Q2 2013 Earnings Call

Company Participants

- Jarmo Salonen, Head
- Kari Stadigh, President, CEO
- Peter Johansson, CFO
- Torbjorn Magnusson, Head
- Unidentified Speaker, Unknown

Other Participants

- Blair Stewart, Analyst
- Gianandrea Roberti, Analyst
- Hakon Fure, Analyst
- Matti Ahokas, Analyst
- Per Groenborg, Analyst
- Peter Eliot, Analyst
- Thomas Seidl, Analyst

Presentation

Jarmo Salonen {BIO 1860650 <GO>}

Ladies and gentlemen, this is Jarmo Salonen and you have called into Sampo's Conference Call on Q2 2013 Results. With me I have Sampo's Group CEO and President, Kari Stadigh, head of P&C Insurance, Torbjorn Magnusson. And group CFO, Peter Johansson.

As has become our tradition, Kari will start with an introduction and with the latest developments, after which we will take whatever questions you may have. But before handing over to Kari let me remind you that you can follow this transmission live at sampo.com/result. And a recorded version of the call will later be available at the same address. That is all for me and I will hand over to Kari. Kari, please?

Kari Stadigh {BIO 1504152 <GO>}

Welcome to the conference call on my behalf as well. I'm very happy to present results that beat the consensus estimates. Given the sluggish general economy in Europe and the low interest rate environment, I would like to quote Torbjorn Magnusson, who yesterday in our group management meeting said the result is as good as it should be.

So should it be. This statement of course illustrates a few things. One, it illustrates our commitment to deliver results long-term that meet our ROE targets regardless of changes in the environment. Two, it illustrates a level of results that our dominant market position in all three areas of operations deserve. Three, it illustrates results that are needed when interest rates are low and the running yield in our fixed income portfolios keep declining.

The only area where we missed consensus estimates was on our NAV. The main message here were based on currency and treatment of Nordea. However, if you correct our NAV at the end of the Second Quarter with the increase in Nordea and top share price as of today, it is clear that our present NAV is about EUR21 of share.

Our normalized operations report the combined ratio of 88.8% for the first six months, a tie with the best ever results seen last spring. As I have stated then many times before, the decisions made today are seen three years from now in our numbers. So it is especially pleasing to compare the first half-year numbers with our peers and be proud of the decisions that management has made three, two years ago.

Our relative performance has been excellent. In light we saw gross written premiums grow by 10%, an improving cost ratio and a very good performance in our main distributor, Danske Bank, with sales up 40% quarter-over-quarter. As you have seen, we also changed the discounting rate to 2.5% for 2014.

In our associate, Nordea, the market seems to appreciate the operational performance and strong build up of capital, core tier one ratio with now reaching 14%. As the main (ordiner) on Nordea I would like to point out three main -- three, four main achievements or issues.

First of all, I would like to state that Christian Clausen, the CEO of Nordea, has now in place a winning team. I think that Nordea now has by far the best team in the Nordic banking area and we should and we can expect them to perform.

Two, the focus on core in Nordea is necessary to reach the ROE target in the future. And they will execute the exit from Poland is a pure statement of determined management action. And that was very well received by us as the main owner.

Three, the continued inflow of customer -- customers in the right segments show how well appreciate the Nordea concept is in the Nordic market in general. This forms an excellent basis for future performance.

And as the last point, the sell down, the seller % by the Swedish government in Nordea removed the overhang and improved the colleague, the and quantity of long on the owners in Nordea. This will benefit all of us in the future.

All in all, boring is good. And I see good prospects for further positive development throughout all of our operations.

Jarmo Salonen {BIO 1860650 <GO>}

Thank you, Kari. And, ladies and gentlemen. we are now ready for your questions.

Questions And Answers

Operator

Thank you. (Operator Instructions) We have several of questions at this time. Our first question comes from Peter Eliot. Please ask your question.

Q - Peter Eliot {BIO 7556214 <GO>}

Thanks very much. One (inaudible), on the non-life cost ratio within the and sort of moving parts by country, Sweden and Denmark both showed a reasonably good improvement, whereas and Finland deteriorated slightly. Can I just confirm the Finland cost ratio? Would that be attributed to integration costs and the Swedish and Danish improvements, can we assume those are sustainable?

And perhaps if I could just ask quickly on the life division as well what your outlook first of all for sales is. And you mentioned as a strong performance of the Danske channel. Perhaps you could comment on what you said the outlook for the (Mandas) and life channel.

And on life earnings, I guess we've come to expect a sort of reasonable stable earnings stream for the life division, partly due to the sort of constraint of the regular and the discount rate. But and now we've got to a position where unit link reserves have overtaken the guaranteed reserves. Is there any reason we can't look forward to perhaps earnings growth going forward? And I appreciate you can't ultimately word worth the capital markets. And I'm not asking for a view on that, is that just in general terms taking that out of the equation. Thank you.

A - Unidentified Speaker

I begin with the cost ratio. Well, then and yes you're right. That's mainly integration cost. But also reflects a high level of IT activity and building a production system in Finland.

And when it comes to the part for the cost ratio I think I've said many times that this management team is strongly committed to improving the cost ratio every year by two definite points. And we don't run the Company by country. So we will continue to look at it as a group and improve the cost situation.

On life I'm not in a position to predict sales that as you are well aware of that the sales are up and divided into two parts. One is the long-term savings, which is distributed by our main partner and our wealth management team. And in long-term savings you are well aware that's that they're a fluctuation it's based on the general economic development. So I don't want to take that.

The other part of the business is pensions and they are driven mainly by tax issues. So there is always a possibility for disruptive tax development in that. However, we haven't seen any sign of that and the demand for the products have such with the present tax regime is very stable. So unless there are any regulatory or tax changes, the main pension business is stable.

The pension business, voluntary pension business is growing slightly. However, the old products are declining and we have of course said that the weak profit balance sheet is going to decline by maybe EUR50 million, EUR200 million, EUR200 million per year, which gives a capital (inaudible) of this (inaudible) per year.

On the earnings, such a big part of the earnings is based on the (wheat) profit investment income. So this is a long-term project to improve the unit link and risk products. And you saw that the expense ratio is now improving. So I have used the rule of thumb that the EUR100 million, which is 2% on the assets, is a margin which fluctuates up and down. And then 10 and 10 could be from cost rates. So an expense ratio.

And of course the management is targeting to increase the cost and expense ratio. But compared to the EUR100 million these are small numbers. This was a long answer on a small issue. But I hope it was helpful.

Q - Peter Eliot {BIO 7556214 <GO>}

Yes. Thank you.

Operator

Thanks very much. Our next question comes from the line of Hakon Fure. Please go ahead and ask your question.

Q - Hakon Fure {BIO 16623060 <GO>}

Yes. Hi guys. Good afternoon. It's Hakon Fure from DnB. I have two questions, firstly on your serves and the P&T impressions, just some clarification. This quarter you state the technical reserves in Finland are increased what EUR75 million. Then we have EUR37 million released in Sweden. But and this year you talk about a total prior and your claims for certainties of EUR56 million. Should I see all these in connection or are these separate reserve mixes?

Secondly, on your investment outlook I believe that's in Q1 you're quite positive on the value in equities. However, looking at your investment assets by the end of Q2 I can see no change in your equity exposure, hence an update on your investment outlook would be interesting. And do you still see value in equities and does the expense that change in your equity exposure there at all? Thank you.

A - Unidentified Speaker

The results first of all the discount rate change in Finland led to prior losses of EUR75 million, same type of change a new set -- a new and the reserves in Sweden were affected also directly by interest rates. And that helped us by about EUR35 million.

And then we've had a reduce of old reserves and inflation-driven reserve releases, as we often have (planes) inflation in the Nordic region is low and our reserves are assuming a slightly higher claims inflation. So the total of that was at a many euros as you mentioned.

I think the main reason you didn't see equity with being higher was that the equity values dropped in the Second Quarter. And I think that the situation today would be a little bit different.

Our (inaudible) is actually depressed and the same that the only area where we see value is in equities. But with the equity weight we have in life plus if I feel that we are neutral plus already. And we at this moment we don't have a risk appetite to increase the equity weight in our group. If equities rally we probably would give and sell all slightly. But allow the equity exposure to grow with the increase in value.

Why I am so using the word depressed is that with the huge of liquidity in the society, we -- I feel that everybody is deleveraging and you don't earn anything on cash anymore. And of course our running yields have come down almost one percentage in 12 months in our portfolios and it's clear that this running yield drop will continue maybe on the same pace or that is difficult to see, depending on the opportunities which we are offered.

However, we are depressed on this point because everything we want to invest in the allocations which are given to us are getting smaller and smaller. And our cash is growing. So we clearly have a reinvestment risk. But we are not going to lose our nerve in this. We have been in the same situation earlier and we allowed the cash to pile up and wait for something which has the right risk reward ratio with declining and running yields.

Q - Hakon Fure {BIO 16623060 <GO>}

Excellent. Thank you.

Operator

Thanks very much. Our next question comes from the line of Thomas Seidl. Please go ahead and ask your question.

Q - Thomas Seidl {BIO 17755912 <GO>}

Yes. Thank you. Good afternoon, two questions, one of the P&C side. I see that you thought of it is to all for the industrial business. I wonder if this is due to you and players entering the market, or is it just the existing players heating up competition that make you withdraw. And in which countries this is more pronounced.

And secondly, going back to the running yield and know that the P&C it seems to accelerate now. It's fall from 3.4 to 3.1 while life seems to decelerate. What is your outlook on this and shouldn't we expect given the short added duration a rather quick turnaround indicator sample?

A - Unidentified Speaker

In the industrial lines in a way there are new players in the Nordic region, especially Sweden. But we've seen this many times before. But the likes of (Acta). And Allianz and AIG. But it's early. And the (water) and right a few pieces of business we -- you or one shouldn't over and that and one shouldn't exaggerate the effect of this. The renewal rates are still extremely high. But this is not an effect in Sweden. We need to increase the rates. That has been difficult in this environment and we continue to take a firm stance on the rate increases there.

There must be a (pipe) hole somewhere because I didn't follow your reasoning on the earning yield. The running yield and if has decreased to 3.1%.

Q - Thomas Seidl {BIO 17755912 <GO>}

Yes. It has accelerated -- it has accelerated by 30 basis points. It was 20 in the previous quarter, right. And in --

A - Unidentified Speaker

You are trying to analyze how deep, how steep the decline is.

Q - Thomas Seidl {BIO 17755912 <GO>}

Yes.

A - Unidentified Speaker

Oh okay. Well I wouldn't draw too many conclusions from that because you must remember that Mandatum will also be to invest in euros, whereas if it's also exposed to and (inaudible) and (tech). And there is a difference in interest rates here.

Q - Thomas Seidl {BIO 17755912 <GO>}

Okay.

A - Unidentified Speaker

So I wouldn't analyze it that leaner. Let's see what the outcome is in the next quarter.

Q - Thomas Seidl {BIO 17755912 <GO>}

Yes. And the short iteration shouldn't in the sample should be benefiting with a quicker turnaround from your perspective?

A - Unidentified Speaker

Quickly if the interest rates would go up. And on top of that of course in Mandatum the balance sheet is actually gradually shrinking on the traditional portfolio. But in April of course the portfolio is gradually growing because we still have premium growth.

Q - Thomas Seidl {BIO 17755912 <GO>}

Yes and yes. All right, thanks a lot.

Operator

Thanks very much. Our next question comes from the line of Gianandrea Roberti of Carnegie. Go ahead and ask your question.

Q - Gianandrea Roberti {BIO 6786731 <GO>}

Yes. Good afternoon from me as well. I have three questions. The first one is on the life segment. I hear your comment regarding the free up in capital which actually I think we discussed also in the Q1 call. If I look at that ratio and that preserve there were around EUR4.4 billion at the end of '10. And they are just above EUR4 billion now. So they are down nearly 10% or something.

But when I look at your economic capital in the life insurance business, basically it doesn't change at all in the capital and tied up from economic perspective in the last two and half years. And I suppose part of it is driven by the fact that interest rates have been falling further. And but I'm not sure how to tie up these two items, the fact that the economic capital needed to run the business is basically flat with the fact that well there should be some free up in capital from that division. Am I making myself clear on this?

A - Unidentified Speaker

On the economic capital situation I don't exactly remember what the numbers were in the two and half years ago. But basically depends also on the volatility of equities plus during this period interest rates have come down quite significantly. So the actual -- the mismatch is increasing and that is consuming capital quite a lot.

Q - Gianandrea Roberti {BIO 6786731 <GO>}

Right. But so that doesn't pose you any issue with the fact that a further decline of reserves and we should see any further go down around EUR200 million. We should see around 50 of this out of the Mandatum life basically quick underwrite, right?

A - Unidentified Speaker

Yes, we can guarantee with the present allocation on investments.

Q - Gianandrea Roberti {BIO 6786731 <GO>}

Okay, yes. The second question that I have it's a non-life, perhaps for Torbjorn. I think there's quite a bit of difference between your growth and the gross premiums with and the net premiums earned in this quarter. And there was something similar in Q1 as well. I'm not sure. But it seems to me that it's mostly in this quarter it's because there is the reinsurance, the seeded item, it's somewhat smaller. But is it possible really to have an idea on your growth and then split it up between currencies and the rest, which I would think the rest is mostly price hikes, right? And there's very little of organic growth at the moment.

A - Torbjorn Magnusson {BIO 1863476 <GO>}

Trying to -- I think -- I think about how to answer this in a nontechnical way. Of course we renew between 14% and 15% of the book in the commercial and industrialized in the first of January, which means that you will never during the year have the same development of growth rates and that of that earned.

Then on reinsurance seeded we'll of course also differ between written and earned depending on when we pay, write the reinsurance. And our reinsurance programs are at present renewed on 1114 and 17. So I don't think I can be very helpful with this.

Q - Gianandrea Roberti {BIO 6786731 <GO>}

Let me put it another way, Torbjorn. If I skip -- if I leave aside the currency effect, the rest of this it's by side. So is that correctly understood?

A - Torbjorn Magnusson {BIO 1863476 <GO>}

Yes, by and large, yes.

Q - Gianandrea Roberti {BIO 6786731 <GO>}

By and large, okay. Then my last question, I know it's extremely and integrated, Peter. And my apologies for this in advance. But I noticed EUR12 million and EUR12 million like (20) and again losses from defined benefit pension plans in your -- in the comprehensive income statement. That comes 100% from Norway. Is that correct, or on the Norwegian pension liabilities of it?

A - Peter Johansson {BIO 3902189 <GO>}

That would be my guess because roughly if we look at the pensions and it's about 75% Norway, 25% Sweden. So my guess would be that it comes mainly from Norway.

Q - Gianandrea Roberti {BIO 6786731 <GO>}

But can I ask you. And in the First Quarter it was actually EUR41 million. So if I sum up the first two quarters it's more than EUR50 million. And I was looking at the -- at that item, get (inaudible) in there for the first two quarters. I'm just wondering what kind of interest rate used to do that. Is it an interest rate that you decide? I guess not. But I'm just a bit puzzled by the development of that item.

A - Peter Johansson {BIO 3902189 <GO>}

It should be a common interest rate across the market. So yes --

A - Torbjorn Magnusson {BIO 1863476 <GO>}

Kind of (backs us) but have to be the same interest for all companies.

A - Peter Johansson {BIO 3902189 <GO>}

Exactly, yes.

Q - Gianandrea Roberti {BIO 6786731 <GO>}

Sorry. Can you repeat that?

A - Torbjorn Magnusson {BIO 1863476 <GO>}

It is based on covered bonds in Norway. But it doesn't have to be the same for all corporations in Norway. And I have no idea what that (inaudible) does with it.

Q - Gianandrea Roberti {BIO 6786731 <GO>}

Fair enough. Thanks a lot, thanks.

Operator

Thanks very much. Our next question comes from Matti Ahokas . Please go ahead and ask your question.

Q - Matti Ahokas {BIO 2037723 <GO>}

Yes hi, Matti Ahokas here. Going back to the prior year gains, Torbjorn, you mentioned that this other excluding the interest rate changes in Finland and Sweden I get to figure around EUR60 million other prior year gains. That's a fairly high figure. And should we expect that this figure is kind of the new normal, or are they kind of additional like and then it's just one-off here because normally the prior year gains have been and roughly half of this.

And then if you could also shed some light and regarding the large claims, how much were they above or below normal in the Second Quarter? And finally, if I may, I noticed you've been buying some government bonds, which I find quite interesting. Which government bonds were you actually investing in and in the Second Quarter? Thanks.

A - Torbjorn Magnusson {BIO 1863476 <GO>}

Well, Martin, you didn't expect me to say yes, this is a new normal for a prior year gain, did you?

Q - Matti Ahokas {BIO 2037723 <GO>}

No.

A - Torbjorn Magnusson {BIO 1863476 <GO>}

Oh we still have an underlying difference between the reserving of 4% for claims inflation and the present claims inflation of three. And that could for instance give us a 1.5% on the combined ratio every quarter. But that's -- this would vary over time as often depending on the claims inflation going forward.

So no I wouldn't expect EUR60 million. We were lucky with some very old reserves in Finland this time which coincided with this discount rate change also in Finland. And large claims were very close to normal this first six months, which is probably why it's not mentioned in the report. It is mentioned, sorry about that.

A - Unidentified Speaker

Our stance is still the same that we don't like government bonds. However, with our excess liquidity is piling up we have had problems in finding any bank to where we can deposit that at a reasonable rate. So we have bought short-term (inaudible) from Germany, Poland and France. And the amount is roughly EUR750 million. And Peter has a closest (re-talk).

A - Peter Johansson {BIO 3902189 <GO>}

Yes. I have the exact numbers and you actually find them in the supplementary package on page 26. (Yarman) can check if I have the right, if I have all the pages on my package.

So we have in Dutch 347, France 324 and Germany 100. And then we have 15 in Sweden and 12 in Finland. But those are all bonds, older bonds. And all of these are in two, three year maturities.

Q - Matti Ahokas {BIO 2037723 <GO>}

And great. Can I just have a quick follow-up on the reserves side? Actually if you look at the government bond yields they've gone up in Finland. So I was kind of a bit puzzled as well that why did you lower the discount rate this time around because one could think that it should be the other way around. What was the reason you decided to lower the discount rate?

A - Unidentified Speaker

I think we are still quite far from 3%.

Q - Matti Ahokas {BIO 2037723 <GO>}

Okay, fair enough. Thank you.

Operator

Thanks very much. Our next question comes from the line of Blair Stewart. Please go ahead and ask your question.

Q - Blair Stewart {BIO 4191309 <GO>}

Thanks, thanks very much. Good afternoon, everyone. And I've got two questions. The first is with regards to something we've discussed before, which is the reinvestment risking is parts been already carry. But just looking at the investment mix in the P&C business and bank % and money markets, should -- is that very much temporary as your (statue) for a better home for that? Or should we think that of that as a counter balance to the 10% equity we think. And just interested in some thoughts around that.

And the second question, it wouldn't be a sample quarterly call without talking about the dividend. And I think we had a really fruitful discussion last time about internal dividends. And I'm guessing your comments on Nordea are fairly optimistic and maybe it will be that that is the source of upside surprises going forward in terms of how much there that comes into sample group.

And that being the case, if you agree with that, how would you react to that, because you said in the past that you want to have steadily increasing dividends. If there was a hike in the dividend from Nordea, would you be inclined to pass that on directly to shareholders, or would you want to maintain this? And I think you have talked about a and graphically beautiful dividend. Thank you.

A - Unidentified Speaker

I use the statement again. We like it to look beautiful. So we like dividends to increase year-on-year and you used some word in describing Nordea's dividend that if there was an unexpected or something jump in dividends. I wouldn't expect Nordea to do that if they share the same religion.

I think that they would also like to see growing dividends from here to eternity. So there really all Nordea dividends we can pass through straight to our owners. We have no need for excess capital, as you are well aware of that we are well capitalized. Then you had a question on reinvestment risk.

A - Peter Johansson {BIO 3902189 <GO>}

The money market has been growing. But we normally take the -- of course it has -- if investment assets have grown during the first half of the year bonds have been maturing and partly we have invested also in govis like we talk about. But normally then we take the dividend towards the end of the year. And that of course and hopefully reduces the cash and hopefully we find opportunities also on the bond side.

A - Kari Stadigh {BIO 1504152 <GO>}

It describes quite well the reinvestment pane that if we don't find anything that we in (tough) our risk reward criteria, then the cash is piling up. And we have had this earlier in history and we will keep our nerve here.

Q - Blair Stewart {BIO 4191309 <GO>}

Okay, thank you, Kari. And maybe just a follow-up on the Nordea point. And do you -- do you as major shareholders would you, would you measure their success in an extent to which the dividend and it improves over the next few years? Is that going to be key benchmark for you as owners?

A - Kari Stadigh {BIO 1504152 <GO>}

Well I think that we come from the world of dividend stocks. We are a dividend stock ourselves. And but I would here like to quote Christian Clausen. I think Christian is the spokesperson of Nordea and he has clearly indicated that the cash flow is very strong that it accumulates capital significantly. And he's expecting that -- he has also been expecting new decisions on there at once more (inaudible) one or risk weighted assets. So I think all that together it is a clear sign of growing the dividends. But now I want to basic and of course from him in order to be prudent in the governance.

Q - Blair Stewart {BIO 4191309 <GO>}

Fantastic. Thank you.

Operator

Thanks very much. Our next question comes from the line of Per Groenborg. Please go ahead and ask your question.

Q - Per Groenborg

Yes hello. It's Per Groenborg from Danske, two questions from me as well. The first one, Torbjorn, you addressed a little bit earlier. Your prior gains say excluding the sales or the same (inaudible) was pretty high this quarter, again and to 5.5%. You said that a significant part came from Finland. I know that your Norwegian combined ratio it's almost at 80 and you had -- there was a quite significant (floating) and in Norway. And you commented a bit on well there were extraordinary high prior gains in Norway. Well there just was a pretty fantastic result from your side compared to what a recently effect delivered.

My second question and might be a bit more philosophic, now you have know what your discount rate at 2.5% in your and not by part of your book. One other source, wouldn't it also be prudent to do the same for all years when it comes to the life part of your book?

A - Torbjorn Magnusson {BIO 1863476 <GO>}

And the gains again then not in Norway for us was 0.7 in the half year results combined ratio. That's not a big event and actually there were no other big events. There was a much more benign winter this year so I think these nat capped explanation for results in Norway is quite exaggerated with some other insurers.

Q - Per Groenborg

(inaudible) in Norway was how much?

A - Torbjorn Magnusson {BIO 1863476 <GO>}

0.7.

Q - Per Groenborg

0.7.

A - Kari Stadigh {BIO 1504152 <GO>}

Was the quarter for the half year.

A - Torbjorn Magnusson {BIO 1863476 <GO>}

The half year.

Q - Per Groenborg

For the half year.

A - Torbjorn Magnusson {BIO 1863476 <GO>}

Yes.

Q - Per Groenborg

Okay.

A - Torbjorn Magnusson {BIO 1863476 <GO>}

And for frequently in Norway it continued to be very low compared to our expectations and our pricing initiatives two years ago. So that's been helpful. At the same time we've done a lot of work on the tariffs, as I think I mentioned in the last quarter. And we see some of the effects of that. So yes we had a very good result it seems compared to the competitors that have come out with their results in Norway. And I'm pleased with that.

Q - Per Groenborg

Of course, congratulations.

A - Kari Stadigh {BIO 1504152 <GO>}

I think that our life company and as you will know we treat it more or less like a hedge fund, it's a different type of animal from the P&C operations. And we have a much higher equity weight. We have always had and we have going forward. So I think we are quite comfortable with having this rolling lowering of these constraints in the life company. We have been comfortable with having 2.5%. And now for the next year.

And if our opinion changes and we become more pessimistic or optimistic how do you treat the view of our lower interest rates, then we could add one more year to that. But I wouldn't go as far as doing it for the whole book unless the authorities open a dialogue with us and they want all our competitors to do the same. And then I would treat it differently of course.

Q - Per Groenborg

And what and it -- is it -- it is correct that on the P&C that you are the only one that are about now at lower below 3%?

A - Kari Stadigh {BIO 1504152 <GO>}

(inaudible)

Q - Per Groenborg

Sorry. I couldn't hear you.

A - Unidentified Speaker

Yes. There is one big neutral and they. So depending on who I talk with they say that they have a 2.5% discount rate or 2.1% discount rate. So I'm not quite sure which one they have.

Q - Per Groenborg

Okay.

A - Unidentified Speaker

And but also the regulator I think that there has been some talks that the regulator potentially would lower the discount rate in Finland for the P&C side. But there have been no indications on the life side.

A - Kari Stadigh {BIO 1504152 <GO>}

And if they would do it on the life side I would assume that they would give a period when you are allowed to fill the reserves. And historically many times they have given five years time to do it. So I think that we are in a way already proven the way we do it. But we are comfortable with this.

Q - Per Groenborg

Perfect.

A - Torbjorn Magnusson {BIO 1863476 <GO>}

And just to be technical of course the duration for liabilities is very different in life and non-life. So there's no reason why the rules should be in fact the same.

Operator

And thank you very much. (Operator Instructions). So there are no further questions at this time. Please continue.

A - Jarmo Salonen {BIO 1860650 <GO>}

Okay thank you, operator. Ladies and gentlemen, thank you for your attention and I wish you all a very good evening. Thank you.

Operator

That does conclude our conference for today. Thank you for participating. You may now disconnect.