

ABN Amro Sale of U.S. LaSalle Division Blocked by Dutch Court  
2007-05-03 10:57 (New York)

By Martijn van der Starre

May 3 (Bloomberg) -- ABN Amro Holding NV's \$21 billion sale of Chicago-based LaSalle Bank to Bank of America Corp., a transaction at the center of the industry's biggest takeover battle, was blocked by a Dutch court.

Judge Huub Willems of the Amsterdam district court's Enterprise Chamber said today it was "unacceptable" for ABN Amro to sell the unit without shareholder approval. The ruling followed a request by the Dutch investor group VEB.

VEB said the LaSalle sale needed shareholder approval and was an attempt to avoid an "unwanted bidding process" for the Dutch bank. ABN Amro, which agreed on April 23 to be bought by London-based Barclays Plc, disputed the VEB statements. Two days after the Barclays offer, a group led by Edinburgh-based Royal Bank of Scotland Group Plc said it may make a higher bid.

The LaSalle transaction is a "poison pill to frustrate" the Royal Bank-led group, said Wim Zwanenburg, who helps oversee the equivalent of \$33 billion at Bank Degroof Group and holds ABN Amro shares. Blocking the sale is "a very good idea," he said in remarks made before the ruling was announced.

ABN Amro agreed to be bought by Barclays in an all-share deal valued at about 64.3 billion euros (\$87 billion). Charlotte, North Carolina-based Bank of America, the second-biggest U.S. bank, agreed to buy the Dutch bank's LaSalle unit the same day.

Royal Bank, Santander Central Hispano SA and Fortis indicated April 25 they would pay 72.2 billion euros in cash and stock for ABN Amro. Their proposal is dependent on a reversal of the LaSalle sale. The trio plans to break up 183-year-old ABN Amro if they beat Barclays's offer.

--Editor: Connelly

Story illustration: See {EXTRA <GO>} for news on the takeover battle for ABN Amro. Go to {AABA NA <Equity> HCPI <Go>} to see the share performance of ABN Amro.

To contact the reporter on this story:  
Martijn van der Starre in Amsterdam +31-20-589-8507 or  
vanderstarre@bloomberg.net

To contact the editors responsible for this story:  
Adrian Cox at +44-20-7673-2334 or acox2@bloomberg.net;  
Frank Connelly +33-1-5365-5063 or fconnelly@bloomberg.net

[TAGINFO]

BAC US <Equity>  
BARC LN <Equity>  
AABA NA <Equity>  
RBS LN <Equity>  
SAN SM <Equity>  
13044Z US <Equity>  
FORB BB <Equity>

NI MNA  
NI EUROPE  
NI FIN  
NI BNK  
NI NETHER  
NI BENELUX  
NI SPAIN  
NI BELG  
NI UK  
NI SCOTS  
NI US  
NI NC  
NI IL  
NI CA  
NI COS  
NI LAW  
NI TNM  
NI SCR

NI FND  
NI LAW

#<183456.58134.1.0.38.15369.25>#  
-0- May/03/2007 14:57 GMT  
□