

PRESS RELEASE
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***KAS BANK third-quarter update: controlled development
and higher profit***

- **KAS BANK maintains high capital ratio and strong liquidity position**
- **Revenue in Q3 2009 substantially higher than in Q3 2008**
- **Expenses at similar level to H1 2009 and slightly lower than Q3 2008**
- **Profit for first nine months of 2009 well above 2008 figure and on track to meet the bank's external profit targets**

KAS BANK's total revenue in the past quarter showed a clear advance on the same quarter in 2008, mainly reflecting the net positive effect of changes in our client base. Despite the sharp decline in securities lending, the total revenue for the first nine months of 2009 showed no change compared with the same period in 2008. With signs of the financial markets slowly stabilising, we expect some recovery in securities lending business in the longer term.

The bank maintained its low risk profile, with a solvency (BIS) ratio of around 21% and surplus liquidity of some €1.6 billion relative to the minimum set by the Financial Supervision Act.

The available-for-sale portfolio is still highly conservative, with around 90% invested in assets with the highest ratings (Aaa – Aa3) or government-guaranteed paper. Adding to the significant growth in operating profit, exceptional items had a net positive effect of about €2.4 million in the first three quarters. There was no further impairment of investments or loans.

In Germany, the Deutsche Postbank fund administration, which KAS BANK acquired in the summer, recently migrated to the KAS BANK platform. The market has shown increased interest in our services since we acquired Deutsche Postbank's fund manager and we expect to service new clients via our German platform in 2010.

Our European network has been extended to include the Burgundy multilateral trading facility (MTF). As well as Nasdaq OMX, Burgundy also serves the local Scandinavian market and is attractive to both our local clients and several of our European clients.

KAS BANK recently outsourced its mainframe operations and migrated to ATOS Origin. As well as reducing operational risk, this move underlines KAS BANK's role as a network bank.

KAS BANK expects to implement the Banking Code of Conduct and the Principles for Controlled Remuneration Policy formulated by the Dutch central bank and the Authority for the Financial Markets with effect from 1 January 2010.

Profile of KAS BANK N.V.

KAS BANK is a European specialist in wholesale securities services. As an independent bank, we connect professional financial institutions within Europe and across the globe.

We focus on providing added-value services to national and international organisations active in the pensions and securities industries. We view the market from the perspective of our clients – tailor-made services and complete transparency are paramount in helping them to meet their business objectives.
