

EMANI

Annual Report

2007
2007



Annual Report 2007
of the Board of Directors
and of the Statutory Auditor
to be presented at
The Annual General Meeting
on 6th June 2008

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

	2007	2006	2005
Net premium earned	22.536.723	13.238.351	11.980.471
Claims	-28.368.953	-141.185	-5.178.153
Expenses	-2.133.666	-1.891.395	-1.746.769
Other income	169.045	104.812	5.912
Net investment result	3.171.168	3.332.213	5.048.264
Earnings before distribution to reserve for equalisation and catastrophies	-4.625.683	14.642.796	10.109.725

Balance Sheet

Assets	143.411.105	117.013.291	113.260.676
Liabilities	53.135.274	22.370.356	32.772.567
Guarantee fund	90.275.831	94.642.935	80.488.109
(including reserve for equalisation and catastrophies)			

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Members

Advanced Nuclear Fuels GmbH
AG für Kernenergie-Beteiligungen (AKEB)
AREVA NC
Belgoprocess NV
BKW FMB Energie SA
British Energy Plc
British Nuclear Fuels Plc
Bruce Power L.P.
CEZ a.s.
CCR , Ispra
Centrales Nucléaires en Participation SA
EDF
ENEL *
Elektricitets-Productiemaatschappij Zuid-Nederland NV EPZ
EnBW Kraftwerke AG
EnBW Kernkraft GmbH (GKW Neckar GmbH)
E.ON Kernkraft GmbH
E.ON Sverige AB
ESKOM
Eurodif Production SA
FBFC
FBFC International SA
Forsmarks Kraftgrupp AB
Fortum Power & Heat Oy
Gemeenschappelijk Centrum voor Onderzoek
Gemeenschappelijke Kernenergiecentrale Nederland NV
Gemeinschaftskernkraftwerk Grohnde GmbH
Gemeinschaftskraftwerk Neckar GmbH
GNS Gesellschaft für Nuklear-Service mbH
Institute for Transuranium Elements
Kernkraftwerk Gösgen-Däniken AG
Kernkraftwerk Leibstadt AG (KKL)
Kernkraftwerk Lippe-Ems GmbH
Kernkraftwerk Obrigheim GmbH
New Brunswick Power Nuclear Corporation
Nordostschweizerische Kraftwerke AG
OKG Aktiebolag
Ontario Power Generation
Paks Nuclear Power Plant Ltd
PURAM
Ringhals AB
RWE Power AG
SCK-CEN
SKB AB
Slovenske Elektrarne AS
Socatri SARL
Societatea Nationala Nuclearelectrica SA *
Studsvik AB
Teollisuuden Voima Oyj
Urenco Ltd. *
Vattenfall Europe Nuclear Energy GmbH (HEW AG)
Zwischenlager Würenlingen AG (ZWILAG)

* Non Insured Members

Member Representatives

Member	Representative	Substitute
Belgium		
Belgoprocess NV	A. Roefs (8.6.07)	
FBFC International SA	F. Goens	G. Ferriot (till 8.6.07)
SCK-CEN	C. Legrain	
Canada		
Bruce Power LP	D. Bishop	K. Kelly (8.6.07)
New Brunswick Power Nuclear Corporation	N. Duplessis	D. Hay (8.6.07)
Ontario Power Generation	J. Floras	C. Sidford
Czech Republic		
CEZ a.s.	H. Eliasova	V. Hronek
Finland		
Fortum Power & Heat Oy	M. Kautonen (8.6.07)	M. Huopalainen (8.6.07)
Teollisuuden Voima Oyj	K. Luotonen	P. Hyvönen
France		
AREVA NC	Ph. Obert	J.D Treillard
EDF	J. L Thébault	Y. Colleu
Eurodif Production SA	R. Jimenez-Shaw (8.6.07)	M. Saléra-Cordier
FBFC	G. Ferriot (till 8.6.07)	P.E. Michel
Socatri SARL	M. Saléra-Cordier	R. Jimenez-Shaw (8.6.07)
Germany		
Advanced Nuclear Fuels GmbH	R. Heskamp	A. Stoll
EnBW Kraftwerke AG	C.D. Bölle	
EnBW Kernkraft GmbH (GKW Neckar GmbH)	W. Heni	C.D. Bölle
E.ON Kernkraft GmbH	K. Greimel	W. Seewöster
Gemeinschaftskernkraftwerk Grohnde GmbH	K. Greimel	W. Seewöster
GNS Gesellschaft für Nuklear-Service mbH	H. Näser	
Institute for Transuranium Elements	M. Becquet	R. Lennartz
Kernkraftwerk Lippe-Ems GmbH	J. Haaf	J. Grundmann (8.6.07)
Kernkraftwerk Obrigheim GmbH	E. Ehrmann	R. Lüdascher
RWE Power AG	J. Haaf	J. Grundmann (8.6.07)
Vattenfall Europe Nuclear Energy GmbH (HEW)	R. Kettler	A. Brachem

* Non Insured Members

Member Representatives

Member	Representative	Substitute
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Great Britain

British Energy Plc	A. Russell	K.Sinclair
British Nuclear Fuels Plc	A.J. Shuttleworth	
Urenco Ltd *		

Hungary

Paks Nuclear Power Plant Ltd	L. Molnar	
PURAM	I. Barnabas	G. Buday

Italy

CCR, Ispra	M. Becquet	R. Lennartz
ENEL*	R. Muscogiuri	R. Melandri

The Netherlands

Elektriciteits-Productiemaatschappij Zuid-Nederland NV EPZ	B.P. Jobse	
Gemeenschappelijke Kernenergiecentrale Nederland NV	G.J.G. Geertsema (8.6.07)	G.J. Mensink
Gemeenschappelijke Centrum voor Onderzoek	M. Becquet	R. Lennartz

Romania

Societatea Nationala Nuclearelectrica SA *		
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Slovak Republic

Slovenske Elektrarne AS	R. Muscogiuri	I. Stehlikova
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South Africa

ESKOM	K. Darbourn	
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Sweden

E.ON Sverige AB	B. Svensson	T. Andersson
Forsmarks Kraftgrupp AB	B. Kockum	S. Ordéus
OKG Aktiebolag	R. Danielsson	
Ringhals AB	J.E. Back (8.6.07)	O. Fröberg
Svensk Kärnbränslehantering AB	B. Sundman	P.O. Lindberg
Studsvik AB	R. Atmer	J. Ericsson

Switzerland

AG für Kernenergie-Beteiligungen (AKEB)	T. Erb (8.6.07)	
BKW FMB Energie SA	U. Bircher	M. Mooser
Centrales Nucléaires en Participation SA	P. Rochat (8.6.07)	P. Enderli
Kernkraftwerk Gösgen Däniken AG	F. Schwabe (8.6.07)	
Kernkraftwerk Leibstadt AG (KKL)	T. Erb	
Nordostschweizerische Kraftwerke AG	T. Erb	P. Enderli
Zwischenlager Würenlingen AG (ZWILAG)	T. Erb	

Board of Directors

Berndt Kockum
Chairman

Alvin J. Shuttleworth
Vice-Chairman

Klaus Greimel
Vice-Chairman

Claus- Dieter Bölle

Alisdair Currie
Executive Committee

Nick Feldman
External Director

Philippe Obert

Jean-Louis Thébault

Alastair Russell

Danny Van Welkenhuyzen
Executive Committee

Léon Vigneron
External Director



Advisory Committees

Underwriting Committee

Alisdair	Currie	Kitty Sinclair
Stefan	Kurz	Neil Duplessis
Eric	Desseyn	Ivan Annezer
Thomas	Erb	Iveta Stehlikova
Nick	Feldman	André Detemmermen
Paavo	Hyvönen	
Philippe	Obert	
Yvon	Colleu	
Berndt	Kockum	
Danny	Van Welkenhuyzen	

Finance and Investment Advisory Committee

Matts	Ekman
Rafaël	Jimenez-Shaw
Klaus	Luotonen
Alastair	Russell
Jean-Louis	Thébault
Marleen	Vercammen

Audit Committee

Matts	Ekman
Rafaël	Jimenez-Shaw
Klaus	Luotonen
Alastair	Russell
Jean-Louis	Thébault

Staff

Danny Van Welkenhuyzen
Managing Director

Alisdair Currie
Underwriter & Claims Manager

Eric Desseyn
Senior Loss Control Manager

Ivan Annezer
Loss Control Manager

André Detemmerman
Senior Underwriter

Christine Gouennou
PA Managing Director & Board

Annabelle Luzeka
Underwriting Assistant

Marleen Vercammen
Financial Manager

Solange Raë
Assistant accounting

Auditors

Deloitte
Berkenlaan 8b
B 1831 Diegem
Represented by
Mr. Rik Neckebroeck
Réviseur d'Entreprise

Actuary

Nicolaï & Partners
Frilinglei 109
2930 Brasschaat



Letter from the Chairman

Dear EMANI members,

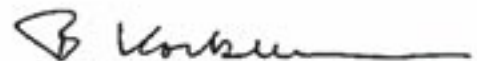
In terms of announcements of potential new nuclear build, the last year has probably been the most significant for many decades. This should certainly be good for our mutual.

The number of member companies continues to grow and also this year we added 3 important nuclear operators to our members list.

Stable capacity remains one of the priorities as well as innovative coverage for our members. This year we launched an Erection All Risk facility, together with some of our key re-insurance supporters, for those members who are undertaking refurbishments at their sites. Close co-operation with our re-insurers is also important, which was the reason for having our bi-annual re-insurance event at the SCK in Mol.

The staff has been extended with additional underwriting support and a Legal Manager was hired to ensure corporate governance compliance. Investing into the future continues 2008 by extending the staff within certain disciplines in order to give our members the service they expect from their mutual.

On behalf of the Board of Directors and all of the Staff of EMANI, I like to express my sincere thanks to all of you for the past year and look forward working with you in 2008.



Berndt Kockum
Chairman of the Board

Description of activities

EMANI is a mutual insurance association which offers cover for certain insurance risks relating to nuclear power stations and other companies in the nuclear industry. The present members of EMANI include nuclear facilities in Belgium, Canada, Czech Republic, Finland, France, Germany, Hungary, Italy, The Netherlands, The Slovak Republic, South Africa, Sweden, Switzerland and United Kingdom.

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, and nuclear liability risks.

Potential for contribution savings.

Potential for distribution of guarantee fund.

Loss control 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 and the proportion of nuclear liability risks insured by the Association continues to decrease following the creation of ELINI.

Whether EMANI is acting as leading underwriter or as coinsurer, the Member is entitled to a rebate on his contribution as determined by the Board of Directors. Increasingly, Members are electing to take advantage of the comprehensive cover embraced by the EMANI wording and the EMANI rating structure.

In the event of a claim, EMANI will generally follow the recommendations and assessment made by the loss adjustor appointed by the Nuclear Pool, however in certain cases, the Management will decide whether EMANI should appoint independent adjustors. Additionally, where EMANI acts as leading underwriter, the loss settlement is done in cooperation with an international independent loss adjustor.

Article 26 of the Articles of Association provides for additional contributions

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 Annual General Meeting, has full managerial authority.

The administration , underwriting, claims handling and day to day management of the association is the responsibility of the General Manager together with the Executive Committee.

Membership

A member must be a company or authority in the public or private sector, operating nuclear installations.

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 Control Services

The EMANI Loss Control 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 Control 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 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 control 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 6th June 2008

Dear Member,

At the close of the 29th financial year, we are pleased to report to you on the business of your Mutual for the financial year and to set out below the balance sheet and the income statements for the year ended December 31st, 2007.

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

The company 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 financial statements.

Deloitte. has been engaged, with the approval of members, as the independent auditors 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 set forth on page 24.

Capacity

The overall insurance capacity increased from € 409.033.600 in 2005 to € 427.500.000 in 2006 and to € 500.000.000 in 2007.

The insurance capacity for Terrorism cover increased from € 100.000.000 in 2005 to € 150.000.000 in 2006 to € 200.000.000 in 2007.

Own retention was limited to € 103.790.000 for material damage insurance policies and to € 100.722.325 for terrorism insurance policies.

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.

The presentation of figures is different to last year due to the reclass of the members rebate out of contributions and into a separate item refund of contributions. The figures of preceding year were reclassified for the comparment.

Net contributions increased from € 33.418.728 in 2006 to € 34.313.460 in 2007 due to the contributions of our new Canadian members and the introduction of the EAR insurance.

Reinsurance cost increased from € 14.158.828 in 2006 to € 16.749.942 in 2007 due to the increase of the material damage capacity to € 500.000.000, increased usage of that treaty, the introduction of the EAR reinsurance facility and the increase of terror capacity to € 200.000.000

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

The refund of contributions net of reinsurance amounts to a profit of € 4.973.205 and this takes into account the actual Members rebate distributions in 2007 in relation to the policies of 2005 and 2006 for € 3.207.145 and the cancellation of the outstanding withheld technical reserve of the policies of 2005 and 2006 for an amount of € 8.180.350.

In comparison with last year's figure of a cost of € 6.021.548 which included an actual net of reinsurance paid out figure of € 1.068.227 and the movements in the technical reserve of € 4.953.321

General expenses

General expenses increased from € 1.891.395 to € 2.133.666 mainly due to higher human resources costs, Board and members meetings expenses .

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 claim charges net of reinsurance for 2007 are € 28.368.953 including the losses in Germany and Sweden and adjustments to previous years' reserves.

Investments

Book value and estimated fair market value of investments as of December 31, 2007

Euro	Book value	Unrealized capital gains/(losses)	Market value
Shares	0	0	0
Foreign government bonds	31.765.751	-350.797	31.414.954
Foreign companies bonds	22.514.663	47.039	22.561.702
International organisms bonds	4.322.096	-5.581	4.316.515
Cash investment funds	41.985.468	26.054	42.011.522
Convertible bond investment fund	2.019.233	179.612	2.198.845
Deposits	20.806.517	0	20.806.517
	<hr/>		
	123.413.729	-103.643	123.310.056

Book value and estimated fair market value of investments classified by maturity as of December 31, 2007.

Euro	Book value	Market value
Due in one year or less	73.684.927	73.903.569
Due after 2 years through 3 years	16.883.539	16.798.628
Due after 3 years through 5 years	11.665.011	11.798.992
Due after 5 years through 10 years	9.659.813	9.694.410
Due after 10 years	11.520.439	11.114.457
	<hr/>	
	123.413.729	123.310.056

Net Investment Income

Euro	2007	2006
Gains/(losses)	1.940.835	183.782
Interests and dividend securities	2.108.655	1.995.963
Interests term deposits	680.348	359.344
Interests cash and cash equivalents	160.880	633.836
Adjustements to investement values	-1.140.686	735.406
Withholding taxes	-446.166	-455.156
Investment management fee	-132.698	-120.962
	<hr/>	
Net investment income	3.171.168	3.332.213

Result

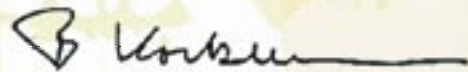
The € 4.625.682 loss for 2007 compares with € 14.642.796 surplus in 2006 (before allocation to reserve for equalization and catastrophes) as a result of the precautionary claims reserves.

The technical loss for 2007 of € 7.796.851 is redrawn from the reserve for equalization and catastrophes following the rules of the Belgian insurance regulator CBFA.

The Board of Directors recommends to the Annual General Meeting that the financial surplus of € 3.171.168 be allocated to the guarantee fund.

Guarantee Fund

The guarantee fund plus the reserve for equalization now available to the members to be used as insurance capacity amounts to € 90.275.831.



Berndt Kockum
Chairman of the Board

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 and the communication D171 of 31 march 1999.

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

The Board

There are currently eleven board members, including the chairman and the vice-chairmen, seven of them are representing the nuclear members, two non executive 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 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 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 risk underwritten. These risks are assessed on a continual basis and may be associated with a variety of internal and external sources including EMANIs' own loss control service and regulatory requirements and/or authorities.

Monitoring and corrective actions

The mutual has produced a Code of Business Conducts, which provides practical guidance for all staff.

The internal auditor reports to the board on the effectiveness of the procedures.



Statutory Auditor's Report for the year ended december 31, 2007

EUROPEAN MUTUAL ASSOCIATION FOR NUCLEAR INSURANCE (E.M.A.N.I)

To the Members

As required by law and the company's articles of association, we are pleased to report to you on the audit assignment which you have entrusted to us. This report includes our opinion on the financial statements together with the required additional comments and information.

Unqualified audit opinion on the financial statements

We have audited the financial statements of E.M.A.N.I for the year ended December 31, 2007, prepared in accordance with the accounting principles applicable in Belgium, which show total assets of 143.411 (000)EUR and a profit for the year of 3.171(000)EUR.

The board of directors of the association is responsible for the preparation of the financial statements. This responsibility includes among other things: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with legal requirements and auditing standards applicable in Belgium, as issued by the "Institut des Reviseurs d'Entreprises/ Instituut der Bedrijfsrevisoren". Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

In accordance with these standards, we have performed procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the association's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. We have assessed the basis of the accounting policies used, the reasonableness of accounting estimates made by the association and the presentation of the financial statements, taken as a whole. Finally, the board of directors and responsible officers of the company have replied to all our requests for explanations and information. We believe that the audit evidence we have obtained provides a reasonable basis for our opinion.

In our opinion, the financial statements as of 31 December 2007 give a true and fair view of the company's assets, liabilities, financial position and results in accordance with the accounting principles applicable in Belgium.

Additional attestations

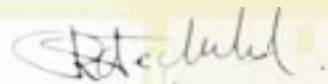
The association's compliance with the requirements of the applicable Belgian law and its articles of association are the responsibility of the board of directors.

Our responsibility is to include in our report the following additional comments which do not change the scope of our audit opinion on the financial statements:

- Regardless of formal aspects of minor importance the books and records of the association are maintained and the financial statements are established in conformity with the applicable Belgian law and regulations on insurance companies.
- Our examinations did not make us aware of any transactions or decisions which would represent a violation of the association's bylaws.
- The proposed distribution of the results for the year ended December 31,2007 is in conformity with the association's bylaws and applicable law.

Diegem, 29 February 2008

The Statutory Auditor,
Deloitte
Reviseurs d'Entreprises SC s.f.d SCRL
Represented by Rik Neckebroeck



Balance sheet as of December 31, 2007 & 2006

(Currency – Euro)

A s s e t s	31/12/2007	31/12/2006
C. Investments		
III. Other financial investments		
1. Parts in investment funds	44.004.702	32.551.333
2. Bonds and other fixed income securities	58.602.510	58.424.937
6. Term deposits with financial institutions	17.896.582	7.272.487
	120.503.794	98.248.757
D.bis Part of reinsurers in the technical reserves		
I. Reserve for non-earned premiums and current risks	1.993.803	1.037.359
III. Reserve for claims receivable	12.545.355	1.243.034
IV. Reserve for profit sharing and refunds	0	1.878.136*
	14.539.158	4.158.529
E. Receivables		
I. Receivables resulting from direct insurance		
1. Insurers	46.792	688.380
2. Intermediaries	523.506	130.958
II. Receivables resulting from reinsurance	3.237.338	5.134.469
III. Other receivables	472.782	62.092
	4.280.418	6.015.899
F. Other assets		
I. Tangible assets	152.461	95.593
II. Liquidities	2.909.935	7.670.849
	3.062.396	7.766.442
G. Transitory accounts		
I. Interests and rent	1.025.339	823.664
TOTAL ASSETS	143.411.105	117.013.291

The accompanying notes are an integral part of these balance sheets

*Different presentation compared to last year based on comments received from the CBFA. The preceeding year this amount was included in I.Reserve for non-earned premiums and current risks

Balance sheet as at December 31, 2007 & 2006

(Currency – Euro)

Liabilities	31/12/2007	31/12/2006
A. Equity		
I. Subscribed capital or equivalent fund, net of uncalled capital		
1. Guarantee fund securities	68.533.414	65.103.667
V. Retained earnings		
1. Surplus/(deficit) of the period	0	0
	68.533.414	65.103.667
<hr/>		
C. Technical reserves		
I. Reserve for unearned premiums and for unexpired risks	4.679.786	3.950.851
III. Reserve for claims payable	45.098.512	5.987.157
IV. Reserve for profit sharing and refunds	0	10.058.487*
V. Reserve for equalisation and catastrophies	21.742.417	29.539.268
	71.520.715	49.535.763
<hr/>		
G. Payables		
I. Payables resulting from direct insurance business	228.740	438.747
II. Payables resulting from reinsurance business	2.178.864	227.820
V. Other payables		
1. Fiscal and social payables		
a) Taxes	347.213	378.098
b) Social Payables	213.050	167.951
2. Other	52.467	882.569
	3.020.334	2.095.185
<hr/>		
H. Transitory accounts	336.642	278.676
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TOTAL LIABILITIES	143.411.105	117.013.291

The accompanying notes are an integral part of these balance sheets

*Different presentation compared to last year based on comments received from the CBFA. The preceeding year this amount was partially included in "C.I. Reserve for unearned premiums and for unexpired risks"(6.270.443) and partially in "GI Payables resulting from direct insurance business"(3.788044)

Income statement for the years ended December 31, 2007 & 2006

(Currency – Euro)

	2007	2006
1. Earned premiums net of reinsurance		
a) Gross premiums	35.042.395	35.208.421
- Premiums written	37.536.703	37.245.124
- Rebate to members	-2.494.308	-2.036.703
b) Reinsurance premiums	-17.706.387	-14.446.392
c) Variation of the reserve for unearned premiums and unexpired risks, gross of reinsurance (increase -, decrease +)	-728.935	-1.789.693
d) Variation of the reserve for unearned premiums and unexpired risks, reinsurers part (increase +, decrease-)	956.444	287.563
	17.563.517	19.259.899
2. bis Investment income		
b) Income from other investments.	2.949.884	2.989.143
c) Write-back of adjustments on investments	50.673	735.406
d) Realised capital gains	3.451.074	1.890.901
	6.451.631	5.615.450
3. Other technical income net of reinsurance	169.045	104.812
4. Cost of claims, net of reinsurance (-)		
a) Net amount paid	-559.918	-15.274.806
aa) gross amount	-733.399	-18.741.706
bb) part of reinsurers	173.481	3.466.900
b) Variation of the claims services reserve, net of reinsurance (increase -, decrease +)	-27.809.035	15.133.621
aa) variation of the reserve for claims gross of reinsurance (increase -, decrease +)	-39.111.355	18.387.757
bb) variation of the reserve for claims part of reinsurance (increase +, decrease -)	11.302.320	-3.254.136
	-28.368.953	-141.185

Income statement for the years ended December 31, 2007 & 2006

(Currency – Euro)

	2007	2006
6. Cost of refund of contribution, net of reinsurance(-)		
a) Net amount paid	-3.207.145	-1.068.227
b) Variation of the refunds reserve, net of reinsurance (incr.-,decr.+)	8.180.351	-4.953.321
	4.973.206	-6.021.548*
<hr/>		
7. Net operating expenses (-)		
a) Acquisition expenses	-76.705	-92.053
b) Administrative expenses	-2.056.961	-1.799.342
	-2.133.666	-1.891.395
<hr/>		
7.bis Expenses relating to investments (-)		
a) Expenses for managing Investments	-578.865	-576.118
b) Adjustments to investment values	-1.191.359	0
c) Realised less values	-1.510.239	-1.707.119
	-3.280.463	-2.283.237
<hr/>		
9. Variation in the reserve for equalisation and catastrophies, net of reinsurance	7.796.851	-11.310.583
<hr/>		
Surplus of the period available for distribution	3.171.168	3.332.213

The accompanying notes are an integral part of these balance sheets

*Different presentation compared to last year based on comments received from the CBFA. We refer to note 1&2

Notes to the financial statements as of December 31, 2007 & 2006 (Currency – Euro)

1. Activity of the 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 Association also insures non-nuclear risks.

At December 31, 2007, the total insurance capacity of EMANI per installation was 500.000.000 of which :

- 18,75 % of 40.000.000 was reinsured by way of “quota shares” contracts.
- 100% of 46.750.000 in excess of 40.000.000 was reinsured by way of an “finite retention buy down contract” (in case of a claim in excess of 40.000.000, the reinsurer will pay the amount in excess of 40.000.000, with a maximum of 46.750.000, and this amount will be reimbursed by E.M.A.N.I to the reinsurer by way of increased insurance premiums in the following 5 years)
- 82.75% of 413.250.000 was reinsured by way of “excess of loss” contracts.

The risk for EMANI is thus limited to 103.790.000 as of December 31, 2007.

EMANI also subscribes Nuclear Liability insurance. 100% is reinsured by way of “quota shares” contracts. EMANI received fronting fees for contracts subscribed.

At December 31, 2007, the total insurance capacity of E.M.A.N.I for terrorism was 200.000.000 of which:

- 18,75 % of 40.000.000 was reinsured by way of “quota shares” contracts.
- 100% of 46.750.000 in excess of 40.000.000 was reinsured by way of an “finite retention buy down contract” (in case of a claim in excess of 40.000.000, the reinsurer will pay the amount in excess of 40.000.000, with a maximum of 46.750.000, and this amount will be reimbursed by E.M.A.N.I to the reinsurer by way of increased insurance premiums in the following 5 years).
- 71.19 % of 63.250.000 in excess of 86.750.000 was reinsured by way of “ excess of loss “ contracts.
- 100 % of 50.000.000 in excess of 150.000.000 was not reinsured ;

The risk for E.M.A.N.I for terrorism is thus limited to 100.722.325 as of 31 December 2007

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	
Installations, electronic equipment and office tools	33.33% per year
Furniture	10% per year
Vehicles	20% per year

(Currency – Euro)

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 member's rebates relating to an expired policy, claims payable and the reserve for equalisation and catastrophies in accordance with articles 10 and 11 of the Royal Decree of February 22, 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 December 31, 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. Less 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 shares and other non-fixed interest securities, the bonds and other 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".

(Currency – Euro)

2. Guarantee fund

The Board of Directors proposes to the Annual General Meeting to allocate the surplus of the year 2007 to the Guarantee Fund.

The evolution of the Guarantee Fund over 2006, is as follows:

Guarantee Fund at December 31, 2006	65.103.667
Transfer of the surplus of the year:	3.171.168
Additional dotations from Members	258.579

Guarantee fund at December 31, 2007	68.533.414
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3. Representative assets

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

As at December 31, 2007 and 2006, the Mutual had invested its assets as follows:

	31/12/2007	31/12/2006
International organism bonds	4.322.097	3.915.577
Foreign States Securities	17.351.192	27.595.577
Foreign Companies Bonds	545.134	0
Investment funds	41.985.468	16.820.862
Cash (cash and term deposits)	18.108.215	1.870.314
	82.312.106	50.202.330

4. Reserve for egalisation and catastrophies

In application to Article 11, §1, 3° of the Royal Decree dated February 22, 1991 on the general rules on the control of insurance companies, the association started in 1996 to build a reserve for egalisation and catastrophies. The purpose thereof is to create a reserve that would iron out variations in claims or would cover exceptional risks. Based on the current regulation, the associations' egalisation and catastrophies reserve should reach 103.790.000. The yearly movement however depends on the income or loss of the association before (net) investment income. 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 usage of 7.796.851 for the year 2007 and a addition of 11.310.583 for the year 2006.

(Currency – Euro)

5. Management

The investment management of the Association have been outsourced.

The investment management fee is recorded under caption “Expenses relating to investments “ and amounts to 132.698 for the year 2007 and 120.962 for the year 2006.

The broker reinsurance handling fee amounts to 142.926 for the year 2007 and 203.695 for 2006.

Reinsurance commissions refunded to EMANI are 312.673 for 2007 and 8.474 for the year 2006 and are deducted from the reinsurance premium charges.

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EUROPEAN MUTUAL
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