



annual report 2010

2010





Building nature

Robert Piccart

Annual Report 2010
of the Board of Directors
and of the Statutory Auditor
to be presented at
the Annual General Meeting
on 18th April 2011

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)

Registered Office: Av. Jules Bordet, 166 - B 4

B 1140 Brussels

Belgium

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Financial Highlights

In euro

years ended December 31,

Statement of Earnings

| | 2010 | 2009 | 2008 |
|--|-------------------|-------------------|-------------------|
| Net premium earned | 23.925.468 | 22.255.225 | 13.322.856 |
| Claims | 3.157.056 | -3.337.548 | 4.292.150 |
| Expenses | -3.163.109 | -2.814.456 | -2.496.242 |
| Other income | 83.596 | 31.829 | 13.726 |
| Net investment result | 2.595.356 | 4.571.328 | -4.310.516 |
| Earnings before distribution to reserve for equalisation and catastrophies | 26.632.007 | 20.706.378 | 10.821.974 |
| Earnings after distribution to reserve for equalisation and catastrophies | 2.595.356 | 4.571.328 | -4.310.516 |

Balance Sheet

| | | | |
|--|-------------|-------------|-------------|
| Assets | 187.491.585 | 171.981.367 | 150.596.229 |
| Liabilities | 44.527.766 | 56.164.474 | 56.128.860 |
| Guarantee fund (including reserve for equalisation and catastrophies) | 142.963.819 | 115.816.893 | 94.467.3691 |

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Members

Advanced Nuclear Fuels GmbH
AREVA NC
AREVA NP Inc.
AXPO AG (Nordostschweizerische Kraftwerke AG)
Belgoprocess NV
BKW FMB Energie SA
British Energy Plc
Bruce Power L.P.
CEZ a.s.
Centrales Nucléaires en Participation SA
EDF
EGL AG (AG für Kernenergie-Beteiligungen AKEB)
Elektricitets-Productiemaatschappij Zuid-Nederland NV EPZ
EnBW Kraftwerke AG
EnBW Kernkraft GmbH (GKW Neckar GmbH)
ENEL *
Energie Future Holdings Corp.
E.ON Kernkraft GmbH
E.ON Sverige AB
Eskom Holdings Ltd
Eurodif Production SA
European Commission - JRC - Geel Site
European Commission - JRC - Ispra Site
European Commission - JRC - Karlsruhe Site
European Commission - JRC - Petten Site
FBFC
FBFC International SA
Forsmarks Kraftgrupp AB
Fortum Power & Heat Oy
Gemeenschappelijke Kernenergiecentrale Nederland BV
Gemeinschaftskernkraftwerk Grohnde GmbH
GNS Gesellschaft für Nuklear-Service mbH
Kernkraftwerk Gösgen-Däniken AG
Kernkraftwerk Leibstadt AG (KKL)
Kernkraftwerk Lippe-Ems GmbH
Kernkraftwerk Obrigheim GmbH
New Brunswick Power Nuclear Corporation
OKG Aktiebolag
Ontario Power Generation
Paks Nuclear Power Plant Ltd
Ringhals AB
RWE Power AG
SCK-CEN
Slovenske Elektrarne AS
Socatri SARL
Societatea Nationala Nuclearelectrica SA
Studsvik AB
SVAFO AB
Svensk Kärnbränslehantering 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 | |
| European Commission - JRC - Geel Site | J.P. Michel | F. Siniscalchi |
| FBFC International SA | B. Imschoot | P. Daurès |
| SCK-CEN | C. Legrain | |

Canada

| | | |
|---|-----------|------------|
| Bruce Power L.P. | K. Kelly | |
| New Brunswick Power Nuclear Corporation | M. Gorman | |
| Ontario Power Generation | J. Floras | C. Sidford |

Czech Republic

| | | |
|----------|-----------|-----------|
| CEZ a.s. | V. Hronek | J. Ortman |
|----------|-----------|-----------|

Finland

| | | |
|------------------------|-------------|----------------|
| Fortum Power & Heat Oy | M. Kautonen | M. Huopalainen |
| 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 | M. Saléra-Cordier |
| FBFC | J.D. Treillard | P. Daurès |
| Socatri SARL | M. Saléra-Cordier | R. Jimenez-Shaw |

Germany

| | | |
|---|-------------|----------------|
| Advanced Nuclear Fuels GmbH | R. Heskamp | A. Stoll |
| EnBW Kraftwerke AG | C.D. Bölle | |
| EnBW Kernkraft GmbH (GKW Neckar GmbH) | C.D. Bölle | R. Ludäscher |
| E.ON Kernkraft GmbH | K. Greimel | W. Seewöster |
| European Commission - JRC - Karlsruhe Site | J.P. Michel | F. Siniscalchi |
| Gemeinschaftskernkraftwerk Grohnde GmbH | K. Greimel | W. Seewöster |
| GNS Gesellschaft für Nuklear-Service mbH | H. Näser | |
| Kernkraftwerk Lippe-Ems GmbH | J. Haaf | J. Grundmann |
| Kernkraftwerk Obrigheim GmbH | C.D. Bölle | R. Lüdascher |
| RWE Power AG | J. Haaf | J. Grundmann |
| Vattenfall Europe Nuclear Energy GmbH (HEW) | B. Kockum | M. Reissner |

Member Representatives

Member

Representative

Substitute

Hungary

Paks Nuclear Power Plant Ltd

A.Csanadi

Italy

European Commission - JRC - ISPRA Site
ENEL *

J.P. Michel
R. Muscogiuri

F. Siniscalchi
R. Melandri

The Netherlands

Elektriciteits-Productiemaatschappij Zuid Nederland
NV EPZ

B.P. Jobse

Gemeenschappelijke Kernenergiecentrale
Nederland BV

G.J.G. Geertsema

European Commission - JRC - Petten Site

J.P. Michel

F. Siniscalchi

Romania

Societatea Nationale Nuclearelectrica SA

P. Budulan

A. Havris

Slovak Republic

Slovenske Elektrarne AS

R. Muscogiuri

B. Strycek

South Africa

Eskom Holdings Ltd

K. Darbourn

M. Molelekoa

Sweden

E.ON Sverige AB

B. Svensson

Forsmarks Kraftgrupp AB

B. Kockum

K. Block

OKG Aktiebolag

R. Danielsson

Ringhals AB

B. Kockum

O. Fröberg

Studsvik AB

R. Atmer

SVAFO AB

S. Ordéus

J. Ericsson

Svensk Kärnbränslehantering AB

B. Sundman

A. Ingman

* Non Insured Member

Member Representatives

Member

Representative

Substitute

Switzerland

AXPO AG (Nordostschweizerische Kraftwerke AG)
BKW FMB Energie SA
Centrales Nucléaires en Participation SA
EGL AG (AG für Kernenergie-Beteiligungen AKEB)
Kernkraftwerk Gösgen Däniken AG
Kernkraftwerk Leibstadt AG (KKL)
Zwischenlager Würenlingen AG (ZWILAG)

T. Erb
U. Bircher
M. Plaschy

T. Erb
F. Schwabe
T. Erb
T. Erb

M. Mooser
D. Burkhardt

United Kingdom

British Energy Plc
Urenco Ltd.

A. Russell
D. Slater

K. Sinclair
C. White

USA

AREVA NP Inc
Energy Future Holdings Corp.

Ph. Obert
R. Moussaid

L. Harris
C. Freudiger

Board of Directors

Berndt Kockum
Chairman

Klaus Greimel
Vice-Chairman

Alastair Russell
Vice-Chairman

Urs Bircher

Claus-Dieter Bölle

Alisdair Currie
Executive Committee

Matts Ekman
External Director

Nick Feldman
External Director

Bram-Paul Jobse

Philippe Obert

Colleen Sidford

Branislav Strycek

Danny Van Welkenhuyzen
Executive Committee

Advisory Committees

Underwriting Committee

| | |
|----------|------------------|
| Ivan | Annezer |
| Yvon | Colleu |
| Alisdair | Currie |
| Eric | Desseyn |
| André | Detemmerman |
| Thomas | Erb |
| Nick | Feldman |
| Paavo | Hyvönen |
| Berndt | Kockum |
| Stefan | Kurz |
| Riccardo | Melandri |
| Philippe | Obert |
| Kathleen | Sinclair |
| Danny | Van Welkenhuyzen |

Finance and Investment Advisory Committee

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

Audit Committee

| | |
|-----------|---------|
| Matts | Ekman |
| Bram-Paul | Jobse |
| Alastair | Russell |

Staff

Danny Van Welkenhuyzen
Managing Director
Executive Committee

Alisdair Currie
Underwriter & Claims Manager
Executive Committee

Ivan Annezer
Loss Control Manager

Eric Desseyn
Senior Loss Control Manager

André Detemmerman
Senior Underwriter

Ann Geivaerts
Legal Manager

Christine Gouennou
PA Managing Director & Board

Tom Houben
Accountant

Annabelle Luzeka
Underwriting Assistant

Cathy Mortelmans
PA Managing Director & Board

Franck Orset
Loss Prevention Engineer

Solange Raë
Assistant accounting

Marleen Vercammen
Financial Manager

Auditors

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

Actuary

Nicolaï & Partners
Duboisstraat 43
2060 Antwerpen

Letter from the Chairman

Dear EMANI members,

I am pleased to report that the 2010 result has produced a 14,78% surplus on capacity. This will help us in increasing our overall capacity in the coming year.

This demonstrates that we continue to bring efforts in order to secure the needed capacity for our members. Prior to 11th of March the insurance landscape was rather competitive. No one can predict how the market including the re-insurance providers are going to react. It is too early in the day. New atomic risk strategy will be needed and your mutual will continue supporting you within the next generation.

We regret that one of our founding fathers, certainly in the area of Nuclear Liability, Mr. Heikki Kohlemainen, has passed away earlier this year. He has been a true supporter of the nuclear industry and the mutual insurance spirit amongst all of our members.

As always I remain extremely grateful for the support of my colleagues in the Board. The hard work of the EMANI team will continue to bear fruit. I should like to take this opportunity of thanking both the policyholders and the team for their continued support and I very much hope that all of our Members will be grateful for the trust that they have placed in EMANI.



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 of EMANI in Belgium, Canada, Czech Republic, Finland, France, Germany, Hungary, Italy, Rumania, The Netherlands, The 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 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.

EMANI can act either as the leading underwriter or as a coinsurer.

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, where EMANI acts as leading underwriter, the loss settlement is done in cooperation with an international 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 nuclear pool, however in certain cases, the Management will decide whether EMANI should appoint independent adjusters.

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 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'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 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 18th April 2011

Dear Member,

At the close of the 32nd 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 31 December 2010.

The Board of Directors of the 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 information have been prepared in accordance with generally accepted accounting principles. These financial statements include amounts that are based on the Board's judgment and best estimates.

The Association maintains a system of internal accounting controls to provide reasonable assurance that assets are safeguarded against loss from unauthorized use or 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 joint with the annual accounts.

Capacity

The overall insurance capacity for 2010 is € 600.000.000 and has increased versus last year's capacity of € 570.000.000.

The insurance capacity for terrorism cover remained unchanged at € 500.000.000.

The own retention 2010 was limited to € 180.152.722 for material damage insurance policies and to € 172.000.000 for terrorism insurance policies and this compared to € 184.200.000 and € 167.500.000 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.

Net contributions increased from € 38.910.496 in 2009 to € 44.790.506 in 2010 due to the increase of shares by existing Members.

Reinsurance cost increased from € 17.284.938 in 2009 to € 20.848.218 in 2010 due to the fact that a proportion of the increase in contributions fell within the EMANI reinsurance program.

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 € 16.820 versus a profit of € 629.667 in 2009. The profit is the result of the actual amounts released to Members of € 1.105.644 minus the recuperation from reinsurers of € 96.033 or € 1.009.611 and the net of reinsurers deduction of the technical reserve constituted in 2008 for the Members rebate distributions on the policies of 2008 of € 1.026.431.

The amount reversed out of reserves being in line with the actual amount can be explained by the fact that no adjustment on the outstanding reserve was needed and this due to the claim profit of 2010.

The reduction results in an outstanding gross reserve of € 3.263.291 and a reserve part of reinsurers of € 285.039 compared to € 4.355.385 and € 350.702 in 2009. This reserve shall be further released to the Members in 2011, 2012 and 2013.

General expenses

General expenses increased from € 2.814.456 in 2009 to € 3.163.109 or 12,38 % in 2010 mainly due to increase in acquisition costs of 4 %, human resources 3 %, insurance taxes payable by insurer 1 %, reinsurance fees 1 %, Solvency II experts 1 % and premises costs 1 %.

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 profit net of reinsurance for 2010 is € 3.157.056 and include € 12.791.295 actual payments of which € 39.093 are in relation to losses occurred in 2010 and € -15.948.351 adjustments to reserves of which € 10.983.484 is related to losses occurred in financial year 2010.

Investments

Book value and estimated fair market value of investments classified by maturity as of December 31, 2010

| Euro | Book value | Unrealized capital gains/(losses) | Market value |
|----------------------------------|--------------------|--|---------------------|
| Shares | 0 | 0 | 0 |
| Government bonds | 0 | 0 | 0 |
| Corporate bonds | 0 | 0 | 0 |
| Cash investment funds | 94.708.626 | 22.757 | 94.731.383 |
| Convertible bond investment fund | 53.169.934 | 2.777.072 | 55.947.006 |
| Deposits and cash | 15.193.383 | 0 | 15.193.383 |
| Total | 163.071.943 | 2.799.829 | 165.871.772 |

Credit rating and duration classified by investment product as of December 31, 2010

| Euro | Credit ratings | Duration |
|------------------------|--|-----------------|
| Corporate bond fund | AAA 20,55% - AA+ 6,15% - AA 29,05% - AA- 42,04% - NR 2,2% | 6,44 year |
| Money market funds ING | AAA rated funds | 0,13 year |
| Money market funds KBC | AAA rated funds | 0,08 year |
| Deposits and cash | A+ | 0 year |
| Other | NR | 0 year |

Net Investment Income

Euro

| | 2010 | 2009 |
|-------------------------------------|-----------|-----------|
| Gains/(losses) | 1.598.879 | 1.518.147 |
| Interests and dividend securities | 406.800 | 507.090 |
| Interests term deposits | 8.917 | 458.973 |
| Interests cash and cash equivalents | 82.722 | 80.115 |
| Adjustments to investment values | 573.172 | 2.164.004 |
| Withholding taxes | -75.135 | -157.001 |
| Net investment income | 2.595.355 | 4.571.328 |

Result

The € 26.632.006 profit for 2010 compares with € 20.706.378 profit in 2009 (before allocation to reserve for equalization and catastrophies). This very good result is due to a good claim record in 2010 and increased contributions.

The technical profit for 2010 of € 24.036.651 is allocated to the reserve for equalization and catastrophies following the rules of the Belgian insurance regulator CBFA.

The Board of Directors recommends to the Annual General Meeting that the financial profit of € 2.595.355 be allocated to the Guarantee Fund.

Guarantee Fund

The Guarantee Fund plus the reserve for equalization and catastrophies now available to the Members to be used as insurance capacity amounts to € 142.963.819.

At year end the gross reserve for withheld Members rebate amounts to € 3.263.291 of which one third will be released in 2011 and the balance of € 2.175.527 can be used for the next three years as insurance capacity.



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 , the CBFA communications D171 + D172 and the Circular 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 for the year ended December 31, 2010 to the members

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

To the Members

As required by law and the association'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.

Unqualified audit opinion on the financial statements

We have audited the financial statements of E.M.A.N.I. (a mutual insurance association) for the year ended December 31, 2010, prepared in accordance with the accounting principles applicable in Belgium, which show a total assets of 187.492 (000) EUR and a profit for the year of 2.595(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 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 Réviseurs d'Entreprises/Instituut van de 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 but not for the purpose of expressing an opinion on the effectiveness of the association's internal control. 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 association 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 2010 give a true and fair view of the association's assets, liabilities, financial position and results in accordance with the accounting principles applicable in Belgium.

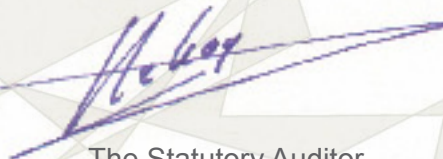
Additional attestations

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, 2010 is in conformity with the association's bylaws and applicable law.

Diegem, 7 March 2011



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

Balance sheet as of December 31, 2010 & 2009

(Currency – Euro)

Assets

31/12/2010

31/12/2009

C. Investments

III. Other financial investments

| | | |
|--|-------------|-------------|
| 1. Parts in investment funds | 147.878.560 | 155.165.804 |
| 2. Bonds and other fixed income securities | 0 | 8.444.995 |
| 6. Term deposits with financial institutions | 8.842.337 | 24.554.485 |
| 7. Other | 0 | 10.000 |

156.720.897

148.175.284

D.bis Part of reinsurers in the technical reserves

| | | |
|--|------------|------------|
| I. Reserve for non-earned premiums and current risks | 3.015.933 | 1.927.843 |
| III. Reserve for claims receivable | 17.352.198 | 13.383.110 |
| IV. Reserve for profit sharing and refunds | 285.039 | 350.702 |

20.653.170

15.661.655

E. Receivables

I. Receivables resulting from direct insurance

| | | |
|-------------------|---------|-----------|
| 1. Insurers | 585.350 | 567.884 |
| 2. Intermediaries | 69.707 | 1.127.338 |

II. Receivables resulting from reinsurance

| | | |
|------------------------|--------|--------|
| III. Other receivables | 47.623 | 34.797 |
|------------------------|--------|--------|

3.331.617

4.979.143

F. Other assets

I. Tangible assets

II. Liquidities

196.323

148.531

6.351.046

2.718.362

6.547.370

2.866.893

G. Transitory accounts

I. Interests and rent

238.532

298.392

187.491.585

171.981.367

TOTAL ASSETS

The accompanying notes are an integral part of these balance sheets prepared in accordance with the Royal Decree of 17 November 1994 with regard to the annual accounts of insurance companies

Balance sheet as at December 31, 2010 & 2009

(Currency – Euro)

Liabilities

31/12/2010

31/12/2009

A . Equity

| | | |
|---|-------------------|-------------------|
| I. Subscribed capital or equivalent fund, net of uncalled capital | | |
| 1. Guarantee fund securities | 63.321.855 | 58.235.608 |
| V. Retained earnings | | |
| 1. Surplus/(deficit) of the period | 2.595.356 | 4.571.328 |
| | 65.917.211 | 62.806.936 |

C. Technical reserves

| | | |
|--|--------------------|--------------------|
| I. Reserve for unearned premiums and for unexpired risks | 9.041.076 | 7.656.229 |
| III. Reserve for claims payable | 30.151.044 | 42.130.307 |
| IV. Reserve for profit sharing and refunds | 3.263.291 | 4.355.385 |
| V. Reserve for equalisation and catastrophies | 77.046.608 | 53.009.957 |
| | 119.502.019 | 107.151.888 |

G. Payables

| | | |
|--|------------------|------------------|
| I. Payables resulting from direct insurance business | 1.035.571 | 818.519 |
| II. Payables resulting from reinsurance business | 555.123 | 765.901 |
| V. Other payables | | |
| 1. Fiscal and social payables | | |
| a) Taxes | 8.186 | 0 |
| b) Social Payables | 220.000 | 225.116 |
| 2. Other | 83.238 | 27.927 |
| | 1.902.118 | 1.837.463 |

H. Transitory accounts

170.237 185.091

TOTAL LIABILITIES

187.491.585 171.981.367

The accompanying notes are an integral part of these balance sheets prepared in accordance with the Royal Decree of 17 November 1994 with regard to the annual accounts of insurance companies

Income statement for the years ended December 31, 2010 & 2009

(Currency – Euro)

| | 2010 | 2009 |
|--|-------------------|-------------------|
| 1. Earned premiums net of reinsurance | | |
| a) Gross premiums | 46.175.353 | 40.772.142 |
| - Premiums written | 47.105.412 | 41.136.830 |
| - Rebate to Members | -930.059 | -364.688 |
| b) Reinsurance premiums | -21.936.307 | -17.733.445 |
| c) Variation of the reserve for unearned premiums and unexpired risks, gross of reinsurance (increase -, decrease +) | -1.384.847 | -1.861.646 |
| d) Variation of the reserve for unearned premiums and unexpired risks, reinsurers part (increase +, decrease-) | 1.088.089 | 48.507 |
| | 23.942.288 | 21.625.558 |
| 2. bis Investment income | | |
| b) Income from other investments. | 498.439 | 1.046.178 |
| c) Write-back of adjustments on investments | 573.172 | 2.164.003 |
| d) Realised capital gains | 2.399.497 | 1.566.848 |
| | 3.471.109 | 4.777.029 |
| 3. Other technical income net of reinsurance | 83.596 | 31.829 |
| 4. Cost of claims, net of reinsurance (-) | | |
| a) Net amount paid | -12.791.295 | -1.054.928 |
| aa) gross amount | -17.616.019 | -1.317.879 |
| bb) part of reinsurers | 4.824.724 | 262.951 |
| b) Variation of the claims services reserve, net of reinsurance (increase -, decrease +) | 15.948.351 | -2.282.619 |
| aa) variation of the reserve for claims gross of reinsurance (increase -, decrease +) | 11.979.263 | -7.995.307 |
| bb) variation of the reserve for claims part of reinsurance (increase +, decrease -) | 3.969.088 | 5.712.688 |
| | 3.157.056 | -3.337.548 |

Income statement for the years ended December 31, 2010 & 2009

(Currency – Euro)

| | 2010 | 2009 |
|--|-------------------|-------------------|
| 6. Cost of refund of contribution, net of reinsurance(-) | | |
| a) Net amount paid | -1.009.611 | -1.129.055 |
| b) Variation of the refunds reserve, net of reinsurance (increase.-, decrease.+) | 1.026.631 | 1.758.722 |
| | 16.820 | 629.667 |
| 7. Net operating expenses (-) | | |
| a) Acquisition expenses | -241.023 | -137.540 |
| b) Administrative expenses | -2.922.086 | -2.676.916 |
| | -3.163.109 | -2.814.456 |
| 7.bis Expenses relating to investments (-) | | |
| a) Expenses for managing Investments | -75.135 | -157.001 |
| b) Adjustments to investment values | 0 | 0 |
| c) Realised less values | -800.618 | -48.700 |
| | -875.753 | -205.701 |
| Surplus / (Deficit) of the period before variation reserve for equalisation and catastrophies | 26.632.006 | 20.706.378 |
| 9. Variation in the reserve for equalisation and catastrophies, net of reinsurance | -24.036.651 | -16.135.050 |
| Surplus / (Deficit) of the period available for distribution | 2.595.355 | 4.571.328 |

The accompanying notes are an integral part of these balance sheets prepared in accordance with the Royal Decree of 17 November 1994 with regard to the annual accounts of insurance companies

Notes to the financial statements as of December 31, 2010 & 2009

(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, 2010, the total insurance capacity of E.M.A.N.I. was 600.000.000 of which :

- 18,75 % of 5.000.000 was reinsured by way of “quota share” contracts ;
- 29,0857 % of 35.000.000 in excess of 5.000.000 was reinsured by way of “quota share” contracts ;
- 10,3357 % of 60.000.000 in excess of 40.000.000 was reinsured by way of “quota share” contracts ;
- 79,7386 % of 440.000.000 in excess of 100.000.000 was reinsured by way of “excess of loss” contracts and 10,3357 % was reinsured by way of “quota share” contracts ;
- 10,3357 % of 60.000.000 in excess of 540.000.000 was reinsured by way of “quota share” contracts ;

The risk for EMANI was thus limited to 180.152.722 EUR at December 31, 2010.

At December 31, 2010, the total insurance capacity of E.M.A.N.I. for terrorism was 500.000.000 of which:

- 18,75 % of 40.000.000 was reinsured by way of “quota share” contracts ;
- 100% of 60.000.000 in excess of 40.000.000 was retained by E.M.A.N.I. ;
- 80 % of 200.000.000 in excess of 100.000.000 was reinsured by way of “ excess of loss “ contracts ;
- 80,3333 % of 150.000.000 in excess of 300.000.000 was reinsured by way of “excess of loss “ contracts ;
- 80 % of 50.000.000 in excess of 450.000.000 was reinsured by way of “excess of loss “ contracts ;

The risk for E.M.A.N.I. for terrorism was thus limited to 172.000.000 at 31 December 2010.

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

(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. 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 reduction in value on those securities. Such reductions 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 non-fixed interest securities, the shares 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 evolution of the Guarantee Fund over 2010, is as follows:

| | |
|-------------------------------------|------------|
| Guarantee Fund at December 31, 2009 | 62.806.936 |
| Transfer of the profit of the year: | 2.595.356 |
| Donation of Members rebates | 514.919 |

| | |
|-------------------------------------|------------|
| Guarantee Fund at December 31, 2010 | 65.917.211 |
|-------------------------------------|------------|

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, 2010 and 2009, the Mutual Association had invested its representative assets as follows:

| | 31/12/2010 | 31/12/2009 |
|----------------------------------|-------------|-------------|
| International organisation bonds | 0 | 0 |
| Foreign States Securities | 0 | 0 |
| Foreign Companies Bonds | 0 | 8.444.995 |
| Investment funds | 118.743.401 | 76.602.262 |
| Cash (cash and term deposits) | 7.434.033 | 24.173.068 |
| | 126.177.434 | 109.220.325 |

4. Reserve for equalisation 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 equalisation and catastrophies. 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 Association's equalisation and catastrophies reserve is 180.152.722. 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 addition of 24.036.651 for the year 2010.

(Currency – Euro)

5. Management

The investment management of the Association has been outsourced.

The investment management fees are included in the net asset value of the investment funds.

The broker reinsurance handling fee amounts to 420.000 for the year 2010 and 395.264 for 2009.

Reinsurance commissions refunded to E.M.A.N.I. are 454.343 for the year 2010 and 317.124 for 2009 and are deducted from the reinsurance premium charges.

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EUROPEAN MUTUAL
ASSOCIATION
FOR NUCLEAR INSURANCE

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