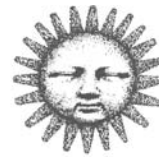




Introduction to Kempen & Co



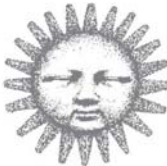
KEMPEN CAPITAL MANAGEMENT

Kempen & Co's history dates back to 1903

1903	Foundation of Kempen & Co by A.J. Kempen Active as a stockbroker
1983	Listing on the Amsterdam stock exchange
1985-1990	Start and expansion Corporate Finance activities
1991	Foundation Kempen Capital Management
2001	Acquisition by Dexia, merger with Labouchere
2004	Management buy-out Kempen & Co
2007	Acquisition by Van Lanschot Bankiers



Kempen & Co is a specialised merchant bank focusing on three activities



KEMPEN & CO

Merchant Bank

Support staff and Back-office
163 FTE

Kempen Capital Management (KCM)

Institutional
73 FTE

Private
23 FTE

Kempen & Co Securities

Sales & Trading
46 FTE

Research
25 FTE

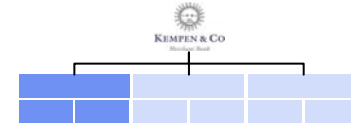
Kempen & Co Corporate Finance

M & A
30 FTE

Capital Markets
10 FTE



KCM: Overview of activities



Institutional

- **Activities**
 - Asset management for institutional investors (AuM € 11 billion*)
 - Fund Management
 - Fiduciary Management
- **Client focus**
 - Institutional investors with a focus on specialty asset management mandates:
 - European small and mid caps
 - Property Funds
 - Fundamental research
 - Complete fund services
- **Locations**
 - Amsterdam
 - Edinburgh

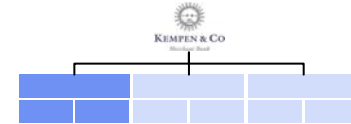
Private

- Asset management for high net worth individuals (AuM € 2 billion*)
- Brand name is Van Lanschot Kempen
- High net worth individuals in the Benelux (segment > € 5 million)
- Amsterdam
- Antwerp

* Excluding Asset under Management Van Lanschot Bankiers



KCM aims to become a leading boutique in Europe



Strategy

- Distinguished investment philosophy
- Growth of the business by excellent investment performance for our customers
- Focus on niche products
- Strong commitment to talented people and 'state of the art' technology

Recent success



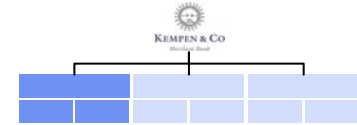
- FD Morningstar Award 2005 and 2006
- Best Fund Dutch Equities



- FD Morningstar Award 2006
- Best Fund European Equities



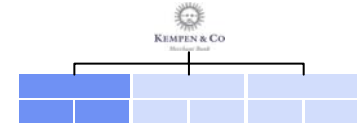
KCM offers top quality fiduciary management solutions for institutional investors



- Targeting client goals and ambitions
- Enabling balance sheet management (managing assets versus liabilities)
- Dynamic implementation of the asset allocation
- Access to external ‘state of the art’ investment managers
- Proven track record: dedicated team and pioneers in fiduciary management
- KCM: your own investment department at a distance



Van Lanschot Kempen offers a range of specialised services and products



Investments

- Fiduciary asset management
- Offering of specialty products
- Distinguished investment advice
- Order execution

Financing

- Credit
- Asset financing
- Business financing combined with business banking

High Net Worth Individual

Structuring

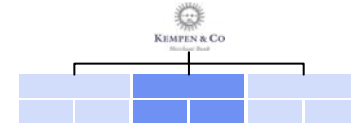
- Fiscal optimization
- Fiscal product development
- Trust related activities

Banking services

- Payment services
- Cash services
- Online facilities payment services
- Balance and interest compensation
- Liquidity administration



Securities is active in Sales & Trading and Research



Sales & Trading

Research

• Activities

- Broker in securities:
 - Shares
 - Derivatives
- Proprietary trading
- Liquidity provider / market maker

- Equity research
 - Fundamental
 - Technical
- Thematic research
- GPR property indices
- Roadshows
- Conferences

• Client focus

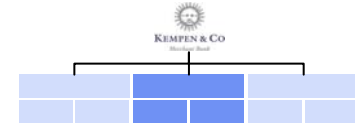
- Institutional investors focused on:
 - Euronext Amsterdam listed companies, especially small and mid caps
 - European property funds

• Locations

- Amsterdam
- New York



Securities aims to further expand its leading position



Current position

- No. 1 Benelux: Trading / Execution
European Small Caps
- No. 2 Benelux: Small & Mid Caps Research
European Small Caps
- No. 2 Real Estate
Equity Research
- No. 2 Benelux: Country Analysis
Country Analysis

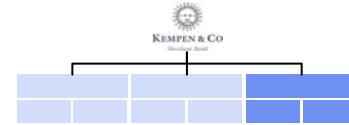


Ambitions

- Expand market share in Small & Mid
Caps and Real Estate Market
- Build new activities from current niches
- Develop structured products



Kempen & Co Corporate Finance has four specialised teams



Small & Mid Caps

- Euronext-listed small and mid caps
- Institutional and private equity investors



Property

- European listed property funds and developers
- Real estate investors



Utilities & Renewables

- Utility companies (energy, waste etc)
- Government shareholders and (semi-) public institutions



Biotech

- European biotech companies
- European private equity

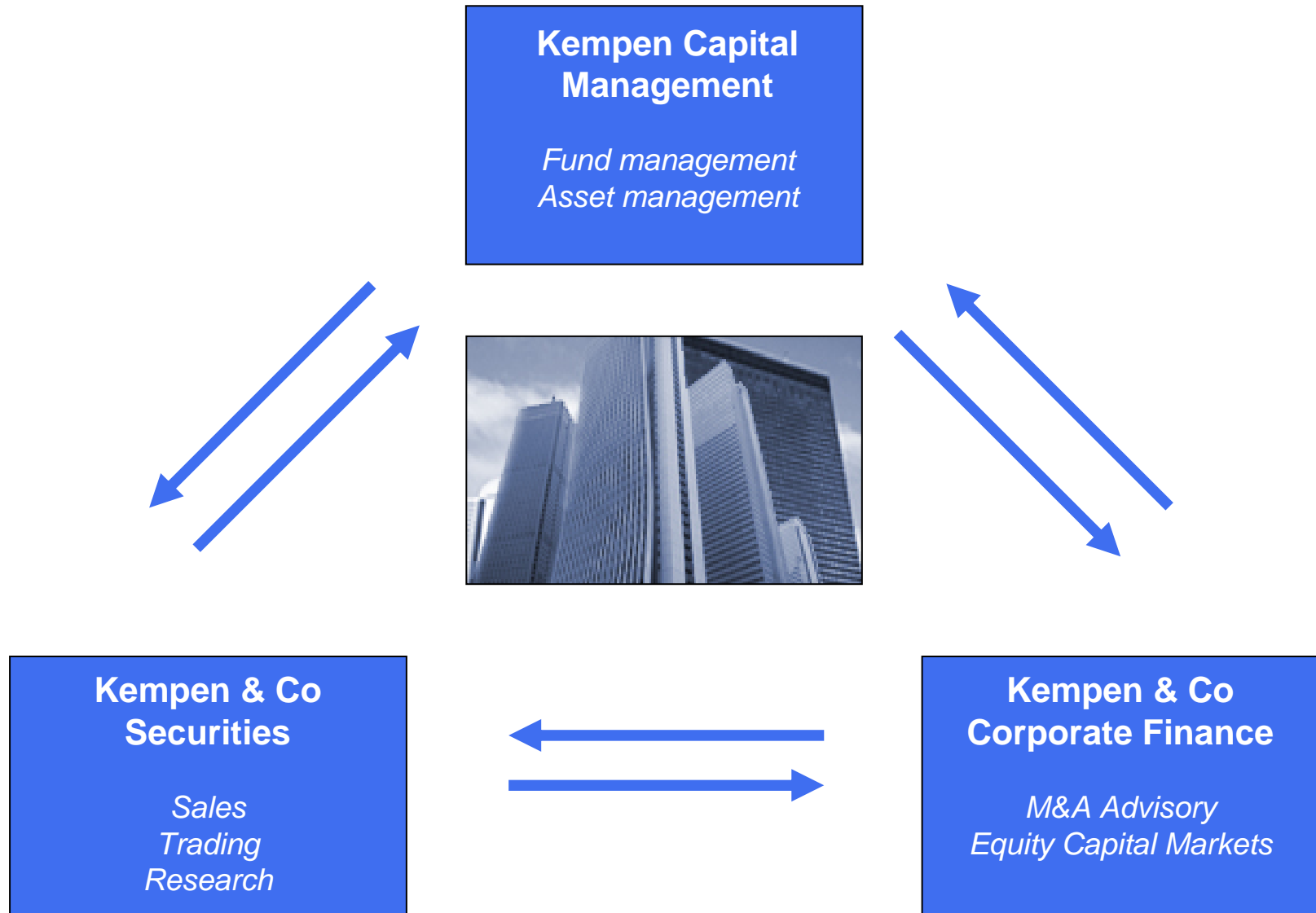
Focus

Examples



Kempen activities strengthen each other

Example: Real Estate



What Kempen & Co believes in

- **Kempen & Co wants to be the best bank in the Netherlands**
- **The bank is our bank**
- **We will always endeavour to be open and approachable**
- **The Kempen & Co employee is highly demanding**
- **Kempen & Co wants to be a breeding ground for talent**



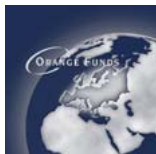
Cooperation between Kempen & Co and Van Lanschot Bankiers



- **Kempen Capital Management**
Integration of asset management activities and launch of Van Lanschot Kempen
- **Kempen & Co Securities**
Full integration of Van Lanschot brokerage business
- **Kempen & Co Corporate Finance**
Referrals in both directions



Kempen Capital Management
A Leading Investment Boutique in Europe



KEMPEN CAPITAL MANAGEMENT

KCM: A leading Investment Boutique in Europe

Introduction

Lars Dijkstra – Chief Investment Officer

Dividend Strategies

Jorik van den Bos - Senior Portfolio Manager

Real Estate Securities

Bas Clerkx – Director Institutional Relations



Introduction Kempen Capital Management

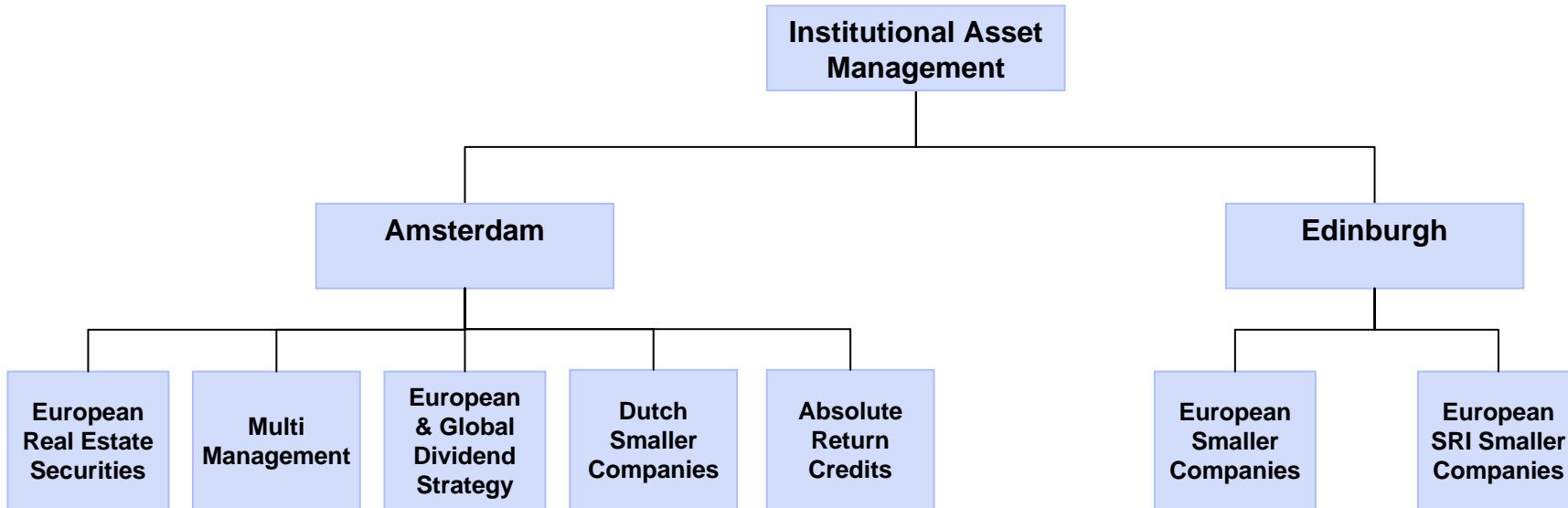
- A wholly owned subsidiary of Kempen & Co
- Kempen & Co is the institutional business unit of Van Lanschot, a publicly traded private bank with strong roots in the Netherlands
- Kempen Capital Management is a Boutique Asset Manager
- We have € 13b of Assets under Management
- Focus on only a few specialisations: European Real Estate companies, Dutch and European Smaller companies, Dividend and Credit Strategies, Multi-management



*Main office Kempen & Co and
Kempen Capital Management*



We manage our clients' portfolios and investment funds in two locations – Amsterdam and Edinburgh



Amsterdam, Canal view



Edinburgh Castle



Our ambition is to become a Leading Investment Boutique in Europe

Mission and Strategy


Explanation

- Mission Statement

Our ambition is to become a leading investment boutique in Europe. A place where committed and passionate people work for their clients and profession. We want to work with demanding clients and can only flourish because our employees have much to offer.

- Strategy

- Focus on a small number of specialised investment strategies and integrated investment solutions for fiduciary and private banking clients
- To grow our business on the back of good track records only, not via asset gathering
- Kempen Capital Management is the institutional brand name
- Strong commitment to talented people and state-of-the-art technology
- Distinctive investment philosophy
 - active management, bottom up
 - concentrated portfolios
 - own research and valuation models
 - 3-5 year investment horizon



**Outstanding
absolute and relative
investment returns in
the longer term**



Focus and alignment delivers better investment results

Asset Manager	# of Funds
1. Dodge & Cox	4
2. First Eagle	5
3. Calamos	8
4. SouthEastern	3
5. American Funds	26
6. Royce	14
7. Harris Associates	7

Vanguard	76	75
PIMCO	76	51
Franklin Templeton	71	100
T. Rowe Price	71	72
Janus	70	21
ING	69	60
Nuveen	65	36
American Century	64	54
WM Advisors	64	15
Davis	62	7
Fidelity	62	207

Note: Performance rankings ignore the impact of sales charges and include only A-class shares.
Source: Fidelity Investments.

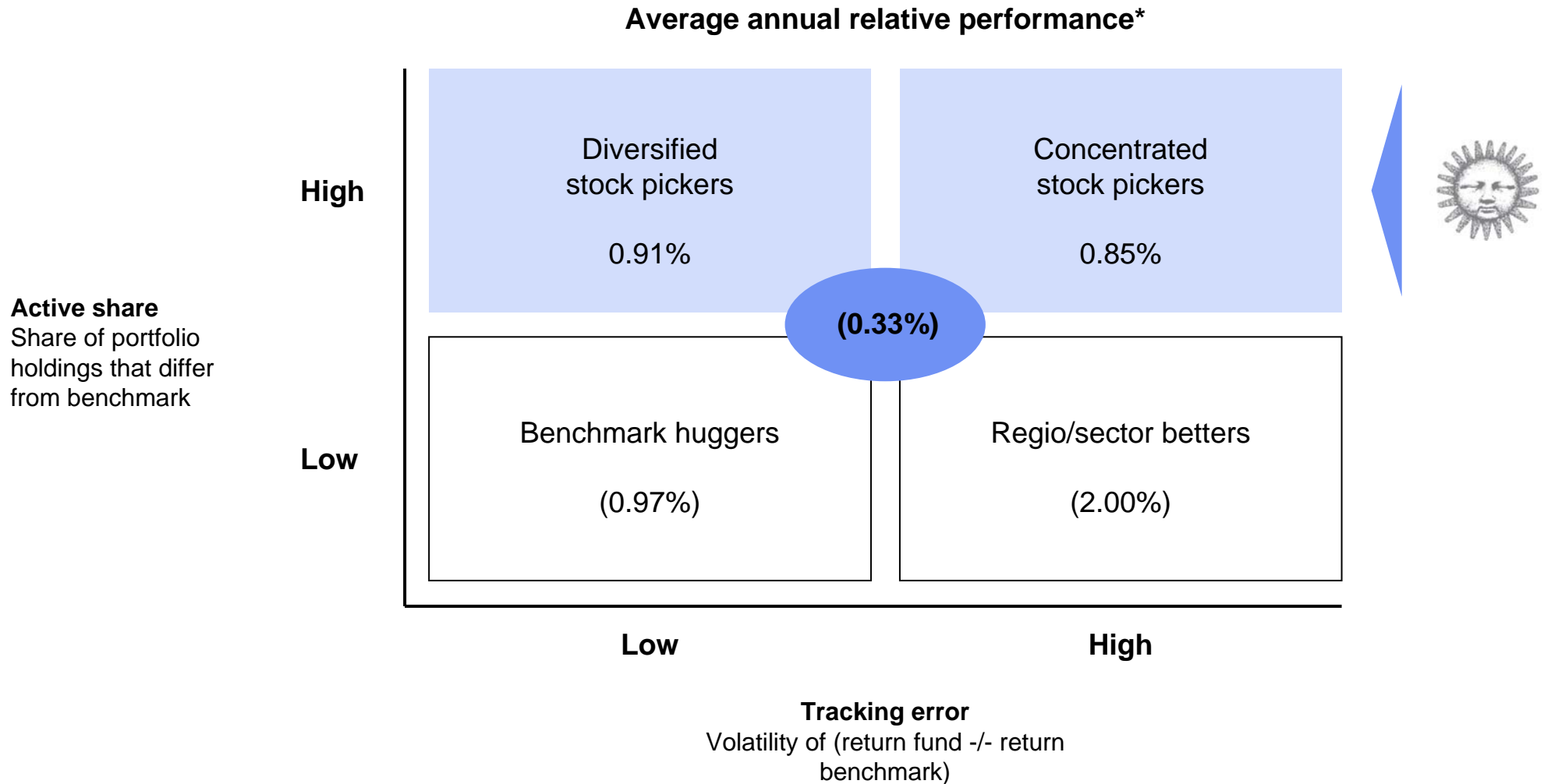
erns, 1994–2003
(shaded)

Firm	Equal-Weighted Outperformance	No. of Funds	Firm	Equal-Weighted Outperformance	No. of Funds
Waddell & Reed	61%	45	Eaton Vance	49%	73
USAA	61	31	Morgan Stanley Adv.	49	50
Oppenheimer	60	48	Goldman Sachs	49	34
MFS	59	61	The Hartford	48	33
Prudential	59	49	Putnam	47	54
New York Life	58	22	John Hancock	47	35
US Bancorp	57	37	Dreyfus	45	126
Columbia Mgmt.	56	72	Delaware	44	56
AllianceBernstein	55	57	Strong	44	42
Banc One	54	36	Thrivent Financial	44	25
Neuberger Berman	54	14	Trusco Cap	43	24
Lord Abbett	53	27			
Scudder	52	65			
Van Kampen	52	43			
Federated	52	37			
Evergreen	51	57			
Citigroup	50	57			
Wells Fargo	50	39			

Asset Manager	# of Funds
48. Merrill Lynch	58
49. Aim	62
50. Nations Funds	42
51. American Express	60
52. Black Rock	32
53. Pioneer	24
54. JP Morgan	38



Active management works when the investment style is based on a disciplined stock picking philosophy, such as applied by our teams

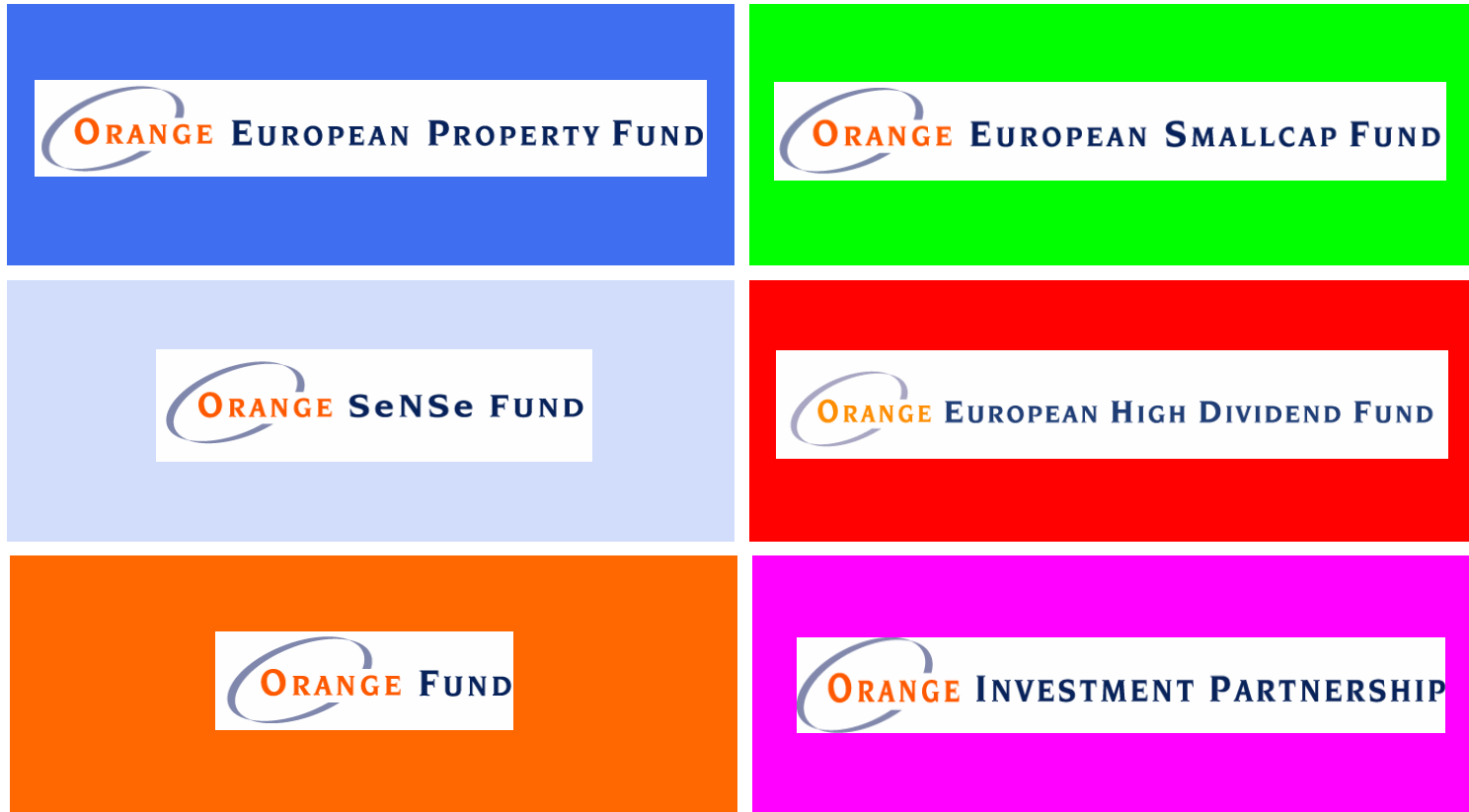


Active share
Share of portfolio holdings that differ from benchmark

* Based on a study of 900 US mutual funds over the period 1990–2003. Cremers and Petajisto (Yale) “How active is your fund manager?” August 2006



Our Flagship products have strong brand recognition and track record



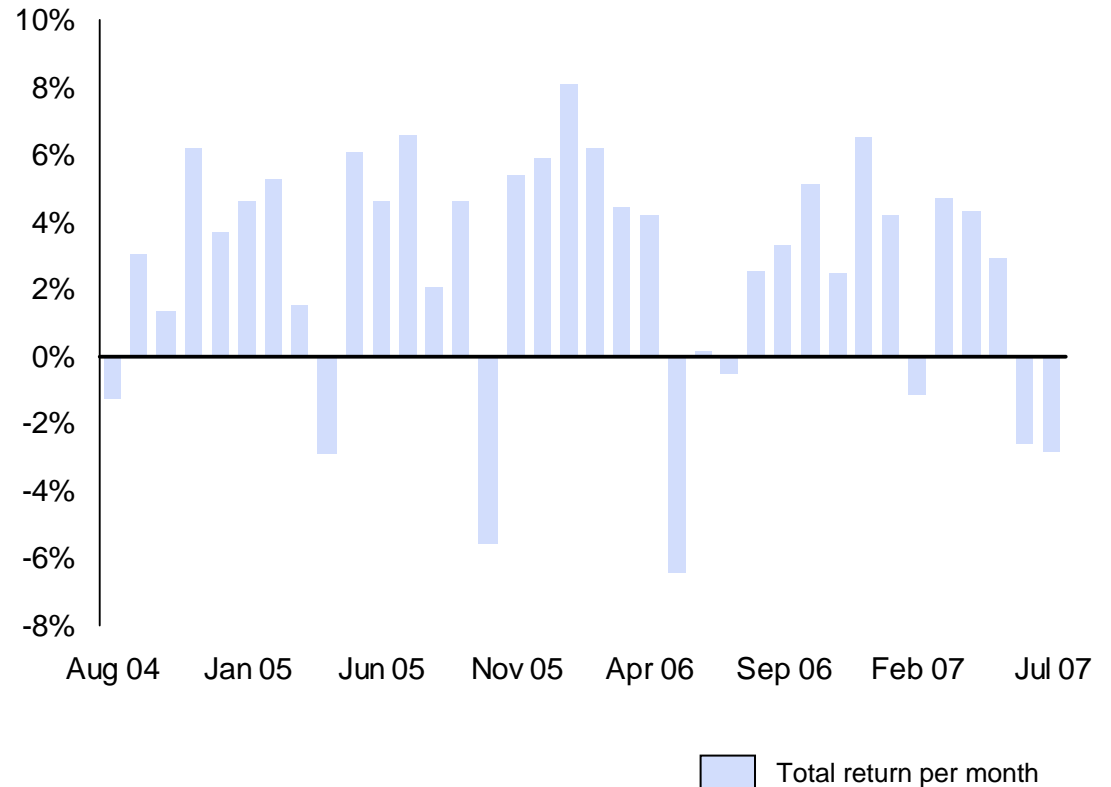
Unique proposition for sustainable investing in European Smallcaps with Orange Sense Fund

Fund characteristics

- Orange Sense Fund invests in 40-50 European Smallcaps which are additionally screened on SRI criteria
- Fund size: € 136.6m
- Objective to achieve a maximum total return in the longer term (3-5 years) and to increase the sustainable universe
- Universe of 1,700 European Smallcaps, of which 320 are passed and temporarily approved
- Return 1 year: 33.2% (bench: 30.0%)
- Return 3 years*: 36.4% (bench: 28.9%)
- Maximum drawdown -6.8% (last 3 years)

Monthly returns

In %, period last 3 years (August 2004 - July 2007)



* Average total return (annualised) in the last 3 years



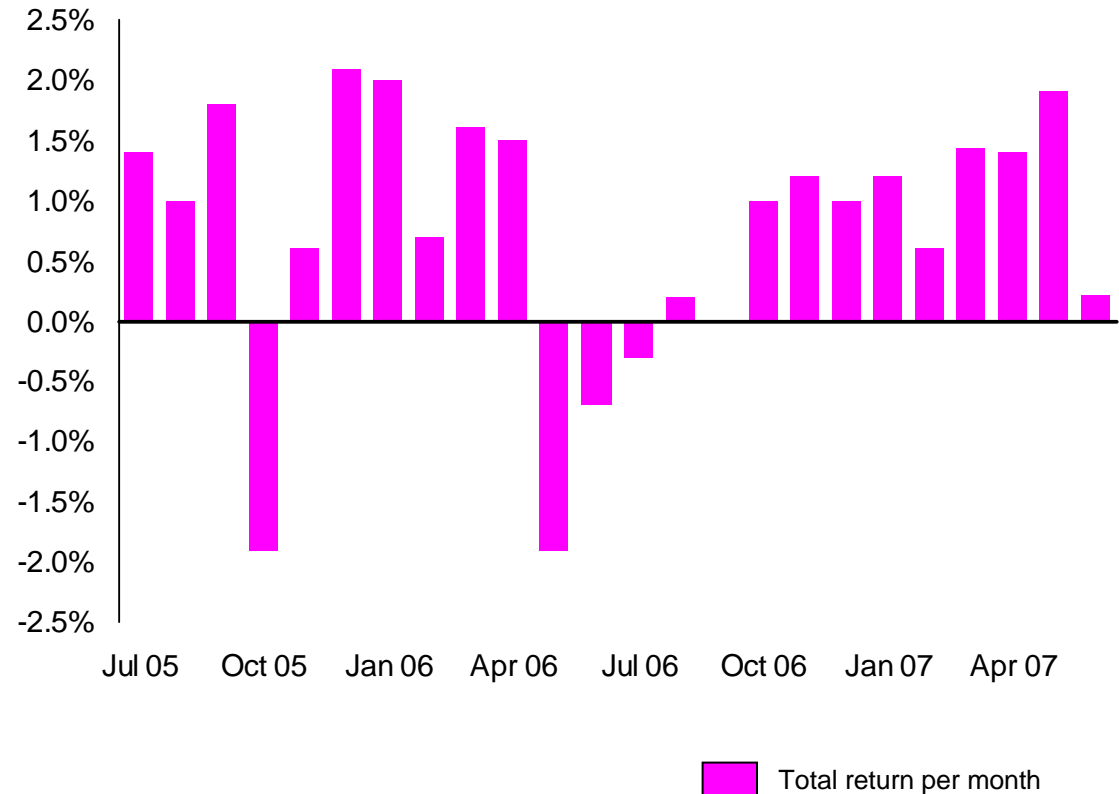
Access to exclusive and talented international hedge funds and long-only managers

Fund characteristics

- OIP is a fund of funds that invests in exclusive and talented managers worldwide that are normally closed to the public
- Size: € 585m
- The fund invests in 30-40 boutique long-only and hedge fund managers. Diversification realised by manager style and focus; proprietary allocation model
- Sophisticated selection process and partly external investment committee guarantees best selection
- Objective to achieve a minimum long-term return of 8% per annum, maximum drawdown of 5-10%
- Annualised performance since inception*: 9.4%

Monthly returns

In %, since inception July 2005



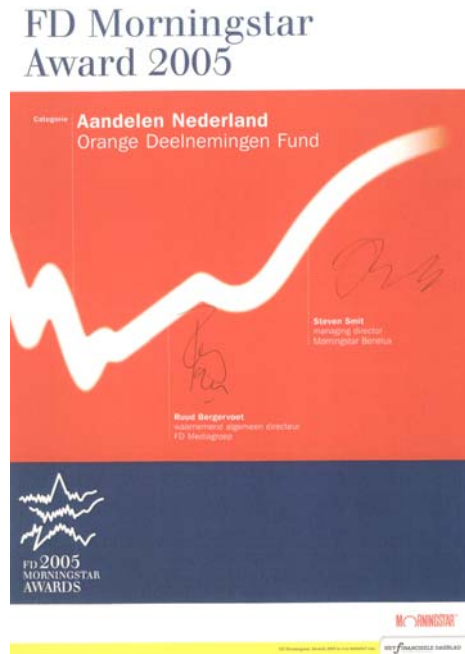
* Performance of Orange Investment Partnership C class. Fund's inception 1 July 2005 (24 months through June 2007).

Annualised performance for A class since inception: 9.0%

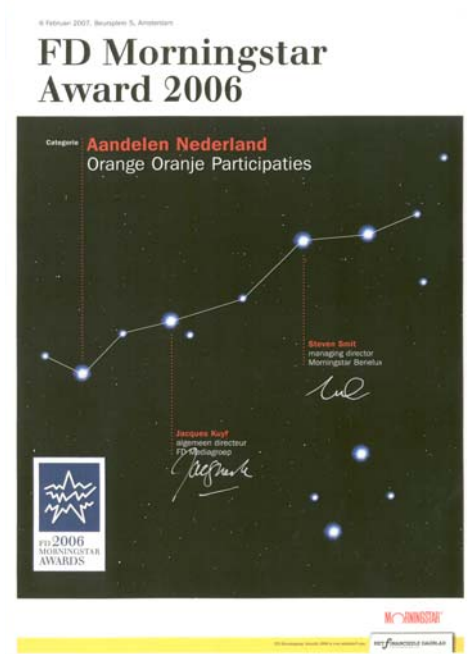


Our mission proves successful as we have received a number of unsponsored awards

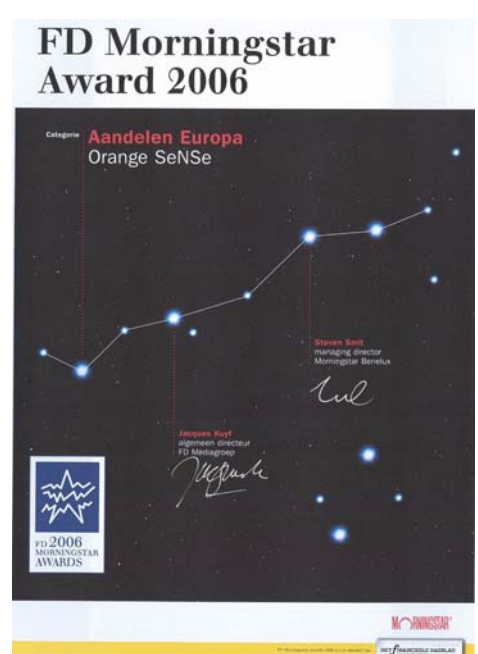
2005 Award
“Orange Deelnemingen Fund”
Winner Dutch Equity Fund



2006 Award
“Orange Oranje Participaties”
Winner Dutch Equity Fund



2006 Award
“Orange Sense Fund”
Winner European Equity Fund



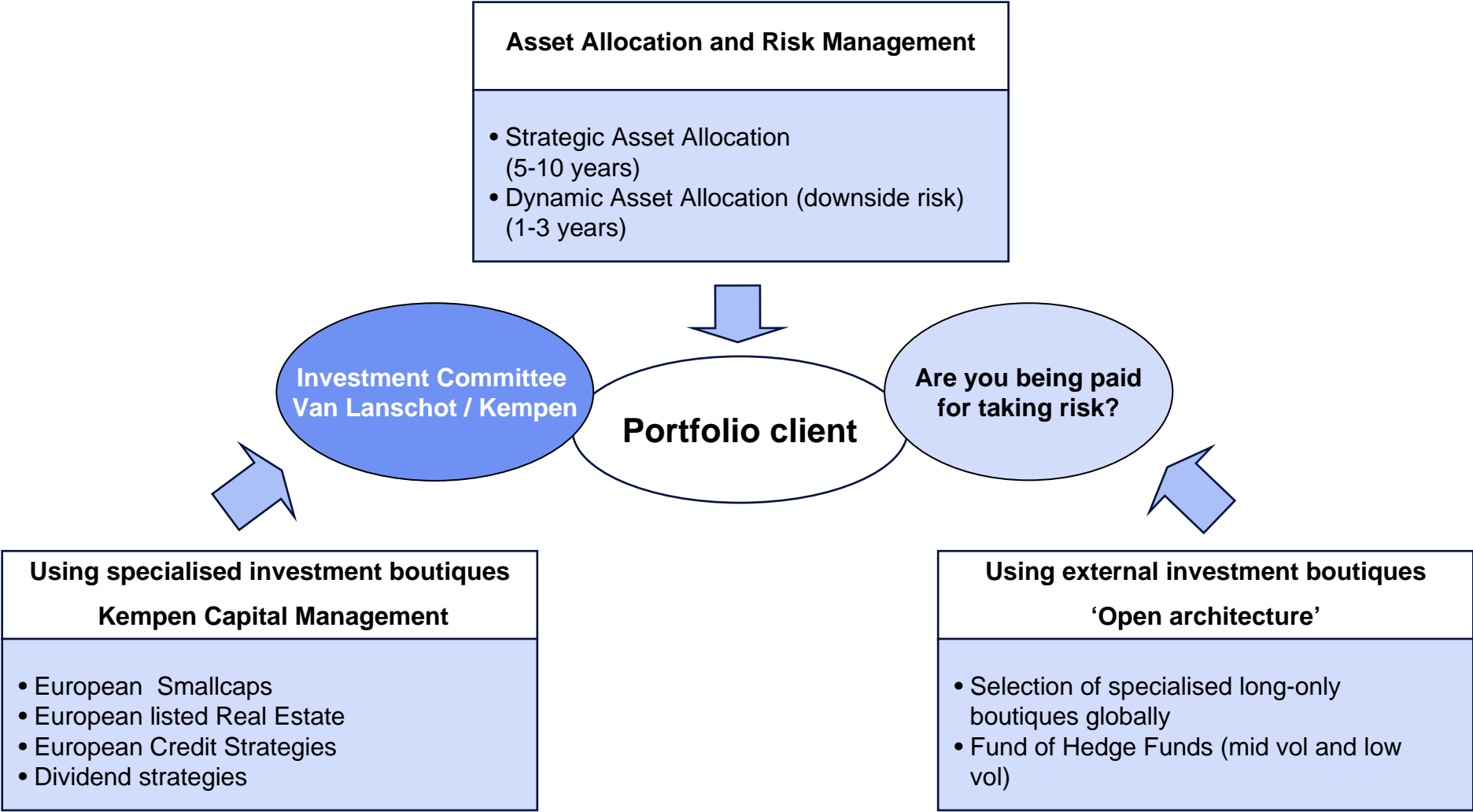
Lipper 2005 Award
“Orange Fund”
Winner 5yr Dutch Equity Fund



Winner Transparency Award
“Orange Funds”



Private wealth clients of Van Lanschot benefit from Kempen expertise



Kempen Capital Management works with demanding clients



Randstad Pension Fund



TNO Pension fund



Blue Sky Group

KLM Pension funds



De Goudse Verzekeringen



Pensioenfond van de Stadt Zurich



Pensioenfond van de Deense financiële sector



Stichting Pensioenfond Sara Lee / Douwe Egberts



Banque Privée Edmond Du Rothschild



Icecapital



Macquarie



ING Private Banking

Over 100 institutional clients in mandates and funds



KCM: A leading Investment Boutique in Europe

Introduction

Lars Dijkstra – Chief Investment Officer

Dividend Strategies

Jorik van den Bos - Senior Portfolio Manager

Real Estate Securities

Bas Clerkx – Director Institutional Relations



Equities have done well over the last 37 years....

MSCI World Price index (in EUR; 1970 = 100)

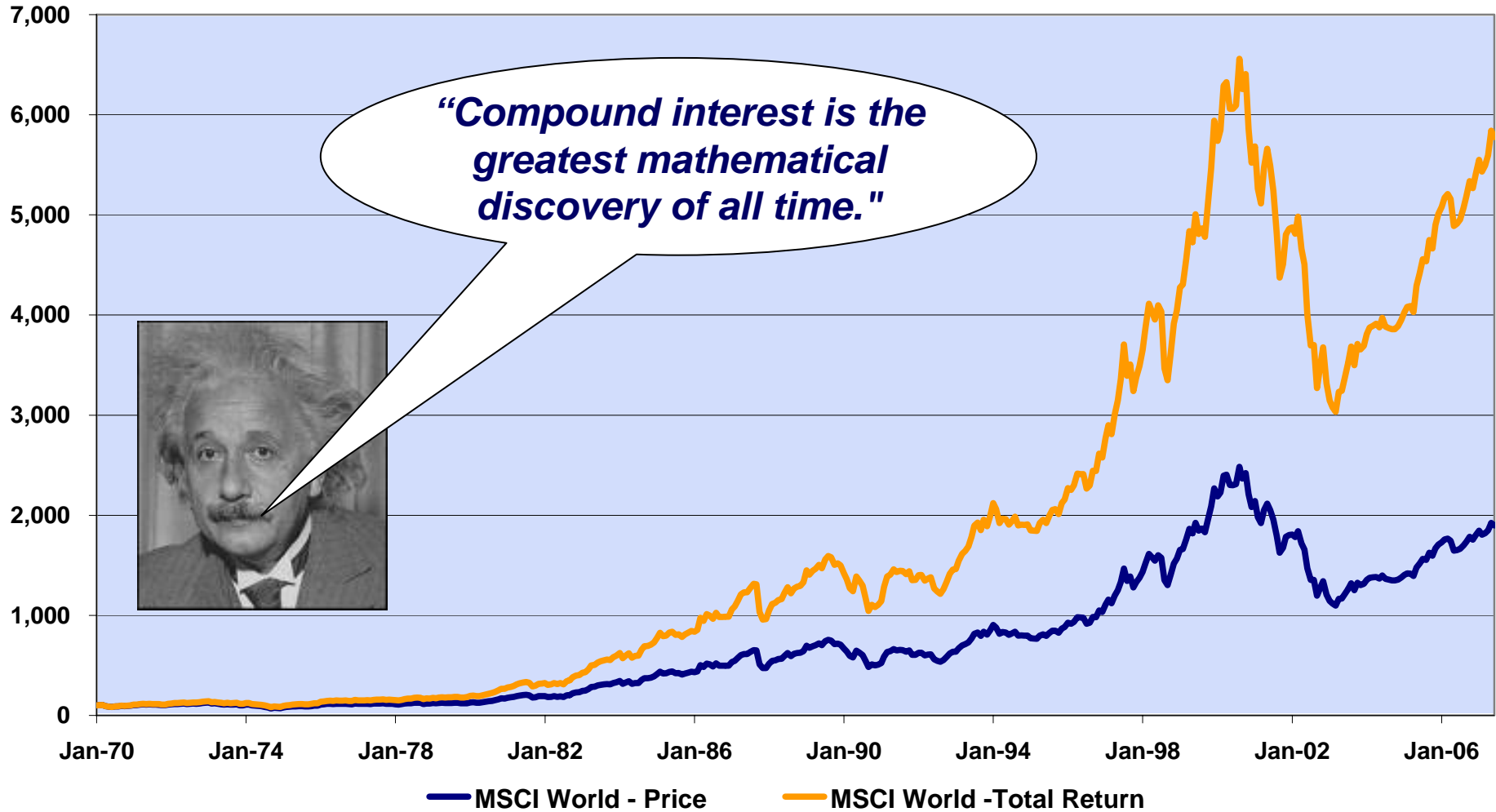


Source: MSCI, Datastream



....but do not forget the dividends !

MSCI World Price versus MSCI World Total Return index (in EUR; 1970 = 100)



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A Dividend Strategy can pay off nicely

Kempen Dividend Strategies

Why now?

Real Estate Securities

Bas Clerkx – Director Institutional Relations



The value of dividends

Dividend

- Is real cash
- Dividend policy gives clear signals
- Provides stable income
- Stable valuation method

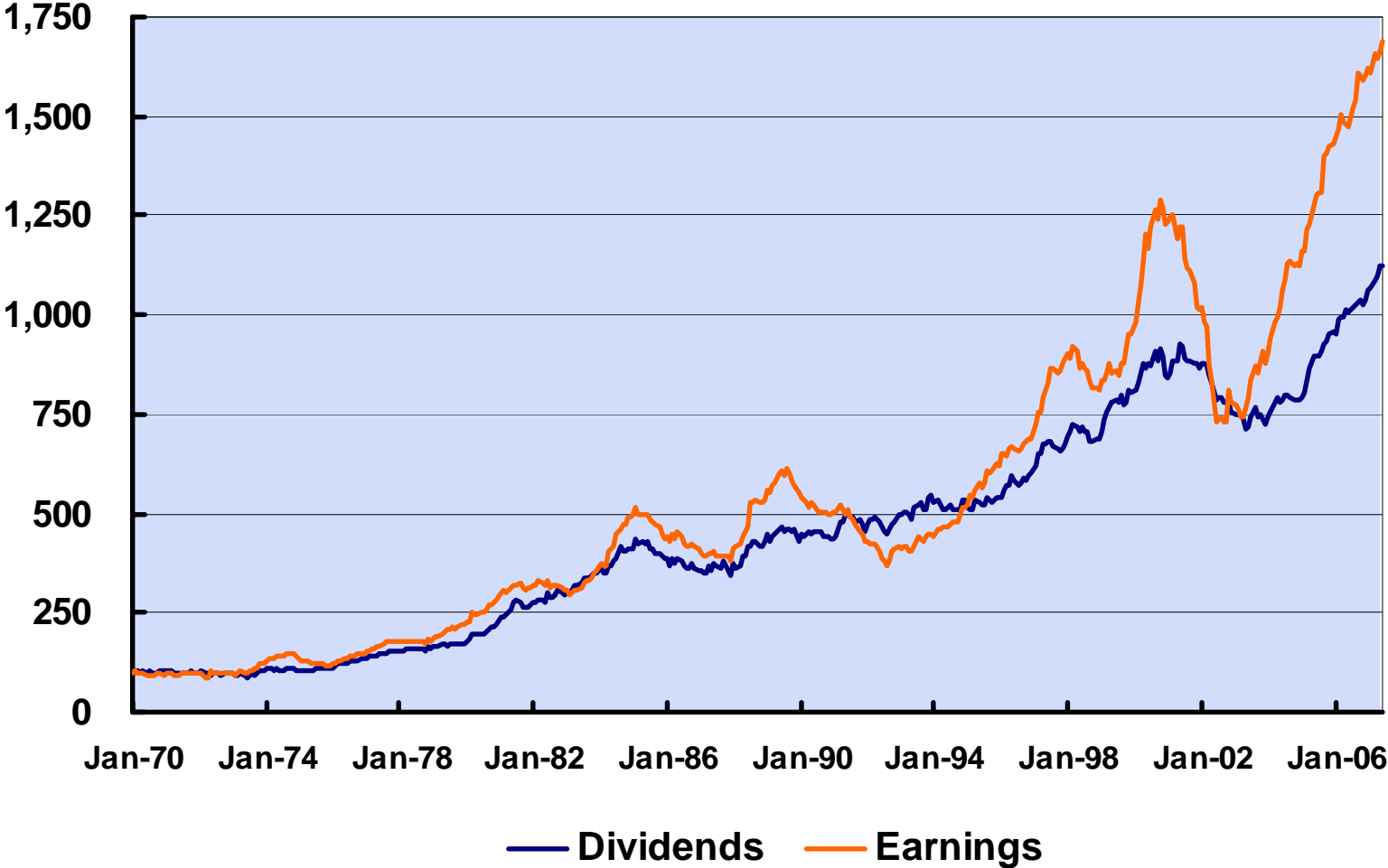
Explanation

- ✓ No 'fuzzy' accountancy ratio
- ✓ Cash flow should be high enough to allow for dividend pay-out
- ✓ A substantial decrease in dividend rings the alarm bell
- ✓ Dividend yield is more stable than P/E and P/B



Dividends are more stable than Earnings

Total dividends versus total earnings of the MSCI World (1970 = 100)



Source: MSCI World, Datastream



Contrary to common knowledge: higher dividend = higher profit growth

Most investors dislike companies with high dividend pay-outs because:

“Companies with a high dividend pay-out are companies without growth opportunities and no better plan than giving back the cash....”

...but history proves them wrong:

Dividend pay-out quartile	Average profit growth during following 10 years period	Worst profit growth during following 10 years period	Best profit growth during following 10 years period
2	1.3%	-2.4%	5.7%
3	2.7%	-1.1%	6.6%

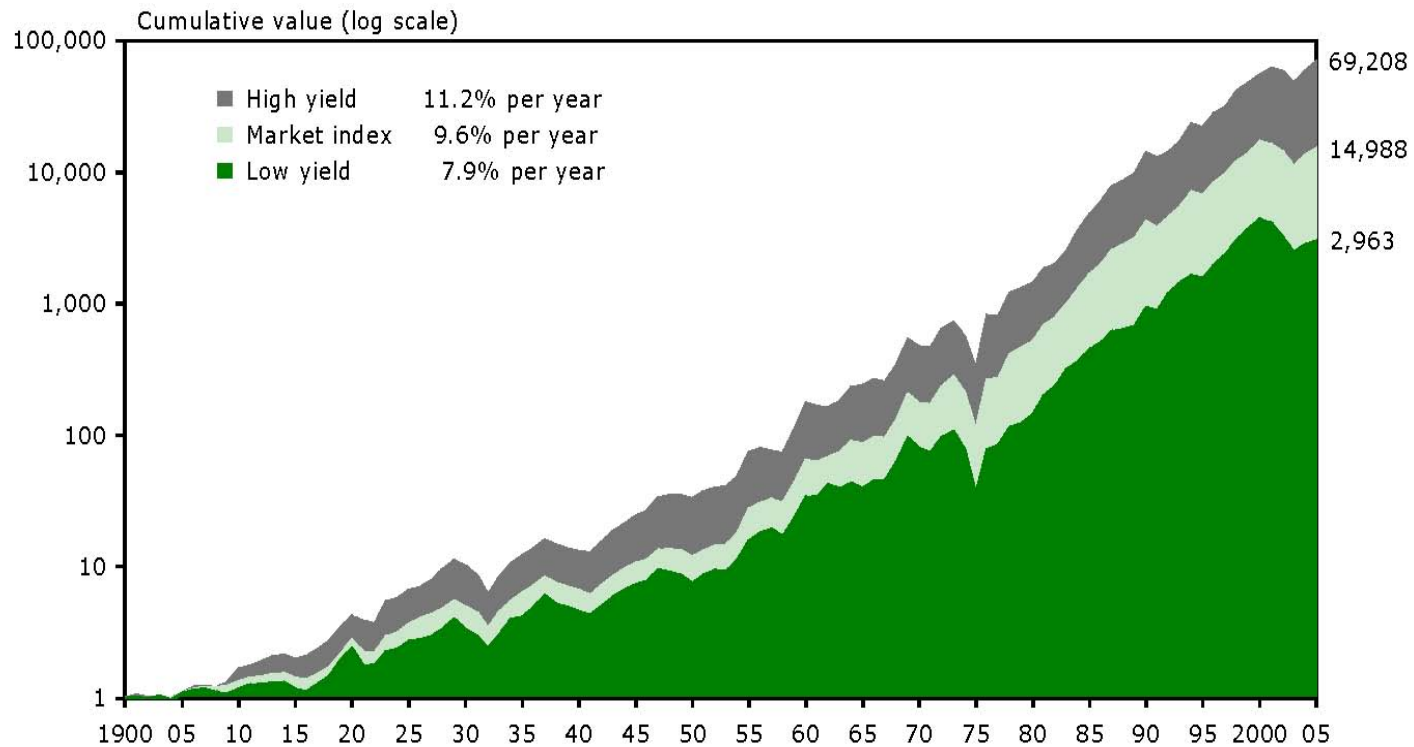
High dividend pay-out enforces better capital discipline

Source: Arnott & Asness, Financial Analysts Journal, 2003.
Data from 1946 till 2001, US stock market



Dividend strategies pay off with consistent outperformance

Cumulative return from high and low yielders within top 100 UK stocks, 1900-2004



Source: Dimson, Marsh and Staunton (ABN AMRO/LBS) and Triumph of the Optimists, Princeton University Press, 2002



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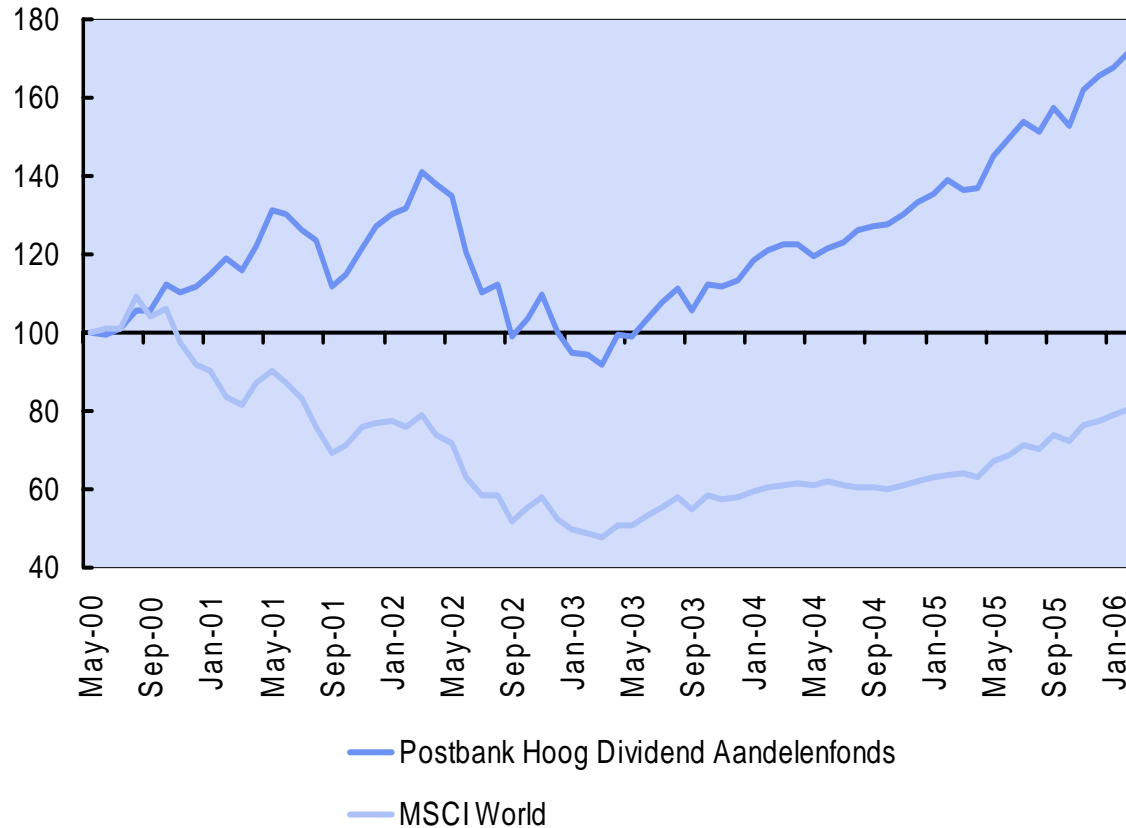
Real Estate Securities

Bas Clerkx – Director Institutional Relations



Dividend strategies have shown consistent outperformance ...

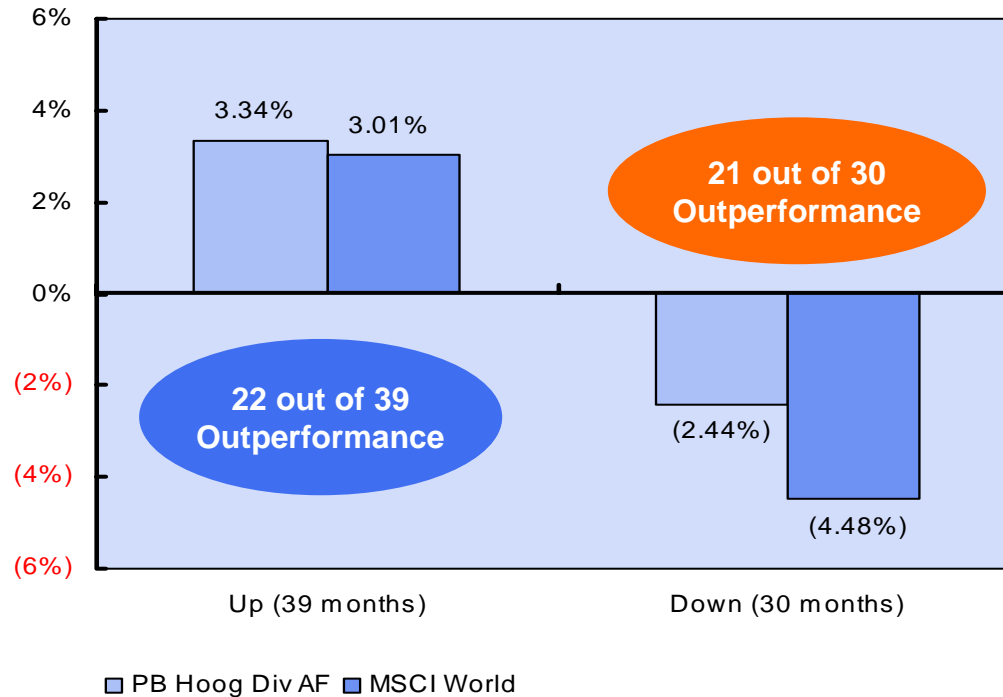
Performance Postbank Global Equity Dividend fund in The Netherlands since inception



The performance of the Postbank Hoog Dividend Aandelenfonds during the period May 2000 to February 2006 was achieved by the Dividend Team which at that time was employed by ING Investment Management and responsible for all Global High Dividend products. Although the current investment process is the same as it was at ING, it should be noted that there are small differences with regard to the support of internal buy-side analysts and certain quantitative tools. However, we hold the opinion that the investment track record achieved at ING is representative for the European / Global Dividend products. No rights can be claimed on the basis of this information. Past performance is not necessarily a guide for future performance.



Defensive qualities ► lower downside risk



Total return comparison of the Postbank Hoog Dividend Aandelenfonds and the MSCI World in up and down markets (since the start of the fund on 31 May 2000)

The performance of the Postbank Hoog Dividend Aandelenfonds during the period May 2000 to February 2006 was achieved by the Dividend Team which at that time was employed by ING Investment Management and responsible for all Global High Dividend products. Although the current investment process is the same as it was at ING, it should be noted that there are small differences with regard to the support of internal buy-side analysts and certain quantitative tools. However, we hold the opinion that the investment track record achieved at ING is representative for the European / Global Dividend products. No rights can be claimed on the basis of this information. Past performance is not necessarily a guide for future performance.



The 3 Ps of the Kempen Dividend strategies



Pick-up



Participation



Protection

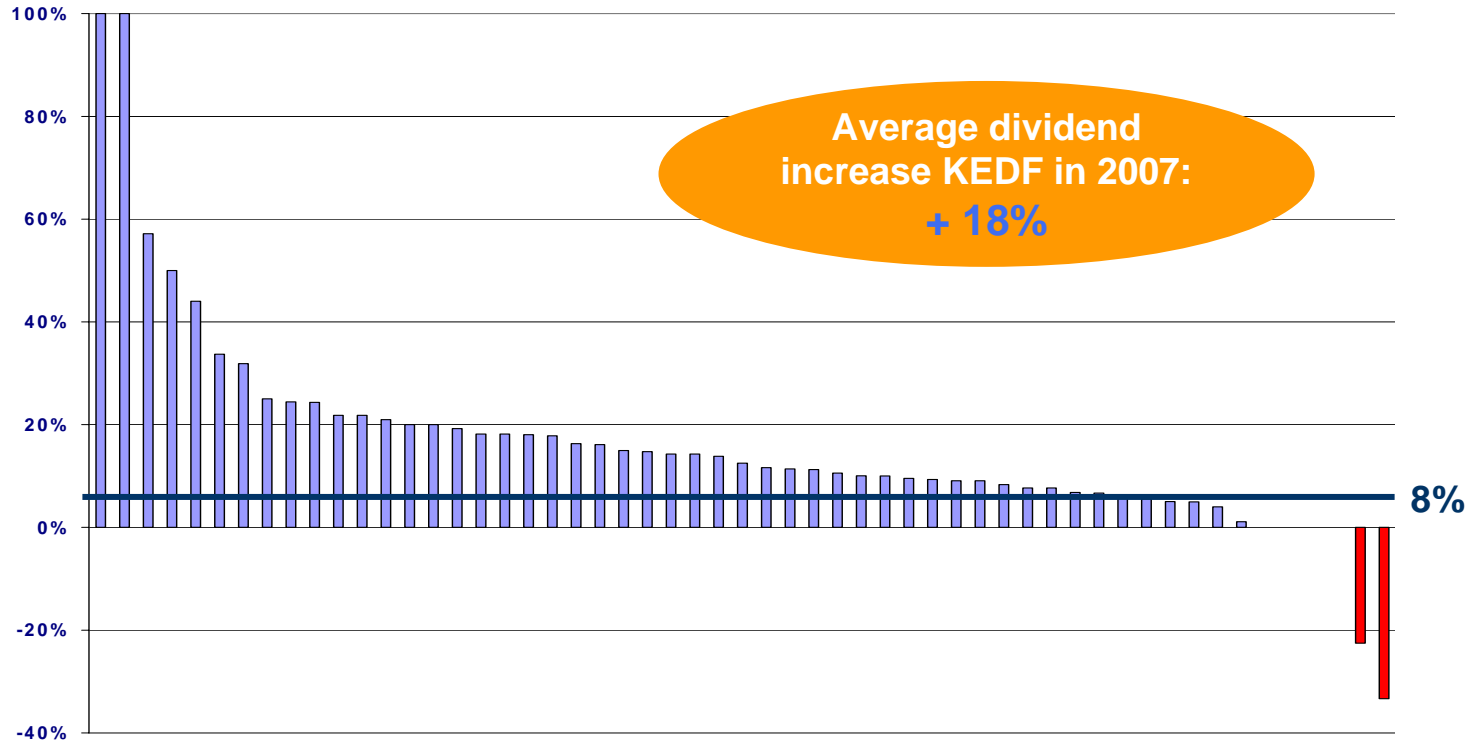
- The portfolio has a significantly higher dividend yield than the benchmark; it generates additional income every year
- The portfolio will participate in rising markets
- In bear markets the portfolio will decline less than the overall market

Dividend: *the key to long-term investment success !*



Strong performance driven by substantial dividend growth !

Dividend announcements **Kempen European Dividend Fund (KEDF)** in 2007



— Average dividend increase European Universe



Characteristics of Kempen Dividend strategies

Characteristics

- Region
- Position size
- Average number of names
- Rebalancing
- Dividend yield threshold at initial purchase
- Average dividend yield of portfolio
- Median market cap.

Kempen **European** Dividend Strategy

- **Europe**
- ~Equal weight; default 1.5%
- **60 – 80**
- **Quarterly**
- **2.5%**
- **4.3%**
- **€10b**

Kempen **Global** Dividend Strategy

- **Global**
- ~Equal weight; default 1.0%
- **80 – 120**
- **Quarterly**
- **3.3%**
- **5.1%**
- **€9b**

KEMPEN EUROPEAN DIVIDEND FUND

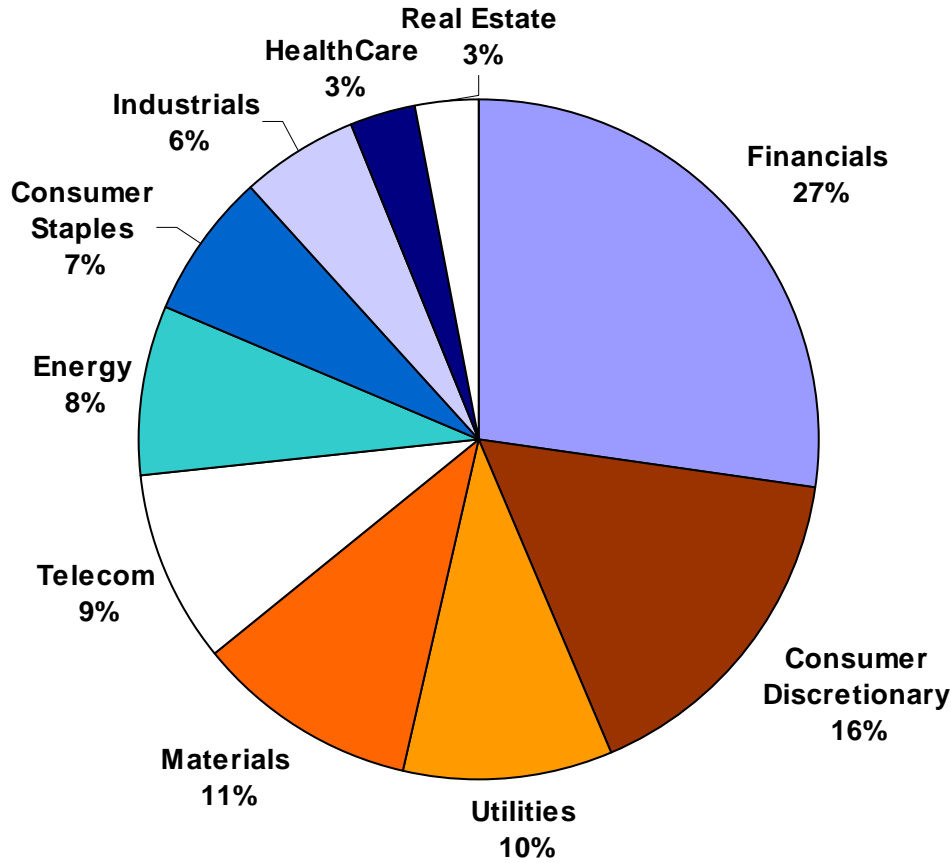
KEMPEN GLOBAL DIVIDEND FUND

ORANGE EUROPEAN HIGH DIVIDEND FUND



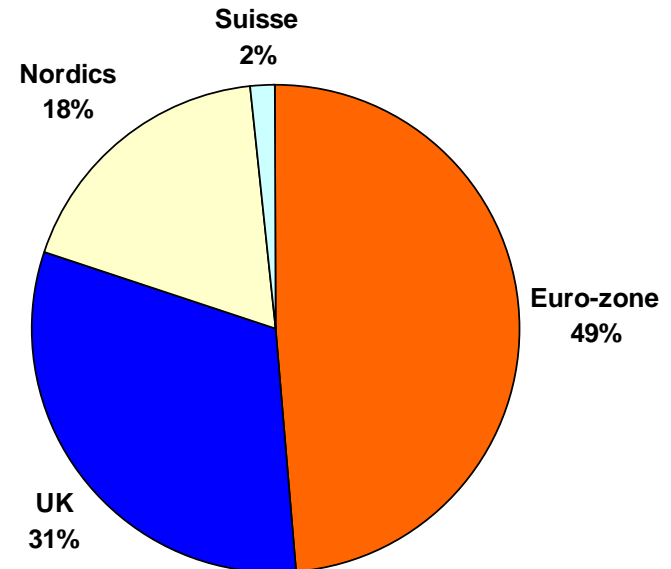
Positioning Orange European High Dividend Fund

per 31 July 2007



Top-10 holdings

	Weight
1 ENI SPA	2.1%
2 DNB NOR ASA	2.0%
3 INTESA SANPAOLO-RNC	1.9%
4 ALPHA BANK A.E.	1.7%
5 SVENSKA CELLULOSA AB-B SHS	1.7%
6 NATIONAL GRID PLC	1.6%
7 PERSIMMON PLC	1.6%
8 LAND SECURITIES GROUP PLC	1.6%
9 BASF AG	1.6%
10 ENEL SPA	1.6%



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Real Estate Securities

Bas Clerkx – Director Institutional Relations



Moderate expectations for equity markets

“A low return environment”

- Equities are around ‘fair value’
- Earnings growth has peaked
- Not much support from lower interest rates

Dividend yield will be a significant part of the total return for equities

Expectations Kempen Dividend strategies under different scenarios

Market Return	Relative Performance *	Absolute Performance
Negative	++	-
Flat (0% - 6%)	+	+
Broad rally	=	++
Rally in IT or Pharma	-	+

* relative to a broad benchmark



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Why listed Real Estate?

Long only: Orange European Property Fund

Long/Short: Kempen Property Hedge Fund



Indirect investments gain momentum in real estate asset mix

Direct

- Buildings
- Little transparency
- Illiquid but stable
- Labour intensive

**Inflexible with
perceived stability**

Indirect Private

- Non-listed universe (INREV)
- Low transparency
- Highly illiquid
- Expensive

**Complicated with
long commitments**

Indirect Listed

- Quoted real estate companies (EPRA, GPR)
- Transparent
- Easy diversification
- Manager selection

**Flexible diversifier
with volatility**

European institutions are moving from domestic direct portfolios to a style mix within their real estate allocation



KCM offers extensive product range within listed real estate

Strategy

1. Long only active

Key description

- Outperformance and strong absolute returns on a 3-5 year basis
- 1 fund, 7 separate accounts, 4 white labels, 1 advisory account
- Dutch PFs and retail, Swiss PFs, Scandinavian PFs, Australian AM
- € 1.4b AUM

Flagship Products



2. Long only passive

- Index sampling on GPR-250 index with low TE
- 1 fund, 4 separate accounts
- Dutch PFs, Swiss PFs
- € 1.0b AUM



3. Unconstrained

- Absolute return target 10-12% net
- Fund launched 1 April 2007
- PFs, FOFs, HNWI
- € 100m



Very experienced team manages



Item	Detail
• History	• Launched November 2000, current size €410m
• Clients	• Dutch PFs, Dutch banks, Danish PFs, Swiss PFs, Dutch retail, positive consultant relationships
• Team	• 4 experienced portfolio managers, 1 analyst
• Process	• Disciplined, consistent and repeatable
• Research	• Proprietary research in co-operation with CB Richard Ellis

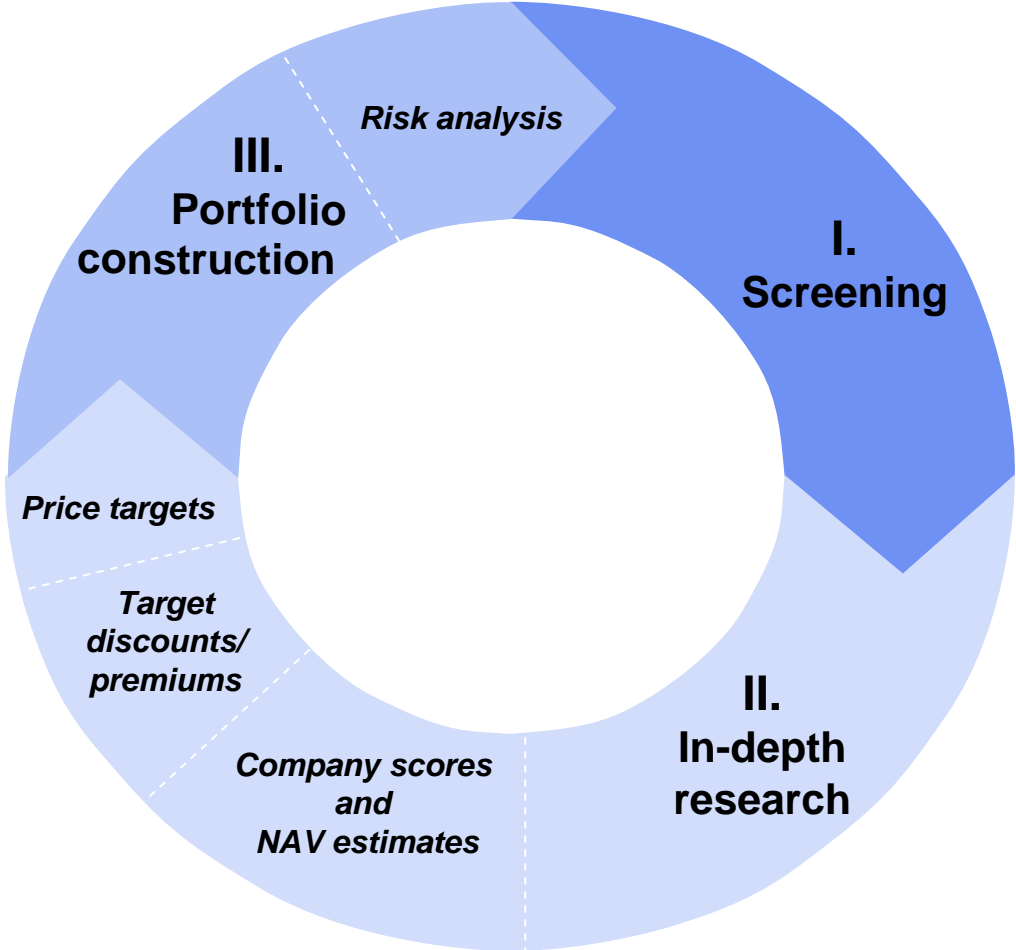


Investment philosophy

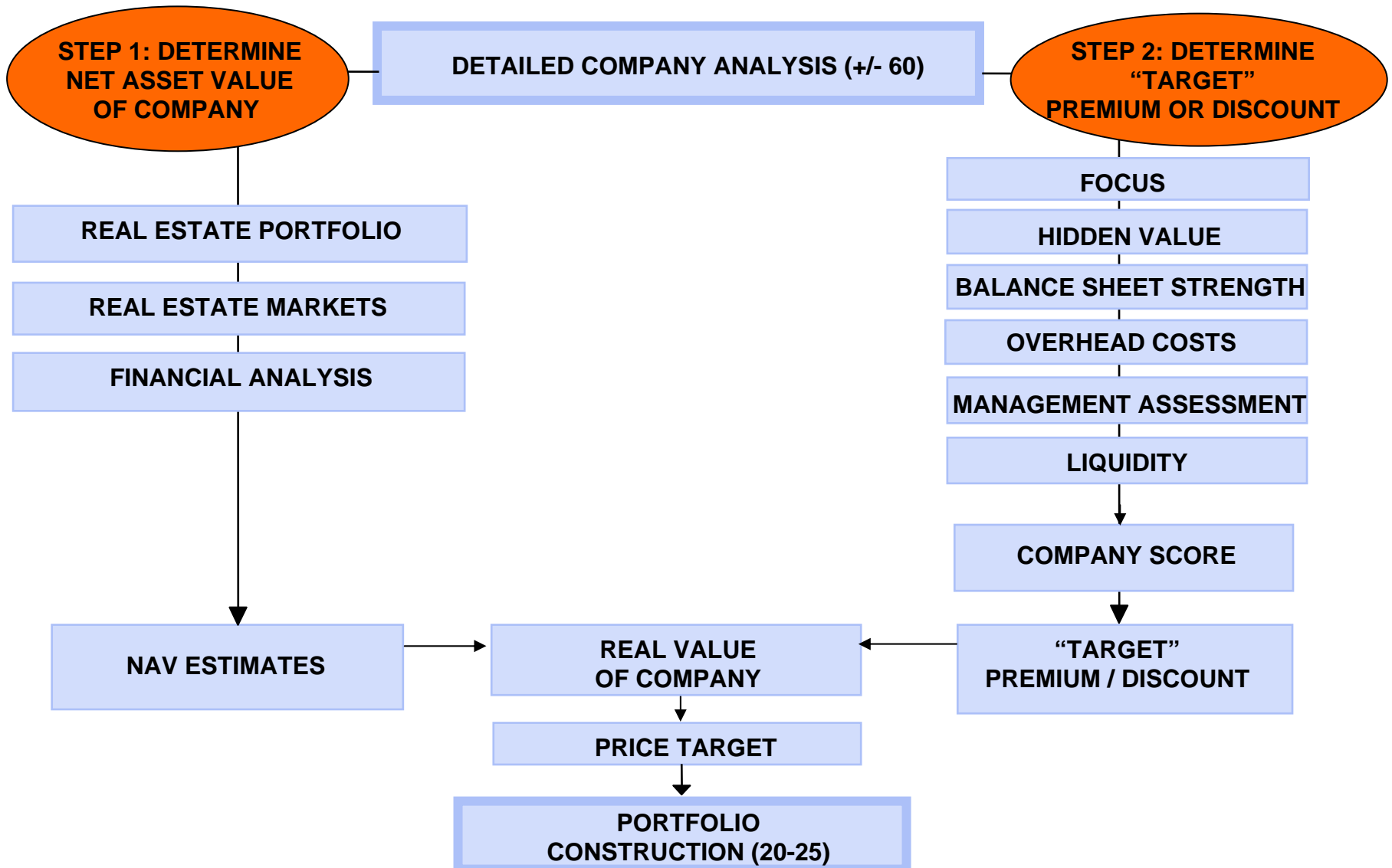
- Invest bottom-up and research driven, this fits well with local character of real estate markets
- Focus on locally operating companies with excellent management teams
- Forego investing in “black box” companies; reduced risk of permanent capital loss
- Have a concentrated portfolio, do not “diworsify”
- Select the best companies without large sector/country “bets”
- Net asset values drive stock prices in the long run
- Focus on strong relative and absolute returns



Investment process selects the best real estate companies

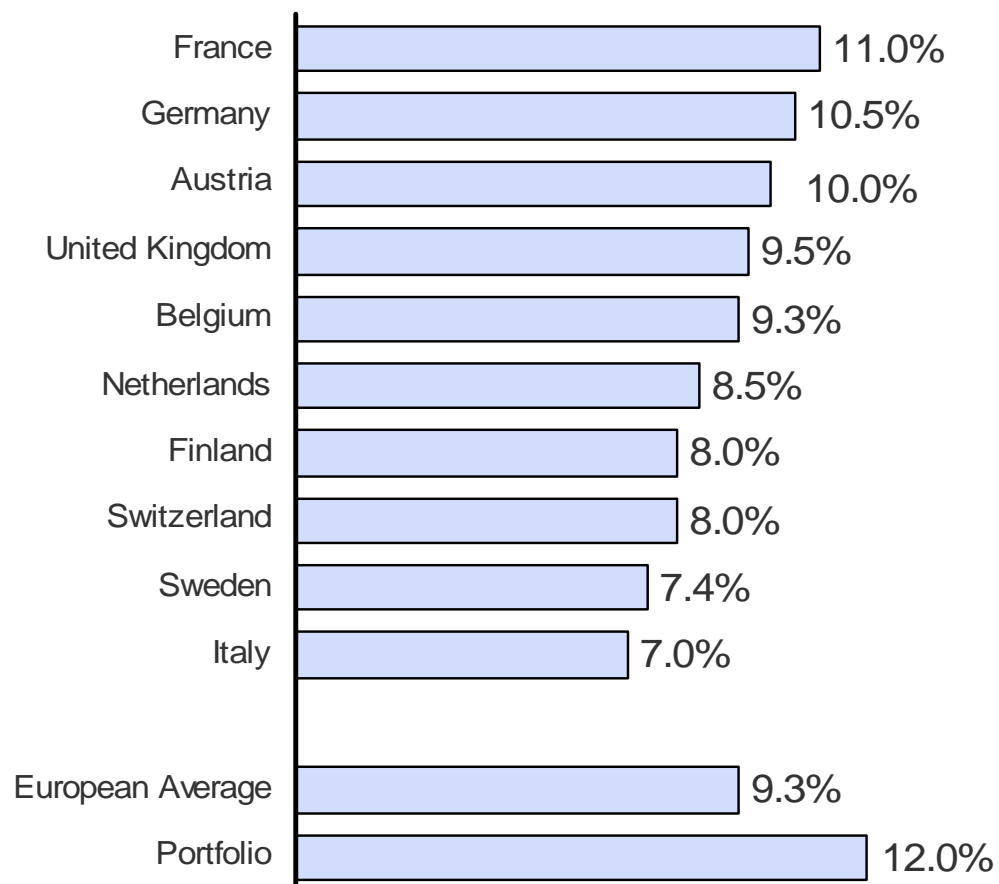


II. In-depth research identifies “local sharp shooters”



Net Asset Value growth will continue

NNAV growth for the period 2007-2010



An excellent performance track record

Year	GIPS Composite of European property securities portfolios of KCM*	Benchmark return
1999	14.20%	9.62%
2000	15.61%	15.03%
2001	-1.52%	0.92%
2002	9.36%	10.46%
2003	23.97%	20.92%
2004	42.57%	38.33%
2005	27.59%	27.06%
2006	49.75%	48.92%
cumulative	380.23%	344.90%

**2007 YTD:
KCM -13.5%
Benchmark -14.3%**

* Performance figures are calculated in accordance with the Global Investment Performance Standards (GIPS). 2007 is an estimate and not audited.



Introducing Kempen Property Hedge Fund

**Real estate is an asset class with many
arbitrage opportunities**

**The Fund mixes strategies to benefit from
inefficiencies and to generate alpha**

**Experienced team warrants that alpha is
captured**

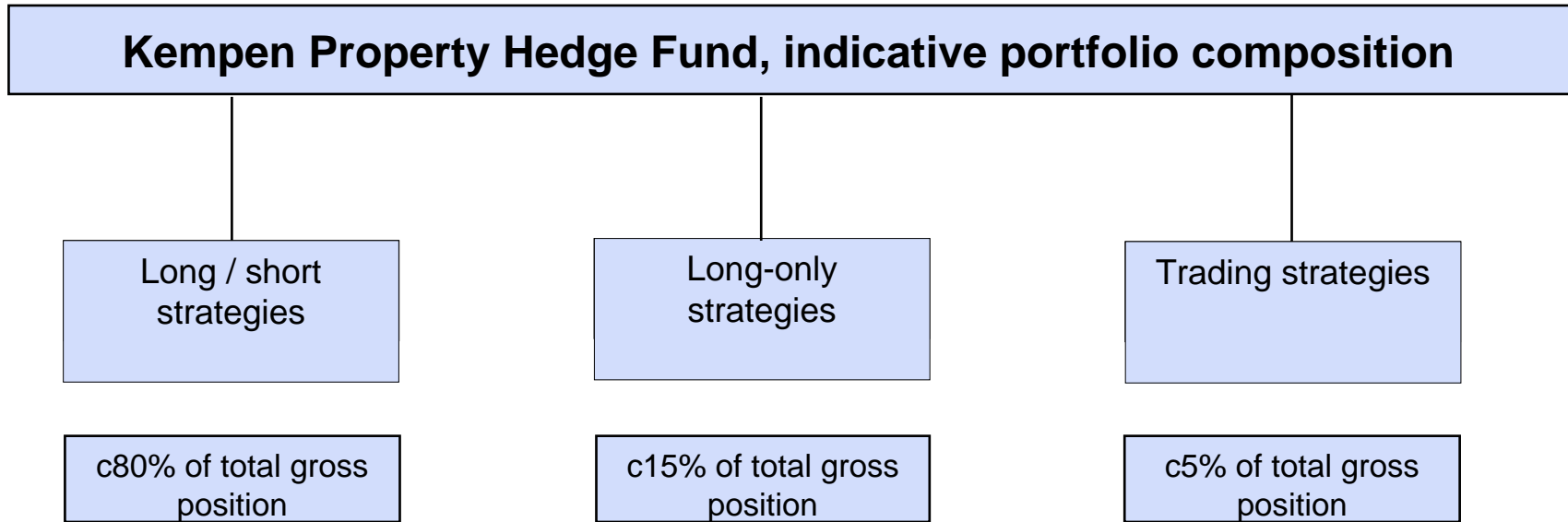
- Asset class still characterised by market inefficiencies
- Alternative approach to real estate investing

- Unique value added proposition with 10-12% net return target
- Strict risk management framework and low correlation to property
- 3 core strategies aim to benefit from inefficiencies
- European focus, global opportunities, instrument flexibility

- Team working together for over eight years in various positions
- Proven investment process based on adjusted EVA valuation model
- Strong alignment of Kempen, portfolio managers and investors



Three core strategies allow the fund to benefit from inefficiencies

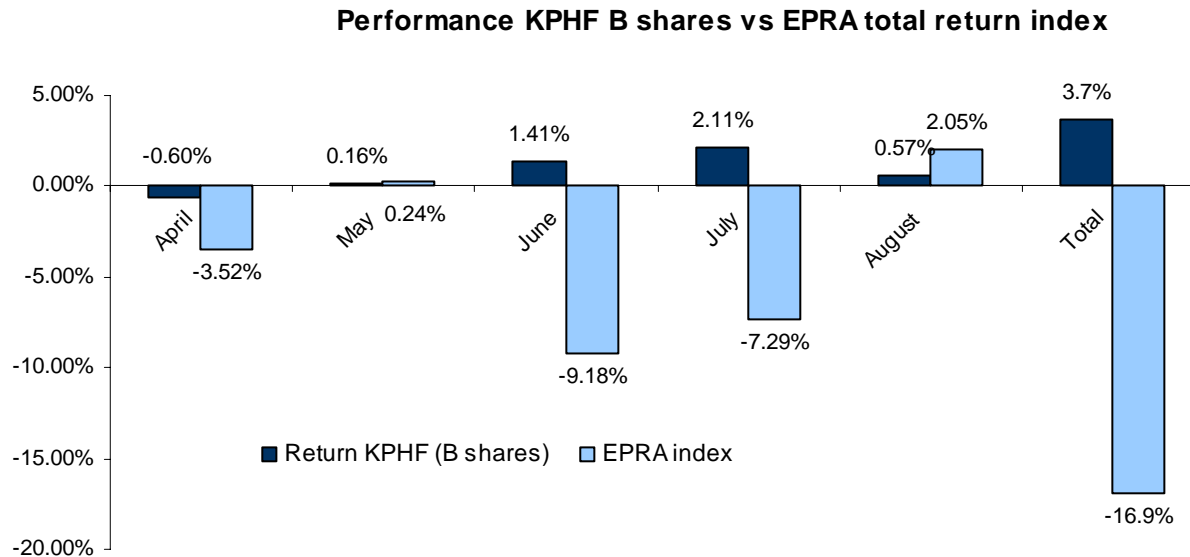


- Target returns 10-12% after fees with low correlation to property securities market
- Typical portfolio 150-200% gross, with small long bias
- Max 300% gross, max 80% net long, max 50% net short
- Mostly equities and flexibility in use of instruments
- Investment process based on fundamental research and strongly valuation driven
- Relatively concentrated portfolio
- European focus with global opportunities



Performance

- Alpha generation: positive realised return of 3.7% in down market (-17%) with a net long position of 20% on average
- Capital preservation: hedged position protect investors in downturn
- Return in first 2 months impacted by start-up costs and building up portfolio



Conclusion Kempen Real Estate

- Kempen Capital Management has a strong focus on listed Real Estate
- Orange European Property Fund team has a successful and long-standing track record due to a distinguishing, proprietary investment process
- Kempen Property Hedge Fund is a unique absolute return proposition with strong momentum



KCM:
**A leading specialist
in listed European
Real Estate**

