

Press Release

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ABN AMRO Asset Management to acquire fund of hedge funds manager IAM

ABN AMRO Asset Management announces today that it has entered into a definitive agreement with International Asset Management's shareholders to acquire 100% of the share capital of IAM, a London-and New York-based fund of hedge funds manager with circa USD 2.6 bln of assets under management. The transaction is subject to the customary regulatory approvals and is scheduled to close during the first quarter of 2006. The terms of the transaction are not disclosed.

The acquisition underlines ABN AMRO Asset Management's long-term commitment to the fund of hedge funds business and will enable further expansion of its existing business. In addition, it supports the focus on mid-market clients because of the enhanced ability to offer hedge fund products to mass affluent clients as well as mid-sized and large institutions.

"This transaction will significantly add to the expertise of ABN AMRO Asset Management's fund of hedge funds management capacity and will enable ABN AMRO Asset Management to broaden our best-of-breed funds and bespoke products to our clients," said Sarah Russell, CEO ABN AMRO Asset Management.

ABN AMRO Asset Management's existing fund of hedge funds operations, which have USD 1.4 bln of assets under management, will be combined with IAM. The combined business will have over USD 4.0 billion of assets under management. All five of IAM's partners including Albert Fuss and Anthony Forward, respectively Chairman and Managing Director of IAM, will continue to be involved in the day-to-day running of the business.

"We decided to approach IAM after a rigorous search across the industry. They have exactly the combination of history, people and performance to bring critical mass to our fund of hedge funds business," said Kevin Smith, Chief Investment Officer Equities at ABN AMRO Asset Management.

Albert Fuss, Chairman and founder of IAM said: "This acquisition will bring benefits to all existing and potential clients of IAM and ABN AMRO Asset Management. We will be able to enhance the scope and reach of the hedge fund research function through the global network of ABN AMRO Asset Management. In addition, ABN AMRO Asset Management clients will have access to a highly successful and well-established specialist fund of hedge funds organisation with over 16 years experience with robust and rigorous investment processes and a commitment to client service."

ABN AMRO Asset Management is a global asset management company with over EUR 173 billion of assets under management on behalf of institutional and retail clients and is a unit of Netherlands-based ABN AMRO, a leading international bank with total assets of EUR 899.3 bln (as at 30 September 2005). It has over 3,000 branches in more than 60 countries and territories and is listed on the Euronext and New York stock exchanges.

IAM is a leading fund of hedge funds manager, with offices in London and New York, specialising in the investment management of bespoke diversified portfolios for institutional and private clients. IAM, which was founded in 1989, is one of the oldest and strongest performing investment managers; its flagship fund, Alternative Investment Strategies Ltd, has had a 10.11% annualised return since its inception in 1996.

ABN AMRO Asset Management was advised by Hawkpoint Partners and Clifford Chance. IAM was advised by Putnam Lovell NBF Securities and Simmons & Simmons.

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