


EMANI  annual report 2013



Building Bridges

Robert Piccart 2014

Annual Report 2013
of the Board of Directors
and of the Statutory Auditor
to be presented at
the Annual General Meeting
on 6th June 2014

Company authorised by Royal Decrees of
20.10.1978 and 07.12.1999

To underwrite "Fire and Natural Hazards"
"Other Property Damage" and "Liability"

(Moniteur Belge 14.11.1978 - 29.12.1999 Code 0921)

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Belgium

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Financial Highlights

In euro

years ended December 31

Statement of Earnings	2013	2012	2011	2010	2009
Net premium earned	22.990.326	24.884.212	25.115.821	23.925.468	22.255.225
Claims	1.513.702	-13.900.142	-14.737.044	3.157.056	-3.337.548
Expenses	-3.157.549	-2.931.346	-3.005.782	-3.163.109	-2.814.456
Other income	-12.747	9.910	75.803	83.596	31.829
Net investment result	-534.805	16.312.444	1.587.603	2.595.356	4.571.328
Earnings before distribution to reserve for equalisation and catastrophies	20.798.927	24.375.075	9.036.401	26.632.007	20.706.378
Variation in the reserve for equalisation and catastrophes, net of reinsurance	-21.389.420	-8.062.631	-7.448.799	-24.036.650	-16.135.051
Taxes	-283	0	0	0	0
Earnings after distribution to reserve for equalisation and catastrophies	-590.775	16.312.444	1.587.603	2.595.356	4.571.328
Balance Sheet					
Assets	239.000.192	235.522.370	205.142.493	187.491.585	171.981.367
Liabilities	41.000.824	58.430.953	52.635.731	44.527.766	56.164.474
Guarantee fund (including reserve for equalisation and catastrophies)	197.999.368	177.091.415	152.506.762	142.963.819	115.816.893

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Members

AB SVAFO
Advanced Nuclear Fuels GmbH
AREVA NC
AREVA NP Inc.
Axpo Power AG
Axpo Trading AG
Belgoprocess NV
BKW Energie AG
British Energy Ltd
Bruce Power
Centrales Nucléaires en Participation SA (CNP)
ČEZ a.s.
E.ON Kernkraft GmbH
E.ON Sverige AB
EDF
EnBW Erneuerbare und Konventionelle Erzeugung AG
EnBW Kernkraft GmbH
ENEL *
Energy Future Holdings Corp.
EPZ n.v.
Eskom Holdings SOC Ltd
Eurodif Production SA
European Commission - CCR - Ispra Site
European Commission - GCO - Petten Site
European Commission - IRMM - Geel Site
European Commission - ITE - Karlsruhe Site
FBFC
FBFC International SA
Forsmarks Kraftgrupp AB
Fortum Power & Heat Oy
Gemeenschappelijke Kernenergiecentrale Nederland BV (GKN)
Gemeinschaftskernkraftwerk Grohnde GmbH & Co
Gesellschaft für Nuklear-Service mbH (GNS)
Indiana Michigan Power Co.
Kernkraftwerk Gösgen-Däniken AG
Kernkraftwerk Leibstadt AG
Kernkraftwerk Lippe-Ems GmbH
Kernkraftwerk Obrigheim GmbH
MVM Paks Nuclear Power Plant Ltd
New Brunswick Power Corporation
OKG Aktiebolag
Ontario Power Generation (OPG)
Pacific Gas & Electric Company *
Ringhals AB
RWE Power AG
SCK-CEN
Slovenské Elektrárne AS
Socatri SARL
Societatea Nationala Nuclearelectrica SA (SNN)
Studsvik AB
Svensk Kärnbränslehantering AB (SKB)
Teollisuuden Voima Oyj
Union Electric Company d/b/a Ameren Missouri
Urenco Ltd.
Vattenfall Europe Nuclear Energy GmbH
Westinghouse Electric Company LLC *
Westinghouse Electric UK Holdings *
Zwilag Zwischenlager Würenlingen AG

* Non Insured Member

Member Representatives

Member

Representative

Substitute

Belgium

Belgoprocess NV
European Commission - IRMM - Geel Site
FBFC International SA
SCK-CEN

Ph. Lannoy
J.P. Michel
M. Van den Eynde
C. Legrain

F. Siniscalchi
P. Daurès

Canada

Bruce Power
New Brunswick Power Corporation
Ontario Power Generation (OPG)

K. Kelly
A. Slipp
J. Floras

Czech Republic

ČEZ a.s.

V. Hronek

J. Ortman

Finland

Fortum Power & Heat Oy
Teollisuuden Voima Oyj

M. Kautonen
L. Noukka

M. Huopainen
R. Siilos

France

AREVA NC
EDF
Eurodif Production SA
FBFC
Socatri SARL

Ph. Obert
J.L. Thébault
R. Jiménez-Shaw
J.D. Treillard
M. Saléra-Cordier

J.D. Treillard
B. Wagner
M. Saléra-Cordier
P. Daurès
R. Jiménez-Shaw

Germany

Advanced Nuclear Fuels GmbH
EnBW Erneuerbare und Konventionelle Erzeugung AG
EnBW Kernkraft GmbH
E.ON Kernkraft GmbH
European Commission - ITE - Karlsruhe Site
Gemeinschaftskernkraftwerk Grohnde GmbH & Co
Gesellschaft für Nuklear-Service mbH (GNS)
Kernkraftwerk Lippe-Ems GmbH
Kernkraftwerk Obrigheim GmbH
RWE Power AG
Vattenfall Europe Nuclear Energy GmbH

W. Fehnker
E. Wissmann
E. Wissmann
K. Greimel
J.P. Michel
K. Greimel
H. Näser
J. Haaf
E. Wissmann
J. Haaf
T. Hallqvist

A. Stoll
C.D. Bülle
C.D. Bülle
W. Seewöster
F. Siniscalchi
W. Seewöster
K. Scheer
C.D. Bülle
J. Grundmann
M. Reissner

* Non Insured Member

Member Representatives

Member	Representative	Substitute
Hungary		
MVM Paks Nuclear Power Plant Ltd	C. Szinger	
Italy		
European Commission - CCR - ISPRA Site	J.P. Michel	R. Lennartz
ENEL *	G. Frea	R. Melandri
The Netherlands		
Elektriciteits-Productiemaatschappij Zuid Nederland NV EPZ	B.P. Jobse	
Gemeenschappelijke Kernenergiecentrale Nederland BV (GKN)	G.J. Geertsema	
European Commission - GCO - Petten Site	J.P. Michel	F. Siniscalchi
Romania		
Societatea Nationale Nuclearelectrica SA (SNN)	P. Budulan	A. Havris
Slovak Republic		
Slovenské Elektrárne AS	M. Ivanova	R. Melandri
South Africa		
Eskom Holdings SOC Ltd	M. Molelekoa	
Sweden		
AB SVAFO	S. Ordéus	
E.ON Sverige AB	B. Svensson	
Forsmarks Kraftgrupp AB	B. Kockum	B. Gullefors
OKG Aktiebolag	R. Danielsson	
Ringhals AB	B. Kockum	A. Sandberg
Studsvik AB	R. Atmer	J. Ericsson
Svensk Kärnbränslehantering AB (SKB)	A. Ingman	B. Sundman

* Non Insured Member

Member Representatives

Member	Representative	Substitute
Switzerland		
Axpo Power AG	T. Erb	
Axpo Trading AG	T. Erb	
BKW Energie SA	U. Bircher	M. Mooser
Centrales Nucléaires en Participation SA	D. Berger	C. Vésiller
Kernkraftwerk Gösgen-Däniken AG	S. Bähler	D. Berger
Kernkraftwerk Leibstadt AG	T. Erb	
Zwilag Zwischenlager Würenlingen AG	T. Erb	
United Kingdom		
British Energy Ltd	A. Russell	K. Sinclair
Urenco Ltd.	R. Hermon	
Westinghouse Electric UK Holdings *	M. Sweeney	D. Gries
USA		
AREVA NP Inc	Ph. Obert	L. Harris
Energy Future Holdings Corp.	R. Moussaid	K. Rogers
Indiana Michigan Power Co.	S.T. Haynes	R.L. Martin
Pacific Gas & Electric Company *	A. Suri	M. Wyspianski
Union Electric Company d/b/a Ameren Missouri	M. Blair	D. Rose
Westinghouse Electric Company LLC *	M. Sweeny	D. Gries

* Non Insured Member



Board of Directors

Berndt	Kockum	<i>Chairman</i>
Klaus	Greimel	<i>Vice-Chairman</i>
Alastair	Russell	<i>Vice-Chairman</i>
Urs	Bircher	
Claus-Dieter	Bölle	
Alisdair	Currie	<i>Executive Committee</i>
Matts	Ekman	<i>External Director</i>
Nick	Feldman	<i>External Director</i>
Bram-Paul	Jobse	
Riccardo	Melandri	
Philippe	Obert	
Colleen	Sidford	
Danny	Vanwelkenhuyzen	<i>Executive Committee</i>

Advisory Committees

Underwriting Committee

Kathleen	Sinclair	<i>Chairman</i>
Luca Emilio	Agrò	
Ivan	Annezer	
Alisdair	Currie	
André	Detemmerman	
Thomas	Erb	
Nick	Feldman	
Alexandru	Havris	
Paavo	Hyvönen	
Berndt	Kockum	
Stefan	Kurz	
Hervé	Loisy	
Robert	Moussaïd	
Laura	Noukka	
Philippe	Obert	
Franck	Orset	
Philippe	Vandekerckhove	
Danny	Vanwelkenhuyzen	

Finance and Investment Advisory Committee

Matts	Ekman	<i>Chairman</i>
Rafaël	Jiménez-Shaw	
Kevin	Kelly	
Bénédicte	Rifai	
Alastair	Russell	
Marleen	Vercammen	

Audit Committee

Matts	Ekman	<i>Chairman</i>
Bram-Paul	Jobse	
Alastair	Russell	

Executive Committee

Danny Vanwelkenhuyzen
Alisdair Currie

*Managing Director
Underwriter & Claims Manager*

Staff

Ivan Annezer
Wim Buysse
André Detemmerman
Véronique Durieux
Ann Geivaerts
Veerle Goderis
Tom Houben
Cathy Mortelmans
Franck Orset
Philippe Vandekerckhove
Marleen Vercammen
Rachida Zahmidi

*Loss Control Manager
Loss Prevention Engineer
Senior Underwriter
Accountant
Corporate Organisation & Legal Manager
Senior Underwriter
Corporate Operations Assistant
PA Managing Director & Board
Loss Prevention Engineer
Senior Risk Manager
Financial Manager
Assistant Underwriting*

Auditors

Deloitte
Berkenlaan 8b
B-1831 Diegem
Represented by
Mr. Yves Dehogne
Réviseur d'Entreprise

Actuary

Nicolaï & Partners
Duboisstraat 43
B-2060 Antwerpen

Letter from the Chairman

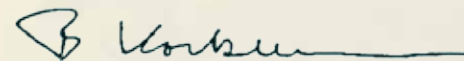
Dear Members!

Times are changing, and we are changing with it. In Europe we can see both existing and future new build in the field of nuclear power generation. At the same time, certain other Members are facing close-down in the foreseeable future. Fortunately, the main fleet of NPP's among the Members are doing business as usual.

The strategy to welcome Transatlantic Members makes us stronger and gives us a better diversified book of business. The six US and three Canadian members are contributing also to Board and Committee work, and help to give a reciprocal and fresh look at our various areas of interest.

I am glad to notice that our engineering team are more than happy with these members technical and safety levels, placing them generally well above the average. I trust that other Members are welcoming this opportunity to receive inspiration and gain experiences.

Finally, all EMANI members should be able to feel confidence for the future, looking at our professional team in Brussels, paired with stronger financials than before!



Berndt Kockum
Chairman of the Board



Description of activities

EMANI is a Mutual insurance Association which offers cover for a wide range of insurance risks relating to nuclear power stations and other companies in the nuclear industry. At present, EMANI covers in excess of 100 nuclear sites for its Members in Belgium, Canada, Czech Republic, Finland, France, Germany, Hungary, Italy, Romania, The Netherlands, Slovak Republic, South-Africa, Sweden, Switzerland, United Kingdom and USA.

The capacity provided by EMANI is independent of that provided by the various nuclear pools.

The main benefits to Members of EMANI include:

Additional or alternative insurance capacity for material damage, business interruption, machinery breakdown, terror and erection all risk covers.

Potential for contribution savings.

Potential for distribution of guarantee fund.

Loss prevention and engineering evaluations.

Information exchange and data centre for nuclear insurance matters.

Underwriting & Claims Handling

EMANI's current portfolio is principally based on property damage cover, but our underwriting team is always looking for new ways to support the needs of our Members. Recent products include cover for Decommissioning risks and NCBR Terrorism attacks.

Increasingly EMANI acts as a leading underwriter bringing the advantages of a comprehensive insurance cover and competitive pricing to the Members. If requested to do so by a Member, EMANI can also act as a coinsurer in partnership with the national insurance pools or another insurer.

In the event of a claim where EMANI acts as leading underwriter, the loss settlement shall be done in cooperation with an independent loss adjuster. In cases where EMANI acts as a coinsurer, EMANI will generally follow the recommendations and assessment made by the loss adjuster appointed by the lead underwriter, however in certain cases, the Management will decide whether EMANI should appoint independent adjusters or additional expert advice.

Article 26 of the Articles of Association provides for additional contributions from Members if required to meet claims.

Reinsurance

EMANI purchases reinsurance cover to supplement capacity and to spread risk as the Board deems appropriate.

Management Structure

EMANI is a mutual Association constituted in Brussels under Belgian law and authorised by Royal Decree on 20th October 1978.(MB 14/11/1978)

The strategic management of the Association is the responsibility of the Board of Directors which, with the exception of those powers expressly reserved for the General Meeting, has full managerial authority.

The administration, underwriting, claims handling and day to day management of the Association is the responsibility of the Managing Director together with the Executive Committee.

Membership

Only companies or authorities in the private or public sector of operating / controlling / owning nuclear installations or their representatives can be Members of the Association.

Election of a new Member shall be submitted to the Board of Directors and shall become effective upon approval by the General Meeting.

A new Member shall underwrite at least one insurance policy with the Association and shall unconditionally accept the Articles of Association.

Loss Prevention Services

The EMANI loss prevention engineers, assisted by the Technical Advisory Committee (which is drawn from senior engineering staff from the EMANI Members utilities), have the ability to identify the potential for losses to occur at the Members' property and to control such losses through risk detection and a preventative program.

The loss prevention services provide the Members with detailed reports, customized for the risk involved and in conjunction with the Underwriting team a thorough assessment of each Member's assets is established.

Based on the on-site evaluation, a comprehensive list of suggestions and recommendations is drawn up with a view to improve safety and to prevent or mitigate losses. The reports also assist the Members' management to quantify and develop appropriate measures to minimise their level of risk.

The loss prevention services make an invaluable contribution to the EMANI underwriting process.

Report of the Board of Directors to be presented to the Annual General Meeting of 6 June 2014

Dear Member,

At the close of the 35rd financial year, we are pleased to report to you on the business of your Mutual Association and to set out below the balance sheet and the income statement for the year ended 31 December 2013.

The financial statements incorporate the results from the EMANI branch in Switzerland which was established on 07/06/2013.

The Board of Directors of the Mutual Association is responsible for all information contained in the financial statements and other sections of the annual report. The Board considers that the financial statements and related disclosures have been prepared in accordance with generally accepted Belgian accounting principles. These financial statements include amounts that are based on Board's judgment and best estimates.

The Mutual Association maintains a system of internal accounting controls to provide reasonable assurance that assets are safeguarded against loss from unauthorized use of disposal and that the accounting records provide a reliable basis for the preparation of the financial statements.

Deloitte has been engaged, with the approval of Members, as the independent auditor to audit the financial statements and to express their opinion thereon. Their opinion is based on procedures considered by them to be sufficient to provide reasonable assurance that the financial statements present fairly, in all material respects, the financial position, cash flows and results of operations. Their report is adjoined to the financial statements.

Capacity

The insurance capacity for Material Damage in 2013 was € 594.159.500 and compared with € 625.000.000 in 2012. The insurance capacity for Terrorism cover in 2013 remained unchanged at € 625.000.000.

The own retention 2013 was limited to € 235.359.700 for Material Damage insurance policies and to € 224.000.000 for Terrorism insurance policies and this compared to € 220.995.380 and € 221.999.900 for previous year.

Contributions

Contributions written and reinsurance premiums ceded are reflected in earnings on a pro-rata basis over the term of each policy. Unearned contributions represent the portion of contributions written which are applicable to the non-expired terms of the policies in force.

For the purpose of the following calculations, contribution is defined as original contribution less rebate.

Net contributions decreased from € 48.605.286 in 2012 to € 46.821.884 in 2013. This reduction of contributions can be attributed primarily to our German Members reappraising their insurance programmes as a result of forthcoming site closures but also to our ongoing commitment to reducing business interruption exposures and increasing deductibles.

No contributions from our Swiss branch are included in these figures because the Swiss Regulator (FINMA) has not yet granted a license to EMANI.

Reinsurance cost decreased from € 24.220.812 in 2012 to € 23.737.419 in 2013. This decrease can be attributed to the reduction in contributions.

The amounts of Members' rebate released back to the Members of € 215.455 net of reinsurance was higher than the technical reserve established of € 121.318. This resulted in a cost of € 94.138 in 2013 versus a gain of € 499.738 in 2012.

At 31 December 2013 the outstanding Members' rebate reserves was reduced to zero as the final refunds were settled during 2013.

General expenses

General expenses increased from € 2.931.346 in 2012 to € 3.157.549 in 2013 or 7,7% and including for the first time the expenses from our Swiss branch which amount to € 55.688 and this represents some 1,8% of the increase. The remaining increase is mainly due to costs of additional staff.

Claims

Provisions are made for the estimated cost of incurred losses on the basis of management estimates, based where appropriate on information from the Members, their brokers, nuclear pools, claims adjusters, independent consultants and other relevant sources.

The total claims result (net of reinsurance) for 2013 is a net release to the income statement of € 1.513.702. This comprises a charge in respect claims of € 7.928.912 (net of reinsurance) of which € 9.370 are in relation to losses occurred in 2013. In addition there were releases of reserves (net of reinsurance) of € 9.442.614 due to reassessment of settlement of claims. This includes € 5.496.993 related to losses in the financial year 2013.

Investments

The total book value of the investments and liquid instruments increased from € 208.386.104 in 2012 to € 220.408.461 in 2013.

The investment allocation of 70% long term corporate bonds and 30% liquid instruments at the beginning of the year has changed in stages to 44,26% long term corporate bonds, 46,4% liquid instruments and 9,34% equity resulting in a financial loss of € 534.804 . All the investments are recorded at their purchase value and the unrealized gains of € 1.620.926 are not recorded in the income statement for the year.

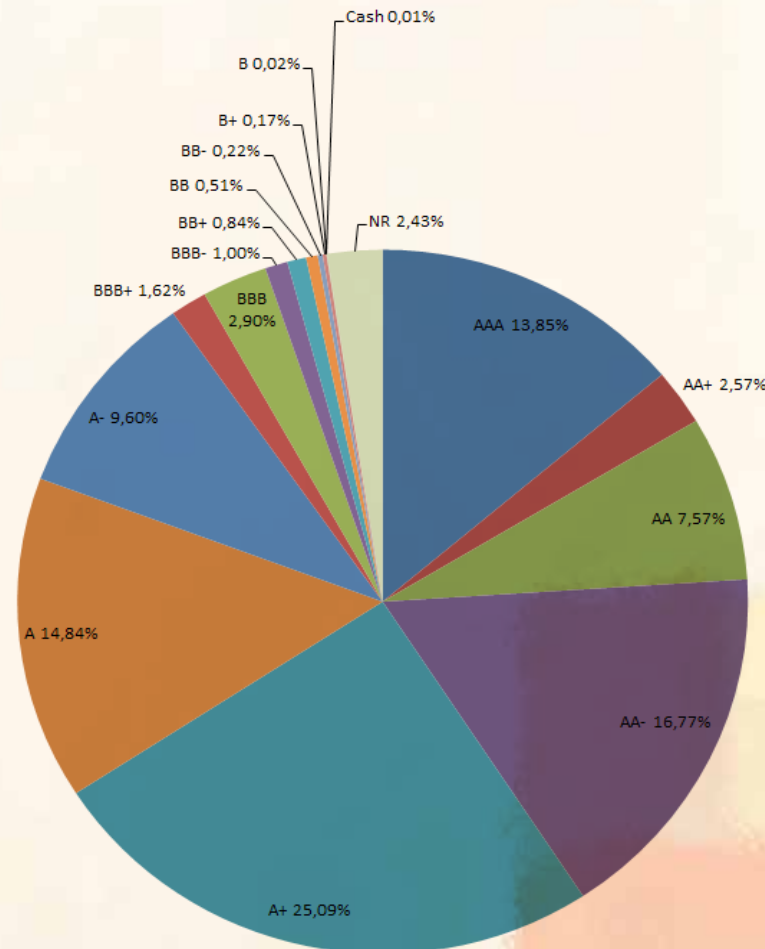
Book value and estimated fair market value of investments as at 31 December 2013.

Euro	Book value	Unrealized capital gains/(losses)	Market value
Equity investment fund	20.115.558	627.328	20.742.886
Money Market investment funds	40.108.587	5.271	40.806.858
Corporate bond investment funds	97.274.242	988.327	98.262.569
Deposits and cash	62.217.074	0	62.217.074
Total	220.408.461	1.620.926	222.029.387

Credit rating of the investment product as at 31 December 2013.

The overall weighted average credit rating of the Money Market investment funds, the corporate bonds investment fund and the Deposits and cash is A+, broken down as follows :

Weighted average ratings EMANI credit



Country Allocation and duration by investment class as at 31 December 2013.

Corporate Bond funds:

AT 1,03% • BE 3,29% • BM 0,05% • CH 2,66% • CI 4,30% • DE 1,65% • DK 0,26% • ES 7,79% • FR 13,09% • GB 8,85% • IE 4,22% • IT 6,35% • LU 2,37% • NL 10,44% • NO 0,87% • PT 0,23% • RU 0,18% • SE 7,41% • Europe others 0,97% • US 11,11% • CA 2,55% • AU 8,43% • NZ 1,16% • MX 0,17% • Latin America others 0,24% • Asia others 0,18% • Africa/Middle East others 0,08% • Cash 0,08%

Average duration : 5,46 years

Money Market funds:

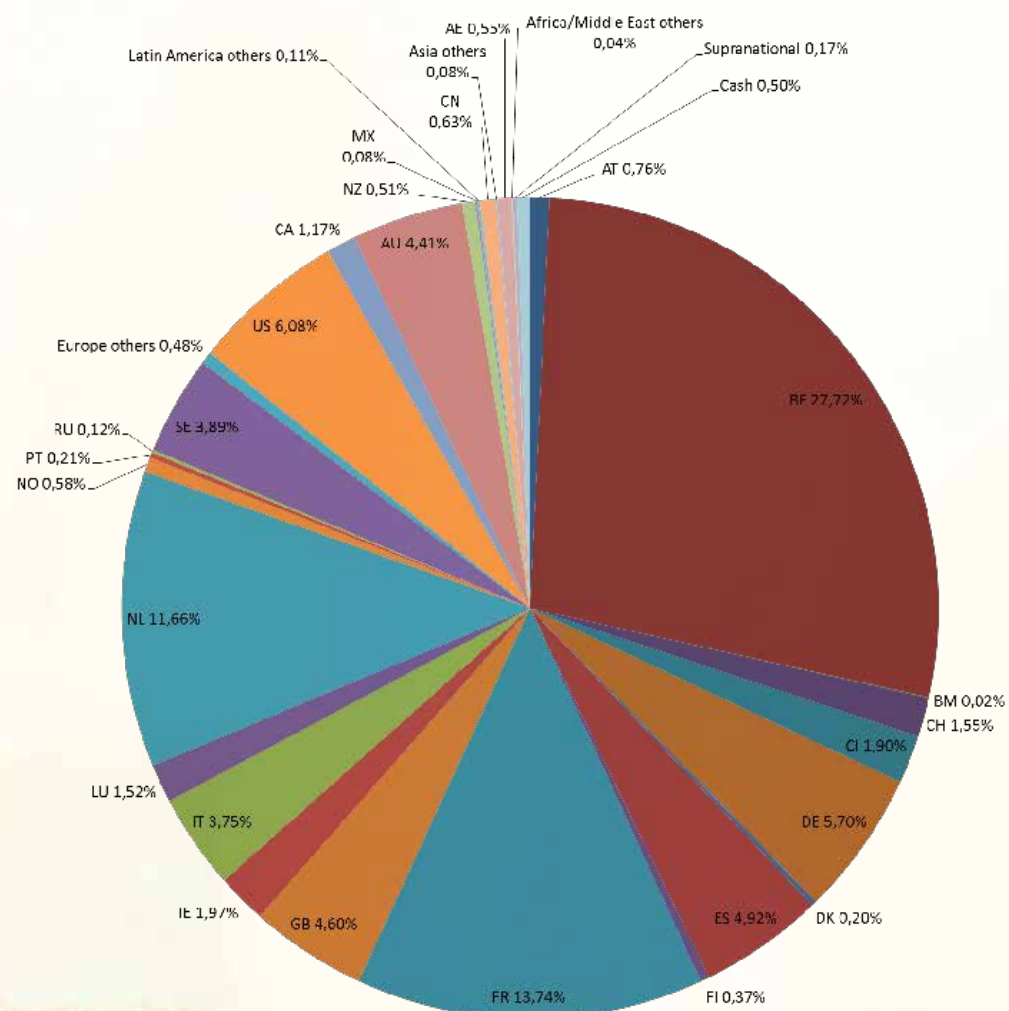
AT 1,23% • BE 14,15% • CH 1,31% • DE 11,41% • DK 0,44% • ES 2,46% • FI 0,50% • FR 26,92% • GB 3,72% • IT 1,45% • LU 2,34% • NL 8,96% • NO 1,07% • PT 0,30% • RU 0,23% • SE 3,33% • Europe others 0,31% • US 6,32% • CA 0,22% • AU 3,69% • CN 3,43% • AE 2,97% • Supranational 0,94% • Cash 2,32%

Average duration : 0,46 years

Equity funds:

AT 0,87% • BE 3,85% • DE 30,80% • ES 10,92% • FI 2,96% • FR 32,17% • GR 0,07% • IE 1,14% • IT 7,23% • LU 0,43% • NL 9,00% • PT 0,56%

Overall portfolio country allocation:



Net Investment Income

Euro	2013	2012
Gains/(losses)	518.161	16.037.043
Interests and dividend securities	0	0
Interests term deposits	78.234	135.274
Interests cash and cash equivalents	235.790	37.472
Adjustments to investment values	-1.287.722	140.151
Withholding taxes	-79.268	-37.496
Net investment income	-534.805	16.312.444

Result

The € 20.798.927 surplus for 2013 compares with a € 24.375.075 surplus in 2012 (before allocation to reserve for equalization and catastrophes).

For the first time the surplus of the year includes the results of our Swiss branch . As at 31 December no policies have been written through the branch so that the deficit represents the set-up costs of € 56.290.

The technical surplus for 2013 of € 21.389.420 is allocated to the reserve for equalization and catastrophes following the rules of the Belgian insurance regulator National Bank of Belgium (formerly CBFA).

The Board of Directors recommends to the Annual General Meeting that the financial deficit of € 590.775 be allocated to the guarantee fund for the amount of € 534.485 in relation to the Belgian activities and to be carried over in retained earnings for the deficit of € 56.290 in relation to the Swiss Branch following the local requirements.

Guarantee Fund

The guarantee fund plus the reserve for equalization now available to the Members supports insurance capacity amounts of € 197.999.368.

The reserve for Members' rebate was fully released in 2013.



Berndt Kockum
Chairman of the Board
On behalf of the Board of Directors

Corporate Governance Report

To ensure the appropriate level of corporate governance, the Board has put in place arrangements which it believes are suitable for a Mutual carrying on insurance business and enable the mutual to comply with the Royal Decree of 12 August 1994 , the NBB (formerly CBFA) communications D172 and the Circulars PPB-2006-8-CPA and PPB-2007-6-CPB-CPA.

All the principles are written in the document “Memorandum of good governance”. In addition the Executive committee presents annually to the Board the Report on internal control.

The relevant principles of governance are applied to the Mutual in the following way :

The Board

There are currently thirteen Board members, including the Chairman and the Vice-Chairmen, nine of them are representing the nuclear Members, two external directors and two members of the Executive Committee.

All of the Board members are nominated by the Annual General Meeting for a three-year period and eligible for re-appointment.

The Board meets four times a year and at other times as may be necessary.

Board committees

The Board has a schedule of matters that it reserves for itself. These matters cover approval of accounts, significant changes to accounting policies, changes to the membership of the Board and its Committees, recommendations of the strategy to be applied to the Members of the association, approval of the annual operating budget.

In addition, the Board has appointed four standing Committees. These Committees report to the Board at each of their meetings. The terms of reference for the Executive Committee, Audit Committee, Finance and Investment Advisory Committee and Underwriting Committee, which are reviewed annually, have been agreed by the Members and the Board. The nomination of Members within these Committees must be approved by the Board.



Board and committee papers

Appropriate and timely management information is circulated to Directors and Committee members in good time before the meetings.

Annual General Meeting

The sections of the Articles of Association relating to the Annual General Meeting have been complied with.

Internal control

The Board is ultimately responsible for the Mutual's system of internal control and for reviewing its effectiveness. However, such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatements or loss.

Control procedures

The Mutual have implemented control procedures designed to ensure complete and accurate accounting for financial transactions and to limit the potential exposure to loss of assets or fraud. Measures taken include reviews by management as well as internal and external audits.

Risk identification

The Executive Committee is responsible for the identification and evaluation of the risks underwritten. These risks are assessed on a continual basis and may be associated with a variety of internal and external sources including EMANI's own loss control service and regulatory requirements and/or authorities.

Monitoring and corrective actions

The Mutual has produced an Internal procedures manual, which provides practical guidance for all staff.
The internal auditor reports to the Audit Committee on the effectiveness of the procedures.

Statutory Auditor's Report to the members' meeting on the annual accounts for the year ended 31 December 2013

The original text of this report is in French

To the Members

As required by law and the association's articles, we report to you in the context of our appointment as the statutory auditor. This report includes our report on the annual accounts together with our report on other legal and regulatory requirements. These annual accounts comprise the balance sheet as at 31 December 2013 and the income statement for the year then ended, as well as the summary of accounting policies and other disclosures.

Report on the annual accounts - Unqualified opinion

We have audited the annual accounts of E.M.A.N.I. ("the association"), prepared in accordance with the financial reporting framework applicable in Belgium, which show total assets of 239.000 (000) EUR and a deficit for the year of 591 (000) EUR.

Board of directors' responsibility for the preparation of the annual accounts

The board of directors is responsible for the preparation and fair presentation of annual accounts in accordance with the financial-reporting framework applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Statutory auditor's responsibility

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISA). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the statutory auditor considers internal control relevant to the association's preparation and fair presentation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of directors, as well as evaluating the overall presentation of the annual accounts. We have obtained from the association's officials and the board of directors the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unqualified opinion

In our opinion, the annual accounts of E.M.A.N.I. give a true and fair view of the association's net equity and financial position as of 31 December 2013 and of its results for the year then ended, in accordance with the financial reporting framework applicable in Belgium.

Report on other legal and regulatory requirements

The board of directors is responsible for maintaining the association's accounting records in compliance with the legal and regulatory requirements applicable in Belgium and for the association's compliance with the Companies Code and the association's articles.

As part of our mandate and in accordance with the Belgian standard which is complementary to the International Standards on Auditing as applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we make the following additional statements, which do not modify the scope of our opinion on the annual accounts:

- Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting is in accordance with the relevant requirements of the law and the association's articles.
- There are no transactions undertaken or decisions taken in violation of the association's articles or the Companies Code that we have to report to you.

Diegem, 21 March 2014
The statutory auditor



DELOITTE Bedijfsrevisoren / Reviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d SCRL
Represented by Yves Dehogne

Balance sheet as of 31 December 2013 & 2012

(Currency – Euro)

A s s e t s	31/12/2013	31/12/2012
C. Investments		
III. Other financial investments		
1. Parts in investment funds	158.191.387	176.922.722
6. Term deposits with financial institutions	42.619.628	12.333.070
	<hr/>	<hr/>
	200.811.015	189.325.792
D.bis Part of reinsurers in the technical reserves		
I. Reserve for non-earned premiums and current risks	3.910.128	4.332.557
III. Reserve for claims receivable	12.980.360	18.555.029
IV. Reserve for profit sharing and refunds	0	11.146
	<hr/>	<hr/>
	16.890.488	22.898.732
E. Receivables		
I. Receivables resulting from direct insurance		
1. Insurers	947.735	586.018
2. Intermediaries of insurers	61.260	1.917.434
II. Receivables resulting from reinsurance	255.456	1.334.712
III. Other receivables	103.793	82.450
	<hr/>	<hr/>
	1.368.245	3.920.615
F. Other assets		
I. Tangible assets	195.770	206.785
II. Liquidities	19.597.446	19.060.312
	<hr/>	<hr/>
	19.793.215	19.267.096
G. Transitory accounts		
I. Interests and rent	137.229	110.134
	<hr/>	<hr/>
Total assets	239.000.192	235.522.370

The accompanying notes are an integral part of these balance sheets

Balance sheet as of 31 December 2013 & 2012

(Currency – Euro)

Liabilities	31/12/2013	31/12/2012
A . Equity		
I. Subscribed capital or equivalent fund, net of uncalled capital		
1. Guarantee fund securities	84.108.201	84.533.377
5. Retained earnings	-56.290	0
	<hr/>	<hr/>
	84.051.910	84.533.377
C. Technical reserves		
I. Reserve for unearned premiums and for unexpired risks	10.889.620	10.856.108
III. Reserve for claims payable	28.714.077	43.731.360
IV. Reserve for profit sharing and refunds	0	132.464
V. Reserve for equalisation and catastrophies	113.947.458	92.558.038
	<hr/>	<hr/>
	153.551.154	147.277.971
G. Payables		
I. Payables resulting from direct insurance business	1.041.326	963.746
II. Payables resulting from reinsurance business	1.069	2.322.248
V. Other payables		
1. Fiscal and social payables		
a) Taxes	0	1.082
b) Social Payables	259.329	237.273
2. Other	44.062	51.778
	<hr/>	<hr/>
	1.345.786	3.576.127
H. Transitory accounts		
	51.342	134.895
	<hr/>	<hr/>
	51.342	134.895
Total Liabilities	<hr/> 239.000.192	<hr/> 235.522.370

The accompanying notes are an integral part of these balance sheets

Income statement as of 31 December 2013 & 2012

(Currency – Euro)

	31/12/2013	31/12/2012
1. Earned premiums net of reinsurance		
a) Gross premiums	46.855.395	49.949.266
- Premiums written	47.093.026	50.247.324
- Rebates to Members	-237.631	-298.059
b) Reinsurance premiums	-23.314.991	-24.679.493
c) Variation of the reserve for unearned premiums and unexpired risks, gross of reinsurance (increase -, decrease +)	-33.511	-1.343.980
d) Variation of the reserve for unearned premiums and unexpired risks, reinsurers part (increase +, decrease-)	-422.429	458.681
	23.084.464	24.384.474
2bis. Investment income		
b) Income from other investments.	314.024	172.747
c) Write-back of adjustments on investments	0	140.151
d) Realised capital gains	740.564	16.068.372
	1.054.588	16.381.270
3. Other technical income net of reinsurance	0	9.910
	0	9.910
4. Cost of claims, net of reinsurance (-)		
a) Net amount paid	-7.928.912	-8.647.297
aa) gross amount	-10.865.475	-14.397.841
bb) part of reinsurers	2.936.564	5.750.544
b) Variation of the claims services reserve, net of reinsurance (increase -, decrease +)	9.442.614	-5.252.845
aa) variation of the reserve for claims gross of reinsurance (increase -, decrease +)	15.017.283	-5.422.435
bb) variation of the reserve for claims part of reinsurance (increase +, decrease -)	-5.574.669	169.590
	1.513.702	-13.900.142

The accompanying notes are an integral part of these income statements

Income statement as of 31 December 2013 & 2012

(Currency – Euro)

	31/12/2013	31/12/2012
6. Cost of refund of contribution, net of reinsurance (-)		
a) Net amount paid	-215.456	-457.179
b) Variation of the refunds reserve, net of reinsurance (increase. -, decrease. +)	121.318	956.917
	-94.138	499.738
7. Net operating expenses (-)		
a) Acquisition expenses	-221.955	-244.562
b) Administrative expenses	-2.935.594	-2.686.784
	-3.157.549	-2.931.346
7.bis Expenses relating to investments (-)		
a) Expenses for managing Investments	-79.268	-37.496
b) Adjustments to investment values	-1.287.722	0
c) Realised less values	-222.402	-31.330
	-1.589.393	-68.826
8. Other reinsurance charges	-12.747	0
Surplus / (Deficit) of the period before variation reserve for equalisation and catastrophies	20.798.927	24.375.075
9. Variation in the reserve for equalisation and catastrophies, net of reinsurance	-21.389.420	-8.062.631
Surplus / (Deficit) of the period	-590.493	16.312.444
15. Taxes	-283	0
Surplus / (Deficit) of the period available for distribution	-590.775	16.312.444

The accompanying notes are an integral part of these income statements

Notes to the financial statements as of 31 December 2013 & 2012

(Currency – Euro)

1. Activity of the Mutual Association and summary of the main accounting principles

The purpose of the Mutual Association is to indemnify those of its insured members that have suffered property and/or business interruption damage to their nuclear installations and/or contents thereof. In certain cases the Mutual Association also insures non-nuclear risks.

During the year 2013 the total insurance capacity of E.M.A.N.I. was 594.160.000 EUR of which:

- 16% of the first 5.000.000 EUR is reinsured by way of “quota share” contracts (for a first loss); No reinsurance of the first 5.000.000 EUR (for a second loss);
- 20,7423% of the following 95.000.000 EUR, in excess of 5.000.000 EUR, is reinsured by way of “quota share” contracts (for a first loss); 4,7423% of the following 95.000.000 EUR, in excess of 5.000.000 EUR, is reinsured by way of “quota share” contracts (for a second loss);
- 71,5591% of 440.000.000 EUR in excess of 100.000.000 EUR is reinsured by way of “excess of loss” contracts and 4,7423% is reinsured by way of “quota share” contracts (idem for a first and second loss);
- 4,7423% of 54.160.000 EUR in excess of 540.000.000 EUR is reinsured by way of “quota share” contracts (idem for a first and second loss).

The risk for E.M.A.N.I. is thus limited to 235.360 KEUR for a first loss and 251.360 KEUR for a second loss during the year 2013.

During the year 2013 the total insurance capacity of E.M.A.N.I. for terrorism is 625.000.000 EUR of which:

- 16% of 100.000.000 EUR is reinsured by way of “quota share” contracts (for a first loss); No reinsurance for the first 100.000.000 EUR (for a second loss);
- 73,0769% of 260.000.000 EUR in excess of 100.000.000 EUR is reinsured by way of “excess of loss” contracts (idem for a first and second loss);
- 72,9787% of 235.000.000 EUR in excess of 360.000.000 EUR is reinsured by way of “excess of loss” contracts (idem for a first and second loss);
- 78,3333% of 30.000.000 EUR in excess of 595.000.000 EUR is reinsured by way of “excess of loss” contracts (idem for a first and second loss).

The risk for E.M.A.N.I. for terrorism is thus limited to 224.000 KEUR for a first loss and 240.000 KEUR for a second loss during the year 2013.

The accounting principles of E.M.A.N.I. can be summarized as follows:

a) Overview of the amortization rates applied

Other assets-tangible fixed assets	Per year
Installations, electronic equipment and office tools	33.33%
Furniture	10%
Vehicles	20%

b) Technical provisions

The association constitutes technical provisions based on contributions relating to the active, non-expired policies in force at the end of the accounting year, unreleased members' rebates relating to an expired policy, claims payable and the reserve for equalisation and catastrophes in accordance with Articles 10 and 11 of the Royal Decree of 22 February 1991.

c) Fixed income securities

The fixed income securities (straight and convertible bonds) are valued at their acquisition cost. The incidental costs are expensed as incurred.

The differences, if material, between acquisition cost and redemption value of the securities are amortized pro rata to maturity of the securities. Unless the intention of the association is to sell the securities in the short term, no adjustment is booked to reflect the market value if this market value is below the net book value determined according to the method described above.

At 31 December, the investments denominated in foreign currencies are converted in Euro using the year-end exchange rate. The exchange gains are deferred whereas the exchange losses are recorded in the income statement. Reduction in value on fixed income securities shall be recorded in the income statement when the reimbursement at redemption date is partly or fully uncertain or compromised.

d) Shares and other non-fixed income securities

The investments denominated in foreign currencies are converted in Euro using the year-end exchange rate. The exchange gains are deferred whereas the exchange losses are recorded in the income statement.

Shares and other non-fixed interest securities are recorded at acquisition cost. The incidental costs are expensed as incurred. Unrealised losses are recorded if the Board of Directors evaluates that there is a permanent less value on those securities. Such less values are recorded in the income statement.

e) Foreign exchange rate contracts

The foreign exchange rate contracts are converted in Euro using the exchange rate as of the balance sheet date. The exchange gains are deferred whereas the exchange losses are recorded in the income statement.

f) Accounts payable and receivable in foreign currency

The foreign currency denominated accounts are converted in Euro using the exchange rate as of the balance sheet date.

The foreign currency denominated accounts of the income statement are converted into Euro on a monthly basis using the exchange rate in force at the end of the previous month.

Except for the unrealized exchange gains on the bonds and other fixed interest securities, the shares and other non fixed interest securities and the foreign exchange rate contracts, as mentioned in point c), d) and e). The unrealized exchange gains and losses are recorded in the income statement under the caption "Investment income" and "Expenses relating to investments".

2. Guarantee Fund

The Board of Directors proposes to the Annual General Meeting to allocate 534.485 EUR, the deficit of the year 2013, to the Guarantee Fund. Note that the result of the year 2013 of the Swiss Branch will not be transferred to the Guarantee Fund, but will be reported separately as retained earnings (-56.290 EUR).

The evolution of the Guarantee Fund over 2013 is as follows:

Guarantee Fund at 31 December 2012	84.533.377
Transfer of the deficit of the year (exclusive Swiss Branch)	-534.485
Members rebates	109.309
<hr/>	
Guarantee Fund at 31 December 2013	84.108.201

3. Covering assets

The assets that represent the technical provisions have to be invested in accordance with the rules set out in Article 10 of the Royal Decree of 22 February 1991.

As of 31 December 2013 and 2012, the Mutual Association had invested its representative assets as follows:

	31/12/2013	31/12/2012
Investment funds	110.790.802	138.356.389
Cash (cash and term deposits)	44.305.936	13.338.707
<hr/>		
	155.096.738	151.695.096

4. Reserve for equalisation and catastrophes

In application to Article 11, §1, 3° of the Royal Decree dated 22 February 1991 on the general rules on the control of insurance companies. The Mutual Association started in 1996 to build a reserve for equalisation and catastrophes. The purpose thereof is to create a reserve that would smooth out variations in claims or would cover exceptional risks. Based on the current regulations, the theoretical target amount that should be provided for within the Mutual Associations' equalisation and catastrophes reserve is 235.359.700 EUR. The yearly movement however depends on the income or loss of the Mutual Association before (net) investment income (exclusive the income from the Swiss branch). An income results in an addition to the reserve for the amount of the income, and a loss results in a usage of the reserve for the amount of the loss. The application of this rule resulted in an addition of 21.389.420 EUR for the year 2013 and an addition of 8.062.631 EUR for the year 2012 which brings the total of the reserve up to 113.947.458 EUR.

It should however be noted that at the end of 2013 the guarantee fund amounts to 84.108.201 EUR and can also be used to cover the obligation of the mutual. Additionally, the Mutual may call under certain circumstances for additional funds of the members (article 26 of articles of the bylaws) to be used to cover the obligation of the Mutual.

5. Management

The investment management of the Mutual Association has been outsourced.

The investment management fee is included in the net asset value of the investment funds.

The broker reinsurance handling fee amounts to 229.274 EUR for the year 2013 and 273.769 EUR for 2012.

Reinsurance commissions refunded to E.M.A.N.I. are 585.977 EUR for 2013 and 842.341 EUR for the year 2012 and are deducted from the reinsurance premium charges.