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Conference Transcription

Questions & Answers

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CONFERENCE DETAILS

Conference Date:	03 April 2013
Conference Time:	15:00 Central European Time
Conference Duration:	Approximately 65 minutes
Chairperson:	Nina Higatzberger

Operator:

The first question is from Bernd Maurer of RCB.

Bernd Maurer:

Good afternoon. One question I do have on the Polish market focusing on non-life. Remembering your comments in January in the conference call you were speaking of a softening of motor competition. Now you were again highlighting increased competitive pressure in the Polish non-life segment and also PZU recently stated that intensity in the Polish motor market is again increasing. Did the market deteriorate in the recent months? Can you elaborate a bit on recent developments please?

Peter Hagen:

Okay, Peter Hagen answering. In fact we have to differentiate. I think where Polish business is still in a good shape, after a period of improving rates, is on the fleet business. However, we have seen after about two years or two and a half years of steady increases in rates on the private cars. We have seen, I would say since the half of 2012 for some companies a decline in premium rates. It is not yet dramatic. It is slight. However, it is not the best of our developments, I would say. We have to stick to our policy. We kept our rates at the level that we have reached after several substantial increases over the last two and a half years, which also meant that we have lost some business in this area. We have seen in the last year, year and a half, some major acquisitions in the Polish market and obviously some of these acquisitions now have to generate market shares. That is the main issue. I think the positive pressure on premium rates, two and a half years ago basically came from the privatisation of PZU and this is continuing. I think PZU is as much interested in stability and in market discipline as we are. However, we have seen recent acquisitions where, obviously, management has to show what it can do. And, however we are trying, I think together with PZU and a few other players, to leave the rate at reasonable and what we think is sufficient level. However, as you can see also from our development on non-life in Poland we are restructuring. We have decreased the share of Motor TPL towards the property lines.

Bernd Maurer:

Thank you very much, Mr. Hagen.

Peter Hagen:

You are welcome.

Operator:

The next question is from Ralph Hebgen from KBW.

Ralph Hebgen:

Yes, hello good afternoon. I have got three things I wanted to ask all relating to embedded value. The first thing is I calculated myself that the new business premium margin specifically on the single premium business you are writing in Poland is probably negative, it is about minus 7 percent that is what I got. Would you be able to confirm or comment on this, is that calculation reasonable or that expectation.

The second one is, I noticed also in the embedded value that there was a material transfer of assets between the P&C towards the Life segment and I think I recall in 2011 there was also such a transfer, but then it was from the Life to the P&C segment. I was just wondering- what is the strategic rationale which governs the transfer of assets which you are conducting during the year and, finally, I noticed in Austria the new business premium margin went up quite materially from, I think, 19 percent to 22. That looks like an excellent achievement in the context of the Austrian market and would be interesting to hear what drove that increase and profitability. Thank you very much.

Peter Hagen:

Hello Ralph, Peter Hagen speaking.

Ralph Hebgen:

Hello.

Peter Hagen:

First question, you might be surprised but I will answer it. Even if not an actuary, in fact the STEP business – as we call it “Short Term Endowment Product” – in Poland is very marginally positive and, if I say so it is 0.01 or something like that. Coming to your calculation, as much as I know about it, I think it might be beneficial to go into the technicalities of this together with Werner because that will need definitely half an hour. It took me two hours to understand.

Ralph Hebgen:

Okay, great.

Peter Hagen:

But I can tell to everybody that is listening, it is not negative. It is however only very, very marginally positive and that is also reason, we have announced this already before, that we will again reduce that business in 2013. Question two will be answered by Martin Simhandl.

Martin Simhandl:

Hello Ralph, concerning asset transfer from Life to P&C. I think it is very easy to be explained. From time-to-time we would not exclude for a certain period, for example, to hold stakes of companies also in Life. These, if we do, we clearly do not for longer times and insofar if we do so you will find quite after a short time that there is a transfer to P&C.

Ralph Hebgen:

And this time there was a transfer from P&C to Life so does that mean that you...?

Martin Simhandl:

No.

Martin Simhandl:

It was to non-life.

Ralph Hebgen:

If you look in the MCEV report on page 16 it says value 2011 restated 2.965 so let us call that three billion and then there was a positive influx of acquired/divested businesses of 452 which gets us to the restated and adjusted starting value of 3.3 billion. Maybe I misinterpret what that number means, but maybe the question should have been what that position under acquired/divested businesses is.

Werner Matula:

Maybe I can answer this – Werner Matula speaking. It is exactly this transfer of assets from the Life to the non-life segment, which means that this is simply an exchange of an asset where revaluated insurance participation move to the Non-Life segment and an asset, let us call it bonds, moves back to Life and this is the increase that you see here in the analysis of change. So, the increase is because participation went out of the segments and assets came into this Life segments.

Ralph Hebgen:

Right, that is what I meant. Assets were transferred into the Life segment.

Werner Matula:

Yes, the financial assets you are right. The financial assets came into the Life segment that is right.

Ralph Hebgen:

Sorry, I won't to monopolise this, but the strategic rationale of these swings was what precisely because I believe last year we saw the opposite dynamic at play?

Martin Simhandl:

As I said for a short period that could be useful to do so, but from our perspective this is something what over longer time we do not do and therefore you see this kind of trends, what you have seen in 2012.

Ralph Hebgen:

Okay.

Werner Matula:

And I guess your third question was related to the Austrian new business margins seen in the APE ratio which increased a little bit from 19.3 to 22 percent. So, obviously this is first of all an effect of measuring the single premiums again. APE ratio means single premiums accounted for 10 percent in the APE ratio. The PVNBP ratio actually is quite stable, increases a little bit. Nevertheless the profitability – you are right – increased also in Austria mainly due to the business mix. So, we see first of all increase of regular premium business and second of all increase of profitable business in terms of either hybrid products or unit linked products.

Ralph Hebgen:

Okay, great. Thank you very much.

Operator:

The next question is from Robin Buckley from Deutsche Bank.

Robin Buckley:

Yes, good afternoon. Just a couple of questions please. First of all just on your solvency ratio that you commented comfortably above 250 percent. Just in light of that could you perhaps talk around how you view your capital position? Do you see yourself as comfortably capitalised or over-capitalised at the moment and could you just talk about what is the binding constraint on your capital position at the moment? Is it with an eye to the solvency one ratio, economic solvency or indeed your rating agency positions?

Then the second question is just related, again, to the non-life business. Just in terms of how sustainable you believe the current combined ratio of 96.7 percent is just given, I guess, some commentary around the Czech, Slovak, Polish and Romanian markets where you are flagging the increased competition that we are seeing within those businesses. How do you see a combined ratio developing from here? Thank you.

Peter Hagen:

Okay, thank you – Peter Hagen speaking. I start with your second question. I should mention that the 96.65 is including claims that have been mentioned before from adverse weather situation in 2012. In fact, in 2012 we had on a net basis almost 150 million of net claims from bad weather situations or events. Having said so, this is more than 100 percent over the long-term average. So, long-term average is around 70 to 75 million that we saw for net, for something like natural catastrophes and/or what we call 'bad weather' situations if it is just locally, however a frequency of local events. So having said so, if you are adjusting the combined ratio for this kind of above-average bad weather situation, which hopefully do not repeat each and every year, then we are in fact below 95 percent combined ratio.

Now how sustainable is this? You rightfully point out certain competitive pressures particularly in the motor insurance sector in the Czech Republic, also in Slovakia or in Poland. Now, there are two or three ways how we can react to this situation. First of all we keep our underwriting discipline. You can see this in the Czech Republic where, obviously, you can see this from the premium development where Motor TPL rates went down substantially in the last years in the market, however we kept ours at what we believe at a reasonable level, which obviously helped us to have in the Czech Republic a combined ratio of below 90 percent. So, first thing is to keep a very sound underwriting policy even if for a given time you have to accept certain declines in premium.

Second is that we are diversifying the portfolio, so that we are more concentrating on the property side and deleveraging from the motor side. This is a policy we particularly run in all the countries, obviously because motor is such a dominating part of the total business, it is not a one-year project. That takes quite some years and we do this since quite a lot of years already and slowly, slowly it is coming through. In the Czech Republic, in Poland now and we also run this policy now particularly in Romania, however there the dominance of the motor sector is particularly strong. So, therefore, there the increase in property business that we have has not yet the impact we would want to see in the bottom line.

So, overall, combined ratio; yes, we do believe it is sustainable. It is our goal to go somewhere close to 95 in a normal year. As I said, 2012 in this case was not a normal natural catastrophe year for us. We have seen quite substantial improvements particularly in the so-called remaining markets: Turkey was mentioned; Croatia which we have completely turned around within one year in fact; we have seen improvements in Serbia; we have seen improvements in the Ukraine. So, this is basically compensating if you want to for some adverse development in this case, nowadays we basically see only in Romania. In other countries we can off-set the pressure on rates by the measures I was mentioning.

So, overall, yes we believe a combined ratio like this is sustainable and must be sustainable and this is also a guideline for our underwriting policy not only in 2013.

When it comes to the solvency ratio in fact obviously solvency one ratio, once you are in excess of 200 it is not a major concern to you. The point here is more that we are following the S&P capital model. For us, very crucial, is the A plus rating that we have and given the fact that we are working and operating in an area where the country ratings of the countries are not really helpful to support our A plus rating, we have to be particularly strong on the capital side. So, in order to basically have an A-plus rating given the charges that we are getting, that we are operating in the area where we operate in, we need basically to have a very good double-A capital situation. This is basically the benchmark at which we are looking. So, what is our goal is to make sure that under Standard & Poors capital model we are in a very, very good double-A position in order to offset the charges that we get for the very fact that we are operating in Central Eastern Europe and by doing so remaining at an A-plus level.

The last point in this connection, you should also see is that particularly when it comes to the Standard & Poors model, we get a lot of charges due to our intangibles. Obviously, you know that our balance sheet is, we have about 2 billion in intangibles and that is something which is also, according to the Standard & Poors capital model, something for which we have to take equity charges.

Robin Buckley:

Okay, thank you. Could I just pick up on that then? Are you able to give any indication of – in terms of the S&P capital model – how far above the double-A limit in terms of your capital position you are?

Peter Hagen:

According to capital, according to Standard & Poors' policy of the current capital model - we might have a little bit of a different opinion what is eligible as capital or not, but if we just take Standard & Poors - we are only a few points short of a triple-A.

Robin Buckley:

Okay, thank you.

Operator:

The next question is from Avinash Singh from Nomura.

Avinash Singh:

Hello, good afternoon. Two questions if I may, the first one is could you please provide some guidance for the premium growth in 2013, as 2012 premium growth was impacted by few one-off factors like a very high working single premium business in Poland or regulatory changes in Austria and then voluntary cutting down of motor business in Romania and Czech. So, it would be helpful if you could provide a guidance for premium growth in 2013, and my second question is regarding profitability. From where do you see this final profit growth is going to come considering you already had a very good combined ratio in P&C business and also very strong investment return. In terms of geographies, I mean baring Romania, your major markets are already doing very well, but overall if I see the top four markets; Austria, Czech; Slovakia and Poland more or less the profits had been kind of stagnant over the last three years. So from where do you see the further growth is going to come? Thank you.

Peter Hagen:

Okay, as concerns the premium growth or any sort of outlook for 2013, obviously we are very reluctant to do so. But what I can tell you is what I tell all the time since about a year and a half is that we clearly go for outperforming our core markets in growth. So, obviously that is as much as we can go in terms of the premium growth. We want to be better than market growth, so in order to increase our market share. When it comes to profitability, I agree with you. We will see only incremental increases in the profitability given the fact that it is already very good in Austria, the Czech Republic or Slovakia. However, I would not agree with you in terms of Poland, because Poland is increasing its profit position in 2012 substantially, but there is still room to grow and we will see Poland certainly as one area where we do believe that there is room for increasing profitability.

You mentioned Romania, this must be goal. Romania is the only segment of VIG where we make losses. So that is clearly on the non-life side but the losses are so substantial that we are basically non-life and Life Romania is going below zero. So, therefore, there is a major focus in order to remedy the situation in Romania. I have to admit that two years ago I had expected that we will be able to remedy the situation, much quicker than we obviously are. Also due to the fact that I had expected and I want to say this very clearly here, that we would see regulatory action on some of our local competitors' behaviour much earlier and if I say 'earlier' it is even- It is not true because we do not see the action even now. So, therefore, basically what we did as this regulatory action is missing, we are basically now saying, "Okay, we are reducing the business, particularly on the motor side and potentially compensate by growth in the property side and cutting down costs substantially." We have in the last 18 months/two years we have cut down our staff by 1500 people in Romania just to give you an idea. We did the merger last year between Omniasig and BCR in order to improve further our cost situation, to follow out this kind of down-sizing policy as long as the situation is like it is.

However, having said this I think – and I want to say this very clearly – it will need more than just, let us say, the actions that can be done by a business to improve the situation in Romania. We will need some sort of a regulatory action there and we will work on that. Coming back to the remaining markets are considerably now contributing already to the bottom line and will continue to do so. I was mentioning already the turnaround in Croatia from minus 7 to plus 3 and there is further room, obviously, to grow. I mentioned the Ukraine, I mentioned Turkey, Serbia, Bulgaria, so we will see a couple of countries which will increasingly contribute to bottom line, but this is where we see profitability can come from. We are working very hard and independent of pressures on, for example, motor rates that we mentioned in the Czech Republic or in Austria or in Slovakia. We are working on our cost side substantially. We have substantial cost-cutting programs in all of these countries in some companies more and some companies less in these countries but overall clear goals to ensure that the combined ratio in these counties continue to be substantially below 95.

Avinash Singh:

One follow-up if I may? What kind of premium trend particularly you see for VIG in Romanian non-life market in 2013 and Polish Life market in 2013. You said that you will be reducing your single premium business there.

Peter Hagen:

On non-life Romania it depends a little bit on – frankly speaking we are looking at this almost on a month-by-month basis, but the general policy is getting out of MTPL. We think business is now starting to stabilise somehow which means motor cars for insurance, motor own damage insurance, that depends a little bit on the general business cycle and new registrations and cars bought by using leasing and on the property side we are growing double digit. Now, having said so as I said how this will end up, I would expect still in Romanian non-life a decline in 2013. To what dimension, frankly speaking it is too early to say because it very much depends on the general market situation. We will not go away from our underwriting policy.

When it comes to Polish Life, again we will see a situation where many companies in the market will probably reduce their exposure of this STEP product – the Short Term Endowment Product. There are even some tendencies in the Polish market that this, the tax benefit coming from basically coating term deposit with an insurance cover that that might be, that this tax evasion or this tax leak might be closed and then this product is anyway gone. It makes today, about one-third of the Polish Life market.

So that, again, very difficult to say. Our policy will be to reduce exposure there substantially because, as Ralph has mentioned before or as I have answered to Ralph's question, the profit margin there is marginally. We have gone into such deals in order to also get other business from banks. This is catching up now, but we do not like this kind of gap between the STEP products and the other products. We want the other products to catch up. How quickly this will go will very much depend also on whether the STEP product can be sold in the future so that again it is very difficult to say. I expect, decline in the Polish Life business. In more detail, frankly speaking at this point of time, I will not feel comfortable.

Avinash Singh:

Okay, thank you.

Operator:

The next question is from Raphael Caruso from Raymond and James.

Raphael Caruso:

Hello everyone. Three questions on my side. First of all, with the positive development of life insurance in Romania, so do you think it something sustainable or it is something functional only due to your partnership in the country or in the world market which is starting again. My second question, you significantly improved your investment results due to one-off realised gains or due to an increased asset base or should we expect a drop in investment income in the year ahead? My third and most important question, we began to see a slackening of growth of profitability in your core markets and the risk is to lose your status of emerging markets player. So, according to you, what are your growth drivers for 2013, what is the next step in the development of Vienna Insurance Group? Thanks.

Peter Hagen:

Life Romania is a simple one. Yes, all what I said bad about Romania does not apply to the life insurance part. However, life insurance in terms of total in Romania makes about 20 percent so that also shows the potential. We are doing very well in the cooperation with BCR, the local Erste Bank subsidiary. We have double digit growth rates there and we are confident that if not this quarter then next quarter we will be the new number one in life insurance in Romania and also the profitability of this sector is satisfying. We believe, yes, it is sustainable because, obviously, the potential is enormous. On top of this cooperation with BCR which is the main driver we have started to cooperate with a large network, independent network in the end of 2012 and also from this we are expecting quite support for a satisfying growth in Life in Romania. As concerns investment results, I think Martin is better equipped to answer.

Martin Simhandl:

Thank you, Peter. If we look closer to the investment result what we see in comparison to last year is that the total expenses have gone down. Of course, this is influenced always by market development and it is not easy to foresee how much impairment or how much write-down you will have in the coming year, but I want to stress the fact that it is not so much on the income side, but on the reduced expenses side that has improved the investment result. What I also want to mention and I want to draw your attention to is the increase in the unrealised gains in the “available for sale” portfolio which is substantially roughly EUR400 million. This is something that has not been led via P&L but it is on equity and saying so, taking into account that the biggest part of those investments is allocated to life insurance – meaning that you also have a sharp increase of future profit participation – which helps you to stabilise investment results.

Peter Hagen:

Now, as concerns your last question in terms of growth and profitability prospects. Now when it comes to growth you are absolutely right in the way that the high double digit growth that we saw until 2008 currently does not show up again in Central and Eastern Europe. Having said this, it is still much better growth than what we see in Western Europe, so we see it is also relatively in a sense. Having said so, we also have to differentiate obviously more and more the whole region into various blocks. You are absolutely right that the block Czech Republic, Slovakia, Austria, independent of the fact that Czech Republic still is at a level of around 1985 of the Austrian level. Yes, 1985 and you convert this into years.

Still, this is already let us say a group of countries where we would see growth rather than in single digit rates than in double digit. When it comes however to the area from the Baltic States, Poland, Ukraine down to the Black Sea then mid and long-term we will see here double digit growth. We have to see there double digit growth and we see double digit growth. Let us take, for example, the Ukraine. We see 20 to 25 percent growth on the top line and even more so which is particularly pleasing on the bottom line. If you look into to the profitability issue that you were mentioning, if you looking into the potential, I was mentioning Poland. Poland has grown its profit last year by 14 percent and still it is not yet at Slovakian level and it will have to go beyond Slovakian. There is a lot of potential there and we will realise that potential. If you look at what we summarise as the segment remaining markets. It is now basically on the same level of Poland but it has increased by 70 percent and we see a lot of potential there as well, particularly on the region that I was mentioning; Baltic States, Ukraine, Bulgaria, the Balkans. So, overall, we do believe that we can continue to claim to be working in a growth area on the top line side as well as on the bottom line side. However, having said so we do not want in such situation where the whole area sees on the top line side the subdued growth, still better than you would see in Western Europe, but a subdued growth in its own terms. We would not want to compromise on the bottom line side. The potential in the area is so high that it does not matter if you for one year or two accept not to grow double digit in order not to compromise on the bottom line, because the demand and the need in this area will come again. Let economic situation in general be better again and it will start again and we want to be prepared for that time, but until this time we will certainly not compromise on bottom line.

Raphael Caruso:

Okay, very clear. Thank you.

Operator:

And we have a follow-up question from Ralph Hebgen from KBW.

Ralph Hebgen:

Yes. Hi, it is me again. Just a question exploring your attitude and philosophy to cash flow management. Of course what I really am aiming for is to perhaps get a few clarifying comments of where you think your appetite for acquisitive growth lies and what you are thinking on the dividend is. I was just saying this because I can now see that your solvency is very robust indeed almost triple-A standard in S&P, but your dividend is still only yielding 3 percent. So, I would guess that you perhaps make a conscious choice to build up central liquidity in order to favour M&A growth as and when opportunities arise. So that will be my reading, it will be interesting to hear your comment on that. Then two smaller things; one is there were last year and the year before there was a big sort of push to convert some unprofitable policies in, I think it was Romania, in Central and Eastern Europe. Nevertheless, was there a positive contribution to new business value from these conversion policies also in 2012? Finally, the question I forgot to ask, which is what is the contribution of net realised gains to net earnings in 2012? Thank you.

Peter Hagen:

Ralph, we would not have left the table without that question. As always your guesses are, to say at least, interesting. Merger and acquisition I think that is where or acquisitions this is where you were aiming at. As always and as we are continuously doing, there are areas where we believe that we are under-represented and we want to be represented more. Traditionally we say Poland. Traditionally we say, even if this might be a surprise to some of you, Hungary. We have maybe added to the list countries like the Baltic States and the Ukraine and we might even look – I almost do not dare to say – Turkey. I would say that the markets I was saying before are the more, let us say, the more core ones to us. Having said so, as you know we very rarely look really at very big acquisitions. So what we will do, we will simply participate in the market consolidation in Poland which is going on and which is small to medium-sized companies. We will do the same in the Baltic States and its small companies. We will do probably the same in the Ukraine and it is small to medium-sized companies in our sense, it might be big for Ukraine sense, Ukrainian-size and the same applies to the other countries. So, we definitely will make sure that also if we do these kind of acquisitions in the next one, two years – and we always do acquisitions one or two a year at least, as you know – that we do not have to compromise on our equity position or in any way endanger our rating.

As concerns your second questions about turning unprofitable policies into profitable ones in Romania. I have to correct two times. First of all it was the Czech Republic, second it was not unprofitable policies into profitable but less profitable into more profitable, yes it might be only a little semantic change, but it is important for bottom line I can tell you. This has ended in 2011 so no impact in 2012 from it. And the contribution to bottom line, traditionally the answer comes from Roland Gröll.

Roland Gröll:

Hi Ralph.

Ralph Hebgen:

Hi.

Roland Gröll:

As Martin mentioned our extraordinary investment income that means income from appreciations and disposal of investments and also depreciation impairments and losses from the disposal is about EUR100 million and out of that figure less than 50 million contribute to the bottom line.

Ralph Hebgen:

That is brilliant, thank you very much indeed.

Roland Gröll:

Thank you, you are welcome.

Operator:

And the next question is from Michael Haid from Main First Bank.

Michael Haid:

Good afternoon, thank you very much. Michael Haid, Main First Bank. Two questions, first on Romania again, you mentioned that you look for regulatory actions. What kind of actions are you looking for? My understanding is that the market leader offers motor policies at prices which are just not sufficient and from my understanding you are even in a better position than this market leader, as you have a lower cost. So, why does this cause a problem, or why do not you just wait until the problem solves by itself through the passage of time? Second question on Poland and the short-term capitalisation product. I understand that the margin of this product is very tiny. That was already known one year ago, but now you say you stopped this. Even though to my understanding the economics of this product has not changed. So why do you stop it now, why do not you continue it?

Peter Hagen:

Okay, I will start with your last question. What we did last year we were basically defining let us say a bundle of products that the bank would procure for us. That includes the STEP product (this Short Term Endowment product), this includes a regular premium unit linked and it also includes non-life products like motor casco from leasing business. So we made a package. Now having this package, to have this package made very much sense to us also in terms of profitability even if the STEP product by its own is very limited in terms of profitability. However, it meant that these various products have a certain relation to each other and in fact in 2012 the STEP product was basically outpacing in its growth the other products and we bring this now into a combination again where this package makes economic sense to us. So, we do not stop completely. We limit it according to the business plan that we have entered into with the bank in this combination of products, okay?

Michael Haid:

When it was a package, how could the short-term capitalisation product or endowment product, how could it outpace the other two within this package.

Peter Hagen:

The package is the distribution agreement not to the customer.

Michael Haid:

Okay.

Peter Hagen:

To discuss that with the bank, you are selling for me this product, this product, this product and this product and we make a business plan. Unfortunately, markets do not always behave like business plans, so therefore we were selling more of the STEP product than expected and less or not enough in order to support the STEP product growth by unit linked or other policies. Now we bring this into line again.

Michael Haid:

Okay, fully understood.

Peter Hagen:

Now, as concerns Romania you are absolutely right. If we were in Germany, Austria probably even England I would sit here, I would cut down the business and let them go down the drain, because what they are doing is cash flow underwriting. However, you might remember there is a guarantee fund so if they go bust we continue to be liable following our market share, if the guarantee fund is blown. And when I talk regulatory action, I want simply the regulator to look into these companies. Finding out whether their loss reserves are properly calculated, whether their IBNRs are properly calculated et cetera, et cetera. I just do not believe that Romanian drivers are driving better with these kinds of companies paying one-third of the normal premium. I just do not believe it. So they should have a loss expectancy which is not properly reflected in their balance sheet and I would want to see a regulator taking action here.

Michael Haid:

And what is your market share in Romania?

Peter Hagen:

Overall, we are at around 24 percent coming down from almost 30.

Michael Haid:

Okay.

Peter Hagen:

Because we are reducing in the motor side. The MTPL.

Michael Haid:

Thank you very much.

Operator:

Thank you. We have no further questions.

Nina Higatzberger:

Thank you, Operator. Thank you ladies and gentlemen for listening in. We hope you dial in again on the 28 May for the first quarter results presentation. Good-bye.