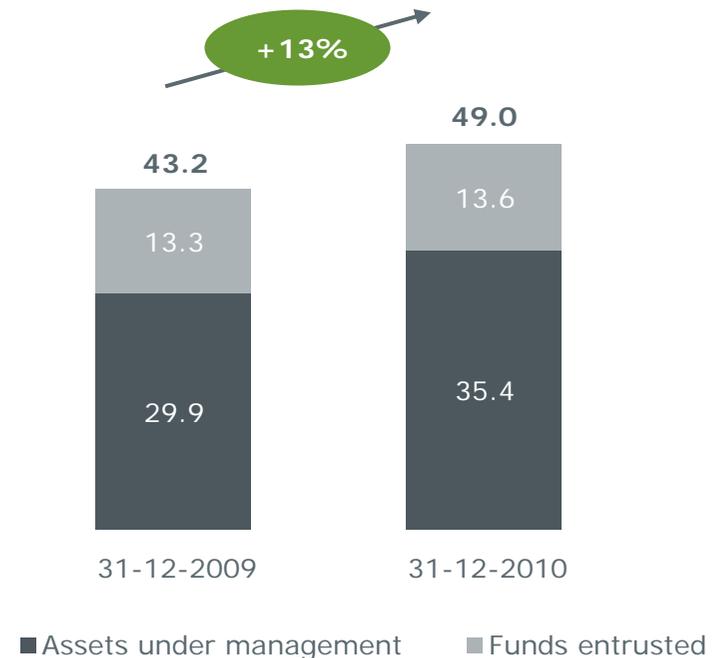
Enhance commercial effectiveness: Strong net new money inflow

- Total assets under management +18% to € 35.4 billion at 31 December 2010 (2009: +20%)
- Net inflow of new assets € 3.0 billion
- Total client assets +13% to € 49.0 billion
- Income +8% to € 613.3 million in 2010

Assets under management (€ billion)



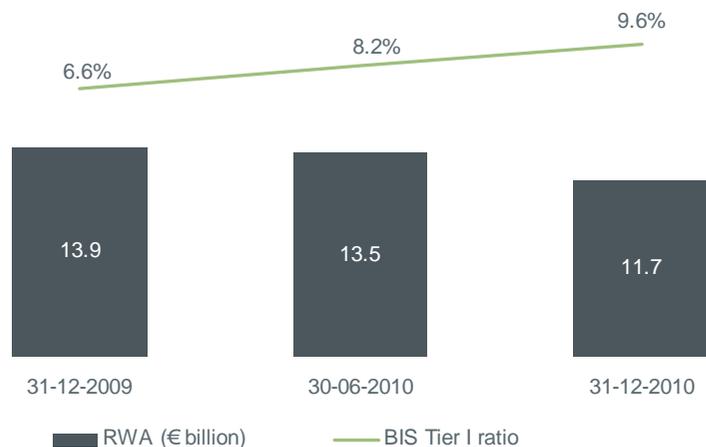
Total client assets (€ billion)



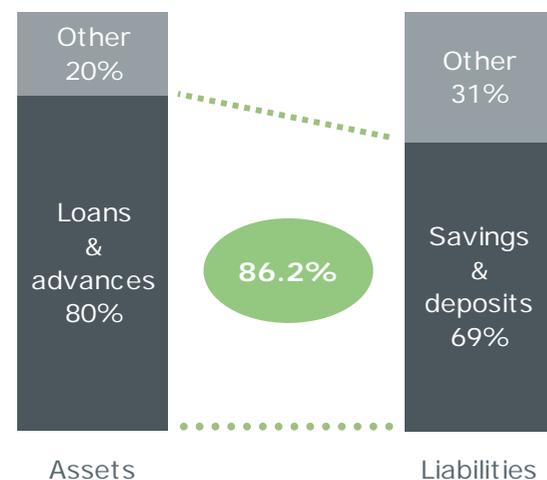
Maintain a solid profile

- Core Tier I ratio rose from 6.6% to 9.6% at year-end 2010
- Balance sheet is for our clients: leverage only 13.4
- Funding ratio 86.2%; new long-term funding raised (see p. 28)
- Confirmation of all credit ratings (S&P and Fitch): Single A minus (A-), outlook stable

RWA and BIS Core Tier I ratio



Balance sheet and funding ratio (31 Dec. 2010)



Van Lanschot's business segments



Van Lanschot

PRIVATE & BUSINESS BANKING

- Integrated advisory services for private clients
 - Private Banking Services (*up to € 250k*)
 - Private Banking (*€ 250k to 10 million*)
 - Private Office (*from € 10 million*)
 - Business professionals / Executives
- International Private Banking
- Advisory services and financing for family businesses
- Participations
- Healthcare
- Equity Management Services
- Trust

ASSET MANAGEMENT

- Institutional asset management
- Fiduciary management
- Management of investment funds

CORPORATE FINANCE & SECURITIES

- Mergers & acquisitions
- Capital markets
- Sales & trading
- Research

- Profile

- **Financial performance 2010**

- Risk profile and asset quality

- Capital and Basel III

- Funding and liquidity

Summary of 2010 results

Solid capital and funding

- Core Tier I ratio 9.6%, Tier I ratio 12.1%, BIS ratio 14.2%
- The balance sheet is for our clients: very low leverage 13.4
- Funding ratio* 86.2%, long-term funding position strengthened by attracting wholesale funding
- Confirmation of all credit ratings (S&P and Fitch): Single A minus (A-), outlook stable

Accelerated recovery of operating profit in 2010

- Income +8% to € 613.3 million
- Costs -2% to € 422.3 million
- Addition to loan loss provision -24% at € 86.5 million
- Operating profit before tax € 88.5 million
- Net profit € 65.7 million
- Earnings per share € 1.45

Growth in asset management

- Assets under management +18% to € 35.4 billion
- Net new money € 3.0 billion, especially in discretionary mandates
- Total client assets** +13% to € 49.0 billion

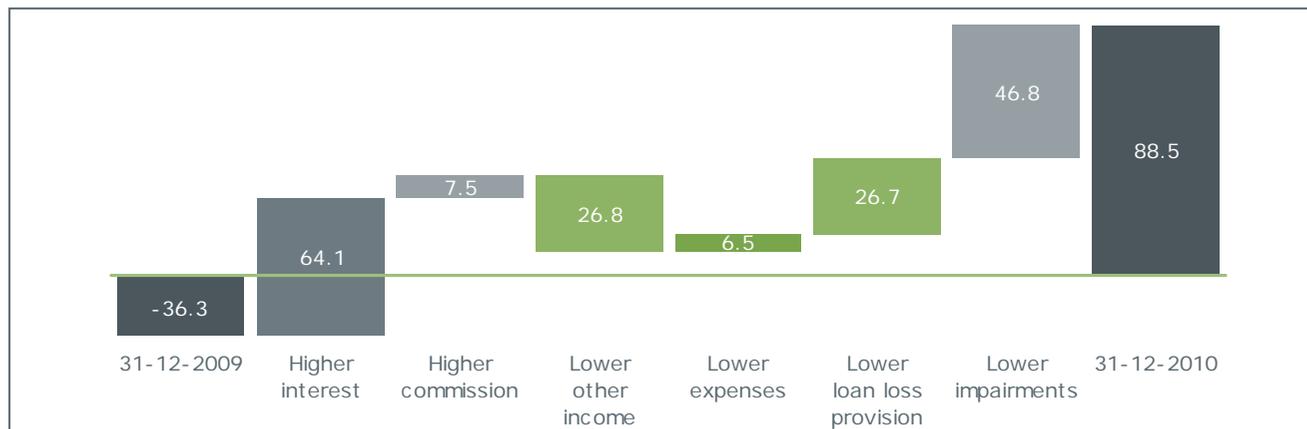
* Funding ratio = the extent to which the loan book is financed by customer savings and deposits

** Client assets = assets under management + funds entrusted

2010 profit driven by higher core income, lower costs and decreasing loan losses

x € million	2010	2009	2008
Income from operating activities	613.3	568.5	493.6
Operating expenses	422.3	428.8	422.1
Gross result	191.0	139.7	71.5
Addition to loan loss provision	86.5	113.2	20.2
Other impairments	16.0	62.8	30.1
Operating result before tax	88.5	-36.3	21.2
Tax	22.8	-21.5	- 8.9
Net result	65.7	-14.8	30.1
Efficiency ratio*	68.9%	75.4%	85.5%

Recovery of operating profit before tax

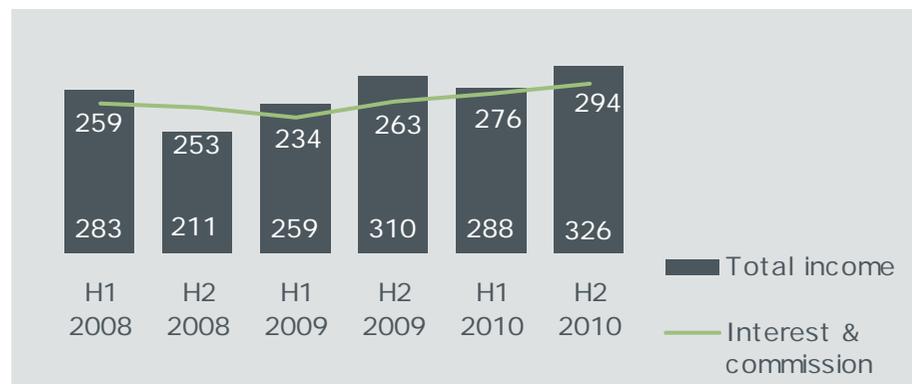


Success of strategy is visible in the results

Recovery in operating profit (€ million)



Income from core activities (€ million)



Improvement of efficiency ratio*

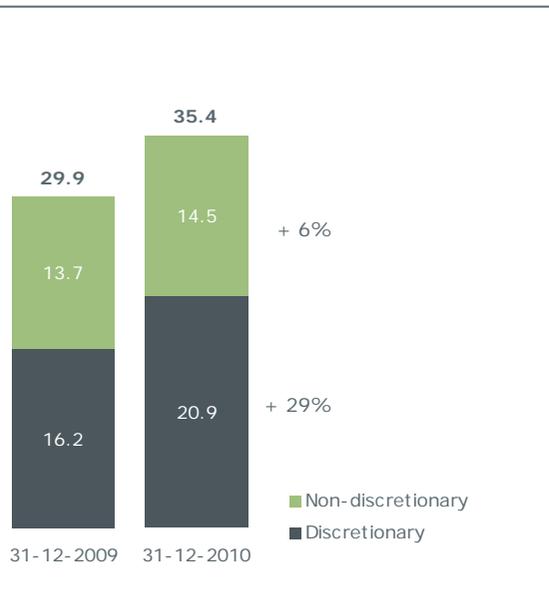


Decreasing additions to loan loss provision (€ million)

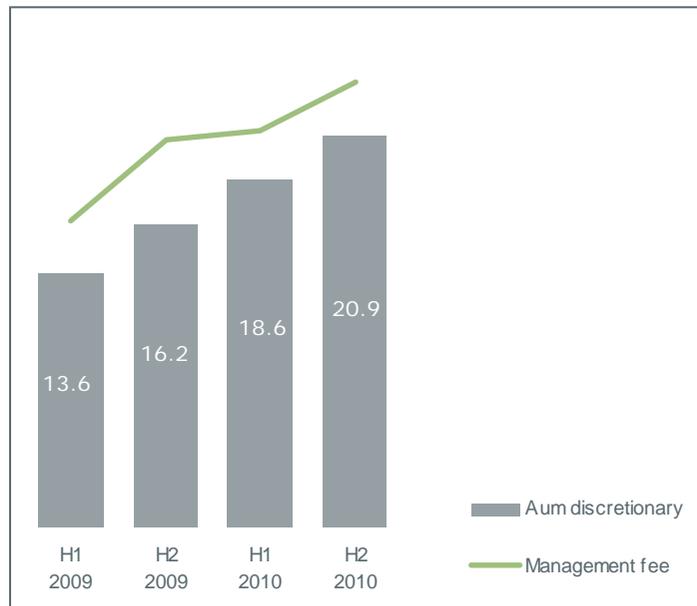


Positive outlook for improving gross margin

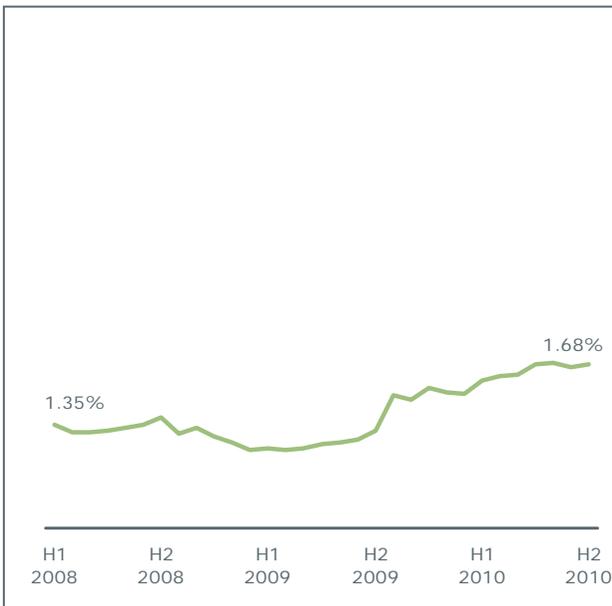
Shift to discretionary management
Assets under management (€ bln)



Increase in recurring management fees
AuM discretionary vs management fee



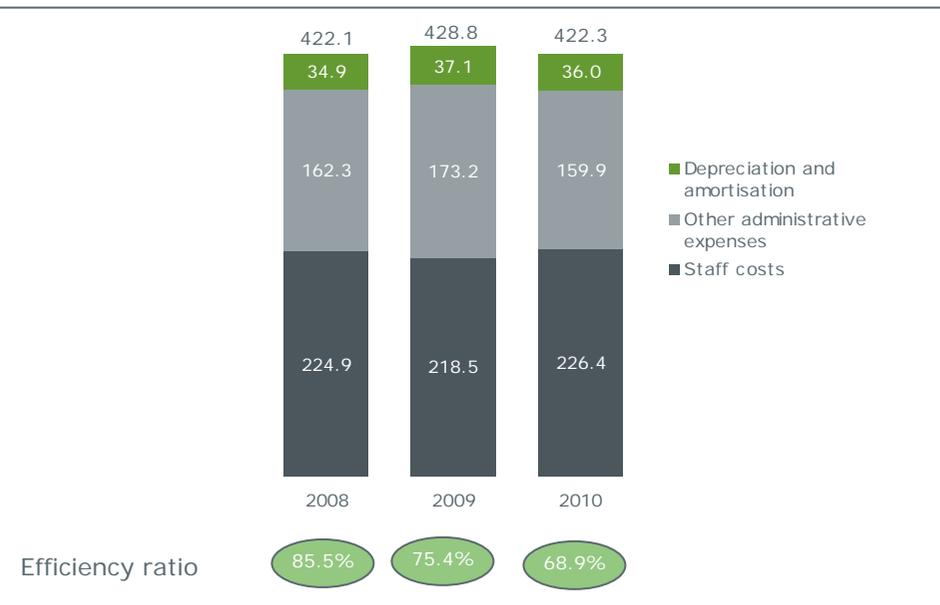
Interest margin (%)



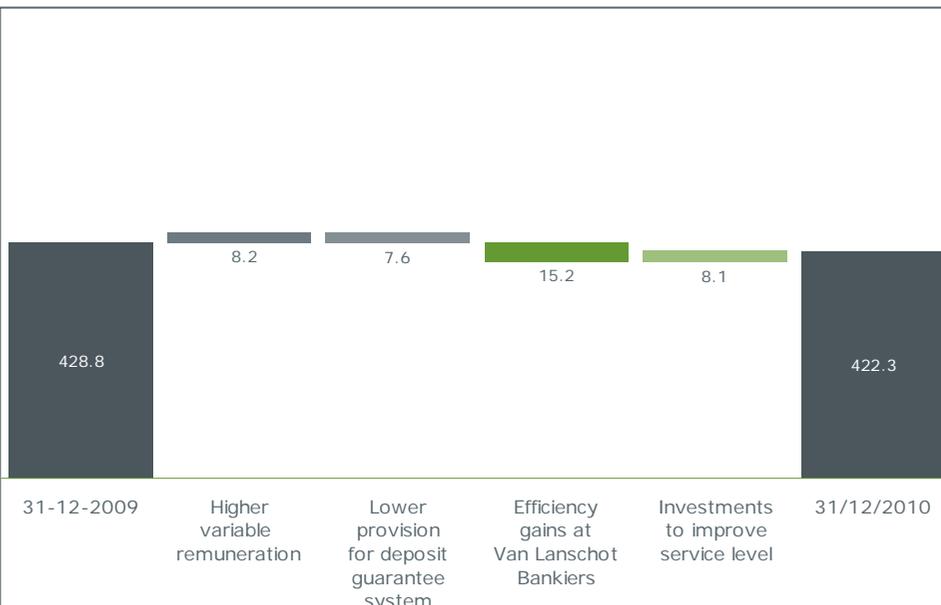
- Clients increasingly opt for discretionary mandates: ~32% of total assets under management of Private Banking (2009: 28%)
- Driven by success of renewed discretionary asset management proposition – A La Carte and Select
- Continuing outperformance on investment profiles
- Transparency – reimbursement of third party distribution fees
- Improves earnings profile, both amount & stability of fees
 - Margin on PB discretionary assets of 0.8% - 1.0%
 - Margin on PB non-discretionary assets of 0.6% - 0.8%

Focus on improving operating leverage

Efficiency measures take effect Efficiency ratio



While still investing in service level and growth Change in operating expenses 2009 - 2010



- Efficiency measures taken in 2009
- Reduction of 191 FTEs in 2009
- Strict costs control ongoing

- No bonuses at Van Lanschot in 2009 due to negative results
- IT and facility services outsourced
- Cost savings at Van Lanschot Bankiers realised through efficient structuring of mid and back offices
- Investments will continue to be made where this benefits our service level and facilitates growth

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- Profile
 - Financial performance 2010

- **Risk profile and asset quality**

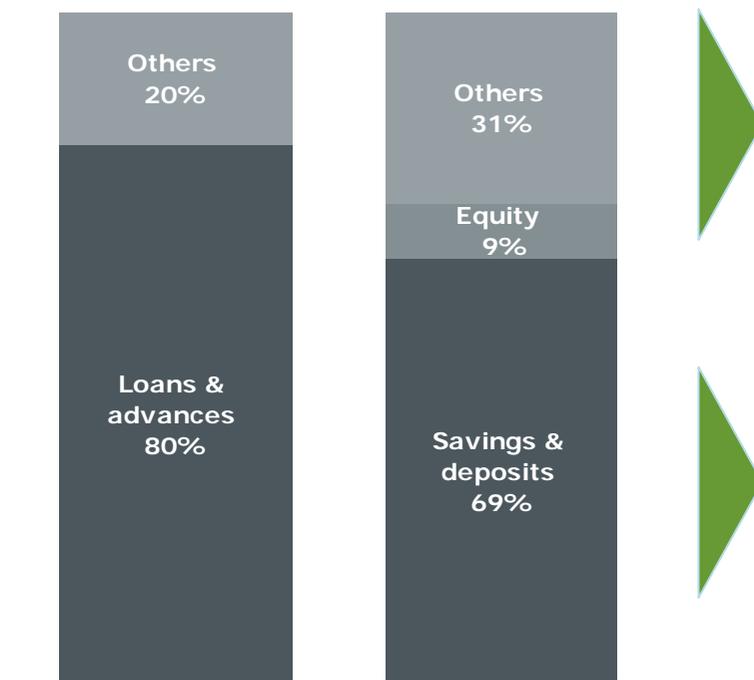
- Capital and Basel III
- Funding and liquidity

Balance sheet is for the client

Balance sheet
at 31 December 2010; 100% = € 19.6 bln

Reputable track record

- Client has always come first
- No CDOs, SIV and other exotic instruments
- No exposure to peripheral countries
- No state aid



Stable credit ratings

- S&P A-, outlook stable
- Fitch A-, outlook stable

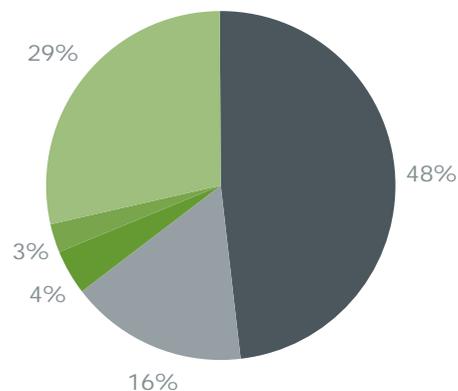
Excellent funding position

- High funding ratio, sticky deposits
- Access to capital markets
- Excess cash position, further supported by significant amount of eligible paper (€ 3.1bn 31 Dec 2010)
- ECB facilities no longer used

High quality loan book

Loan portfolio by sector at 31 December 2010

100% = € 15.7 bln

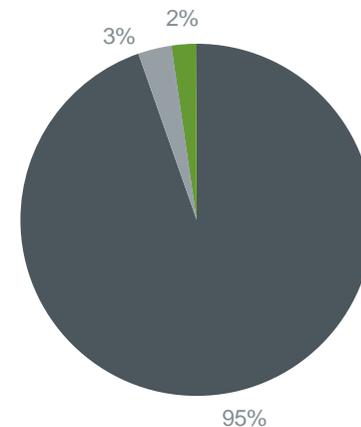


- Residential Mortgages
- Commercial Property
- Financial Holdings
- Healthcare
- Other

- Almost half of the portfolio consists of residential mortgages to private banking clients
- Commercial property portfolio: € 1.8 bln to corporate clients and € 0.8 bln to private clients
- LTV of 71.5% on commercial property portfolio at year-end 2010; 9% of loans have an LTV of over 100%, over 50% of loans have an LTV of under 75%

Loan portfolio by region at 31 December 2010

100% = € 15.7 bln



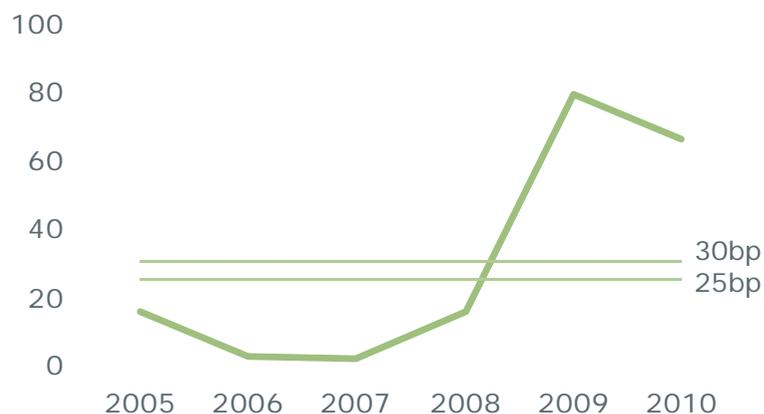
- Netherlands
- Belgium
- Other

- Majority of loans in the Netherlands and Belgium
- Commercial property located almost entirely in the Netherlands
- Limited country exposure

Impairments trending down, but still at elevated levels

Historical development of Loan Loss Provisions

Bps of total RWA credit risk



- Addition to loan provision 66 bp of average RWA in 2010 (2009: 79 bp)
- Addition to LLP for mortgage portfolio 4 bp of average RWA
- Loans written off in 2010 amounted to just € 15.5 mln (2009: € 21.0 mln)
- Expected normalised loan losses at 25 – 30bp

Past due and impaired loans

Past due

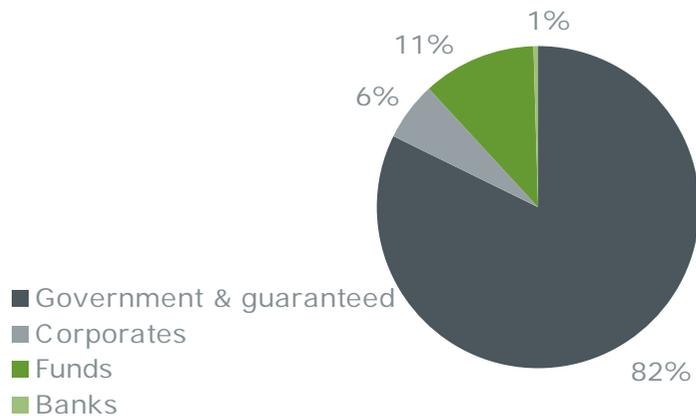
- Past due loans are longer than 30 days overdue
- At year-end 2010, past due loans amounted to € 219.3 mln (2009: € 362.8 mln)
- 1.4% of total loan book

Impaired

- Impaired loans are loans for which a provision has been formed
- At year-end 2010, impaired loans amounted to € 638.7 mln (2009: € 507.7 mln)
- 4.1% of total loan book
- Total provision formed of € 254.6 mln; coverage ratio of 38.2%; remainder of exposure covered by collateral

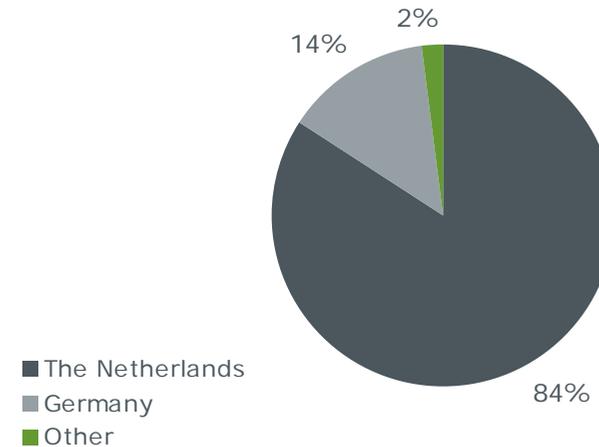
Low risk investment portfolios, used solely for liquidity purposes

Investment portfolio by counterparty
at 31 December 2010 (100% = € 1.4 bln)



- Mainly Dutch and German government bonds
- Held for liquidity purposes
- Of the available-for-sale portfolio (€ 1.3 bln), 81% is Triple A rated and 11% Double A rated

Investment portfolio by region
at 31 December 2010 (100% = € 1.4 bln)



- No exposure to peripheral countries

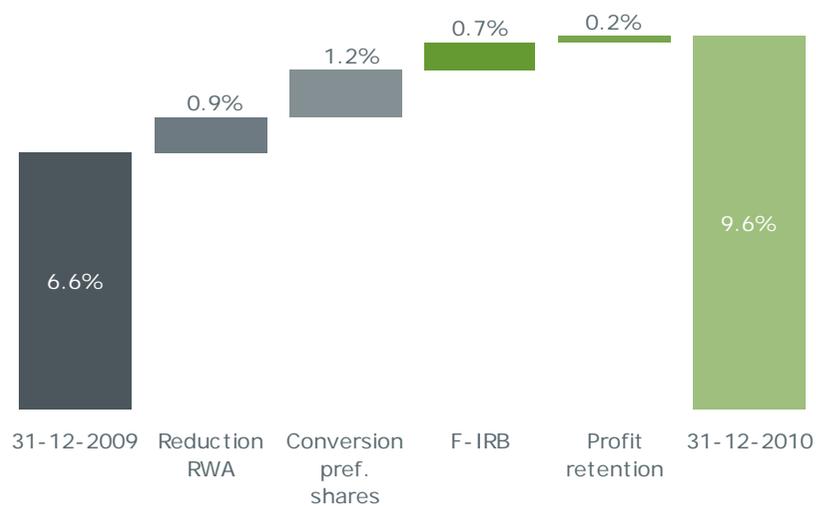
-
- Profile
 - Financial performance 2010
 - Risk profile and asset quality

- **Capital and Basel III**

- Funding and liquidity

Solid capital base

Strong increase in Core Tier I ratio in 2010



- Solid ratios achieved without the need for state aid
- Core Tier I ratio 9.6%
- Tier I ratio 12.1%
- BIS total capital ratio 14.2%
- Leverage is 13.4

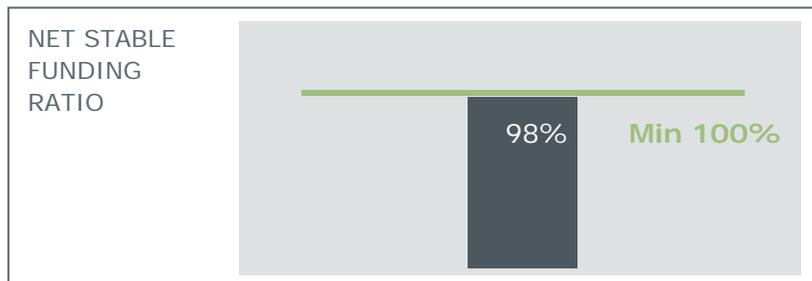
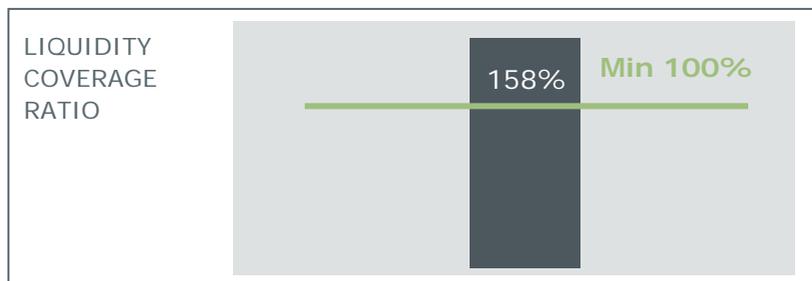
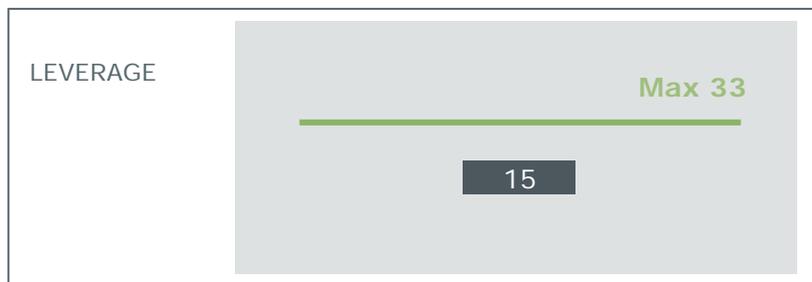
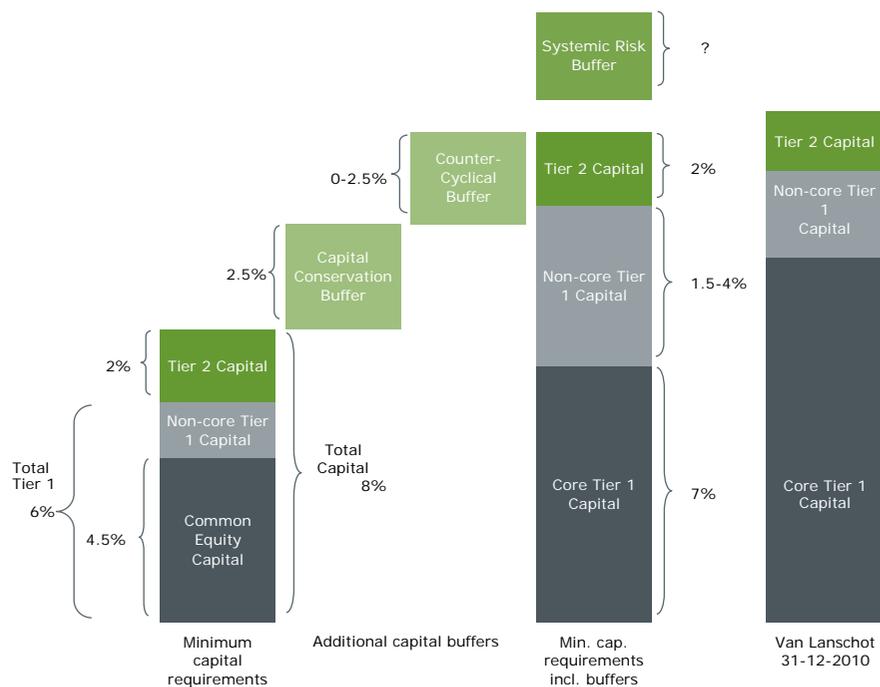
Reduction in Risk Weighted Assets (€ billion)



- Total assets reduced to € 19.6 billion (year-end 2009 € 20.6 billion)
- Risk weighted assets € 2.2 billion lower at € 11.7 billion
- Reduction RWAs due to active programme to reduce exposure to non-core clients, as well as transition to F-IRB for retail portfolio
- Strict deployment of capital for target group clients

Well prepared for Basel III

Pro forma at 31 December 2010 under Basel III



-
- Profile
 - Financial performance 2010
 - Risk profile and asset quality
 - Capital and Basel III

- **Funding and liquidity**

Key focus areas for funding

- Van Lanschot has relatively high proportion of retail funding
- New requirements anticipated under Basel III
- The bank wishes to retain access to wholesale funding markets going forward

Van Lanschot's focus on funding and liquidity

I - Continued diversification of funding sources

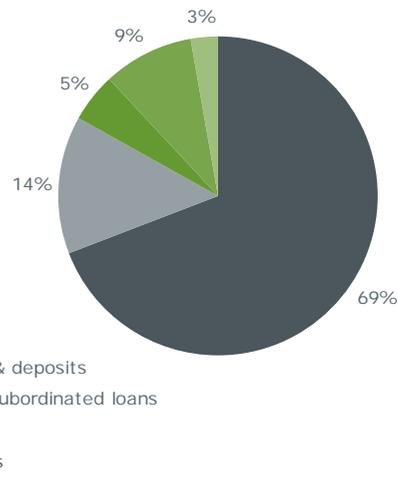
II - Regular presence on wholesale markets

III - Lengthening of the term structure, i.e. building a curve

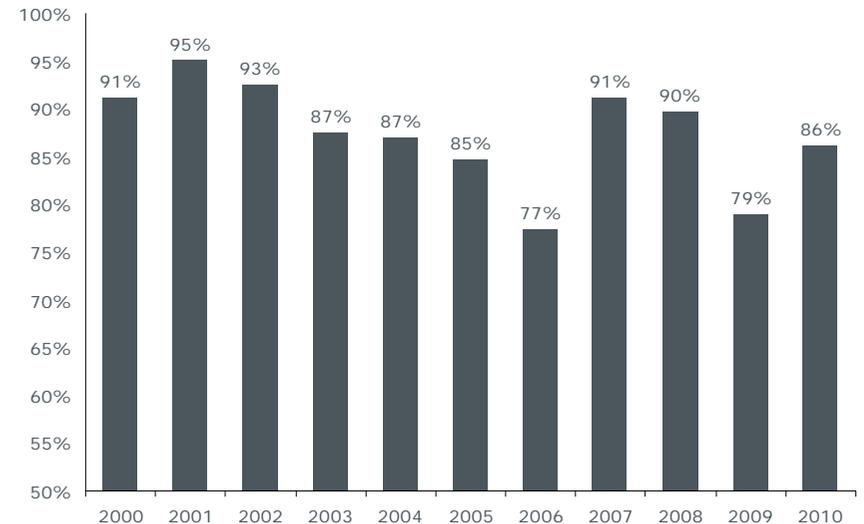
IV - Debt investor relations

As a private bank, majority of funding is customer savings and deposits ...

Funding mix at 31 December 2010



Funding ratio* 2000 - 2010



- Van Lanschot is active on several markets for its funding needs
- About 68% of total funding consists of customer deposits
- Van Lanschot is not a price leader in the savings market
- Funding ratio 86.2% at year-end 2010 (year-end 2009: 79.0%)
- Solid base of customer savings and deposits
- 2010: central bank funding fully redeemed

- Van Lanschot has one of the highest funding ratios of the Dutch banks
- Private banking deposits generally very sticky
- Van Lanschot is not a price leader on savings market

* Funding ratio = the extent to which the loan book is financed by customer savings and deposits

... but Van Lanschot has access to various funding programmes

Unsecured

Debt Issuance Programme

- € 5.0 bln programme
- Prospectus updated 21 January 2011, supplement 29 March 2011
- Used for:
 - wholesale funding (senior unsecured and subordinated), and
 - structured retail products
- Bloomberg ticker: LANSNA Corp

Asset Backed

Citadel Programme

- RMBS, top quality mortgage portfolio, fully originated and serviced by Van Lanschot
- The Citadel programme was successfully established with the objective to diversify funding and to create eligible assets
- Placed: Citadel 2010-I A1 and A2 notes
- Retained: Citadel 2010-II and Citadel 2011-I
- Call date 26 August 2015
- Bloomberg ticker: CITAD Mtge

Lancelot Programme

- Lancelot 2006, a Hybrid CMBS of part of Van Lanschot's commercial real estate loans portfolio and led to a reduction of Van Lanschot's exposure on the real estate market and additional long-term financing
- Current amount outstanding € 334 million

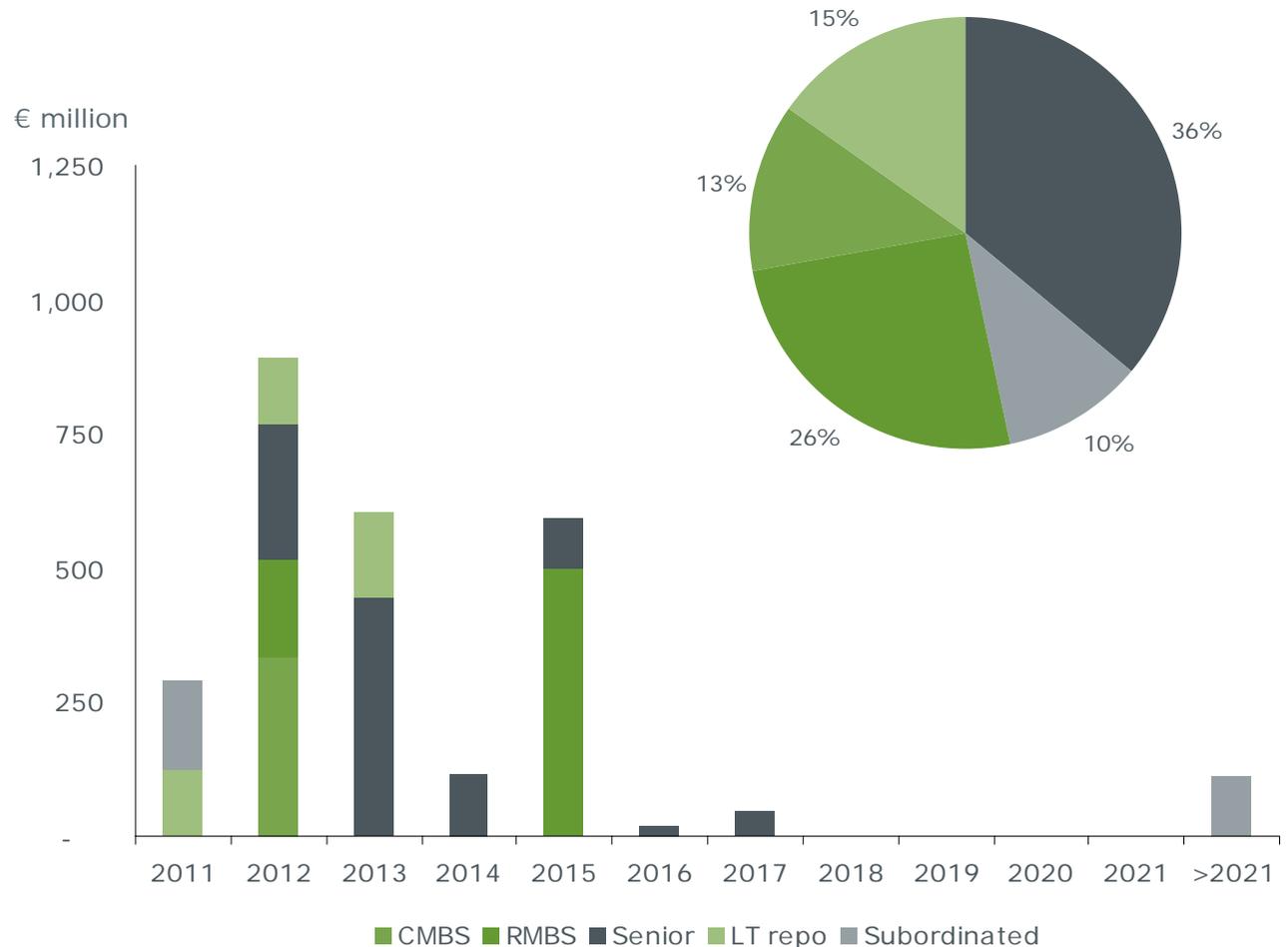
- Call date 26 January 2012
- Bloomberg ticker: LANCE Mtge

Upcoming redemptions of wholesale funding are well manageable

- Van Lanschot has a diversified funding base; term funding has been attracted via senior unsecured, subordinated, asset based funding and long-term repo's
- Upcoming redemptions are manageable as they are spread over time and over different wholesale funding sources
- In 2011, EUR 165mIn of subordinated debt will mature; this will have no impact on capital
- Despite limited refinancing needs, Van Lanschot wants to establish a balanced funding curve
- To achieve this, regular presence in different wholesale markets is necessary

Assumptions:

- Redemption at call date if applicable
- Citadel 2010-a1 WAL @ 6% CPR



The bank will continue to obtain regular presence on wholesale markets

Stable credit ratings

- S&P A- / stable / A-2
- Fitch A- / stable / F2

Standard & Poor's

2 July 2010

"The ratings on Netherlands-based private bank F. van Lanschot Bankiers N.V. reflect S&P Ratings Services' view of its conservative management, satisfactory capital base, and sound funding position."

Fitch Ratings

2 December 2010

"The ratings of F. Van Lanschot Bankiers N.V. reflect its conservative risk appetite which has resulted in a sound and fragmented loan book, a well established domestic niche private banking franchise and adequate capitalisation."

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

Overview of wholesale market activity in 2010 and 2011 YTD:

Senior Unsecured

- March 2010: successfully issued a € 400 million, 3-year fixed coupon liquid benchmark transaction

RMBS market

- July 2010: Closing of Citadel 2010-I and -II, 2 RMBS transactions creating an additional € 2.4 bln of eligible assets
- November 2010: sale of € 250 mln A1 tranche of Citadel 2010-I, average maturity of 2 years
- November 2010: sale of € 500 mln A2 tranche of Citadel 2010-I, average maturity of 5 years
- January 2011: Closing of Citadel 2011-I, € 1.5 billion (€ 324 million Class A1 and € 801 million Class A2 notes / ECB eligible)

Van Lanschot NV

Contact details

Van Lanschot Bankiers

Geraldine Bakker-Grier

Investor Relations Manager

Tel +31 73 548 3350

g.a.m.bakker@vanlanschot.com

Erik Bongaerts

Treasury Manager

Tel +31 73 548 8310

e.bongaerts@vanlanschot.com

Ralf van Betterrij

Treasury Funding Management

Tel +31 73 548 8718

r.vanbetterrij@vanlanschot.com

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Forward looking statements

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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.

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