PZU Group's Financial Results

in 4Q19

Warsaw, 12 March 2020

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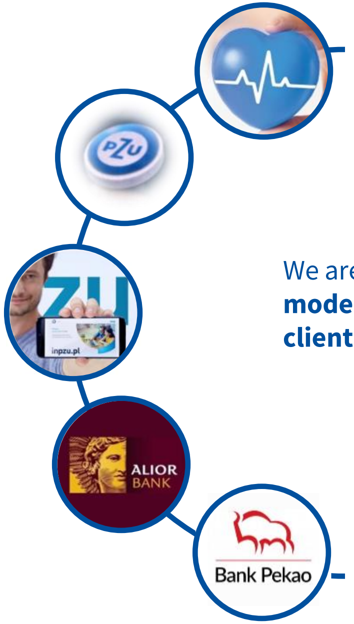
1. PZU Group’s main accomplishments

Business development

Record-breaking sales – more than 24 bn PLN of premium in 2019

- **Acceleration of the pace of growth of gross written premium** and earned premium in 4Q19 versus the beginning of the year (growth rate of GWP at 7.7% and of NEP at 4.2%)
- Dynamic growth of **non-motor insurance** sales: **30%** y/y in 4Q19 reflecting PZU's strong competitive position and robust economic conditions
- Increase of gross written premium in **life insurance at 7% y/y in 4Q19 on a shrinking market** in Poland – the **fastest rate since early 2018** despite market conditions that are not conducive to unit-linked business
- Rapid growth of gross written premium in **individual life insurance in Poland**: **37%** y/y in 4Q19 – substantially stronger than at the outset of the year
- PZU Zdrowie's revenues up **47%** y/y in 2019[1)]
- **Strong entry of PZU's into diagnostic services** : acquisition of a company doing business as Tomma Diagnostyka Obrazowa in December 2019 – a network of 35 diagnostic centers located across Poland
- Record-breaking gross written premium on **foreign operations** – increase of 11% y/y in 2019
- Further strengthening of collaboration with banks leading to nearly **doubling the growth of new sales of life protection insurance in bancassurance**



We are developing our **health business**

We are implementing **modern products aligned to client needs**

We are strengthening our **collaboration with banks in the PZU Group**

1) *Data presented for the centers for the period from the beginning of the year regardless of the time of acquisition*

Financial results

3.3 bn PLN in net profit - best result in PZU's history on the stock exchange

- Result for the full year of 2019 at the level of **3,295 m PLN, highest since 2010,** growing y/y despite incomparable conditions (rising price pressure, costs of the Bank Guarantee Fund, legislative changes (CJEU among others), materially worse weather conditions)
- **The best fourth quarter in PZU's history on the stock exchange and the** quarter with the highest net result in 2019 and the fourth best quarter **(935 m PLN** - significant improvement versus the average of 787 m PLN in the early part of the year)
- Very high profitability in the non-life segment in Poland – low combined ratio: **88.4**% in 2019 and **84.9%** in 4Q19 – in both cases it is at a better level than posited in the strategy despite the higher loss ratio
- Operating margin in group and individually continued insurance at **21.3%** in 2019 and 4Q19 – above strategic levels
- Very robust investment performance surpassing our strategic ambitions: the yield on the main portfolio **2.5 p.p. above the risk-free rate year** to date and **2.7 p.p.** in 4Q19 while maintaining the portfolio's safe structure
- Costs under strict control; despite pressure to raise wages the cost ratio was **6.8%** in 2019 – in line with the strategy
- ROE of **23.7%** in 4Q19 and **21.2%** in the full year of 2019

ROE
23.7%[3] in 4Q19 **21.2%**[4] in 2019
(versus 22.1%[4] in 2018)

GWP
24.2 bn PLN
(versus 23.5 in 2018)

Net result
3,295 m PLN
(versus 3,213 m PLN in 2018)

Operating margin[1]
21.3%
(versus 22.1% in 2018)

Combined ratio[2]
88.4%
(versus 86.6% in 2018)

1) Year to date margin for the group and individually continued insurance segment net of the conversion effect
2) Non-life insurance in the PZU Group (Poland)
3) Annualized for 4Q19, for the parent company
4) For the full year, for the parent company

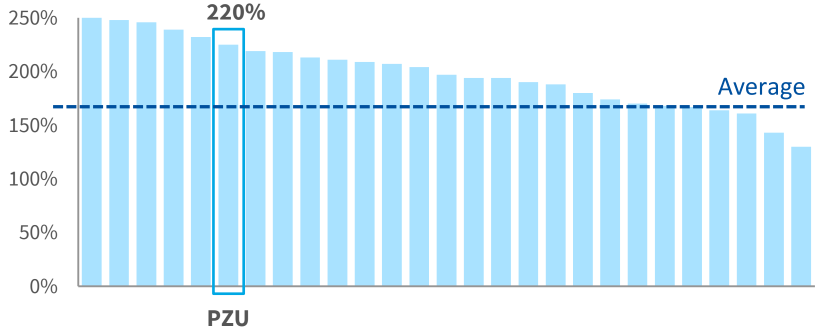
Capital

Solvency II ratio of 220% – business safety

- Affirmation of S&P's rating of **A-** and **positive** outlook, with a capital strength rating of **AAA**
- Dividend paid of by the Shareholder Meeting of **2.80 PLN** per share (75% of consolidated net profit, 89% of standalone profit, dividend yield of **7.0%**[1])
- Solvency at a stable level despite expanding business size and the pro rata recognition of the 2019 dividend, the SII ratio at the end of 3Q19 was **220%**[2]
- Debt stated as a percentage of the funding mix trended downward - redemption of bonds with a nominal value of EUR 850 million in 2019
- **Diversification of the investment portfolio**, especially by augmenting the share of portfolios securing a high level of profitability faced with the low level of market interest rates, including in particular corporate debt with an investment-grade rating coupled with the simultaneous limitation of risk on quoted shares due to gradual reduction in the portfolios.

Solvency II ratio for insurers in Europe

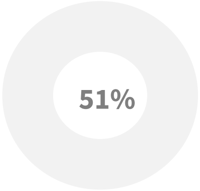
As at 30 September 2019 the future dividend was subtracted from own funds, the adjustment constitutes 80% of the consolidated net result attributed to the parent company's shareholders for the first 3 quarters of 2019. Its level was set at a prudent level from the viewpoint of calculating solvency at the upper limit specified in the PZU Group's Capital and Dividend Policy and giving consideration to the Polish FSA's recommendation concerning the distribution of the standalone result.



1) Closing price on 12 August 2019, price before the ex-dividend date
2) Unaudited data

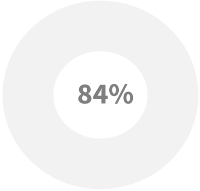
Employee engagement in PZU

Engagement result



+11 p.p.
vs. 2018

Participation



+11 p.p.
vs. 2018

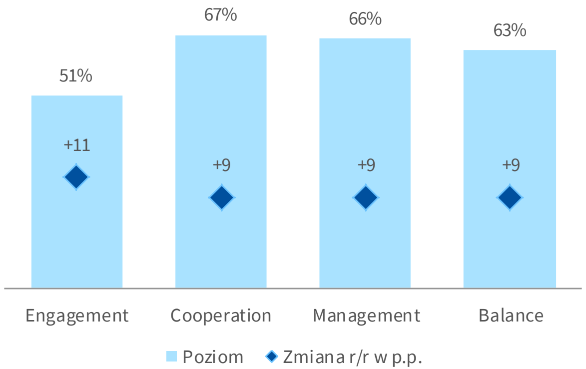
KINCENTRIC Best Employers

Kincentric is the leader in employee research, building engagement and positive experience in the working environment

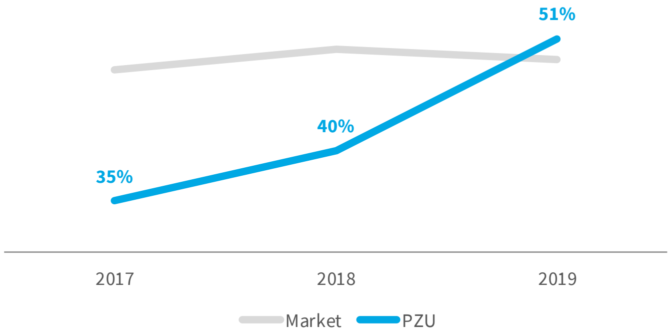
AIESEC

PZU in the top ten best employers in an independent research „Employer of the Year" carried out by AIESEC Polska for 28 years

The areas with best perception by the employees and their changes y/y

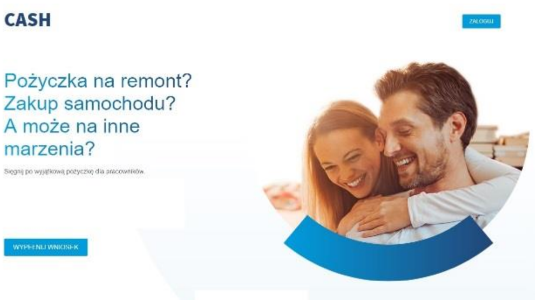


Changes in engagement level vs. the market



Digital transformation (1/3)

Innovation creates new value for PZU Group's clients ...



#my PZU

Most developed platform available on the insurance, financial and health markets. Modern self-service offers a single location to access PZU Group's products and services and helps in the handling of numerous matters without the need to visit a branch or call a hotline. It is accessible from any location and at any time on personal computers and through the myPZU mobile app.
In 2019 this service was integrated with the **inPZU** platform enabling customers to invest on their own in the passive funds that are new to the Polish market.

Cash

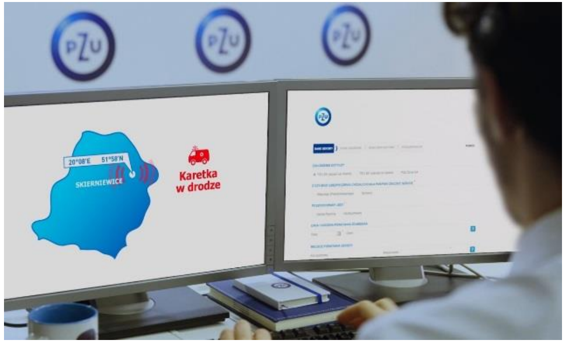
The Cash Platform is a one-of-a-kind offer for employers who would like to give their employees additional non-wage-related benefits and for employees who gain rapid access to money from a trusted institution. It is an example of successful synergy and the utilization of the strong suits of companies operating in the PZU Group. The Cash Platform is an innovative solution not only in technical terms. It also marks a unique approach to the distribution of bank products.

RPA – robotic proces automation

Robots are helping PZU's employees handle mass claims and pay out advances to injured parties with lightning quick speed, migrate data between information systems and execute some of the additional payments. To date RPA processes have been instilled in 5 business areas performing roughly 250 thousand operations a month. Their use has enabled us, among others, to shorten the time to handle client notifications, speed up the performance of repetitive tasks and augment data quality.

Digital transformation (2/3)

... caring for their life and health



PZU GO

PZU GO is a small electronic device which looks like a sticker and it is adhered to the car's windshield. It connects to the PZU GO app in a smartphone through Bluetooth and when it detects a large g-force that may suggest an accident, it alarms PZU's operating center. At the same time, it transmits information concerning the vehicle's location. A PZU consultant immediately calls the client to check whether assistance is needed, and if the client does not pickup, the consultant summons rescue services.

Telemedicine Office

Poland's first telemedicine office. Using the telemedicine apparatus including a video link a patient may consult his or her results with a physician. Patients have intuitive telemedicine equipment at their disposal: a digital stethoscope, an ECG, a camera to check the throat, ears and skin, a blood pressure monitor, a pulse oximeter and a thermometer. Patients receive immediate information concerning their state of health and further advise.

Band of life

"Band of life" is a small electronic device, which monitors the basic vital parameters of patients and alerts medical personnel of any emergencies. This system consists of a mobile monitoring station, the electronic bands worn by patients and transmitter infrastructure. During a situation necessitating medical intervention, paramedics receive precise location data from this device making it easier to locate the patient.

Digital transformation (3/3)

PZU Ready for Start-ups

Enterprise Forum
Central & Eastern Europe

8 pilot projects with startups launched during two rounds of cooperation with the MIT Enterprise Forum CEE in 2019

300 applications from startups analyzed

20 mentors from PZU involved in the program – managers for the most part

Innovation Lab

1,500-2,000 innovative ideas analyzed annually

12-15 pilot projects

Awards and distinctions

Efma & Accenture Insurance Awards 2019

workforce transformation
Robotic Process Automation
core insurance transformation
moje.pzu

Digital Excellence Awards
moje.pzu

InsurTech Award 2019
PZU GO

Gazeta Bankowa award for **AI in claims handling** and **PZU GO**

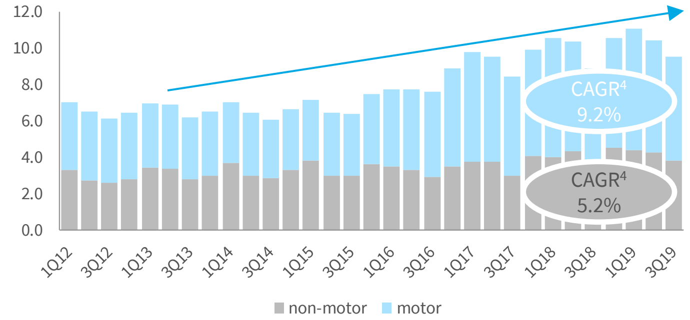
Gazeta Ubezpieczniowa award for the **Band of Life**

2. Business development


Client
Non-life
Life
Health
Financial
Assistance
Assistance
Assistance
Assistance

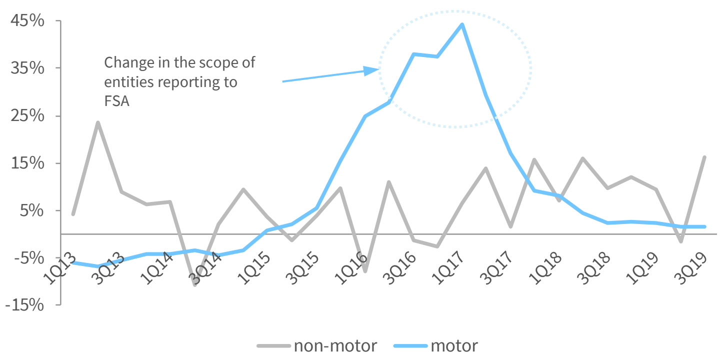
Non-life insurance (1): Non-life insurance market in Poland

Gross written premium (bn PLN)

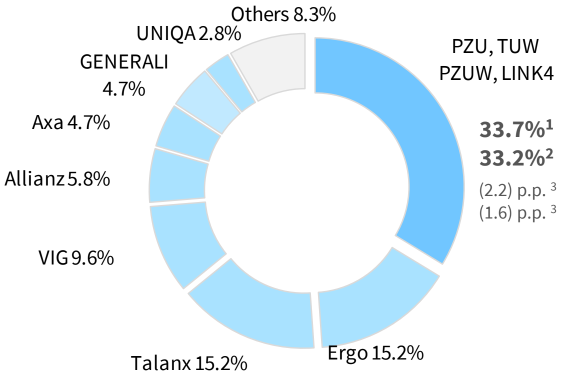


- **16%** growth **in the non-motor insurance market in 3Q19 (versus 21%**[5] **for the PZU Group)**
- Rate of growth of premium in **motor insurance** was **1.6%** y/y in 3Q19
- Third quarter of further decline y/y in gross written premium in motor TPL insurance (direct activity)
- **The PZU Group's market share in non-life insurance** (direct business) at the end of 3Q19 was **33.2%**
- PZU Group's high percentage of the overall market's technical result at **48.0%**[1]

Growth rate of the quarterly gross written premium y/y



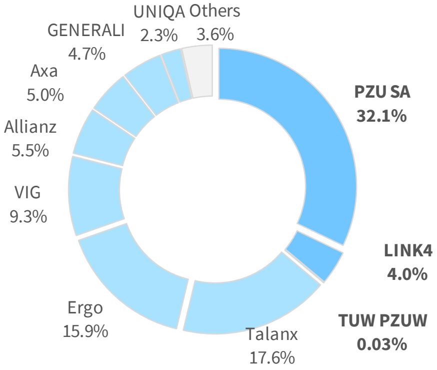
Market shares[1]



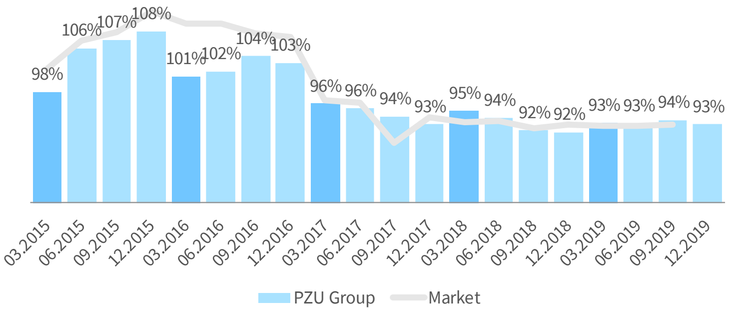
1. according to the Polish FSA's report for 3Q19; the market and market shares including PZU's inward reinsurance from LINK4 and TUW PZUW
2. PZU Group's market share in non-life insurance on direct business after 3Q19
3. movement in market share y/y on PZU's inward reinsurance from LINK4 and TUW PZUW and direct activity, respectively.
4. calculated from 3Q13 to 3Q19
5. External gross written premium

Non-life insurance (2): Motor insurance

PZU Group's motor insurance market share[1] (Poland)



PZU Group's combined ratio (COR[2]) in motor insurance and the market[3] (Poland)

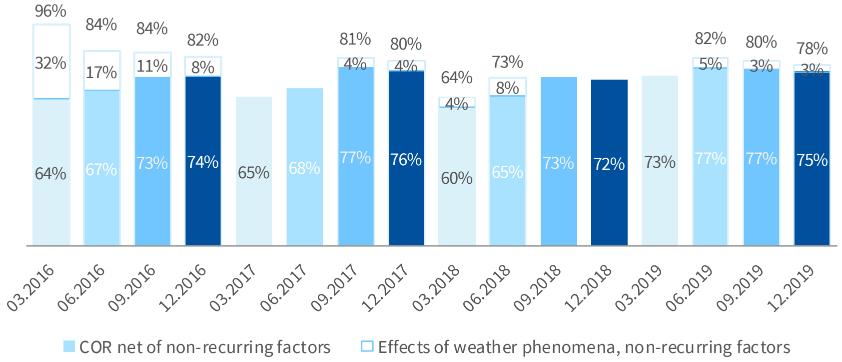


1) According to the Polish FSA's report for 3Q19; shares of total gross written premiumej (direct activity net of intragroup transactions)
2) Year to date
3) According to the Polish FSA's 3Q19 report

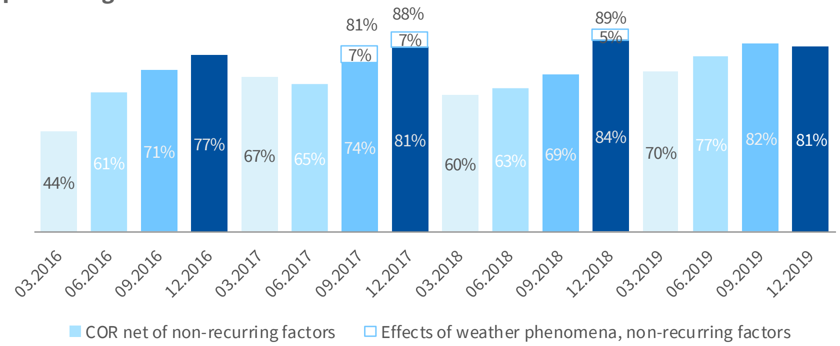
- Persistently strong market position **in motor insurance** with a market share of **36.1%** at the end of the first three quarters of 2019
- **Slowdown** in the growth rate of gross written premium **on the motor insurance market**, including the **first deterioration since 2015 in the motor TPL** insurance sales result
- Based on behavioral analysis of competitors, **4Q19 saw gradual stabilization and a small rebound of prices** in motor TPL insurance, **which coupled with higher** claims handling expenses and acquisition expenses signifies that the appetite for price competition is steadily subsiding and **may mark the beginning of a new trend**
- **Further consolidation of third-party distribution networks** has been observed, including Unilink's acquisition of Consultia, thereby **contributing** to a significant degree to **higher acquisition expenses** among **firms that do not have their own structures, exacerbating the decline in profitability** in this product line
- **PZU has maintained a high level of underwriting profitability** (incl. motor business) coupled with a **high market share** thanks to its strong brand, its own effective channels of distribution and the scale of its operations (combined ratio in motor insurance in PZU Group at 92.9% in 2019)
- Further **improvement of the offer including the client's long-term value** (CLTV) using the support offered by sales tools (incidental discounts, programs to activate the sales network and portfolio succession) to **align the offer to the client's risk to the greatest extent possible**

Non-life insurance (3): Non-motor insurance

Combined ratio (COR[1]) in PZU Group's non-motor insurance mass segment



Combined ratio (COR[1]) in PZU Group's non-motor insurance corporate segment



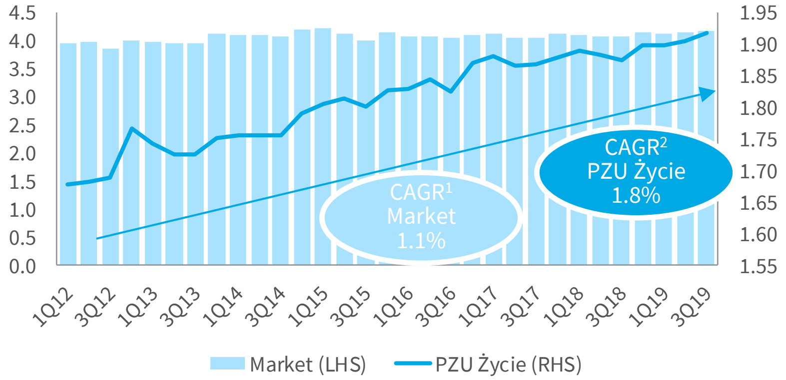
1) Year to date

- **Mass segment:**
  - sustaining high profitability despite the occurrence of numerous claims caused by atmospheric phenomena
- **Corporate segment:**
  - low combined ratio in line with our targets
  - higher number of claims with a higher unit value on average
  - **crafting innovative tariff-setting solutions** based on the portfolio's claim history in a given industry translating into its **offer being better fitted to client risk**

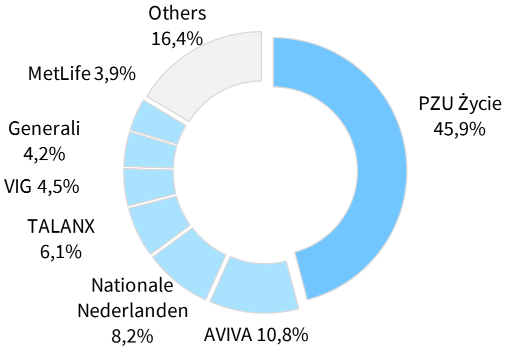

Client
Non-life
Life
Health
Financial
Assistance
Assistance
Assistance
Assistance

Life insurance (1): Life insurance market

Gross periodic premium, quarterly (bn PLN)



Market shares in periodic premium in 3Qs19



Life insurance market

- **Higher sales in PZU Życie** year to date of 2.5% versus the **market's negative rate of growth in gross written premium** (-3.1% y/y)
- **Increase in the market share held by PZU Życie by 2.2 p.p. y/y to 39.9%** in total gross written premium at the end of 3Q19

Insurance with a periodic premium:

- **PZU's key market share of periodic premium stayed high at 45.9% at the end of 3Q19**, also for protection contracts (class I of life insurance); its market share was **62.4%**

Group insurance:

- PZU Życie's premium in **group insurance up 34 m PLN y/y** (at the end of 3Q, year to date) while the **overall market rose 86 m PLN y/y**
- **PZU is the leader in APE growth (+27 m PLN y/y)** in employee group insurance with a periodic premium at the end of 3Q19, net of the products in Class 3[3]

Individual insurance:

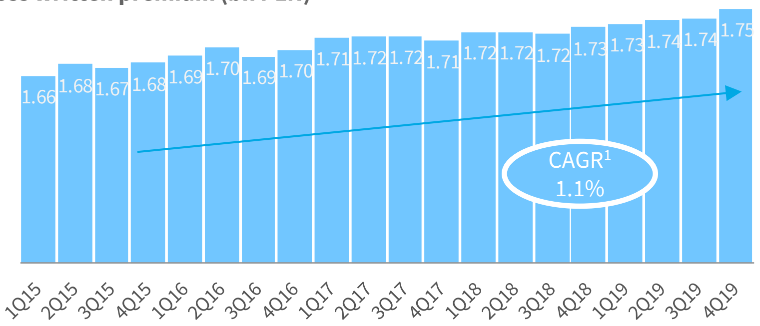
- Individual insurance continues to see PZU taking up market share while the market shrinks (**26.4%** versus 24.9% y/y at the end of 3Q19)
- PZU is the APE leader **with growth of 29 m PLN y/y** at the end of 3Q19 while the overall market rose 35 m PLN
- Individual insurance with a periodic premium – PZU is growing more y/y than the market (+26% versus +17%)

The **profitability of the technical result** at PZU Życie at the end of 3Q19 is higher than the average for the competition – 21.0% versus 13.0%; the share held by PZU Życie of the sector's overall technical result topped 50%

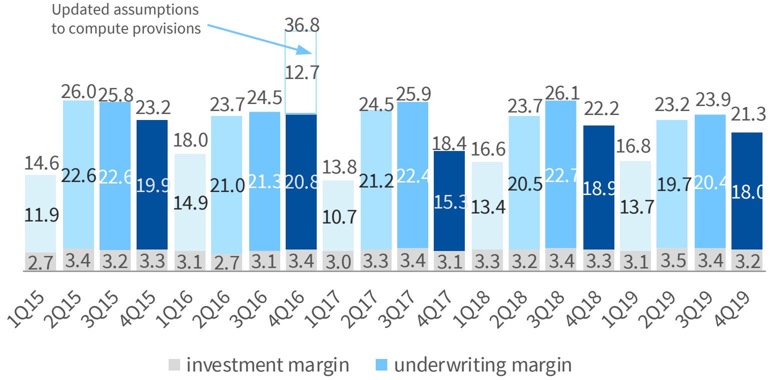
1) For the market, gross periodic premium 3Q19 to 3Q12
2) For PZU Życie, gross periodic premium 3Q19 to 3Q12
3) Class 3 - unit-linked life insurance

Life (2): Group and individually continued insurance

Gross written premium (bn PLN)



Margin (%)

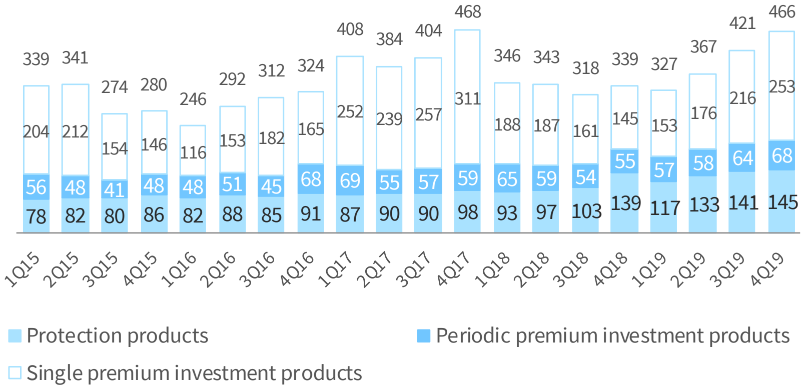


- **The expanding health insurance portfolio**, including a new rider to continued insurance launched under the name "PZU Uraz ortopedyczny [PZU orthopedic injury]" that has enjoyed a great reception from clients. At the end of December 2019, PZU Życie had **more than 2.1 million health contracts in force** in its portfolio
- Steadily rising sales of **new individual continuation riders** for heart attacks / strokes and accidents marketing in the last 12 months
- The fourth quarter of every year features a higher than average level of contributions to Employee Pension Schemes
- Lessening the pressure on the premium growth rate making it possible to **control the loss ratio** of group protection products
- The margin in 4Q of 21.3%, down 0.9 p.p. y/y is consistent with seasonal distribution, chiefly due to higher operating expenses, lower loss ratio y/y
- Margin decline of 2.6 p.p. q/q also due to the seasonal upswing in operating expenses and additionally the growth in technical provisions in individual continuation, which was higher than one quarter ago. These effects were partially offset by the lower loss ratio on some risks, including childbirth

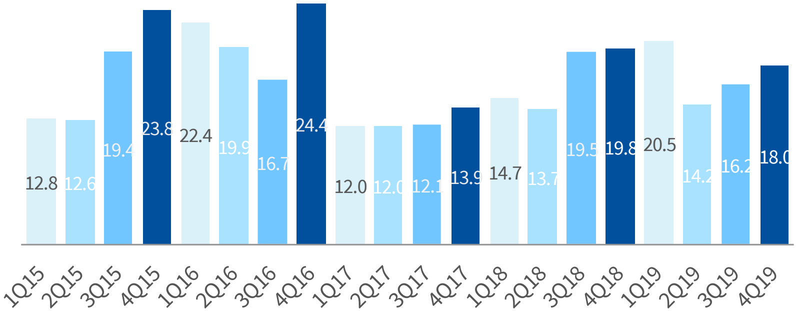
1) 4Q19 to 4Q15

Life (3): Individual insurance

Gross written premium (m PLN)



Margin (%)



- **Record-breaking sales of individual protection products** (145 m PLN).
- Constantly rising **periodic** premium level in **protection products**, also thanks to modifications to the distribution network
- Ongoing development of **cooperation** launched in the latter half of 2018 **with Alior Bank and Bank Pekao** to offer single premium individual life insurance to clients taking out cash loans
- Further **growth** in 4Q19 of single contributions to **unit-linked** accounts in insurance offered jointly with banks despite the challenging situation on the market - **highest sales in eight quarters**
- At the same time, the highest level of quarterly contributions to unit-linked accounts since early 2017 (68 m PLN)
- Growing portfolio of high-margin protection insurance in own channels and changes to the annuity product contributed to a **1.8 p.p. improvement in the margin q/q**
- **Increase in the segment's result to 85 m PLN (+25% y/y)** despite the higher share of investment products translating into the segment's margin in 4Q19 being lower than a year ago; the shift in the product mix and higher operating expenses were offset in part by changes to the annuity product and the growing portfolio of protection products in the bancassurance channel


Client
Non-life
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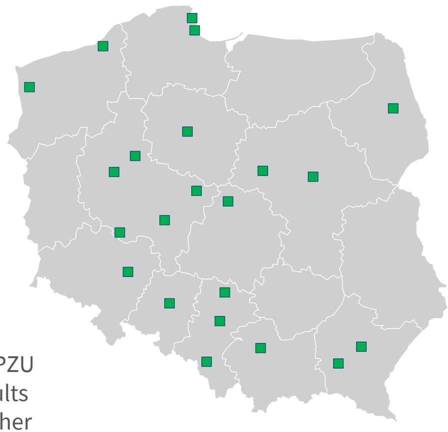
Zdrowie (1): Key acquisition made by PZU Zdrowie in December 2019: Tomma Diagnosis Obrazowa

TOMMA diagnostyka obrazowa

Nationwide footprint: 35 centers operating **in 28 cities:**
- MRI: 28 locations
- Computed tomagraphy: 15 locations
- X-ray: 11 locations
- Ultrasound: 3 locations

High level of profitability: the EBITDA margin is substantially higher than the average in the ambulatory business

Expected rapid growth in revenue and diversified revenue mix: cooperation with commercial centers, hospitals, National Health Service



PZU

PZU's offer even more attractive to clients: Shortening the time to gain access to tests and obtain a diagnosis

Ongoing vertical integration:
- diagnotistics are an another important part of the medical care offered to PZU clients
- significant extension of the possibilities of doing tests in PZU Zdrowie's own centers

Financial impact:
- significant contribution to PZU Zdrowie's revenue and results
- expected synergies and higher effectiveness

Market worth more than **5 bn PLN**

Expected **greater interest** in access to diagnostic tests

PLN

Conducive legal regulations – released limits on computed tomography and MRIs in the National Health Service

Health (2) Development of business size

1

~2,200 cooperating medical partners
~130 proprietary locations

2

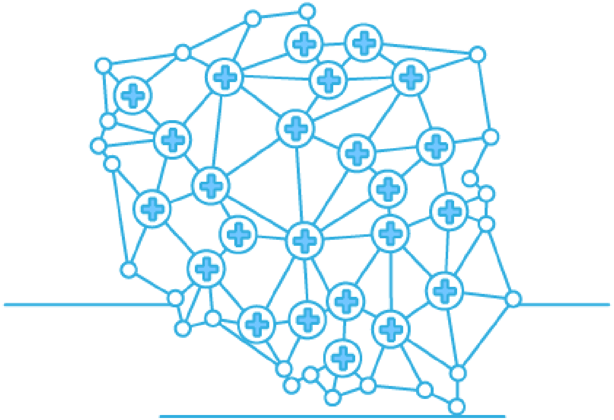
49 hospitals

3

2,200 physicians
>50 specializations

4

~8,000 pharmacies

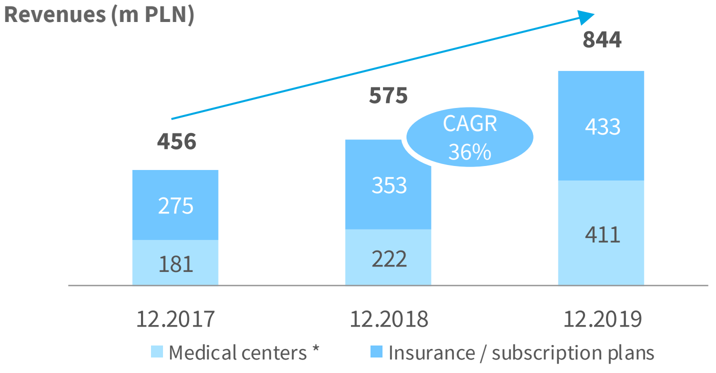


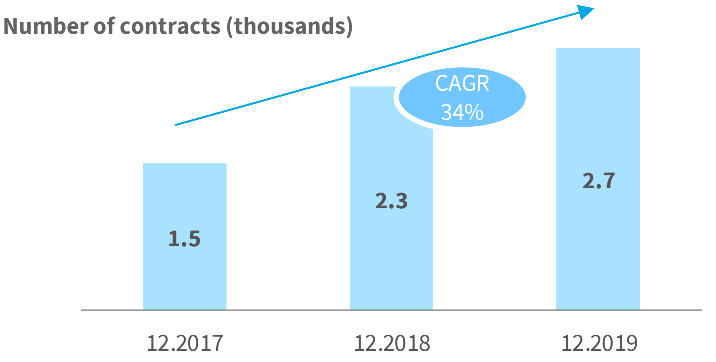
Flexible and comprehensive **offer** aligned to employee needs

Service accessibility, convenient contact channels, online service

Excellent **location** and client convenience

Health (3): Development of business size





- Growing number of **products per client** – according to the strategic objectives, in addition to PZU Życie and PZU Zdrowie health products, similar health products are also being offered by PZU SA, LINK 4 and TUW
- Steady **increase in the number of health product agreements** in 2019 driven by the intensification of sales of more health riders to protection products and non-life insurance (offering among others access to specialist physicians, ambulatory rehabilitation, selected tests and procedures)
- High rate of revenue growth – **extension of the product portfolio** (inter alia PZU Thinking about Life and Health and the new scopes of Medical Care S)
- Further **development of three proprietary centers** in Warsaw, Poznań and Cracow and **branch openings** in Radom and Wrocław (Oct. 2019)
- Acquisition of **Alergo-med** in Tarnów in January 2019 and the acquisition of **Falck Centra Medyczne** and **NZOZ Starówka** in June 2019 and **Tomma Diagnostyka** in December 2019; greatly ratcheted up the number of own medical centers to 130 and extended, among others, the offering to include individual products such as packages for women, senior citizens and children.
- Revenue growth **in own centers**

* Data presented for the period from the beginning of the year regardless of the time of acquisition (except for Falck Centra Medyczne – this company has been in operation since February 2019, and thus results are presented year to date from that date);
the revenues of Branches – presented in managerial accounting in a corresponding manner to the other proprietary centers, i.e. including revenues from PZU Zdrowie and the PZU Group (including intragroup revenue for the first 12 months of 2019 of 25.4 m PLN)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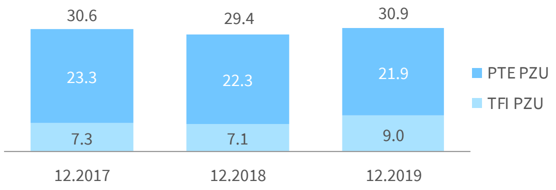
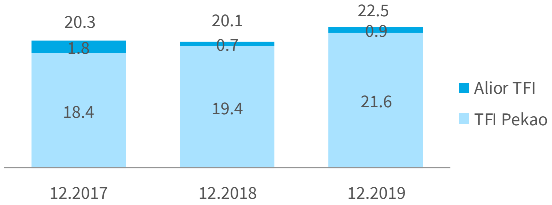
Finance: Assets under management and development of cooperation with banks

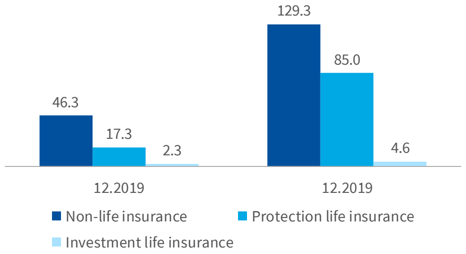
Assets of third party clients of TFI and OFE PZU clients (bn PLN)



Assets of third party clients of TFI of the PZU Group's banks (bn PLN)



Number of insurance clients attracted in cooperation with Bank Pekao and Alior Bank (thousands)



- **TFI PZU asset growth** was driven by the following:
  - generation of the market's best **rates of return** on the assets under management (Polonez and the Active Debt Fund led TFI with the **rates of returns** in their peer groups)
  - high sales of new EPS programs as an attractive non-salary benefit for our partners' employees, since the outset of the year **nearly 200 newly-acquired EPS contracts**, sometimes employers choose them as a more favorable solution for their employees
  - high **balance of incoming funds** in the PZU Group's **bank channel** and other third party distributors (mainly ING Bank and Bank Millennium)
  - higher sales of plain vanilla **mutual funds**, especially debt and money market funds
  - inflows to into **inPZU**'s passive funds are several times higher than in 2018
- **PTE PZU asset growth** by acquiring the asset management of Pekao OFE in 2018 and the good yields on assets despite the adverse impact exerted by the slide mechanism

- **Bancassurance**:
  - **dynamic growth in gross written premium** despite the bancassurance market being flat in investment products and protection products and the PZU Group's **market share expansion** in the **bancassurance** segment by **4.5 p.p.** compared to 2018, mainly thanks to collaboration with Alior Bank and Pekao
  - presence of the PZU Group's products in all of the major product lines of the PZU Group's banks (life insurance on **cash loans**, residential insurance for **mortgage** loans) – higher sales and new insurance products
- **Assurbanking**:
  - Bank Pekao: Pekao account sales through the PZU contact center and in branches
  - Alior Bank: launch of the CASH loan platform
- Continuation of cost savings initiatives; total annualized synergies have topped **120 m PLN** (more than 100 m PLN in savings planned up to 2020)
- Growth rate of insurance-based investment products curtailed by regulatory uncertainty: systemic review of how market products are construed and the regulator's suggested recommendation / instructions for the market

3. Financial results

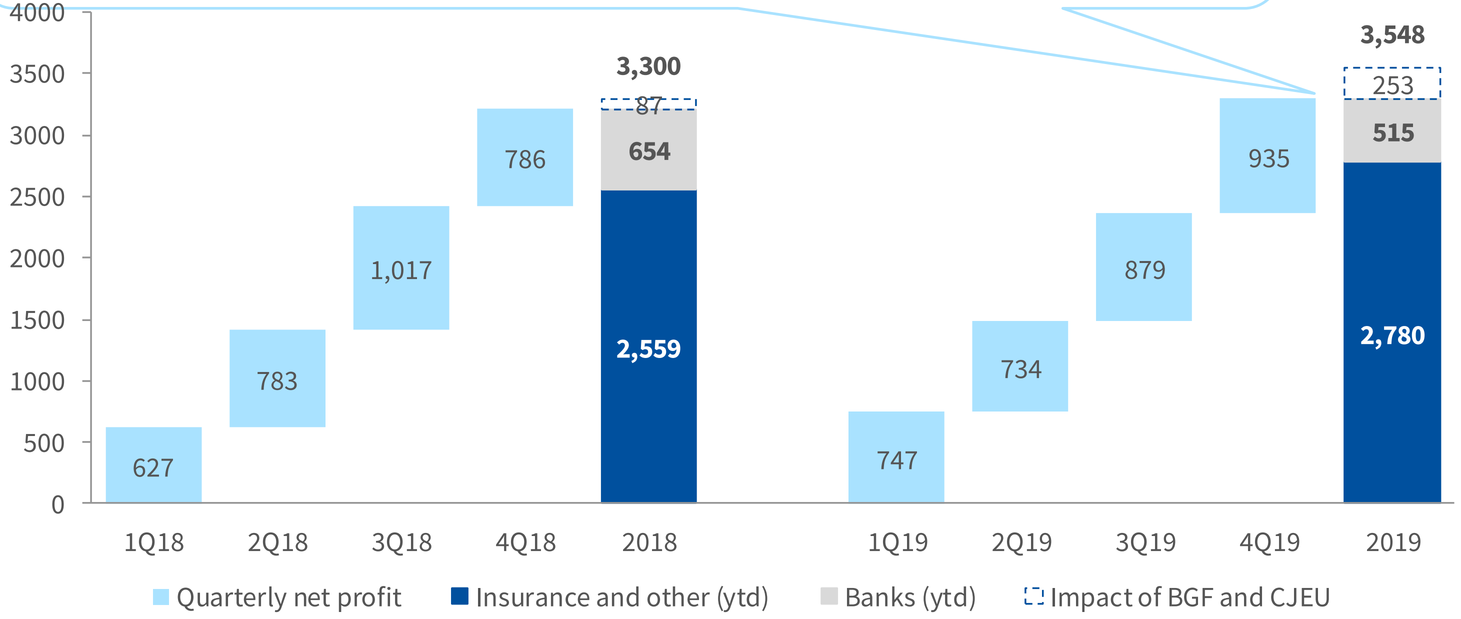
Gross written premium of the PZU Group

Insurance segments **m PLN, local GAAP**	**4Q18**	**3Q19**	**4Q19**	**Change y/y**	**Change q/q**
External gross written premium	**6,212**	**5,662**	**6,690**	*7.7%*	*18.2%*
Total non-life insurance – Poland	3,656	2,975	3,952	*8.1%*	*32.8%*
Mass insurance – Poland	2,649	2,385	2,683	*1.3%*	*12.5%*
Motor TPL	1,129	1,071	1,092	*(3.3%)*	*2.0%*
MOD	657	602	673	*2.4%*	*11.8%*
Other products	863	712	918	*6.4%*	*28.9%*
Corporate insurance – Poland	1,007	590	1,269	*26.0%*	*115.1%*
Motor TPL	273	178	230	*(15.8%)*	*29.2%*
MOD	262	180	224	*(14.5%)*	*24.4%*
Other products	472	232	815	*72.7%*	*251.3%*
Total life insurance – Poland	2,067	2,162	2,220	*7.4%*	*2.7%*
Group and individually continued insurance - Poland	1,728	1,741	1,754	*1.5%*	*0.7%*
Individual insurance – Poland	339	421	466	*37.5%*	*10.7%*
Premium on protection products	139	141	145	*4.3%*	*2.8%*
Premium on periodic investment products	55	64	68	*23.6%*	*6.3%*
Premium on single investment products	145	216	253	*74.5%*	*17.1%*
Total non-life insurance – Ukraine and Baltic States	456	483	475	*4.2%*	*(1.7%)*
Baltic States	397	409	411	*3.5%*	*0.5%*
Ukraine	59	74	64	*8.5%*	*(13.5%)*
Total life insurance – Ukraine and Baltic States	33	42	43	*30.3%*	*2.4%*
Lithuania	18	18	19	*5.6%*	*5.6%*
Ukraine	15	24	24	*60.0%*	*x*

PZU Group's net result

Net profit excluding banking activities is up 8.6% y/y despite growing price pressure and the higher loss ratio

PZU Group's net result adjusted for the impact exerted by regulatory changes (Bank Guarantee Fund and CJEU) is up 7.5% y/y



PZU Group's results – contribution of activity to date and banking activity

m PLN	4Q18	3Q19	4Q19	change y/y	change q/q
PZU GROUP NET OF ALIOR BANK AND PEKAO					
Gross written premium[1]	6,212	5,662	6,690	*7.7%*	*18.2%*
Net insurance claims and benefits paid	(3,579)	(3,991)	(3,775)	*5.5%*	*(5.4%)*
Net investment result (ex banking activities)	65	406	558	*x*	*37.4%*
Administrative expenses[1]	(445)	(406)	(501)	*12.6%*	*23.3%*
Acquisition expenses[1]	(830)	(864)	(883)	*6.4%*	*2.2%*
Operating profit (loss)	764	917	1,026	*34.2%*	*11.9%*
Net profit (loss) attributable to equity holders of the parent company	580	700	793	*36.7%*	*13.3%*
BANKS: ALIOR AND PEKAO					
Net profit (loss) attributable to equity holders of the parent company	208	179	142	*(31.6%)*	*(20.6%)*
NET RESULT ATTRIBUTABLE TO THE PARENT COMPANY	786	879	935	*19.0%*	*6.4%*
MAIN FINANCIAL RATIOS					
ROE[2]	21.7%	23.7%	23.7%	*2.0p.p.*	*-*
Combined ratio[3]	89.3%	90.2%	84.9%	*(4.4)p.p.*	*(5.3)p.p.*
Margin[4]	22.2%	23.9%	21.3%	*(0.9)p.p.*	*(2.6)p.p.*
Administrative expense ratio of PZU, PZU Życie	7.1%	6.2%	7.7%	*0.6p.p.*	*1.5p.p.*
Acquisition expense ratio of PZU, PZU Życie	14.6%	14.2%	14.6%	*-*	*0.4p.p.*

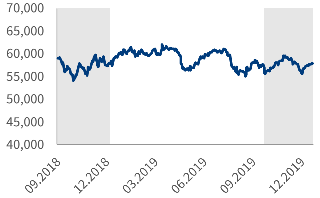
1. PZU Group net of data from Pekao and Alior Bank
2. Annualized ratio, computed for the parent company
3. Only for non-life insurance in the PZU Group in Poland
4. Margin for the group and individually continued insurance segment net of the conversion effect

Investment performance

MSSF, m PLN	4Q18	3Q19	4Q19	change y/y	change q/q
Net investment result	**1,933**	**2,215**	**2,416**	*25.0%*	*9.1%*
Insurance and other activities	65	406	558	*764.6%*	*37.4%*
Main portfolio	**390**	**446**	**439**	*12.7%*	*(1.6%)*
Debt instruments - interest	326	360	343	*5.2%*	*(4.7%)*
Debt instruments - revaluation and execution	96	43	(23)	*x*	*x*
Equity instruments	(51)	20	-	*x*	*(100.0%)*
Real estate	34	22	118	*246.2%*	*446.1%*
FX on debt net of hedging	(15)	1	-	*x*	*(100.0%)*
	-	-	-	*x*	*x*
Investment products	**(119)**	**46**	**106**	*x*	*131.8%*
Other	**(206)**	**(86)**	**13**	*x*	*x*
Banking activities	1,868	1,810	1,858	*(0.5%)*	*2.7%*

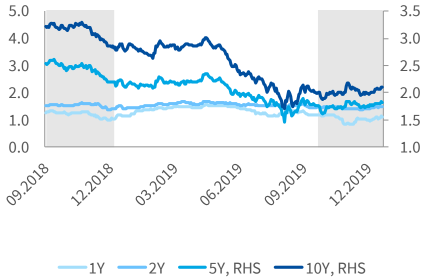
- **2.7 p.p. surplus profitability** in the main portfolio on FX above the risk-free rate in 4Q19 and 2.5 p.p. year to date
- **Stable interest income – building new corporate debt portfolios**
- **Steady construction of the other comprehensive income debt portfolio** – lowering volatility of the results and dependence on market conditions
- Limiting the risk of quoted shares by a gradual reduction of portfolios
- **Real Estate** – settlement of development property profits in Q4
- EUR debt financing repaid – July 2019

WIG



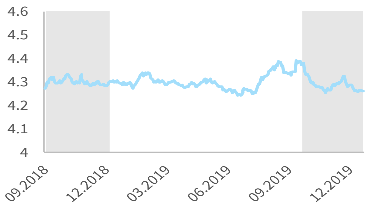
Change in WIG:
4Q19: +0.9%
4Q18: -2.2%

Bond yield



4Q19: +7 bps
4Q18: -32 bps

EURPLN

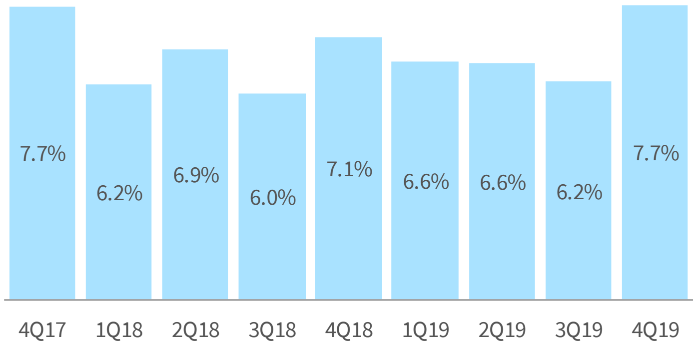


4Q19: -2,6%
4Q18: +0.7%

Including the impact exerted by impairment losses and the settlement of corporate debt results under IFRS in 4Q18.

Cost effectiveness

Administrative expense ratio



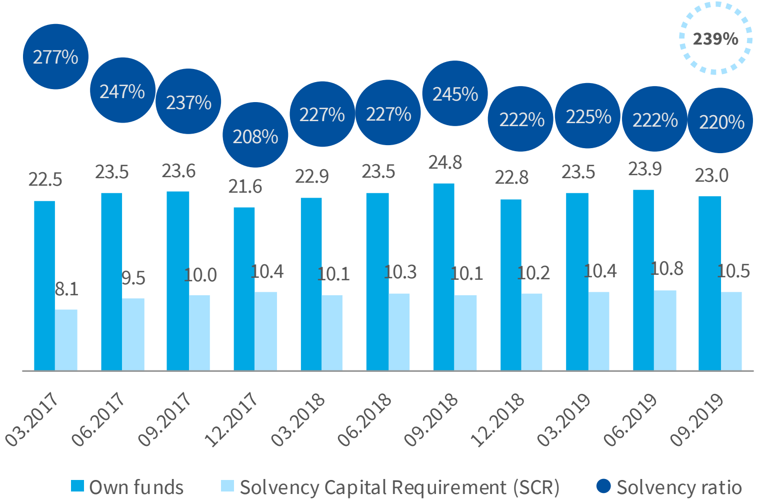
Administrative expense ratio calculated using the equation:
administrative expenses in PZU and PZU Życie in the quarter / net earned premium in PZU and PZU Życie in the quarter

- The change in the administrative expense ratio in **4Q19 versus 4Q18** due to the following:
  - higher personnel costs as a result of wage presure, including higher variable salary component on the back of overachievements of strategy targets
  - Intensified project work related to information systems and regulatory projects (e.g. GDPR)
  - rising costs of maintaining real estate following major hikes in the prices of utilities, modernization efforts and the minimum wage increase
- The change in the administrative expense ratio in **4Q19 versus 3Q19** was due to the following:
  - setting up a provision for rewards resulting from carrying out the strategic objectives above the targeted levels and the contribution of the employees to the financial result
  - intensification of efforts in IT projects
  - higher expenses for real estate maintenance
  - lower costs of electricity, among others, in connection with the launch of the electricity price hike compensation fund

Group's high level of solvency

SII ratio according to the previous standards, i.e. without subtracting expected dividends from own funds

PZU Group's Solvency II data, 30 September 2019 (bn PLN)



Solvency ratio calculated using the equation:
Own funds / solvency requirement.

Annual data based on the audited Solvency and financial condition reports (SFCR) available on the following website https://www.pzu.pl/relacje-inwestorskie/informacje-finansowe. Other unaudited data.

- **Decline in own funds of 0.9 bn PLN** in 3Q19.
  Major reasons:
  - expected dividends concerning the 2019 profit subtracted from own funds (-1.9 bn PLN, i.e. 80% of the PZU Group's consolidated profit for the first 3 quarters of 2019). As at 30 September 2019 the future dividend was subtracted from own funds, the adjustment constitutes 80% of the consolidated net result attributed to the parent company's shareholders for the first 3 quarters of 2019. Its level was set at a prudent level from the viewpoint of calculating solvency at the upper limit specified in the PZU Group's Capital and Dividend Policy and giving consideration to the Polish FSA's recommendation concerning the distribution of the standalone result. Change in the standards for recognizing dividends in the solvency account in interim periods:
    - to date the expected dividends were subtracted from own funds based on the Management Board's recommendation (in the year of paying out the dividends)
    - starting in 3Q19 dividends will be subtracted from own funds in the year of recognizing profit
  - current flow on insurance and investment activity (+0.9 bn PLN)
  - impact exerted by interest rates on the measurement of financial assets i BEL (-0.4 bn PLN)
- **SCR fell** in 3Q19 by **0.3 bn PLN** due to the expected decline in counterparty default risk
- **High quality of the PZU Group's own funds** - share of **Tier 1** capital is **86%**.
- Standalone solvency ratio:
  - PZU: 240% (247% at the end of 2Q 2019)
  - PZU Życie: 435% (472% at the end of 2Q 2019)

4. Strategy execution

Execution of the key metrics of the strategy for 2017-2020

Non-life insurance		Life insurance		Investments		Health		Banks	
PZU Group's market share [2,3]		Number of clients in PZU Życie[5]		Assets under management for third party clients (bn PLN)		Revenues (m PLN)[8]		Assets (bn PLN)	
09.2019	2020	12.2019	2020	12.2019	2020	12.2019	2020	12.2019	2020
33.2%	38%	10.7	11.0	31/ 53[7]	65	844	1,000	280	>300
Combined ratio[3]		Insurance margin in group and individual continuation		Net result on third party asset management (m PLN)		EBITDA margin[9]		Net financial result attributed to the PZU Group (m PLN)	
12.2019	2020	12.2019	2020	12.2019	2020	12.2019	2020	12.2019	2020
88.4%	92%	21.3%	>20%	93/ 219[7]	200	10.4%	12%	515	>900
Administrative expense ratio[4]		Solvency II solvency ratio		Surplus yield on the main portfolio above the RFR [10]					
12.2019	2020	09.2019	2020	12.2019	2020				
6.8%	6.5%	220%	>200%[6]	2.5 p.p.	2.0 p.p.				

ROE[1]	12.2019	2020
	21.2%	**>22%**

1. ROE attributable to the parent company
2. Direct business
3. PZU jointly with TUW PZUW and LINK4
4. Administrative expenses in PZU and PZU Życie
5. Including clients acquired through cooperation with banks
6. Own funds after subtracting anticipated dividends and asset taxes
7. Including assets under management / performance of fund management companies owned by the PZU Group's banks
8. Annualized revenues of proprietary centers and branches (except for FCM – operational since 02/2019) including revenues from PZU Zdrowie and the PZU Group (including 25.4 mln PLN of intragroup income for the 12 months of 2019)
9. Net of non-recurring costs; profitability computed using the sum of revenues generated by branches and earned premium
10. Difference between the annual rate of return computed using the IFRS result on the main portfolio including the FX rate on proprietary bond issues and the annual average level of WIBOR6M

Challenge of the year 2020: COVID-19 – monitoring business risk

Non-life insurance

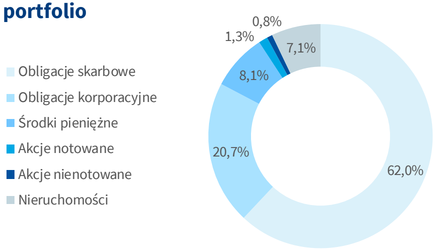
- **Business interruption insurance**
  - No exposure linked to coronavirus. A claim under business interruption may be made only in connection with **a specific loss to property** (e.g. a fire, water damage, etc.).
- **Financial insurance and contractual guarantees**
  - Risk of delay in the performance of contracts and fulfillment of orders
- **TPL products**
  - Potentially higher number of reported claims linked to medical TPL, general TPL, D&O and aviation TPL
- **Travel-related insurance**
  - Potentially lower sales of policies due to the limitation of tourist traffic
  - Benefits for insuring the costs of cancellation – minute scale
  - **No exposure on insurance guarantees to tour operators**

Life and health insurance

- **Group and individual insurance products**
  - Prospective additional benefits under insurance riders and the main risk
  - Epidemics and pandemics are not subject to exclusion in policy conditions (GTCI)
- **Bank protection and investment products**
  - Risk of lapses and declining sales
  - Prospective growth in claims and incremental expenses
  - Epidemics and pandemics are not subject to exclusion in GTCI
- **Health products / PZU Zdrowie**
  - Prospective higher loss ratio and higher treatment costs
  - Possible operational problems with handling visits in connection with a heightened level of patient flow in medical centers

Investment portfolio

- **Conservative composition of the investment portfolio**



- **Treasury bonds**
  - Risk of potential economic recession and return to an easening monetary policy
- **Corporate bonds and credit exposures, including foreign ones**
  - Disrupted supply chains in the global economy
  - Higher credit spreads and default risk in portfolios
- **Equities**
  - Higher aversion to risk - equity price slump

5. Attachments

Profitability by operating segments

Insurance segments	**Gross written premium**			**Insurance result / operating result**			**Combined ratio / Margin**	
m PLN, local GAAP	**2018**	**2019**	**Change y/y**	**2018**	**2019**	**Change y/y**	**2018**	**2019**
Total non-life insurance – Poland	13,498	13,719	*1.6%*	1,993	1,776	*(10.9%)*	86.6%	88.4%
Mass insurance – Poland	10,401	10,403	*0.0%*	1,725	1,449	*(16.0%)*	85.2%	88.1%
Motor TPL	4,652	4,412	*(5.2%)*	340	335	*(1.5%)*	92.9%	93.3%
MOD	2,528	2,579	*2.0%*	289	191	*(33.8%)*	87.6%	91.9%
Other products	3,221	3,412	*5.9%*	799	677	*(15.2%)*	72.1%	78.0%
Impact of allocation to the investment segment	x	x	*x*	297	246	*(17.3%)*	x	x
Corporate insurance – Poland	3,097	3,316	*7.1%*	268	327	*22.0%*	92.9%	89.5%
Motor TPL	847	816	*(3.7%)*	(35)	34	*x*	102.6%	95.0%
MOD	880	830	*(5.7%)*	93	63	*(31.8%)*	87.9%	91.9%
Other products	1,370	1,670	*21.9%*	119	156	*30.5%*	88.8%	81.2%
Impact of allocation to the investment segment	x	x	*x*	91	74	*(18.9%)*	x	x
Total life insurance – Poland	8,237	8,547	*3.8%*	1,770	1,768	*(0.1%)*	21.5%	20.7%
Group and individually continued insurance - Poland*	6,891	6,966	*1.1%*	1,526	1,483	*(2.8%)*	22.1%	21.3%
Individual insurance – Poland	1,346	1,581	*17.5%*	227	271	*19.4%*	16.9%	17.1%
Conversion effect	x	x	*x*	17	14	*(17.6%)*	x	x
Total non-life insurance – Ukraine and Baltic States	1,729	1,897	*9.7%*	154	210	*36.4%*	90.8%	89.5%
Baltic States	1,527	1,641	*7.5%*	137	184	*34.3%*	90.7%	89.3%
Ukraine	202	256	*26.7%*	17	26	*52.9%*	91.9%	92.3%
Total life insurance – Ukraine and Baltic States	120	151	*25.8%*	7	14	*100.0%*	5.8%	9.3%
Lithuania	65	72	*10.8%*	1	1	*0.0%*	1.5%	1.4%
Ukraine	55	79	*43.6%*	6	13	*116.7%*	10.9%	16.5%
Banks	x	x	*x*	4,036	3,498	*(13.3%)*	x	x

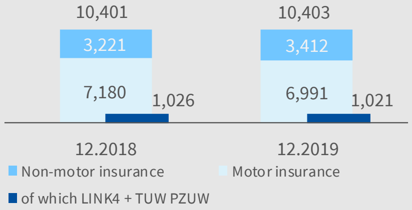
* Excluding conversion effect

Non-life insurance

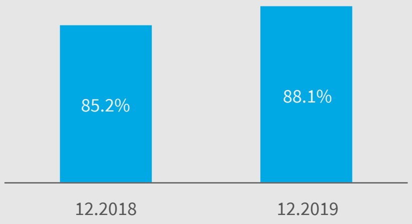
Higher sales of motor insurance in the corporate segment

Mass segment

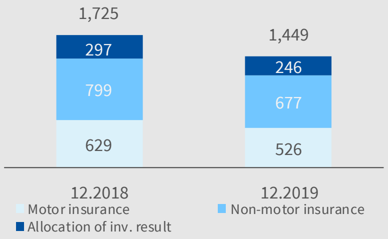
Gross written premium (m PLN)



Combined ratio (%)

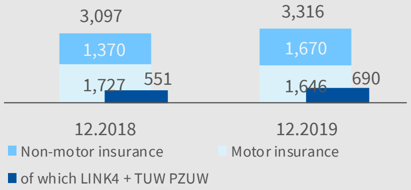


Insurance result (m PLN)

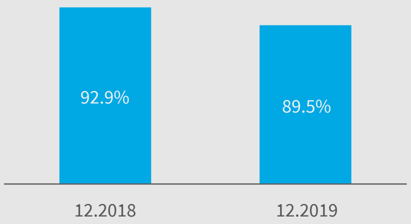


Corporate segment

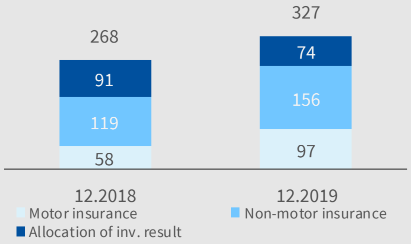
Gross written premium (m PLN)



Combined ratio (%)



Insurance result (m PLN)



Recap – non-life insurance

Mass segment

Maintaining gross written premium y/y at a balanced level as the outcome of the following:

- lower gross written premium in motor TPL insurance due to a decrease in the number of policies with a comparable average premium, which resulted from the active pricing policy pursued by competitors
- higher gross written premium in motor own damage insurance
- higher level of sales of insurance against fire and other damage to property, chiefly in household insurance and small and medium-sized enterprise insurance, offset to a small degree by the dip in premium on agricultural insurance – impact exerted by the high amount of competitiveness on the market translating into losing a portion of the portfolio of insurance for farm buildings and the lower average premium in crop insurance
- higher gross written premium in other TPL insurance (+5.8% y/y) and accident and other insurance, mainly assistance and accident insurance

Insurance result down as the outcome of the following:

- incremental growth in net earned premium (+0.9% y/y)
- movement in the loss ratio, including:
  - growth of the loss ratio in insurance against fire and other damage to property as a result of above-average number of losses caused by atmospheric phenomena; including ground frost and rainfall and hail
  - deterioration of the loss ratio in motor own damage insurance as the outcome of the lower pace of sales growth and rising loss inflation
- change in insurance activity expenses, including:
  - higher acquisition expense ratio as a result of the change in the product and sales channel mix (multi agent and car dealer channels with a higher share while the sales of motor TPL insurance featuring lower commission rates have seen a lower pace of growth)
  - growth in the administrative expense ratio as the outcome of higher personnel costs triggered by wage pressure on the market while observing cost and intensification of project-related activities.

Recap – non-life insurance

Corporate segment

Higher gross written premium y/y was the outcome of the following:

- Higher premium in insurance against fire and other damage to property (+16.3% y/y) – including in Q4 2019 the acquiring of a contract with a high unit value through inward reinsurance
- development in the portfolio of insurance for various financial risks, in particular GAP financial loss insurance offered to individual and institutional clients with the support of PZU Group leasing companies,
- sales growth in general TPL insurance (+8.3% y/y) due to the conclusion of several high unit value contracts and development in the portfolio of medical insurance and strategic partners in TUW PZUW,
- lower premium in motor insurance (-4.7% y/y) offered to leasing companies and in fleet insurance as a consequence of the lower average premium and the lower number of insurance policies

Higher Insurance result as the outcome of the following:

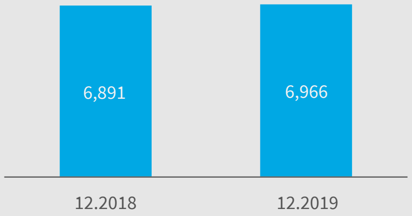
- Increase in net earned premium (+6.4% y/y)
- lower loss ratio in the insurance portfolio as the outcome of the following:
  - lower loss ratio in the portfolio of general TPL insurance and insurance for damages caused by natural catastrophes despite the occurrence of several high unit value losses in the first half of the year
  - lower loss ratio in the motor TPL insurance class – in the corresponding period of 2018 increase in the provision for claims for pain and suffering
  - higher average disbursement in motor own damage insurance
- changes to the level of insurance activity expenses, including:
  - the rising acquisition expense ratio as a consequence of higher direct expenses and portfolio development and evolution in the sales channel mix (multi agent and non-motor insurance with a higher share)
  - administrative expenses stayed flat (despite higher personnel costs stemming from the constant wage pressure on the market) thanks to maintaining cost discipline in the other cost categories.

Life insurance

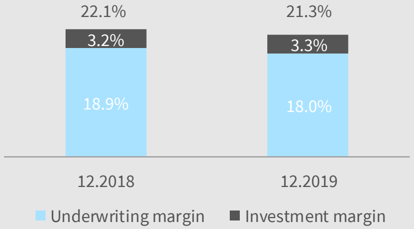
Maintaining the profitability of group and individually continued insurance, higher margin in individual insurance

Group and individually continued insurance

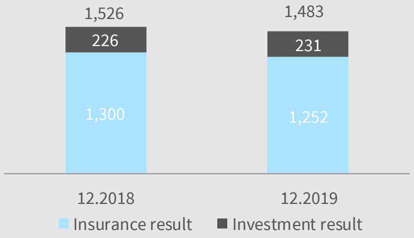
Gross written premium (m PLN)



Margin (%)*

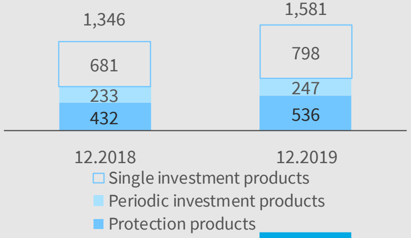


Insurance result (m PLN)*

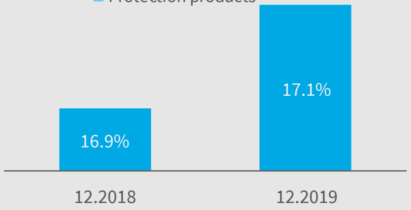


Individual insurance

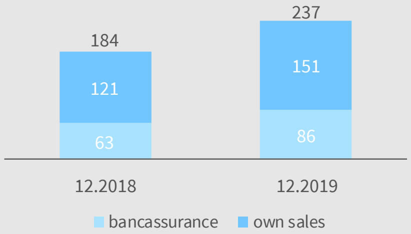
Gross written premium (m PLN)



Margin (%)



Annual premium equivalent (m PLN)



* Segment margin and insurance results net of conversion effect

Recap – life insurance

Group and individually continued insurance

Drivers of higher gross written premium y/y:

- acquiring more health insurance contracts, including a new rider to continued insurance launched under the name “PZU Uraz ortopedyczny [PZU orthopedic injury]” that has enjoyed a great reception from clients; PZU Życie already has more than 2.1 million health insurance contracts in force
- upholding the policy of up-selling riders while concurrently indexing premiums in the underlying main contracts in individually continued products; in addition, at the end of 2018 PZU Życie introduced another insurance product for myocardial infarctions and strokes, providing for financial support in the event of the occurrence of such events. In turn, in 3Q19, another insurance product called “PZU Accident Insurance” was introduced, this time protecting the policyholder against permanent bodily injury or bone fractures in the form of cash benefits and access to medical services
- pressure posed by higher attrition of groups (work establishments) on revenue in group protection products, and the limited pressure on the growth rate of premium made it possible to control the loss ratio in group protection products

Drivers of the decline y/y in the insurance result:

- operating expenses growing at a faster rate than revenues
- growth in the loss ratio on some risks in the group protection portfolio (critical illnesses, hospital treatment, dismemberment)

Recap – life insurance

Individual insurance segment

Higher gross written premium y/y was the result of the following:

- constantly rising periodic premium level in protection products, also thanks to modifications to the distribution network
- ongoing development of cooperation with Alior Bank and Bank Pekao to offer single premium individual life insurance to clients taking out cash loans
- growth in premium generated in investment insurance in the bancassurance channel on products offered in collaboration with Pekao and other banks alike

Segment's margin growth y/y was the result of the following:

- changes to the share of revenue held by the segment of protection products with a substantially higher margin than unit-linked investment products that generate a loss for the company at the time of sale (the commission paid to the seller is financed using future fees to be paid by the client)
- growing portfolio of high-margin protection insurance in own channels and changes to the annuity product
- intensive development of cooperation with the PZU Group's banks
- falling acquisition expenses for unit-linked products

Sales channels:

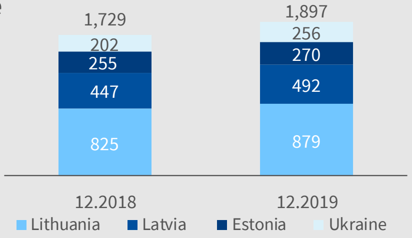
- **maintenance of a high level of sales in proprietary channels**; 24% growth y/y in the sales of protection products following tweaking of the agency sales network (new distribution model, agent acquisition and retention in the network, training, etc.), making it possible to reach the highest level of quarterly sales in history in this line of business. At the same time, the level of sales of investment products was higher than in recent quarters
- rising sales of protection products **in the bancassurance channel**, especially in collaboration with banks: Alior Bank and Bank Pekao, which contributed to delivering a record-breaking level of sales in this line; similarly to our own channel, this was a robust quarter in terms of unit-linked product sales despite the challenges on the market stemming from the restrictions imposed by the regulatory authority

International business

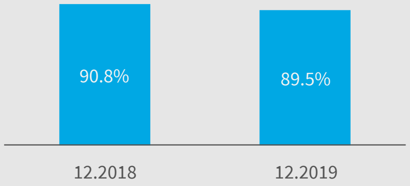
Business growth, improved profitability

Non-life insurance

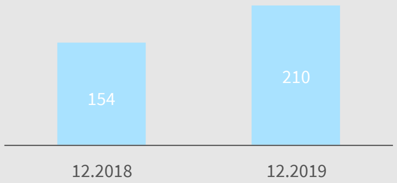
Gross written premium (m PLN)



Combined ratio (%)

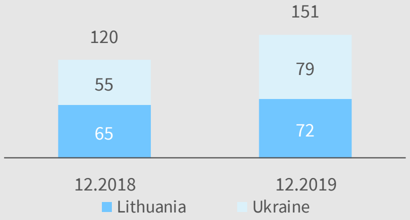


Insurance result (m PLN)

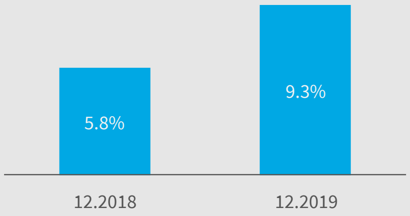


Life insurance

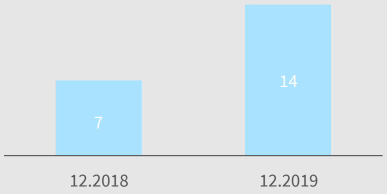
Gross written premium (m PLN)



Margin (%)



Insurance result (m PLN)



Recap – international business

Gross written premium

Non-life insurance:

- The growth in gross written premium in the Baltic companies was possible chiefly by maintaining the fast rate of growth in motor insurance premiums in the early part of the year and thanks to higher sales of property insurance in Latvia, and health insurance in Latvia and Lithuania alike:
  - Lithuanian market leader Lietuvos Draudimas: 879 m PLN (last year: 825 m PLN)
  - AAS Balta in Latvia: 492 m PLN (last year: 447 m PLN)
  - Estonian branch of PZU Insurance: 270 m PLN (last year: 255 m PLN).
- Sales growth in Ukraine of 54 m PLN (256 m PLN, last year 202 m PLN) generated mostly by accident insurance (compulsory when applying for a tourist visa)

Life insurance:

- Gross written premium in Lithuania (up 7 m PLN) on endowment insurance sales to retail clients
- Gross written premium in Ukraine up 24 m PLN (79 m PLN, last year 55 m PLN)

Recap – international business

Insurance results

Non-life insurance:

- Combined ratio decline as a result of the following:
  - lower loss ratio – both in the Baltic States and in Ukraine, among others due to the decline in the average claim value in motor insurance
  - growth in the acquisition expense ratio as a consequence of commission charges in Ukraine
  - cutting the administrative expense ratio was possible chiefly due to maintaining cost discipline coupled with the growth in the magnitude of business
- Growth in the insurance result (up 56 m PLN) in non-life insurance propelled by higher sales and due to the positive results generated by companies in both segments

Life insurance:

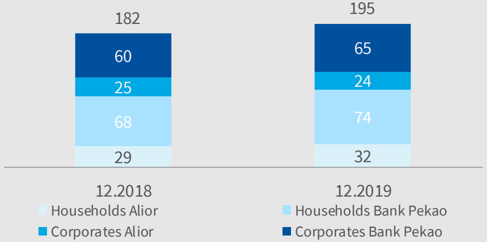
- Improved result in the Ukraine segment (up 7 m PLN), chiefly due to higher sales and higher investment income

Banking activity

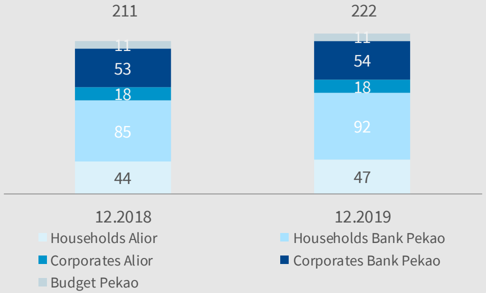
Stable results excluding BFG fees

Volumes

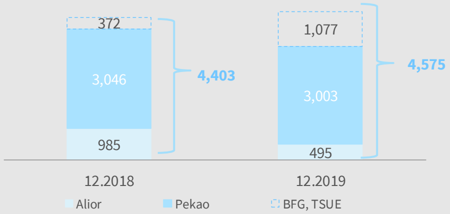
Loans (bn PLN)



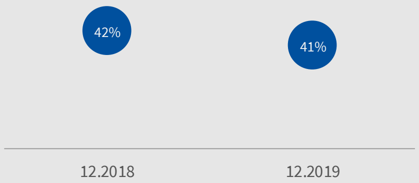
Liabilities (bn PLN)[3]



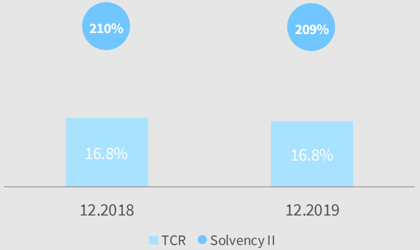
Profitability and ratios



Operating profit[1] (m PLN)



Cost / Income[1] (%)



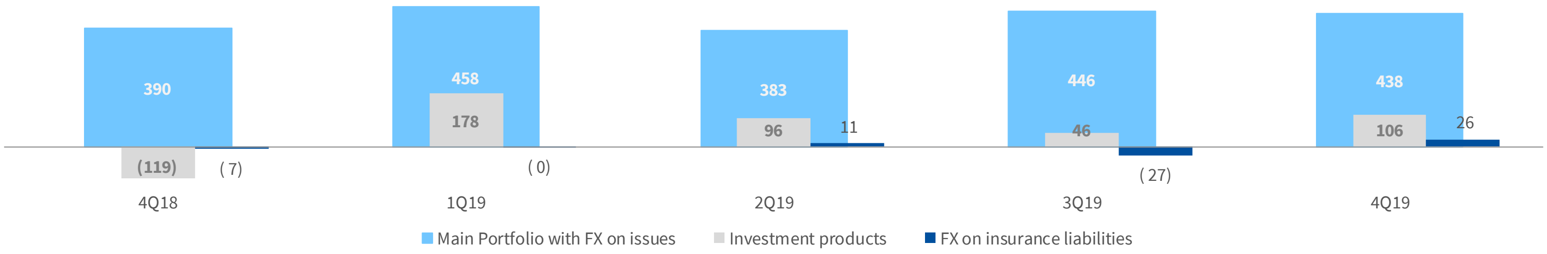
Capital adequacy[2]

1) Data in accordance with PZU's financial statements
2) Data jointly for Pekao and Alior Bank pro rata to the equity stakes held
3) Data in accordance with Pekao and Alior Bank's financial statements

Investments

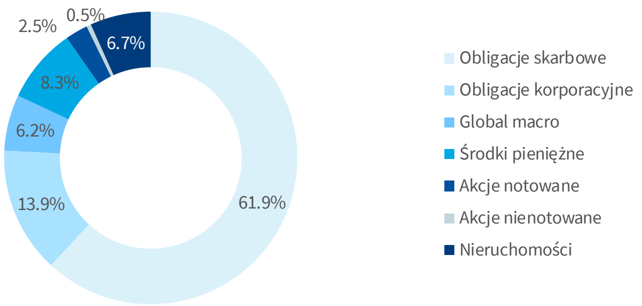
Quarterly results and portfolio structure

Net investment result (m PLN)



December 2018 main portfolio investment composition

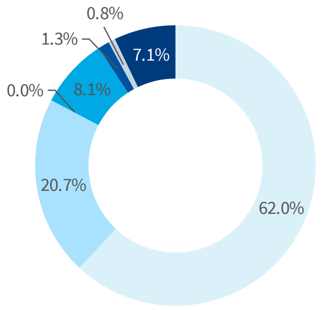
41.9 bn PLN



investment products 5.9 bn PLN

December 2019 main portfolio investment composition

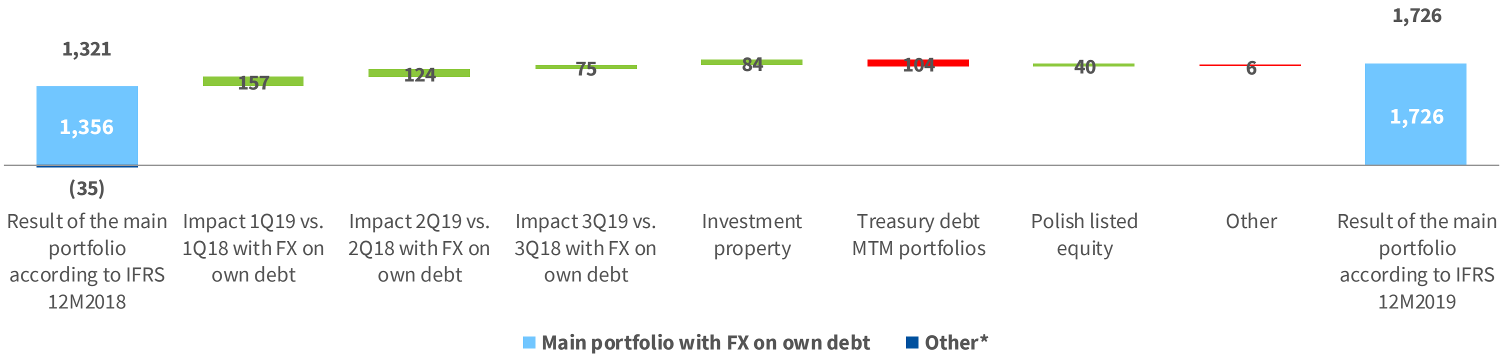
39.7 bn PLN



investment products 6.2 bn PLN

Including the impact exerted by impairment losses and the settlement of corporate debt results under IFRS in 4Q2018.

Recap – investments



The improved performance versus 4Q of last year is due above all to the following:

- increase in the measurement of the investment property portfolio as an effect of the settlement of property development profits
- softer performance of treasury debt portfolios measured through the profit and loss account (FVPL) due to yield growth in the fourth quarter of 2019 facing strong declines in the comparable period of the previous year; this effect was partially offset by stable income in portfolios of debt measured through other comprehensive income (FVOCI)
- higher valuation in the portfolio of PL quoted shares due to the better situation on the Warsaw Stock Exchange and limitations in portfolio volatility

The improvement in the main portfolio's investment result year to date versus 2018 is principally the effect of the following:

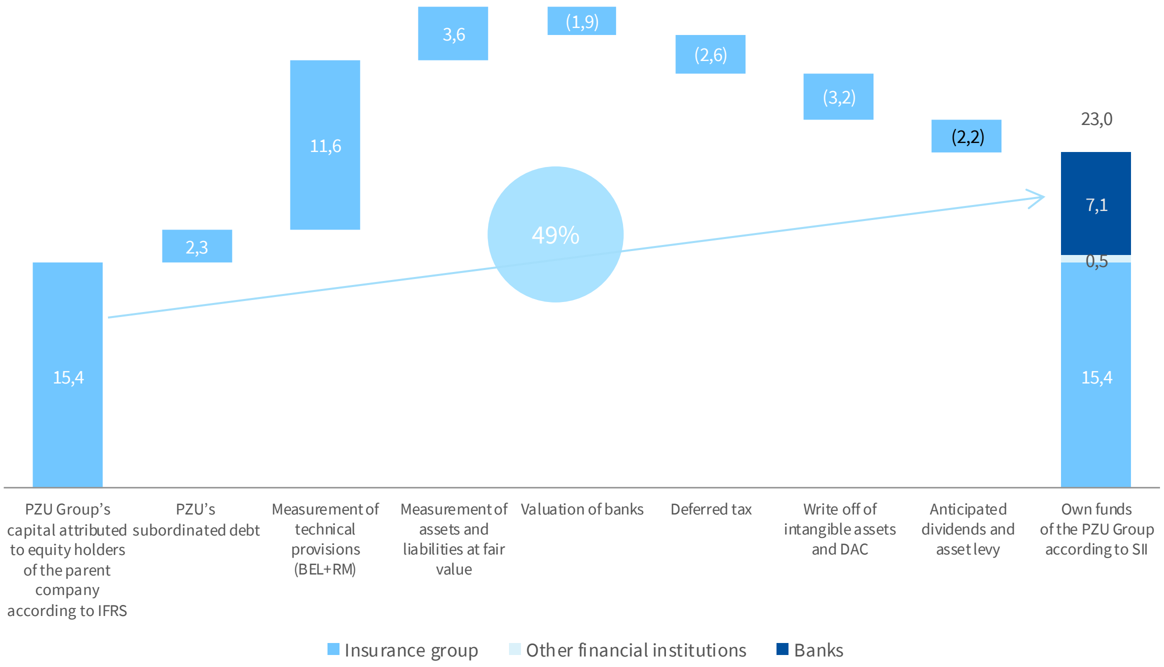
- higher performance generated by equity portfolios, including in particular the PLN quoted shares ensuing from the more advantageous situation on the Warsaw Stock Exchange and the better valuation of the unquoted equity portfolio
- high performance of real estate funds due to the settlement of property development profits in the fourth quarter
- limitation of volatility in the results of the PZU Global Macro EUR portfolio in connection with shortening the portfolio's investment horizon, mostly covering the liabilities on the issue of own bonds denominated in EUR and amortized in July.

*including in particular the impact exerted by impairment losses and the settlement of corporate debt results under IFRS.

Group's own funds

PZU Group's data under Solvency II / 30 September 2019 (bn PLN)

Comparison of own funds and consolidated own funds according to IFRS



Own funds according to SII calculated using the net assets carried in the Group's economic balance sheet.

For the purpose of SII, the consolidated data of the insurance entities and entities rendering auxiliary activity such as mutual funds, PZU Zdrowie, PZU Pomoc and Centrum Operacji.

No consolidation of given credit institutions (Pekao, Alior Bank) and financial institutions (TFI, PTE).

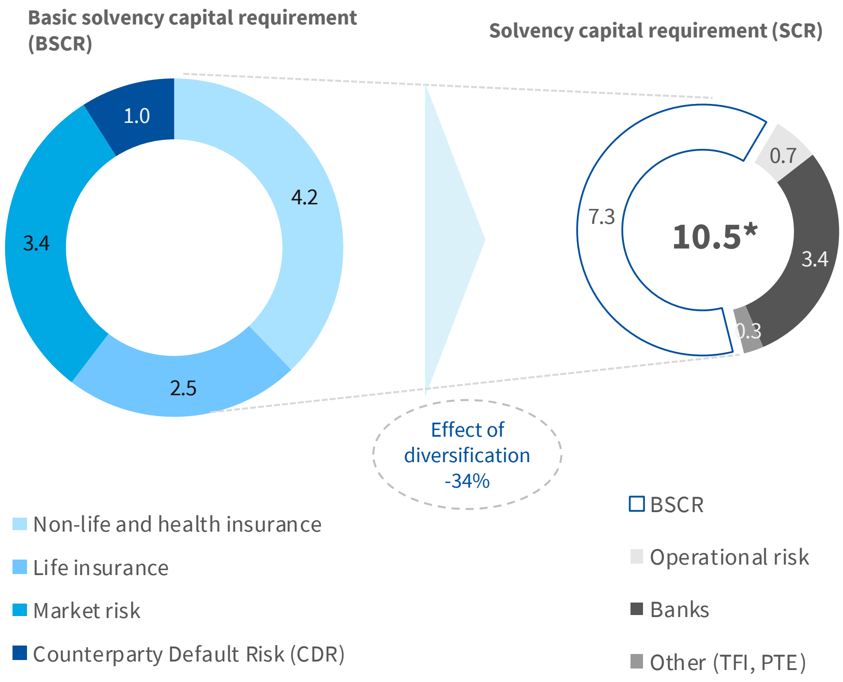
According to SII regulations:

- technical provisions measured using the expected discounted cash flow (best estimate liability, BEL) adjusted for the risk margin
- shares in entities belonging to other financial sectors (Pekao, Alior Bank, TFI, PTE) measured using the group's percentage of the regulatory capital of these entities prescribed according to a given sector's regulations
- other assets and liabilities measured at fair value*
- deferred tax is calculated on the temporary differences between the valuation of assets and liabilities according to SII and IFRS. Similarly to IAS 12, absence of deferred tax on differences pertaining to related parties (e.g. banks)
- own funds according to SII minus:
  - the amount of anticipated dividends
  - the forecasts of the asset levy to be paid by insurance undertakings in the 12 months after the balance sheet date (according to the letter from the Polish FSA)

* Intangible assets and deferred acquisition costs whose value for the purposes of SII is zero are an exception.

SCR up following the acquisition of Pekao

PZU Group's data under Solvency II / 30 September 2019 (bn PLN, unaudited data)



Solvency requirement down in the first 3 quarters of 2019 by 0.3 bn PLN.

The main reasons for the movement in SCR:

- requirement for counterparty default risk down 0.7 bn PLN** - reversal of the effect of the high balance of cash at the time of amortization of senior bonds at the end of 2Q 2019 (non-recurring change)
- other components of the capital requirement did not have any material changes:
  - insurance risk requirements up 0.1 bn PLN** due to higher provisions and loss ratio
  - market risk down 0.05 bn PLN** - amortization of eurobonds did not have a significant impact on the FX risk requirement
  - Bank Pekao's share of capital requirements up 0.06 bn PLN

* Difference between SCR and the total of the following: BSCR, operational risk, the requirement of the banking sector and other financial institutions ensues from a tax adjustment (LAC DT).
** Prior to the effects of diversification.

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As the presentation of amounts in the consolidated financial statements has been modified to state millions of PLN instead of thousands of PLN, which has been the case to date, some amounts and ratios in this presentation may differ from the figures stated in the presentation of the PZU Group's financial results last year on account of the necessity to round them.

Thank you

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