ABN AMRO BANK NV

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14:00 pm CET

Coordinator: Welcome to the ABN AMRO Third Quarter Result call. At this time all participants are on listen-only mode.

Questions will be taken after the presentation. And to ask a question please press Star 1. This call is being recorded. If you have any objections you may disconnect at this time.

So I'll hand the call over to Ms. Dies Donker. Ma'am please go ahead.

Dies Donker: Thank you very much and welcome to the ABM AMRO call on the Third Quarter results. Kees van Dijkhuizen and Wietze Reehoorn will elaborate for about 20 minutes and after which we have room for Q&A.

I would like to ask you to restrict the number of questions to three for the time being. Kees over to you.

Kees van Dijkhuizen: Thank you very much Dies. Good afternoon, good morning welcome to the call. Third quarter results 2014. Wietze and I will share our views on results with you and as said after we will open the call for Q&A.

For the purpose of this call we will use the short results presentation published on our Web site this morning and the full version of this presentation will be published later today.

Before we go into the details I would like to bring to memory that we announced several changes in our business segmentation.

And in the Q3 numbers discussed today as well the historic numbers they are according to the new segmentation.

Furthermore today we announced a three to four year program to accelerate the end to end digitalization of the key customer processes in retail banking.

It enables us to better attract new clients and more client business, requires the further concentration of the branch network, and at the same time an upgrade of service and offering of remaining branch network. Investment associated to this program is approximately €150 million for the coming three years.

And I would like to go to Slide 3 which shows the Q3 result highlights. We are very pleased with the Q3 result underlying that profit came to €450 which is an increase of 56% compared to Q3 of last year which was €290.

Strong performance is driven mainly by strong NII improvements, cost control and continuation of decline in loan impairments.

Year to date we recorded an underlying result of EUR 1,151m after the deduction of EUR 201m special million special levy for the SNS Bank which is now completed and three quarters and the EUR 260m charge for the pension scheme change that was a one off in Q2 you end up at the reported profit of EUR 734m in the first nine months.

Today we also announced a EUR 125m interim dividend over the first six months of this year.

Then if we go to Slide 6 on cost income we made good progress in realizing our 2017 targets. The cost income ratio for the first nine months of 2014 was 58% compared to 61% last year.

And if we include the pro rata bank tax for 2014 cost income will be fractionally below 60% mark which is just inside the 56%- 60% 2017 target range.

Cost income ratio for Q3 of 57% was one of the lowest recorded in the last three years due to an income increase of 7% and flat costs.

In Q4 we expect to record a cost income ratio above the one of Q3 due to the recognition of the EUR 91m full year bank tax and an estimated restructuring charge of EUR 50m to EUR 75m in connection to the accelerated digitization processes in retail.

As stated in previous calls we continue to keep a firm grip on cost to make sure we reach our 2017 C-I target.

Hence we also started upgrading our core IT systems. And the business continues to focus on the efficiency improvements and client service enhancements.

And if we go to Slide 7 on ROE the nine month ROE was 11% up from almost 8% a year ago. The pro rata bank tax reduces the ROE by approximately 65 bps.

The Q3 ROE was with 12.7% one of the highest recorded in the past three years. It shows the positive developments in operating result and decline impairments linked to economic improvement especially in the Netherlands.

The charge with the four quarter moving average shows an ROE of approximately 8% which also shows that we made good progress towards our target range of 9% to 12% set for 2017.

And if we go to capital Slide 8 CET target third financial target we have is on capital. As you know our 13% CET ratio show already exceeds our target range of 11.5%, 12.5% by 2017. And on a fully loaded basis this translates into 12.9%.

Leverage ratio is currently at 3.4% phased in and 3.2% fully loaded. These ratios are calculated in accordance with EBA which does not allow netting of cash pools.

And if we go to Q3 results Slide 10 gives a brief overview of all the results. And I will go through some of them more specific.

So Slide 11 NII, NIM and volumes you see net interest income benefited from continued improvements in especially margins and lower funding cost.

NII rose by 15% on the back of root pricing affects in the mortgage and commercial loan book as well as from a decline in funding cost.

New mortgage markets - margins continue to outpace the average margin of the total book. And the same applies for mortgages originated ten years ago coming up for an interest rate reset. Savings margins also improved.

Net client lending was EUR 2.6bn up in Q3 mainly driven by our ECT activities.

Mortgage production is increasing. However voluntary repayments together with the contractual repayments exceeded the new mortgage production which causes a decline in the mortgage book of EUR 800m year to date.

Clients continue to entrust more savings to us. Deposit volumes rose across almost all businesses.

And the online brand Moneyou continues to attract new clients and new money. The brand was already active in the Netherlands, Germany, and Belgium in last quarter we also launched in Austria.

We participated in the first LTRO initiative in order to assist in supporting SME lending in the Netherland. And so far we observed that the amount for as new loans continue to decline.

However we have approved 3% more SME loans in Q3 compared to Q2. SME portfolio on balance still declines.

If we go to Slide 12 fee and other income, fee income which you can find on Slide 12 has been stable for some time.

And I stated before the impact from the abolishment of retrocession fees in the Netherlands was not material for the fees recorded in retail and private banking.

Other operating income decline compared to Q3 last year mainly from unrealized losses.

If we go to Slide 13 on expenses you can see that expenses were more or less flat compared - were exactly flat by the way compared to the same quarter of last year.

And the neutral trend and the lines are continue focus on cost control and efficiency improvements meaning that cost hikes in one area are managed through additional cost efficiencies elsewhere. The cost level in Q3 2014 is for instance more or less in line with the level of Q1 2011.

Slide 14 on impairments, Wietze will cover impairments in a minute so I will jump to Slide 15 and elaborate on the net result of the segments, the new segments.

Slide 15 the good performance of retail banking is driven by higher NII for mortgages and client deposits as well as lower impairments on both mortgages and other consumer loans.

Result of private banking benefited from a decline in impairments and to a lesser extent to an improved operating result.

Assets under manage, when the volumes in private banking benefited from acquisition of Credit Suisse private banking in Germany which was completed in Q3. Acquisition makes Bethmann Bank a private bank in Germany the third largest in the country.

Corporate banking shows mixed results both NII and fees showed healthy improvements compensating the decline in other income yet the quarterly profit halved as impairments were up by 50% mainly from the provisioning of a few larger specific (unintelligible).

Group functions recorded improved results driven amongst others by enhanced cost allocation to the business segments for general cost and cost of maintaining the liquidity buffer. Wietze will now elaborate on some risk developments.

Wietze Reehoorn: Okay.

Kees van Dijkhuizen: Thank you very much.

Wietze Reehoorn: Thank you Kees. Ladies and gentlemen good morning and good afternoon let me take you through a couple of asset quality developments start a little with the Dutch economy.

The signs on the Dutch economy continue to look positive which in time should further lower impairment levels.

However given the lumpiness of impairments in mainly medium to larger commercial loans the level of impairments is expected to remain volatile in the short term. This marks the trend of lower impairments in the longer term.

The housing market improvement in the Netherlands and the reflection there of on mortgage impairments were encouraging also in this quarter more on that matter in a minute.

The GDP started to grow show growth as of mid-2013. Several indicators for example consumer confidence and unemployment have shown an overall improvement in the past 12 months.

Today announced 0.2% GDP growth for Q3. And further decline of - in unemployment confirms that a Dutch economy is slowly recovering.

I take you for a while back to Slide 14. On the left-hand side we show a moving average of impairments. Since last quarter the trend line shows a meaningful decline.

The chart on the right side shows the impairments by products. Mortgage impairments this quarter declined to eight basis points down from 11bps in the previous quarter and 23bps Q3 a year ago.

This decline results from a smaller impaired mortgage portfolio as a result from lower inflow in and a higher outflow out of the impaired mortgage portfolio.

On commercial loans the impairment charges were almost flat compared to Q2 however increased significantly when compared to Q3 last year.

Although we see the Dutch economy performing better it is important to realize that impairment trends can easily change due to the lumpiness in impairment charges or releases of impairments on specific files in commercial and international clients. In this case in Q3 we saw new impairments on a few larger files.

Loan impairments were smaller. Commercial clients continue to decline whereas I said the larger commercial clients for now show higher impairments.

For information, the commercial clients we’re talking about here are the larger ones with turnover above EUR 30m.

In Q3 the impairments were mostly recorded in the industry sectors, industrial goods and services, retail and real estate.

Let’s move to Slide 16. It shows you that the impaired ratio has started to stabilize for most products.

In absolute terms the level of impaired total consumer loans declined slightly by EUR 41m whereas the impaired commercial loans rose by EUR 227m.

Going to Slide 17 especially on the mortgages we see past due and impaired mortgages exposures trending down. There has been a while since we saw these ratios decline.

As mentioned before the Dutch housing markets shows positive developments. The year to date number of houses sold is up plus 38%, the year to date Dutch mortgage volume is up plus 27%, house prices gained 3% in value since the low levels in June 2013.

The impairments of eight basis points this quarter is the lowest recorded in the last 14 quarters. The average loan to market value of the full market portfolio was 84% just down compared to the 85% from last quarter and equal to that of your end 2013.

Average loan to market value excluding NHG mortgages is around 80%. Bear mind that around half of these NHG guaranteed mortgages have a long term market value above 100%.

The impact from the new Dutch debt rules for mortgages is clearly visible in the new mortgage production.

Mortgages with redemption features i.e. annuity and linear account each quarter for a growing portion of the total loan book whereas the other loan types including interest only loans shows a continuous decline.

Although the portion of mortgage loans with a loan to market value above 100% steadily declines since year end by approximately EUR 1.7bn. This is the result of extra prepayments combined with slightly higher house prices.

A couple of remarks on the AQR stress test which is in the slide deck at 18. The overall conclusion from the AQR is that ABN AMRO very well. The AQR impact on CET1 was very low; negligible.

In total over 60% of risk related assets was reviewed. Portfolios covered in the AQR included amongst others the residential real estate which is our mortgage book, real estate related files (our commercial real estate), small SMEs, and larger SMEs, shipping and large corporates.

In the results we see proof of being generally conservatively provisioned. Our compliance with existing IFRS and EBA rules therefore means that there are and will be no impairment adjustments in the P&L resulting from the recent AQR exercise.

Both the stress test scenarios were completed within significant distance to the hurdles. The stress test results confirm that ABM AMRO is well-capitalized, has sufficient buffers to absorb losses and economic shocks.

We are not required to take additional capital measures. We aim to maintain strong capital ratios even under stress as part of our modest risk profile.

Looking at the list of results for all banks we can state that we have a very limited exposure to those banks that failed the stress test.

Let me wrap up before we open the call. We are pleased with the Q3 results. We are well on track to meet our strategic ambitions and to our ‘17 targets.

We comfortably passed the AQR and stress test. Retail banking is going to enhance the digital customer experience which requires an additional investment of EUR 150m and likely causes a further reduction of 650 to 1000 FTEs.

A quick word on the IPO, our preparations are on track and there is not much to add except for the fact that of course the very good outcome of AQR for ABN AMRO support those preparations. Operator can you open the call for questions?

Coordinator: Yes thank you. We will now begin the question and answer session. If you would like to ask a question please press Star 1 and record your name and company name when prompted.

To cancel press Star 2. One moment please while we wait for the first question. All right thank you. Our first question comes from Matthias de Witt of KBC Securities. Sir your line is now open.

Matthias de Witt: Yes. Good afternoon and thank you for taking my question. Just a first question on the digitalization and branch network restructuring you announced this morning.

Could you provide some color on the cost savings you expect to realize thanks to these measures? And then secondly on the impairment outlook you're guiding for higher impairments in the fourth quarter.

I guess this is just a seasonal increase you would expect or what are the drivers here? And then looking forward to '15 and beyond what's the sort of normalized level of impairments you should expect?

And then lastly on the Basel III leverage ratio dropped 40 basis points quarter on quarter I guess it's purely linked to the new EBA definition.

Could you confirm this? And also provide some yes some your view on whether there is room to optimize the balance sheet in an attempt to improve the leverage ratio going forward? Thank you.

Kees van Dijkhuizen: Thank you very much. I'll start with your first question and Wietze on impairments and I can say something on leverage ratio.

Well we do not have exactly a cost result of the operation I said it will be around 650 to 1000 people which of course is clear that this will lower cost but it's not from that angle that we started this discussion.

However of course there will be a cost savings. We well be more clear about that say next year. We want to inform all the people next year who will be affected by this operation.

And then we can also give the results and cost but you can easily make calculations of course that it will be well we think on average it will be around EUR 50m or something like that.

With respect to impairments spreads Wietze you can say something on that?

Wietze Reehoorn: Sure Kees thank you. Yes the outlook for this year we've said that for the whole year we expect impairments to be lower than last year.

Clearly the current impairment number in Q3 will not be the same as in anticipated in Q4. So Q4 will be higher however lower than last year Q4.

Why do we expect it will be higher that's more on the commercial loan book side. We still have our financial recovery restructuring department quite heavily working on a number of workouts or we expect actually in Q4 somewhat more impairments there.

Your question as to the normalized cost of risk or impairment number very difficult to give because I mean we are not in a normalized world.

It's far from normal all the circumstances in terms of the economy, low interest rates, a very lengthy crisis.

A way to look at it actually if you look back in the year 2011 this bank reported EUR 900m impairments last year it was EUR 1.7bn. Now it will be lower.

Well we expect actually if the recovery of the Dutch economy and as you know we are pretty geared to the Dutch economy with our loan book if it will continue to recover we do expect of course that impairments will be to when normalized levels.

And the last word about this the trend which we clearly see in terms of consumer and mortgage impairments which is trending down that we also think will continue to be the case for the next year.

Kees van Dijkhuizen: Then your third question on leverage ratio indeed has to do with the 40 bps you mentioned. Thirty to 40 bps is indeed related to the new EBA definition regarding netting which is allowed in IFRS terms what we expect it to be allowed but going forward in the leverage ratio definition.

Yes we think that we can further optimize balance sheet in that respect. For instance we have a cash pooling product which we want to optimize and we are already talking with clients on this.

Secondly of course when AT1 is possible to do in a fiscal in the fiscal structure and the parliament has approved it that is also a possibility of course going forward.

And finally of course the profit we do not dividend out is also of course an element which will improve the leverage ratio going forward.

Matthias de Witt: Okay thanks. And if I could just follow up on the AT1, how much could you theoretically raise? I'm asking this because some regulators like in the UK intend to cap the amount of AT1 in the leverage calculation. So I'm not sure whether that will be the case in the Netherlands as well? Thank you.

Erik Bosmans: So far there is no cap bounds. So basically what we would like to do is if at all fill the 1.5% bucket which is currently the one you can fill.

But a lot will depend on the outcome which is going to take place this weekend in Brisbane. And other than that I think I'll leave it with this.

Matthias de Witt: Okay thank you.

Kees van Dijkhuizen: That was Erik Bosmans...

Wietze Reehoorn: Sorry.

Kees van Dijkhuizen: ... our treasure.

Coordinator: Yes.

Matthias de Witt: Thank you.

Coordinator: Thank you. Yes thank you next from Cor Kluis of Rabobank. Your line is now open.

Cor Kluis Good afternoon. Cor Kluis. Rabobank. I've got a few questions, first of all concerning the retail operations.

You saw the risk rated assets going up there from EUR 35bn to EUR 37.5bn. It seems that you have been increasing the risk rating on your mortgages somewhat. What is at this moment the risk weighting on your Dutch mortgages? That's my first question.

Second question is in the group functions. We saw great improvement of the net interest income on there. And you mentioned the press release that it's largely due to improved ALM mismatch and active duration management.

However I saw that the duration only went out from 3.9 to 4.0 years. What exactly happened there?

And can we work with this positive net interest income in the group functions going forward or is this something we have to take into account?

And my last question is about the funding value adjustments that you mentioned that it was EUR -44m.

Could you explain what is exactly is and how we have to look at this line going forward? That were my three questions.

Kees van Dijkhuizen: I will start with with your question around the risk rate on the Dutch mortgage book. Indeed in the retail segment it went up.

The risk rate for our Dutch mortgage book is 13.9%. It's combined risk rate for a total book so it's including NHG loans. The NHG loans are around 25% of our book. And naturally those loans have a lower risk weight.

The reason for this increase is in review and refinement of risk parameters. And then you should think of some other impaired mortgages and some lower Q rates which have played in rolling to this.

Cor Kluis: Yes. Okay.

Erik Bosmans: Then on the group functions and your question on the active steering of the duration it's not necessarily the direction which is the active part.

The active part is more on how to let's say steer your duration between predefined limits when steering up and when staring down.

So it's a kind of yes buy-and-hold of receiver and payer positions and selling them when we feel it's appropriate.

And by doing this steering the curve upwards or downwards. So the natural strength of the balance sheet is downward. So basically we steer up because we think that's the best thing to do in the current interest rate environment.

But when you steer up you do not necessarily need to do this in one shot you can also do this in a few steps. And that's what we call active steering. And by doing this we gain some extra NIM.

Cor Kluis: Okay.

Kees van Dijkhuizen: And yes and NIM is this also related especially also when you compare with Q3 of last year which it is also mentioned with that we allocate more liquidity cost of liquidity buffer to the business.

I think that's a second element which is by the way structure one. So I think that's a second element I would like to mention here.

With respect to these funding value adjustment that relates well let's new IFRS well it's not new IFRS actually but it's now being implemented by most banks these days or will be implemented in Q4.

We now did it in already in Q3. It's related to uncollateralized derivatives. When they have a negative position we have to post collateral. And the funding cost for that is now included. And the effect you see is a large fact of EUR 44m which of course is one off - well it's yes - it's a one off related to the position we have right now.

Of course there will be movements going forward but not - we don't expect them of course to be of the magnitude which you have seen here in this quarter.

Cor Kluis: Okay, okay.

Kees van Dijkhuizen: And finally of course it goes it's a timing it's a fair-value timing position so of course it pulled apart to zero in the end.

Cor Kluis: Yes, yes okay sounded clear. Thanks.

Coordinator: Thank you. Next from Benoit Petrarque of Kepler. Your line is now open.

Benoit Petrarque: Yes. Good afternoon. Thanks for taking my question. Yes actually three questions on my side the first one will be on the ECT business.

We've seen a pretty big fall of the energy and commodity prices. Could you run us through your sensitivity to lever energy and commodity prices, you know, in terms of volumes?

But maybe more important, you know, what do you, you know, could you just help us to understand or it will actually work in terms of cost of freeze going forward if like old price to very low and, you know, could even potentially go lower.

And then the second question will be on the cost of risk commercial clients (unintelligible) for commercial clients that almost 300 bps this quarter I think it's 100 bps on international clients.

What type of cross cycle cost of risk would you expect for these businesses? We get new reporting so it's very hard to see kind of what has been the long term or longer term across the cycle average on the businesses. And also I'm asking because peers are showing much lower figures on cost of risk for this segment.

And then maybe the last question will be on the DGS and the European resolution fund. How much charge are you expecting from next year from DGS and the resolution fund please? Thank you very much.

Wietze Reehoorn: Let me start to answer the questions on the ECT book also in relation to your question to price sensitivity in the commercial clients.

Of course the risk and Kees probably you could answer the third one. Your first question is an interesting one. We could debate it for one hour but we should not do that.

I mean if you look to our loan book in ECT that is half of that is commodities and the other half is transportation which is mainly shipping offshore, et cetera and we have a bucket of energy.

The prices of oil and commodities have gone down. Normally that would mean that let's say the lines we have opened for those clients are used less.

So it is not a matter of cost of risk lower or higher it's simply a utilization of lines which has an impact of the price changes.

Bear in mind that we deal a lot with companies also within the commodities area who themselves hatch their position in terms of price risk so that's not the risk we are running there. I think it's important to mention.

And I said again to avoid any misunderstanding we are not in the commodities trading but we are in the lending business to commodity traders. And that's a big difference I think.

Your question as to the sort of cycle the normalized cost of risk for commercial clients well as said again we are not in an normalized situation so we have to see how that will look.

And going forward we will I think be better in focusing on what would be there the right for the cycle cost of risk.

Of course the risk I think you're right that if you look to the current levels commercial clients ABN AMRO compared to peers for example ING is high.

But bear in mind that you should divide between the Netherlands book and abroad. And as you know we are pretty geared to the Dutch economy where especially also the SME has suffered largely from the crisis.

And I said again we do see now the first signs of recovery but we'll have to see how that plays out. Kees probably for you the third question?

Kees van Dijkhuizen: Yes fine. The European deposit guarantee scheme European and the resolution European resolution scheme well we do not know exactly yet the amounts but rough roughly I would say EUR150-200m it depends a bit on the post guarantee if it starts 1 July but also about if there's tax deductibility of these items or not.

And of course the final calculation resolution scheme also has to be calculated here. But very roughly this is the effect.

And then debt of course next year is of course around 2% of cost income. So that is - and it's a structural one. So we will not eliminate it like SNS levy this year of the €200 million. So we will take it into the structural items like banking tax. So that indeed is a well a serious amount of money to be paid from next year onwards yes.

Benoit Petrarque: Just to come back on the ECT question, so you will - cannot expect lower volumes but stable cost of risk - does not impact cost of risk but that will probably impact volumes going forward the lower...

Wietze Reehoorn: Yes, yes as said again the fluctuations in itself will not have an impact of cost of risk. So that is not what we have as an outlook there.

Benoit Petrarque: Okay thank you.

Wietze Reehoorn: Welcome.

Coordinator: Thank you. Next from Albert Ploeg of ING. Your line is now open.

Albert Ploeg: Yes hi is Albert from ING. Yes two questions from my side the first one is capital related. You - yes you already flagged yourself the interim dividend that you've paid.

And if I look at a capital position your fully loaded T-1 ratios already north of your targets I know there's some constraint with all the new regulations still on leverage potentially.

But how should I link basically the leverage ratio discussion which are capital targets and how I should look at your capital basis because it seems that in a way you're over capitalized at least on a common equity ratio is my first question?

And the second one is yes on the newer disclosure, you know, which is quite helpful of course also leads to some questions.

One is on the disclosure of the capital markets solutions segment. Yes what I basically noticed there that especially the other income line has come down by 60% year to date and also quite lower in the third quarter which also resulted in a small operating loss underlying.

How should I look at this segment? And is there anything still what you could qualify as one off or should we expect at least some modest losses on a quarterly basis going forward for several more quarters? Thank you.

Wietze Reehoorn: Well thank you very much for questionings - for the questions. With respect to capital I think we as I think also other banks are waiting discussions like this weekend in Brisbane on TLAC before we are going to well make kind of well optimize our capital position actually with respect to all the items quarter 1 AT1, and tier 2 and perhaps unsecured with a special clause because that's not all clear yet.

However we think we will end up somewhere between 20-25%. We have a good starting position with 18 plus already. So that's good.

Albert Ploeg: Yes.

Wietze Reehoorn: But as said we will await that before we - well before we will come back on this item to get more clarity on that. So I hope you understand that one.

Thanks for being positive about new disclosure. We have last week we gave the figures on 2013 and 2014 comparables.

And indeed we will by the way also give history to 2012 with the Q4 results. And especially I think more disclosure is now given in the area of corporate banking because there were always a lot of questions about the commercial and merchant banking. And we always had to explain a lot there.

So I think now what you can see is indeed commercial clients, international clients and then the capital market solutions.

Yes with respect to the remark you made on the other income decline the fair value adjustment minus EUR 44m is in capital market solutions. So it's not in treasury or so it's not in group functions which you might perhaps think but it's here.

And that's the EUR 44m which means that the EUR 47m decline of other operating income from Q3 2014 to Q3 2013, is related well more or less fully related through this funding value adjustment...

Albert Ploeg: No that's very helpful.

Kees van Dijkhuizen: ...which also means going forward that of course this item will be higher on average of course going forward from Q4 onwards.

Albert Ploeg: Okay thank you very much.

Coordinator: Thank you. Next from Lee Street your line is now open.

Lee Street: Hello. Thanks for taking my question, two for me. Firstly can you just give a bit of color on where you expect your leverage ratio requirements to ultimately end up? And secondly just in relation to the last question on TLAC you referred to ending up at 20-25%.

Is that just - is that because you expect TLAC to spread to the Dutch market or just because you don't expect to be at the match what the larger G-SIBs are actually having to apply? That's the two for me. Thank you.

Kees van Dijkhuizen: Leverage ratio officially 3% in the Netherlands discussion about 4%. However we notice also in Europe that there is a lot of discussion about this 4%.

But we are above the 3%. But as said we will also look at improvements in the direction of 4% going forward because that is something we expect the market might go in that direction.

But as said not clear and we understood also from the position of our Minister of Finance, Minister Dijsselbloem that he would like to have this 4% in a European context. So that makes it level with other countries.

TLAC the figure I mentioned is indeed a kind of forecast prediction including buffers which will be for everybody then and also for us.

So not specific for of course for G-SIBs in principle but we expect it more or less that also D-SIBs will also be influenced by this TLAC discussion.

Lee Street: Okay. Thank you very much. That's very clear.

Coordinator: Thank you. Once again to ask a question please press Star 1 and record your name and company name when prompted.

To cancel press Star 2. One moment please while we wait for the next question. Once again that is Star 1 to ask a question.

Coordinator: No questions from queue at this time.

Kees van Dijkhuizen: There are no questions. Well then I think we will close the call. I would like to thank you all on behalf of us here for being there. And well hope to speak to you on the Q4 figures. Thank you very much.

Coordinator: Thank you. That concludes today's conference. You may now disconnect.

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