Consolidated Financial Statements

Consolidated balance sheet as at 31 December (before profit appropriation)

In millions of euros	Notes	2013	2012
Assets			
Fixed assets			
- tangible fixed assets	3	**9,328.2**	8,925.9
- intangible fixed assets	4	**3.9**	5.8
- investments in associates	5	**126.5**	128.6
- other equity interests	6	**418.1**	403.9
- deferred tax assets	8	**380.8**	479.9
Total fixed assets		**10,257.5**	9,944.1
Current assets			
- stocks	9	**33.1**	37.0
- trade and other receivables	10	**228.7**	182.9
- cash and cash equivalents	11	**86.7**	909.1
Total current assets		**348.5**	1,129.0
Total assets		**10,606.0**	11,073.1

In millions of euros	Notes	2013	2012
Equity and liabilities			
Total shareholder's equity	12+13	**5,213.9**	4,856.5
Long-term liabilities			
- interest-bearing loans	14	**4,188.4**	4,059.1
- deferred tax liabilities	15	**202.8**	192.5
- employee benefits	16	**66.6**	250.7
- provisions	17	**89.8**	98.0
- other long-term liabilities	18	**68.9**	89.5
Total long-term liabilities		**4,616.5**	4,689.8
Current liabilities			
- current financing liabilities	19	**422.3**	1,149.8
- trade and other payables	20	**353.3**	377.0
Total current liabilities		**775.6**	1,526.8
Total equity and liabilities		**10,606.0**	11,073.1

Consolidated profit and loss account

In millions of euros	Notes		2013		2012
Continuing operations					
Gross income		**1,733.4**		1,720.9	
Tariff settlement repayment		**(206.4)**		(214.8)	
Net income			**1,527.0**		1,506.1
Capitalised expenditure		**92.9**		88.6	
Staff costs	23	**(95.3)**		(188.7)	
Other operating expenses	24	**(435.9)**		(464.6)	
Depreciation	3+4	**(290.5)**		(269.3)	
Total expenses			**(728.8)**		(834.0)
Operating result			**798.2**		672.1
Finance revenue	25		**4.7**		2.1
Finance costs	26		**(199.0)**		(227.8)
Share in result of associates	5		**19.5**		23.8
Dividend received on investments in other equity interests			**0.1**		-
Result before taxation			**623.5**		470.2
Taxes	27		**(159.1)**		(111.5)
Result after taxation			**464.4**		358.7
Discontinued operations					
Result on discontinued operations after taxation			**-**		-
Result for the period			**464.4**		358.7
Result attributable to shareholder			**464.4**		358.7

Consolidated statement of comprehensive income

In millions of euros	Notes	Cash flow hedge reserve	Fair value reserve	Other reserves	Unappropriated result	Total
2013						
Total of results taken to the profit and loss account (result for the period)		-	-	-	464.4	464.4
Balance of actuarial gains and losses on employee benefits,	16	-	-	78.1	-	78.1
of which corporate income tax		-	-	(19.8)	-	(19.8)
Total of results taken to equity which will not be reclassified subsequently to the profit and loss account		-	-	58.3	-	58.3
Movement in cash flow hedge reserve,	13	25.6	-	-	-	25.6
of which corporate income tax		(6.4)	-	-	-	(6.4)
Movement in other equity interests stated at fair value	6	-	31.2	-	-	31.2
Other movements		-	-	0.1	-	0.1
Total of results taken to equity which will be reclassified subsequently to the profit and loss account		19.2	31.2	0.1	-	50.5
Movement in cash flow hedge reserve,	13	(1.6)	-	-	-	(1.6)
of which corporate income tax		0.4	-	-	-	0.4
Other movements		-	-	0.6	-	0.6
Total of results which have been reclassified to the profit and loss account		(1.2)	-	0.6	-	(0.6)
Total of comprehensive income		**18.0**	**31.2**	**59.0**	**464.4**	**572.6**

In millions of euros	Notes	Cash flow hedge reserve	Fair value reserve	Other reserves	Unappro-priated result	Total
2012						
Total of results taken to the profit and loss account (result for the period)		-	-	-	358.7	358.7
Balance of actuarial gains and losses on employee benefits,	16	-	-	(82.9)	-	(82.9)
of which corporate income tax		-	-	21.0	-	21.0
Total of results taken to equity which will not be re-classified subsequently to the profit and loss account		-	-	(61.9)	-	(61.9)
Movement in cash flow hedge reserve,	13	(18.4)	-	-	-	(18.4)
of which corporate income tax		4.6	-	-	-	4.6
Movement in other equity interests stated at fair value	6	-	137.6	-	-	137.6
Total of results taken to equity which will be reclassi-fied subsequently to the profit and loss account		(13.8)	137.6	-	-	123.8
Movement in cash flow hedge reserve,	13	(1.8)	-	-	-	(1.8)
of which corporate income tax		0.4	-	-	-	0.4
Total of results which have been reclassified to the profit and loss account		(1.4)	-	-	-	(1.4)
Total of comprehensive income		**(15.2)**	**137.6**	**(61.9)**	**358.7**	**419.2**

The total of comprehensive income for 2013 and 2012 is fully attributable to the shareholder.

Consolidated statement of movements in equity

In millions of euros	Share capital	Cash flow hedge reserve	Fair value reserve	Other reserves	Unappro-priated result	Total
2013						
Balance as at 1 January	0.2	(52.7)	175.4	4,374.9	358.7	4,856.5
Total of comprehensive income for the financial year	-	18.0	31.2	59.0	464.4	572.6
Dividend paid for 2012	-	-	-	-	(215.2)	(215.2)
Added to other reserves	-	-	-	143.5	(143.5)	-
Balance as at 31 December	**0.2**	**(34.7)**	**206.6**	**4,577.4**	**464.4**	**5,213.9**
2012						
Balance as at 1 January	0.2	(37.5)	37.8	5,038.8	(602.0)	4,437.3
Total of comprehensive income for the financial year	-	(15.2)	137.6	(61.9)	358.7	419.2
Withdrawn from other reserves	-	-	-	(602.0)	602.0	-
Balance as at 31 December	**0.2**	**(52.7)**	**175.4**	**4,374.9**	**358.7**	**4,856.5**

Consolidated cash flow statement

In millions of euros	Notes	2013		2012	
Cash flow from operating activities					
Income		**1,527.0**		1,506.1	
Total expenses		**(728.8)**		(834.0)	
Operating result		**798.2**		672.1	
Adjustments for:					
- depreciation	3+4	**290.5**		269.3	
- movement in stocks	9	**3.9**		(3.8)	
- movement in receivables		**(38.3)**		5.2	
- movement in non-interest-bearing liabilities		**(129.1)**		(2.4)	
- other movements		**9.9**		18.8	
Cash flow from business operations			**935.1**		959.2
Interest received		**5.5**		1.3	
Dividend received on investments in associates					
Dividend received on investments in other equity	5	**22.7**		24.5	
interests		**0.1**		-	
Interest paid		**(210.0)**		(223.5)	
Corporate income tax paid/received		**(85.5)**		173.1	
			(267.2)		(24.6)
Cash flow from operating activities			**667.9**		934.6
Cash flow from investing activities					
Investments in tangible and intangible fixed assets		**(665.4)**		(501.3)	
Disposals of tangible and intangible fixed assets		**1.5**		13.4	
Acquisition of share in joint venture, net of available cash and cash equivalents	7	**(5.8)**		(8.5)	
Investments in associates	5	**(40.0)**		(0.1)	
Investments in other equity interests	6	**(0.0)**		(13.7)	
Disposals of associates	5	**39.6**		-	
Disposals of other equity interests	6	**11.1**		0.0	
Cash flow from investing activities			**(659.0)**		(510.2)

Carried forward			**8.9**		424.4
Cash flow from financing activities					
New long-term loans	14	**150.0**		1,000.0	
Repayment of long-term loans	14	**(1,130.8)**		(298.1)	
Movement in short-term financing	19	**364.7**		(285.7)	
Dividend paid	29	**(215.2)**		-	
Cash flow from financing activities			**(831.3)**		416.2
Movement in cash and cash equivalents			**(822.4)**		840.6
Cash and cash equivalents at previous year-end		**909.1**		68.5	
Cash and cash equivalents at year-end		**86.7**		909.1	
			(822.4)		840.6

Notes to the consolidated financial statements

The financial statements in English are a translation of the official Dutch version adopted by the General Meeting of Shareholders of N.V. Nederlandse Gasunie.

Preparation and adoption of the financial statements

The 2013 financial statements were prepared by the Executive Board on 18 March 2014. The financial statements as prepared were submitted on 2 April 2014 to the General Meeting of Shareholders for adoption.

Nature of business operations

N.V. Nederlandse Gasunie (Gasunie) is a European gas infrastructure company. Gasunie's network ranks among Europe's largest high-pressure gas transport networks and consists of some 15,500 kilometres of pipelines in the Netherlands and northern Germany, dozens of installations and approximately 1,300 gas-receiving stations. The annual gas throughput totals approximately 1,250 billion kWh (125 billion m^3). Gasunie serves the public interest in the markets in which it operates and seeks to maximise value creation for its stakeholders. Gasunie provides gas transport services through its subsidiaries, Gasunie Transport Services B.V. in the Netherlands and Gasunie Deutschland Transport Services GmbH in Germany. Gasunie also provides other gas infrastructure services, including gas storage, LNG storage and the certification of green gas through its subsidiary Vertogas. Gasunie seeks to deploy its infrastructure and knowledge for the ongoing development and integration of renewable energy sources, particularly green gas.

The company has its registered office at Concourslaan 17, Groningen, the Netherlands, and is registered with the Chamber of Commerce under number 02029700.

All shares outstanding as at the balance sheet date are held by the Dutch State.

Basis of preparation

The company's consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the European Union and applicable as at 31 December 2013.

New reporting standards

The following new standards and interpretations, which are endorsed in the European Union, became effective in 2013:

- IFRS 1 First-time Adoption of International Financial Reporting Standards – Government Loans (Amendments)
- IFRS 7 Financial Instruments – Disclosure: Offsetting Financial Assets and Financial Liabilities (Amendments)
- IFRS 13 Fair Value Measurement
- IAS 1 Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income (Amendments)
- IAS 19 Employee Benefits (Revised)
- IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine
- Improvements to International Financial Reporting Standards (2009-2011)

The adoption of the aforementioned standards and interpretations affects the presentation of the consolidated statement of comprehensive income and requires additional disclosures. It has no material effect on the company's equity and result in 2013.

As of 2013, under IAS 19 Employee Benefits (Revised), the expected return on plan assets is determined on the basis of the discount rate applied in determining pension liabilities.

The abolition of the 'corridor method' under IAS 19 Employee Benefits (Revised) has no effect on the equity and result of N.V. Nederlandse Gasunie, because actuarial gains and losses have been completely and directly accounted for in equity after deduction of deferred taxes in the period in which they occurred.

The IFRS standards and interpretations of the International Financial Reporting Interpretations Committee that have been published and endorsed by the European Union, but are not yet effective, have not been adopted by the company. As of the 2014 financial year, these include:
- IFRS 10 Consolidated Financial Statements
- IFRS 11 Joint Arrangements
- IFRS 12 Disclosures of Interests in Other Entities
- IFRS 10, 11 & 12 – Transition Guidance (Amendments)
- IFRS 10, 12 & IAS 27 – Investment Entities (Amendments)
- IAS 27 Separate Financial Statements (Revised)
- IAS 28 Investments in Associates and Joint Ventures (Revised)
- IAS 32 Financial Instruments: Presentation - Offsetting Financial Assets and Financial Liabilities (Amendments)
- IAS 36 Recoverable Amount Disclosures for Non-Financial Assets (Amendments)
- IAS 39 Novation of Derivates and Continuation of Hedge Accounting (Amendments)

The adoption of the aforementioned standards and interpretations has no material effect on the company's equity and result in 2014, but has an effect on the consolidated financial statements and disclosures because of the abolition of 'proportional consolidation' for joint ventures under IFRS 11 Joint Arrangements. It also leads to reclassification of some participations and requires additional disclosures.

As of the 2014 financial year, the following new interpretation will become effective but has not yet been endorsed in the European Union:
- IFRIC 21 Levies

The company expects that adoption of the aforementioned interpretation will have no material effect on the company's equity and result and will not require additional disclosures.

As of the 2015 financial year, the following new standards and interpretations will become effective but have not yet been endorsed in the European Union:
- IFRS 9 Financial Instruments – Classification and Measurement of Financial Assets and Financial Liabilities (Phase 1)
- IAS 19 Employee Benefits - Defined Benefit Plans: Employee Contributions (Amendments)
- Improvements to International Financial Reporting Standards (2010-2012)
- Improvements to International Financial Reporting Standards (2011-2013)

The company expects that adoption of the aforementioned standards will have no material effect on the company's equity and result, but will require additional disclosures.

As of the 2016 financial year, the following new standard will become effective but has not yet been endorsed by the European Union:

- IFRS 14 Regulatory Deferral Accounts

Adoption of the aforementioned standard has no material effect on the company's equity and result and does not require additional disclosures.

Management judgements and estimates

In preparing the financial statements, management makes estimates and assessments which affect the assets and liabilities presented as at the balance sheet date and the result for the financial year. These judgments and estimates have a significant effect on the valuation of fixed assets, the provision for clearance costs and redevelopment, deferred taxation, pensions and other equity interests.

Fixed assets

Fixed assets include the gas transport network.

Tangible fixed assets are valued at cost less straight-line depreciation based on the expected useful life, taking into account the residual value and impairments. To this end, assumptions were made about the useful life, the residual value and the future cash flows of the transport pipelines in particular.

A significant part of the operating activities are 'regulated'. The future cash flows and related recoverable amount of the regulated assets are partly based on judgments and estimates about the cash flows that can be earned within the regulatory framework. For more information, see note 1 to the consolidated balance sheet.

Provision for clearance costs and redevelopment

This provision is recognised in response to management decisions to decommission, remove or redevelop specific assets within the foreseeable future, for instance due to new legislation. For the time being, the size of the provision has been determined on the basis of general key figures, such as unit costs plus a generic project management surcharge. During actual clearance and redevelopment, it will be possible to estimate more accurately the costs involved, and the provision will be adjusted accordingly.

A provision for long-term general clearance costs is not recognised because it is currently considered unlikely that the removal of transport pipelines and appurtenances will be needed. The income from alternative use (in the longer term) less the costs of conservation is anticipated to offset the costs of removal, social or otherwise.

Deferred tax assets
A deferred tax asset is recognised for all deductible temporary differences and available carry-forward losses, to the extent that it is likely that taxable profit will be available for set-off. To this end, assumptions have been made about future taxable profits.

Pensions
The costs relating to the defined benefit pension plans and the valuation of defined benefit pension liabilities are determined using actuarial calculations. To this end, significant assumptions have been made about the market interest rate on high-quality corporate bonds for the purpose of determining the discount rate, the expected future increases in salary, the expected future increases in pensions and, up to and including 2012, the expected return on plan assets. For more information, see note 16 to the consolidated balance sheet.

Other equity interests
The interest in Nord Stream AG is stated at fair value, taking into account a post-tax discount rate on the expected cash flows. The expected cash flows are based on agreements laid down in contracts. In determining the post-tax discount rate, management has made significant assumptions.

Consolidation and accounting principles

The consolidated financial statements include the financial data of N.V. Nederlandse Gasunie and its group companies. Group companies are legal entities and companies over which the company exercises control.

Group companies are fully consolidated from the date on which control of the group company is obtained until the date that control no longer exists. The items in the consolidated financial statements are calculated in accordance with consistent accounting policies.

Intercompany account balances and unrealised results relating to group companies are eliminated. Unrealised losses are also eliminated, except when a loss is an indication of impairment.

The group companies included in the consolidation are:

Company	Registered office	Interest as at 31 December 2013	2012
Gasunie Transport Services B.V.	Groningen	100%	100%
Gastransport Noord-West Europa B.V.	Groningen	100%	100%
Gastransport Noord-West Europa Holding B.V.	Groningen	100%	100%
Gastransport Noord-West Europa Services 1 B.V.	Groningen	100%	100%
Gastransport Noord-West Europa Services 2 B.V.	Groningen	100%	100%
Gastransport Noord-West Europa Services 3 B.V.	Groningen	100%	100%
Gastransport Noord-West Europa Services 4 B.V.	Groningen	100%	100%
Gasunie BBL B.V.	Groningen	100%	100%
Gasunie Engineering B.V.	Groningen	100%	100%
Gasunie Germany B.V.	Groningen	100%	100%
Gasunie LNG BBR B.V.	Groningen	100%	100%
Gasunie LNG Holding B.V.	Groningen	100%	100%
Gasunie Underground Storage (GUUS) B.V.	Groningen	100%	100%
Gasunie Zuidwending B.V.	Groningen	100%	100%
Vertogas B.V.	Groningen	100%	100%
Cupa Holding GmbH	Hanover, Germany	100%	100%
Cupa Transport Services GmbH	Hanover, Germany	100%	100%
Gasunie Deutschland GmbH & Co. KG	Hanover, Germany	100%	100%
Gasunie Deutschland Services GmbH	Hanover, Germany	100%	100%
Gasunie Deutschland Technical Services GmbH	Hanover, Germany	100%	100%
Gasunie Deutschland Transport Services GmbH	Hanover, Germany	100%	100%
Gasunie Deutschland Transport Services Holding GmbH	Hanover, Germany	100%	100%
Gasunie Deutschland Verwaltungs GmbH	Hanover, Germany	100%	100%
Gasunie Ostseeanbindungsleitung (GOAL) GmbH	Hanover, Germany	100%	100%
Gasunie Infrastruktur AG	Zug, Zwitzerland	100%	100%

Gasunie Germany B.V. and Gasunie LNG BBR B.V. were founded in 2012. N.V. Nederlandse Gasunie exercised control over the other legal entities throughout 2013 and 2012.

In 2012, Gas Transport Services B.V. changed its name to Gasunie Transport Services B.V.

Joint ventures are consolidated proportionally. They are:

Company	Registered office	Interest as at 31 December 2013	2012
BBL Company V.O.F.	Groningen	60%	60%
Gate terminal B.V.	Rotterdam	47.5%	45%
Gate terminal C.V.	Rotterdam	47.5%	45%
Gate terminal Management B.V.	Rotterdam	50%	50%
LBBR Management B.V.	Groningen	50%	-
LNG Break Bulk Rotterdam C.V.	Rotterdam	50%	-
Arbeitsgemeinschaft GOAL/Fluxys NEL-Projektphase	Hanover, Germany	51.3%	-
DEUDAN - Deutsch/Dänische Erdgastransport-GmbH	Handewitt, Germany	75%	75%
DEUDAN - Holding GmbH	Hanover, Germany	51%	51%

Based on agreements between the partners of BBL Company V.O.F., N.V. Nederlandse Gasunie has no control over the company, its equity interest qualifies as a joint venture.

Based on agreements between the shareholders of DEUDAN - Deutsch/Dänische Erdgastransport-GmbH and DEUDAN - Holding GmbH, N.V. Nederlandse Gasunie has no control over these companies. These equity interests qualify as joint ventures.

In 2013, Gasunie LNG Holding B.V. increased its 45% interest in Gate terminal C.V. by 2.5% to 47.5%. In 2012 Gasunie LNG Holding B.V. increased its 42.5% interest in Gate terminal C.V. by 2.5% to 45%. As a result, the associated interest in Gate terminal B.V. also increased from 42.5% to 47.5%.

LBBR Management B.V., LNG Break Bulk Rotterdam C.V. and the Arbeitsgemeinschaft GOAL/Fluxys NEL-Projektphase were founded in 2013. N.V. Nederlandse Gasunie has no control over the Arbeitsgemeinschaft GOAL/Fluxys NEL-Projektphase collaboration, which qualifies as a joint venture.

Accounting policies

General
The financial statements have been prepared under the historical cost convention. If not stated otherwise below, this general policy has been applied.

Foreign currency
The euro is the functional and reporting currency of the company. The consolidated financial statements have been prepared in euros.

Transactions in foreign currencies are recognised at the rate of exchange of the functional currency on the transaction date.

Monetary assets and liabilities denominated in foreign currencies are converted at the exchange rate as at the balance sheet date. Any differences are recognised in the profit and loss account.

Business combinations (acquisitions)
Business combinations are recognised in accordance with the 'acquisition method' as described in IFRS 3, Business Combinations (Revised). The acquisition price is calculated as the sum of the assets transferred by the acquiree, liabilities entered into or acquired, and equity instruments issued by the acquirer. Costs relating to the acquisition are taken directly to the profit and loss account. The identifiable assets, liabilities and contingent liabilities acquired as part of the business combinations are recognised by the acquiring party at fair value on the date of acquisition.

Fixed assets
Tangible fixed assets
Tangible fixed assets are valued at cost less straight-line depreciation based on their expected useful life, taking into account the residual value and impairments. The fair value of the assets at the time of conversion to IFRS (1 January 2004) is used as the assumed cost price. The residual value of the asset, the useful life and the valuation methods are reviewed and adjusted if necessary at the end of the financial year.

Third-party contributions to the cost of construction of the gas transport network are deducted from the investments.

Tangible fixed assets not yet completed as at the balance sheet date are recognised as 'fixed assets under construction'. On commissioning, the relevant assets are classified according to their nature in one of the main categories. The volumes of gas permanently present in the pipelines needed for gas transportation are included under 'other fixed operating assets'.

Tangible fixed assets are classified in the following categories:
- Land and buildings
- Compressor stations
- Installations
- Main transmission lines and related plant and equipment
- Regional transmission lines and related plant and equipment
- LNG storage
- Underground gas storage
- Other fixed operating assets

Impairments of tangible fixed assets
The company investigates at regular intervals, and whenever there is reason to do so, whether there is any impairment of tangible fixed assets. This involves determining the recoverable amount of the assets. The recoverable amount is the higher of its fair value less costs of disposal and its value in use. If the recoverable amount is less than the current carrying amount, the difference is taken to the profit and loss account. Due to the nature of the assets, it is often not possible to determine the recoverable amount of each asset. In such cases, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

If there is reason to do so, the company investigates whether the impairment of a tangible fixed asset recognised in previous periods no longer exists or has decreased.

Intangible fixed assets
Exploitation rights
Exploitation rights are valued at cost less straight-line depreciation based on the expected useful life, taking into account the residual value and impairments. The residual value of the asset, the useful life and the depreciation method and terms are assessed at least at the end of the financial year and adjusted, if necessary.

Impairments of exploitation rights
If there is reason to do so, the company investigates whether an impairment of the exploitation rights exists. This involves determining the recoverable amount of the assets. The recoverable amount is the higher of its fair value less costs of disposal and its value in use. If the recoverable amount is less than the current carrying amount, the difference is taken to the profit and loss account.

Goodwill
Goodwill is the surplus of the acquisition price above the Gasunie share in the net fair value of the identifiable assets, liabilities and contingent liabilities. Goodwill is recognised as intangible fixed assets. After initial recognition, goodwill is stated at cost less any accumulated impairments.

For the purpose of determining any impairments, goodwill acquired in a business combination is allocated to one or more cash-generating units that are expected to benefit from the synergies of the combination, no later than in the financial year following the acquisition date.

Impairment of goodwill

Every year, and if there is reason to do so, the company assesses whether an impairment exists of goodwill acquired in a business combination and which has been allocated to one or more cash-generating units.

To that end, the company determines the recoverable amount of each cash-generating unit (or group of cash-generating units) to which goodwill has been allocated. The recoverable amount is the higher of its fair value less costs of disposal and its value in use. If the recoverable amount is less than the current carrying amount, the difference is taken to the profit and loss account. Impairments of goodwill are not reversed in future periods.

Investments in associates

Participations over which the company exercises significant influence on operating and financial policies are valued using the equity method.

The company's share in the result of associates is recognised in the profit and loss account.

Other equity interests

After initial recognition, other equity interests are stated at fair value with unrealised gains or losses taken to equity until the other equity interests are no longer recognised or are subject to impairment. The accumulated gains or losses are then taken to the profit and loss account.

To the extent the fair value cannot be determined reliably, the other equity interests are stated at cost.

Current assets

Stocks

Stocks of maintenance materials and parts are stated at average cost net of a provision for obsolescence.

Receivables

Receivables are stated at amortised cost less a provision for doubtful debts. A provision for doubtful debts is recognised if there is an objective reason to do so.

Cash and cash equivalents

Cash includes available cash in hand and credit balances at banks. Cash equivalents are held with the aim of meeting current liabilities in cash, and are not normally used for investments or other purposes. An investment is only recognised as cash equivalent if it can be immediately converted into a known cash amount and is not subject to a material risk of fluctuation in value.

Long-term liabilities

These are liabilities with a remaining term to maturity of more than one year. Repayment obligations on long-term liabilities falling due within one year are presented under current liabilities.

Interest-bearing loans are initially recognised at the fair value of the proceeds less transaction costs. After initial recognition, interest-bearing loans are subsequently carried at amortised cost based on the effective interest method.

Employee benefits

Long-term liabilities for employee benefits concern pension liabilities, jubilee benefits and the costs of post-employment fringe benefits for non-active and retired employees.

Pension liabilities

N.V. Nederlandse Gasunie and the group companies and joint ventures included in the consolidation have several pension schemes in place entitling their employees to a number of benefits, including a retirement pension and a dependants' pension.

As of 1 July 2013, the pension scheme of employees of N.V. Nederlandse Gasunie were changed. In the new pension scheme, the company has committed itself to paying a fixed, predetermined premium. This premium is based on a conditional average-salary scheme, which aims to achieve an annual accrual of 2% of the pension base. The Pension Savings Agreement for the Executive Board (based on a conditional average-salary scheme) has also been replaced by the new pension scheme.

In IFRS terms, the new pension scheme qualifies as a 'defined contribution plan'. The pension scheme that was in force up to and including 30 June 2013 qualified as a 'defined benefit pension plan'. As a result of the change, as of 1 July 2013, the balance of pension liabilities and plan assets is no longer included in the balance sheet.

The premiums payable in respect of the pension entitlements of the employees of N.V. Nederlandse Gasunie are paid to Stichting Pensioenfonds Gasunie, which administers the pension scheme. The fund manages the assets for all pension schemes administered by Stichting Pensioenfonds Gasunie.

The pension scheme that applies to employees of Gate terminal B.V. is also a defined contribution plan.

For employees of Gasunie Deutschland who joined the company in or after 2012, a new pension scheme was implemented, which came into force on 1 January 2013. This pension scheme, which has been reinsured one-on-one with a pension fund, is a defined contribution plan. The employer's contribution is determined every year on the basis of the gross pension income and can be as high as 4% of the contribution base.

The pension scheme of employees of Gasunie Deutschland who joined the company before 2012 has not been changed. This is a defined benefit pension plan based on a final salary scheme. The entitlements of these employees have not been funded.

The provision for pension liabilities is calculated in accordance using the ‘projected unit credit method of actuarial cost allocation’. According to this method, the present value of the pension entitlements is calculated on the basis of the number of active service years until the balance sheet date, the estimated salary as at the expected retirement date, and the discount rate. To determine the pension costs, the expected return on plan assets is also included in the calculation, which, as of 2013 will be equal to the discount rate.

Actuarial gains and losses are fully and directly recognised in equity in the period in which they occur, net of deferred taxation.

The net liability in respect of the defined benefit pension scheme consists of the present value of the gross liability less the fair value of the plan assets. If this results in an asset, pension assets are only included in the balance sheet if realisation is possible in the future through the payment of lower contributions or refunds.

Actuarial calculations are drawn up by external actuaries every year.

Provision for jubilee benefits

This provision relates to jubilee benefits paid by N.V. Nederlandse Gasunie to its employees on service anniversaries. Account is taken of the likelihood that the allowance will be paid and of a pre-tax discount rate, which incorporates the prevailing market assessments of the time value of money and the risks inherent in the commitment.

Provision for the costs of post-employment fringe benefits for non-active and retired employees

This provision relates to the allowance which N.V. Nederlandse Gasunie pays to its employees after their retirement. It represents the present value of the benefits already committed to non-active and retired employees. Account is taken of the mortality rate and a pre-tax discount rate, which incorporates the prevailing market assessments of the time value of money and the risks inherent in the commitment.

The assumptions on which this provision is based are tested periodically against mortality, interest and cost developments, and adjusted if necessary.

Provisions
The amount recognised as a provision is the best possible estimate as at the balance sheet date of the expenditure required to meet the existing commitment, taking into account the probability of the possible outcome of the event.

If the time value of money is material, a provision is recognised based on the present value of the expenditure deemed necessary to settle the commitment.

The discount rate is determined before taxation and takes into account the prevailing market assessments of the time value of money and the risks inherent in the commitment.

Provision for reorganisation expenses
This provision serves to cover the liabilities (in respect of non-active employees) arising from previously implemented reorganisations.

Provision for clearance costs and redevelopment
This provision is recognised due to management decisions to decommission, remove or redevelop specific assets within the foreseeable future, for instance due to new legislation.

Current liabilities
These are liabilities with a term of one year or less.

Income
Income is the revenues from gas transport and related services to third parties, net of discounts and taxes, such as VAT.

If the result of a transaction involving the provision of a service can be estimated reliably, the income relating to the service is recognised in proportion to the services performed in the financial year.

Services relating to the provision of transport capacity are separate from actual use. They are deemed to have been supplied if the capacity was at the customer's disposal for the duration of the agreed period.

The difference between 'gross income' and 'net income' is the 'tariff settlement repayment'. On 11 October 2011, the Dutch regulator (ACM) adopted new method decisions for the periods 2006-2009 and 2010-2013. These decisions established lower tariffs for the period 2006-2011 than those charged by N.V. Nederlandse Gasunie in the corresponding period in line with previous method decisions. N.V. Nederlandse Gasunie is required to refund the difference to its customers by reducing the transport tariffs in 2012 and 2013. The effect of the lowering of the tariffs on the income is shown separately in the profit and loss account.

Capitalised expenditure

Capitalised expenditure includes operating expenses incurred by the company in connection with the production of tangible fixed assets. These expenses mainly comprise the costs of own and hired employees plus a part of the overhead of support departments.

Other operating expenses

These expenses are determined on a historical basis, taking into account the accounting policies set out above, and are allocated to the reporting period to which they relate. Losses are recognised in the reporting period in which they are foreseen.

Finance revenue and costs

Included in this item are income and expenses relating to financing.

Interest income is recognised on a pro rata time basis in the profit and loss account, taking into account the effective interest rate for the asset concerned, provided the income can be measured and is likely to be received.

Interest expenses are capitalised if they relate to the purchase, construction or production of qualifying assets, provided the assets need a substantial period before being ready for their intended use.

Other interest expenses are recognised on a pro rata time basis in the profit and loss account, taking into account the effective interest rate for the liability concerned.

Corporate income tax

A deferred tax liability is recognised for all taxable temporary differences. A deferred tax asset is recognised for all deductible temporary differences and available carry-forward losses, to the extent that it is likely that taxable profit will be available for set-off.

Deferred tax liabilities and assets are stated at the undiscounted value of the expected cash flows. The tax rates used for the valuation are those that are expected to apply in the period in which the deferred tax items will be realised based on the tax rates and tax legislation in force as at the balance sheet date. The movements arising from this are taken to the profit and loss account, except for movements relating to the revaluation of the tangible fixed assets as at 1 January 2004, the tax treatment of the purchase price paid by the Dutch State, actuarial gains and losses and the cash flow hedge reserve. These movements are recognised directly in equity.

Tax assets and liabilities (deferred or otherwise) are netted, provided the general conditions for setting off tax items have been met.

N.V. Nederlandse Gasunie and its 100% Dutch group companies form a fiscal unity. No corporate income tax is assigned to these group companies. The fiscal burden included in the corporate profit and loss account relates to all the companies in the fiscal unity.

Gasunie Deutschland GmbH & Co. KG and its 100% German group companies form a fiscal unity in Germany for the purposes of trade tax and corporate income tax, including the reunification surcharge.

Tax is calculated based on the recognised result, taking into account tax-exempt items and costs that are either non-deductible or only partly deductible.

Cash flow statement

This statement shows the cash flows generated by N.V. Nederlandse Gasunie. The cash flow from operating activities is determined using the indirect method, based on the income presented in the consolidated profit and loss account.

Financial information by segment

The information relating to the operating activities for which separate financial information is available, and of which the operating results are regularly reviewed by the chief operating decision-maker, covers gas transport activities in the Netherlands and Germany as well as new business activities.

The operating segments identified within Gasunie based on IFRS 8 are:

- Gasunie Transport Services
- Gasunie Deutschland
- Participations & Business Development

For more detailed financial information per segment, see notes 30 to 33 to the consolidated financial statements.

Derivative financial instruments

Cash flow hedge accounting

Cash flow hedge accounting is applied to derivative financial instruments that have been specifically designated for this purpose by management, and are used to hedge a highly probable cash flow, while satisfying all other conditions.

They are initially recognised at fair value on the date on which the contract is entered into, and the fair value is subsequently periodically reassessed. The fair value is determined by discounting future cash flows to the current yield curve.

Gains or losses on the effective part of the hedging instrument are recognised in the cash flow hedge reserve in equity, net of deferred taxation. Any ineffective parts are recognised directly in the profit and loss account.

When a hedging instrument is wound up, gains or losses on the effective part continue to be recognised in equity for as long as the underlying cash flow is expected to occur. If it is not expected to occur, the gains or losses on the effective part, which are recognised in equity, are taken directly to the profit and loss account.

Effective derivative financial instruments designated for hedge accounting are recognised in the same way as the underlying contract. Depending on the nature and the term of the underlying contract, the instruments are classified as either long-term or short-term.

Other derivative financial instruments

Other derivative financial instruments used for hedging existing risks, such as interest-rate swaps and forward foreign exchange contracts, are initially recognised at fair value. Changes in value are recognised in the profit and loss account.

If the fair value is positive, the instrument is included under ‘other receivables’; if the fair value is negative, the instrument is included under ‘other liabilities’. Depending on the nature and the term of the underlying contract, the instruments are classified as either long-term or short-term.

Notes to the consolidated balance sheet

1. Impairment tests

General

Whenever there is reason to do so, the company tests whether there is any impairment of tangible, intangible and financial fixed assets.

There is an impairment if the recoverable amount of an asset or group of assets is less than the carrying amount. The recoverable amount is the higher of its fair value less costs of disposal and its value in use. The value in use is calculated on the basis of future cash flows estimated by management. These cash flows are based on the business plan for the next three years adopted by the Executive Board as well as on a recent long-range forecast. The total planning period runs up to and includes 2062. There are no indications that the fair value less costs of disposal is higher than the value in use.

When carrying out an impairment test, management makes assumptions, including those regarding short- and long-term developments in the regulatory framework, makes estimates of aspects such as future cash flows, and determines the discount rate. These assumptions, estimates and judgements significantly affect the value in use.

Both in the Netherlands and in Germany, the carrying amount and the recoverable amount of the gas transport network are comparable. This means that material changes in the recoverable amount as a result of, for example, method decisions for a new regulatory period can only be accommodated to a limited degree and may lead to an impairment loss.

Impairment tests

Gas transport network in the Netherlands

In 2011, the Dutch regulator ACM published method decisions and x-factor decisions for the periods 2006-2009 and 2010-2013. The related decisions on tariffs were adopted in December 2011. A number of stakeholders and GTS appealed against the new method decisions. On 8 November 2012, the Dutch Industrial Appeals Tribunal (CBb) ruled that the objections were unfounded. This means that GTS can maintain the current tariffs established by the ACM unchanged.

When preparing the consolidated financial statements for 2012, management concluded that there was no reason to perform an analytical test to determine any possible impairments of the gas transport network in the Netherlands.

On 1 May 2013, ACM published the draft method decisions for the period 2014-2016. When preparing the consolidated semi-annual financial statements for 2013, it was expected that the ACM would determine the definitive method decisions in September 2013.

When preparing the consolidated semi-annual financial statements for 2013, management concluded that there was no reason to perform an analytical test to determine any possible impairments of the gas transport network in the Netherlands.

On 2 October 2013, ACM published the definite method decisions and x-factor decisions. As a result, the company performed an analytical test to determine any possible impairments.

In this test it was assumed that the current regulatory framework will be continued unchanged. The revenues permitted by the regulator for any year consist of an allowance for the cost of capital invested, an allowance for the annual depreciation costs (calculated on the basis of the depreciation periods determined by the regulator), and an allowance for the operational expenses.

The allowance for the cost of capital is the result of the regulated asset base and the weighted average cost of capital (WACC). In determining the allowance for the cost of capital for the third regulatory period (2014-2016), reference was made to the WACC established in the method decision (3.6% real pre-tax); comparable to 4.25% nominal post-tax. For the regulatory period from 2017 onwards, a WACC is assumed of 5.5% nominal post-tax.

The regulator may impose an efficiency discount. For the regulatory period 2014-2016, the regulator will apply an efficiency discount of 1.3% per year.

The expected cash flows have been discounted using a discount rate that is related to the expected allowance for the cost of capital for the relevant period. For the years 2014-2016, the discount rate is 4.25% nominal post-tax. For the years from 2017 onwards, a discount rate of 5.5% nominal post-tax has been applied.

On the basis of the information available at the time the 2013 financial statements were prepared, management has concluded that the recoverable amount of the gas transport network in the Netherlands as at year-end 2013 is not less than the carrying amount.

Gas transport network in Germany
The German regulator BNetzA is in the process of determining the permitted revenues for the regulatory period 2013-2017, on the basis of the projected permissible costs for the period, possibly reduced by an individual efficiency factor. In the second half of 2012, BNetzA took a decision on the permissible costs. When management was preparing the consolidated financial statements for 2012, the decision with regard to the individual efficiency factor was expected in the first quarter of 2013.

When preparing the consolidated financial statements for 2012, management concluded that there was no reason to perform an analytical test to determine any possible impairments of the gas transport network in Germany.

When preparing the consolidated semi-annual financial statements for 2013, the decision-making by BNetzA with regard to the individual efficiency factor had been delayed and was expected in the third quarter of 2013.

When preparing the consolidated semi-annual financial statements for 2013, management concluded that there was no reason to perform an analytical test to determine any possible impairments of the gas transport network in Germany.

In January 2014 the BNetzA announced the individual efficiency factor. As a result, the company has performed an analytical test to determine any possible impairments.

In this test it was assumed that the current regulatory framework will be continued unchanged.

The expected cash flows have been discounted using a discount rate that is related to the expected allowance for the cost of capital for the relevant period. For the years 2014-2017, the discount rate is 5.5% nominal post-tax. For the years from 2018, a discount rate of 5.5% nominal post-tax has been applied.

On the basis of the information available at the time the 2013 financial statements were prepared, management has concluded that the recoverable amount of the gas transport network in Germany as at year-end 2013 is not less than the carrying amount.

2. Acquisitions

Acquisitions in 2013

At the beginning of 2013, N.V. Nederlandse Gasunie increased its interest in PRISMA European Capacity Platform GmbH, formerly known as TRAC-X Transport Capacity Exchange GmbH, from 8.3% to 16.1%.

In 2013, N.V. Nederlandse Gasunie increased its 45% interest in Gate terminal C.V. and Gate terminal B.V. by 2.5% to 47.5% through Gasunie LNG Holding B.V.

For more information, see notes 6 and 7 to the consolidated balance sheet.

Acquisitions in 2012

In 2012, N.V. Nederlandse Gasunie increased its 42.5% interest in Gate terminal C.V. and Gate terminal B.V. by 2.5% to 45% through Gasunie LNG Holding B.V. For more information, see note 7 to the consolidated balance sheet.

3. Tangible fixed assets

In millions of euros	Carrying amount as at 1 Jan. 2013	Acquisitions *)	Investments	Disposals	Depreciation	Carrying amount as at 31 Dec. 2013
Land and buildings	102.0	-	2.5	0.6	3.7	100.2
Compressor stations	814.1	-	62.8	1.2	40.9	834.8
Installations	986.4	-	92.7	4.7	62.7	1,011.7
Main transmission lines and related plant and equipment	4,806.2	-	286.5	0.9	106.5	4,985.3
Regional transmission lines and related plant and equipment	734.3	-	8.5	3.4	15.5	723.9
LNG storage	385.8	26.5	1.3	-	13.8	399.8
Underground gas storage	472.3	-	102.0	2.5	14.0	557.8
Other fixed operating assets	177.4	-	35.3	0.1	31.5	181.1
Fixed assets under construction	447.4	0.1	86.1	-	-	533.6
Total for 2013 financial year	**8,925.9**	**26.6**	**677.7**	**13.4**	**288.6**	**9,328.2**

In millions of euros	Carrying amount as at 1 Jan. 2012	Acquisitions *)	Investments	Disposals	Depreciation	Carrying amount as at 31 Dec. 2012
Land and buildings	103.9	-	2.4	0.4	3.9	102.0
Compressor stations	776.4	-	77.2	0.4	39.1	814.1
Installations	835.4	-	214.0	7.4	55.6	986.4
Main transmission lines and related plant and equipment	4,694.5	-	219.6	10.3	97.6	4,806.2
Regional transmission lines and related plant and equipment	694.5	-	53.7	1.9	12.0	734.3
LNG storage	367.4	30.1	1.1	-	12.8	385.8
Underground gas storage	489.4	-	(0.3)	3.5	13.3	472.3
Other fixed operating assets	170.7	-	41.9	2.1	33.1	177.4
Fixed assets under construction	561.9	-	(108.3)	6.2	-	447.4
Total for 2012 financial year	**8,694.1**	**30.1**	**501.3**	**32.2**	**267.4**	**8,925.9**

**) Increase due to acquisition of share in joint venture.*

In millions of euros	Cost as at 31 Dec. 2013	Accumulated depreciation *) as at 31 Dec. 2013	Cost as at 31 Dec. 2012	Accumulated depreciation *) as at 31 Dec. 2012
Land and buildings	170.8	70.6	169.3	67.3
Compressor stations	1,157.7	322.9	1,102.1	288.0
Installations	1,545.8	534.1	1,470.9	484.5
Main transmission lines and related plant and equipment	6,728.6	1,743.3	6,420.7	1,614.5
Regional transmission lines and related plant and equipment	920.1	196.2	944.3	210.0
LNG storage	432.4	32.6	403.3	17.5
Underground gas storage	598.7	40.9	499.1	26.8
Other fixed operating assets	553.2	372.1	520.5	343.1
Fixed assets under construction	533.6	-	447.4	-
Total	**12,640.9**	**3,312.7**	**11,977.6**	**3,051.7**

*) *Including any impairments.*

Depreciation periods

As of 1 January 2008, the remaining depreciation period for investments in transmission pipelines was extended to 55 years. The carrying amount on this date and the investments in transmission pipelines as of this date are depreciated until 2063.

As of 1 January 2004, the depreciation period for compressor stations and installations is 30 years (on average).

The depreciation periods for the other components are:

- Buildings: 50 years
- LNG storage: 15 to 40 years, approximately 30 years on average
- Underground gas storage: 0 to 40 years, approximately 35 years on average
- Other fixed operating assets: 3 to 20 years

Land is not depreciated.

Gas transport network impairments

See note 1 to the consolidated balance sheet for information on this subject.

4. Intangible fixed assets

Exploitation rights

Gasunie Zuidwending B.V. has acquired the exploitation rights of a part of the transmission capacity of the natural gas storage facility in Zuidwending from third parties. The exploitation rights relate to the period 2011 to 2015. From the beginning of 2011 the intangible fixed asset is amortised on a straight-line basis consistent with the useful life of the rights.

Movements in exploitation rights:

In millions of euros	2013	2012
Balance as at 1 January		
- cost	**9.7**	9.7
- accumulated depreciation *)	**(3.9)**	(2.0)
Carrying amount	**5.8**	7.7
Movements in the financial year		
- depreciation	**(1.9)**	(1.9)
Total movements	**(1.9)**	(1.9)
Balance as at 31 December		
- cost	**9.7**	9.7
- accumulated depreciation *)	**(5.8)**	(3.9)
Carrying amount	**3.9**	5.8

**) Including any impairments.*

5. Investments in associates

N.V. Nederlandse Gasunie has interests in the following companies, either directly or through its group companies:

Company	Registered office	Interest as at 31 December 2013	2012
APX B.V.	Amsterdam	-	20.9%
C.V. Gasexpansie IJmond	Groningen	-	50%
Energie Data Services Nederland (EDSN) B.V.	Arnhem	**25%**	25%
Global Gas Networks Initiative (GGNI) B.V.	Groningen	-	25%
ICE Endex Holding B.V.	Amsterdam	**20.9%**	-
Rotterdamse Cintra Maatschappij B.V.	Rotterdam	**25%**	25%
DEUDAN - Deutsch/Dänische Erdgastransport-GmbH & Co. KG	Handewitt, Germany	**33.3%**	33.3%
GASPOOL Balancing Services GmbH	Berlin, Germany	**16.7%**	16.7%
NETRA GmbH Norddeutsche Erdgas Transversale	Emstek/Schneiderkrug, Germany	**33.3%**	33.3%
NETRA GmbH Norddeutsche Erdgas Transversale & Co. KG	Emstek/Schneiderkrug, Germany	**28.7%**	28.7%

In the first quarter of 2013, APX B.V. was split into a Power part and a Gas part. Following this split, N.V. Nederlandse Gasunie has an interest of 20.9% in the Gas part, which has been transferred to ICE Endex Holding B.V. In 2013, this transaction led to an additional loss of € 0.3 million. This loss was taken to 'share in result of associates'.

As part of the Power part of the above transaction, an earn-out agreement has been entered into that will be valid until 22 May 2014. The company does not think it likely that the conditions of this earn-out agreement will be met, and has therefore not recognised this receivable nor provided any explanatory notes.

Together with the other shareholder of ICE Endex Holding B.V., N.V. Nederlandse Gasunie has entered into a 5-year option agreement, which will come into effect on 26 March 2015. On the grounds of this agreement, the company has the right to sell its 20.9% interest to the other shareholder on the basis of the value of the shares at that time. In addition, it has been agreed that the other shareholder has the right to buy the 20.9% interest from N.V. Nederlandse Gasunie at the value of the shares at that time. Given the recent acquisition of the 20.9% share at fair value, it is assumed that these options have little value, which is why they have not been recognised in the balance sheet.

In 2013, C.V. Gasexpansie IJmond was wound up resulting in a loss of € 0.2 million. This result has been taken to 'share in result of associates'. In 2012, the impairment of C.V. Gasexpansie IJmond of € 1.1 million has been taken to this result.

Global Gas Networks Initiative (GGNI) B.V. was wound up in 2013 with no impact on result.

Movements in investments in associates:

In millions of euros	2013	2012
Balance as at 1 January	**128.6**	129.2
Investments	**0.4**	0.1
Acquisitions	**39.6**	-
Movements taken directly to equity	**0.7**	-
Share in result of associates	**19.5**	23.8
Dividend received	**(22.7)**	(24.5)
Disposals	**(39.6)**	-
Balance as at 31 December	**126.5**	128.6

The share in the assets and liabilities as at the balance sheet date and in the income and result of associates for the financial year is:

In millions of euros	31 Dec. 2013	31 Dec. 2012
Assets	**242.3**	344.0
Liabilities	**123.1**	217.6
Income	**42.4**	44.6
Result after taxation	**19.5**	23.8

6. Other equity interests

On 10 June 2008, N.V. Nederlandse Gasunie acquired a 9% interest in Nord Stream AG, which operates two gas pipelines across the Baltic Sea from Russia to Germany. The equity interest in Nord Stream AG is held by Gasunie Infrastruktur AG and is intended as a long-term investment supporting the objectives of N.V. Nederlandse Gasunie. On 1 October 2011 the first and on 8 October 2012 the second gas pipeline was put into use.

The interest in Nord Stream AG is stated at fair value, taking account of a 7.5% post-tax discount rate (2012: 7.5% post-tax) on the projected cash flows. The projected cash flows are based on contractual agreements. As an indication, all things being equal, if the discount rate changes by 0.5% points, this will result in a change in the fair value amount of € 31 million at year-end 2013 (year-end 2012: € 33 million).

The valuation is based on the present value of the cash flows, using a calculation model which is updated by Nord Stream AG every year in the context of the business plan. This model is presented for assessment and approval to the shareholders of Nord Stream AG. The model is subsequently tested by the management of N.V. Nederlandse Gasunie on the basis of Nord Stream AG's periodic reports.

At the beginning of 2013, N.V. Nederlandse Gasunie increased its interest in PRISMA European Capacity Platform GmbH, formerly known as TRAC-X Transport Capacity Exchange GmbH, from 8.3% to 16.1%. The acquisition price was € 0.0 million. The interest in PRISMA European Capacity Platform GmbH is stated at fair value. Given the relatively limited materiality of this equity interest, a sensitivity analysis of the fair value calculation has not been included.

In 2012, 0.8% of the interest in TRAC-X Transport Capacity Exchange GmbH was sold, bringing the interest at year-end 2012 to 8.3%. This transaction had no impact on the result.

Movements in other equity interests:

In millions of euros	2013	2012
Balance as at 1 January	**403.9**	252.6
Investments	**-**	13.7
Acquisitions	**0.0**	-
Movement in fair value taken directly to equity	**31.2**	137.6
Disposals	**(17.0)**	0.0
Balance as at 31 December	**418.1**	403.9

7. Interests in joint ventures

The company has a 60% (direct and indirect) interest in BBL Company V.O.F., which is jointly controlled by Gasunie BBL B.V. and two other parties. BBL Company V.O.F. operates a gas pipeline between Balgzand in the Netherlands and Bacton in the United Kingdom. The pipeline was taken into use in December 2006.

The company has a 50% (direct and indirect) interest in Gate terminal Management B.V., a 47.5% interest in Gate terminal C.V. and a 47.5% interest in Gate terminal B.V. These interests involve a joint venture with Koninklijke Vopak N.V. for the operation of a terminal for liquefied natural gas (LNG) on the Maasvlakte.

In 2013, Gasunie LNG Holding B.V. increased its 45% interest in Gate terminal C.V. by 2.5% to 47.5%. In 2012, Gasunie LNG Holding B.V. increased its 42.5% interest in Gate terminal C.V. by 2.5% to 45%. As a result, the associated interest in Gate terminal B.V. also increased from 42.5% to 47.5%. The acquisition price was € 7.8 million in 2013 and € 10.2 million in 2012. In the consolidated cash flow statement, the acquisition price has been netted off with available cash and cash equivalents (2013: € 2.0 million and 2012: € 1.7 million). In the notes to the consolidated balance sheet, the movements are explained under 'increase due to acquisition of share in joint venture'.

In 2013, LBBR Management B.V. and LNG Break Bulk Rotterdam C.V. were founded. The company has a 50% (direct and indirect) interest in both. These interests involve a joint venture with Koninklijke Vopak N.V. for the construction, implementation and operation of a small-scale (break-bulk) LNG terminal with a jetty for small vessels and truck loading facilities.

In 2013, *Gasunie Ostseeanbindungsleitung (GOAL) GmbH* and Fluxys Deutschland GmbH entered into a collaboration in the form of an *arbeitsgemeinschaft*, which is responsible for the completion of the *Nordeuropäische Erdgasleitung*.

The shares in the assets and liabilities as at the balance sheet date and in the income and expenses of the joint ventures for the financial year as included in the consolidation are as follows:

In millions of euros	31 Dec. 2013	31 Dec. 2012
Fixed assets	**685.9**	687.2
Current assets	**64.7**	56.2
Total assets	**750.6**	743.4
Long-term liabilities	**378.8**	398.7
Current liabilities	**55.0**	22.7
Total liabilities	**433.8**	421.4
Net investment	**316.8**	322.0
Income	**141.8**	132.9
Result after taxation	**73.1**	70.2

8. Deferred tax assets

The deferred tax assets arise from temporary differences between the valuation in the financial statements of Gasunie Netherlands for financial reporting purposes and those for tax purposes. They can be broken down as follows:

In millions of euros	31 Dec. 2013	31 Dec. 2012
Tax treatment of purchase price paid by the Dutch State	**1,639.1**	1,692.0
Tax treatment of the provision for employee benefits	**0.2**	45.1
Tax treatment of the tariff settlement provision	**-**	(44.9)
Tax treatment of financial instruments	**14.3**	19.3
Tangible fixed assets	**(1,272.8)**	(1,231.6)
Total deferred tax assets	**380.8**	479.9

Tax treatment of purchase price paid by the Dutch State

When N.V. Nederlandse Gasunie was restructured, the Dutch State made a deemed capital contribution to the company for tax purposes.

As a result, additional depreciation for tax purposes applied to N.V. Nederlandse Gasunie with effect from 2005 in the form of a revaluation of the network for tax purposes. The resulting deferred tax asset was taken to equity. The effects of the tariff adjustments were, and are, also taken to equity.

Tax treatment of the tariff settlement provision

On 11 October 2011, the ACM adopted new method decisions for the periods 2006-2009 and 2010-2013. These decisions established lower tariffs for the period 2006-2011 than those charged by N.V. Nederlandse Gasunie in the corresponding period in line with previous method decisions. N.V. Nederlandse Gasunie is required to refund the difference to its customers by reducing the transport tariffs in 2012 and 2013. To that end, a provision was formed for tax purposes.

Movements in deferred tax assets:

In millions of euros	2013	2012
Balance as at 1 January	**479.9**	546.2
Movements taken to the profit and loss account	**(76.4)**	(91.4)
Movements taken to equity	**(3.4)**	23.9
Increase due to acquisition of share in joint venture	**0.7**	1.2
Balance as at 31 December	**380.8**	479.9

Movements taken to the profit and loss account and to equity for 2013:

In millions of euros	Profit and loss account	Equity	Increase due to acquisition of share in joint venture
Purchase price paid by the Dutch State	(52.9)	-	-
Provision for employee benefits	(27.5)	(17.4)	-
Tariff settlement provision	44.9	-	-
Financial instruments	-	(6.0)	1.0
Tangible fixed assets	(40.9)	-	(0.3)
Total	**(76.4)**	**(23.4)**	**0.7**

Movements taken to the profit and loss account and to equity for 2012:

In millions of euros	Profit and loss account	Equity	Increase due to acquisition of share in joint venture
Purchase price paid by the Dutch State	(52.9)	-	-
Provision for employee benefits	(0.5)	18.9	-
Tariff settlement provision	53.7	-	-
Financial instruments	-	5.0	1.1
Tangible fixed assets	(86.8)	-	-
Losses available for set-off	(4.9)	-	0.1
Total	**(91.4)**	**23.9**	**1.2**

9. Stocks

Stocks, with a value of € 33.1 million as at 31 December 2013 (2012: € 37.0 million), consist almost entirely of maintenance materials and parts that are measured on an average-cost basis. The amount stated takes into account a provision of € 6.7 million (2012: € 6.8 million) for obsolescence. Movements in the provision are charged to the result.

10. Trade and other receivables

In millions of euros	31 Dec. 2013	31 Dec. 2012
Trade receivables	**170.1**	152.7
Tax and social security contributions	**6.0**	0.4
Other receivables	**52.6**	29.8
Total trade and other receivables	**228.7**	182.9

The trade receivables and other receivables totalled € 222.7 million (2012: € 182.5 million). The analysis of the age of these receivables as at the balance sheet date is as follows:

In millions of euros	Total	Not due and not impaired	Due and not impaired				
			< 30 days	30-60 days	60-90 days	90-120 days	> 120 days
2013	222.7	218.1	2.8	0.6	-	-	1.2
2012	182.5	179.1	1.9	0.4	0.1	-	1.0

Movements in the provision for doubtful debts:

In millions of euros	2013	2012
Balance as at 1 January	-	0.2
Additions	**0.4**	-
Release credited to the result	-	(0.2)
Balance as at 31 December	**0.4**	-

The receivables are individually reviewed to determine the amount of the provision, primarily taking into account the age of the receivable and the creditworthiness of the debtor.

11. Cash and cash equivalents

In millions of euros	31 Dec. 2013	31 Dec. 2012
Banks	**85.9**	82.0
Call funds and deposits receivable	**0.8**	827.1
Total cash and cash equivalents	**86.7**	909.1

The bank balances and call funds carry an interest rate based on daily interest, and the deposits receivable carry a market-based interest rate in line with the individual term. At year-end 2013, no deposits were made.

12. Equity

Issued share capital

The authorised share capital as at 31 December 2013 amounts to € 756,000 and is divided into 7,560 shares, each having a nominal value of € 100, of which 1,512 have been issued and paid up in full.

Other reserves

Items included under 'other reserves' are classified as retained earnings under IFRS.

Dividend

The Executive Board proposes that € 139.3 million of the profit for 2013 be added to the general reserve and € 325.1 million be distributed to the shareholder. This dividend proposal has not been taken into account in the balance sheet as at 31 December 2013 or in the notes.

The profit for 2012 amounted to € 358.7 million, of which € 215.2 million was distributed as dividend in 2013.

	2013	2012
Final dividend to be distributed (in millions of euros)	**325.1**	215.2
Dividend per share (in thousands of euros)	**215.0**	142.3

13. Cash flow hedge reserve

Movements in the cash flow hedge reserve:

In millions of euros	2013	2012
Balance as at 1 January	**(52.7)**	(37.5)
Movement of the valuation of transactions for hedging		
(interest-based) cash flows recognised in the reserve,	**25.6**	(18.4)
of which corporate income tax	**(6.4)**	4.6
Transferred to the profit and loss account,	**(1.6)**	(1.8)
of which corporate income tax	**0.4**	0.4
Balance as at 31 December	**(34.7)**	(52.7)

The cash flow hedge reserve as at year-end 2013 relates to two cash flow hedges, as was the case in 2012. They are the cash flow hedge of N.V. Nederlandse Gasunie, relating to two long-term bond loans, and the cash flow hedge of Gate terminal B.V.

In millions of euros	31 Dec. 2013		31 Dec. 2012	
Cash flow hedge of N.V. Nederlandse Gasunie,	**8.8**		10.4	
of which corporate income tax	**(2.2)**		(2.6)	
		6.6		7.8
Cash flow hedge of Gate terminal B.V.,	**(55.1)**		(80.7)	
of which corporate income tax	**13.8**		20.2	
		(41.3)		(60.5)
Total		**(34.7)**		(52.7)

The cash flow hedge reserve of N.V. Nederlandse Gasunie relating to two long-term bond loans concerns swaptions settled in 2006, of which the results have been included in the cash flow hedge reserve and which will subsequently be transferred to the profit and loss account during the remaining term of the underlying bond loan. An amount of € 1.5 million (2012: € 2.1 million) from the balance of € 6.6 million (2012: € 7.8 million) will be released on a straight-line basis up to and including 2016, and € 5.1 million (2012: € 5.7 million) on a straight-line basis up to and including 2021.

In July 2008, Gate terminal B.V. took out a private loan with a floating interest rate. The floating interest was converted into fixed interest by means of a swap transaction. This transaction aims to largely offset changes in the cash flows (interest-based or otherwise) caused by changes in the market interest rate. The transaction was specifically designated for this purpose by management. The swap transaction is recognised in the balance sheet under other long-term liabilities.

14. Interest-bearing loans

The total amount of € 4,188.4 million (2012: € 4,059.1 million) of long-term loans comprises € 3,250.0 million (2012: € 3,250.0 million) of long-term bonds and € 938.4 million (2012: € 809.1 million) of private loans. The long-term bonds are fixed-interest bonds as at the balance sheet date. The private loans as at the balance sheet date consist of € 500.0 million (2012: € 500.0 million) of fixed-interest loans and € 438.4 million (2012: € 309.1 million) of floating interest loans. At year-end 2013, 67% (2012: 95%) of the interest rate risk relating to the floating interest loans was hedged by a swap transaction.

The company has no open positions in foreign currencies concerning interest-bearing loans.

Movements in interest-bearing loans:

In millions of euros	2013	2012
Balance as at 1 January	**4,059.1**	4,454.6
Issued bond loans	-	1,000.0
Private loans contracted	**150.0**	-
Increase in private loans due to acquisition of share in joint venture	**16.8**	17.6
Other increases	**0.3**	1.1
Early repayment on bond loans	-	(284.2)
Repayment obligations in next financial year	**(37.8)**	(1,130.0)
Balance as at 31 December	**4,188.4**	4,059.1

In July 2012, an early repayment of € 284.2 million took place on long-term bond loans with a total nominal value of € 1.4 billion, an effective interest rate of 6.000% and a tenor until the end of October 2013. In addition, two new long-term bond issues took place, each with a nominal value of € 500.0 million, an effective interest rate of 2.625% and 0.875% respectively, and terms of 10 years and 3 years respectively.

The reason for the early repayment and the issuing of the new long-term bond loans was to mitigate the refinancing risk of 2013. The early repayment was above nominal value. The difference of € 20.1 million between the exercise price and the nominal value is reported as 'interest expenses'.

Future repayments:

In millions of euros	2013	2012
Repayment obligations in		
2013	**-**	1,130.0
2014	**37.8**	15.5
2015	**538.7**	516.4
2016	**738.7**	716.4
2017	**789.3**	767.0
2018	**39.9**	17.5
After 2018	**2,086.2**	2,030.4
Total repayment obligations	**4,230.6**	5,193.2

The table below provides a breakdown of the long-term loans, including repayment obligations.

Balance as at 31 December 2013:

Remaining principal amount outstanding on original loan in millions of euros	Term	Effective interest rates	Interest review date	Nominal amount outstanding in millions of euros
700.0	2006-2016	4.250%	not applicable	700.0
300.0	2006-2021	4.500%	not applicable	300.0
125.0	2008-2022	4.500%	not applicable	125.0
125.0	2008-2023	4.804%	not applicable	125.0
140.3 *)	2008-2029	5.455%	15 June and 15 December every year	140.3
140.3 *)	2008-2029	5.889%	15 June and 15 December every year	140.3
750.0	2009-2017	5.125%	not applicable	750.0
125.0	2009-2024	4.266%	not applicable	125.0
20.8 *)	2009-2029	6.255%	15 June and 15 December every year	20.8
29.2 *)	2009-2029	7.239%	15 June and 15 December every year	29.2
125.0	2010-2025	3.581%	not applicable	125.0
500.0	2011-2021	3.625%	not applicable	500.0
500.0	2012-2022	2.625%	not applicable	500.0
500.0	2012-2015	0.875%	not applicable	500.0
150.0	2013-2020	0.466%	28 April and 28 October every year	150.0
Total				4,230.6

*) *These loans were concluded by Gate terminal B.V. in the form of long-term facilities and are consolidated proportionally.*

If the Dutch State ceases to hold all shares of N.V. Nederlandse Gasunie, the interest rates of five European Investment Bank loans of in total € 650.0 million will be adjusted to reflect the lender's credit risk policy.

Balance as at 31 December 2012:

Remaining principal amount outstanding on original loan in millions of euros	Term	Effective interest rates	Interest review date	Nominal amount outstanding in millions of euros
700.0	2006-2016	4.250%	not applicable	700.0
300.0	2006-2021	4.500%	not applicable	300.0
115.8	2008-2013	6.000%	not applicable	115.8
1,000.0	2008-2013	6.000%	not applicable	1,000.0
125.0	2008-2022	4.500%	not applicable	125.0
125.0	2008-2023	4.804%	not applicable	125.0
139.0 *)	2008-2029	5.737%	15th of every month	139.0
139.0 *)	2008-2029	5.873%	15th of every month	139.0
750.0	2009-2017	5.125%	not applicable	750.0
125.0	2009-2024	4.266%	not applicable	125.0
20.5 *)	2009-2029	7.694%	15th of every month	20.5
28.9 *)	2009-2029	7.217%	15th of every month	28.9
125.0	2010-2025	3.581%	not applicable	125.0
500.0	2011-2021	3.625%	not applicable	500.0
500.0	2012-2022	2.625%	not applicable	500.0
500.0	2012-2015	0.875%	not applicable	500.0
Total				5,193.2

**) These loans were concluded by Gate terminal B.V. in the form of long-term facilities and are consolidated proportionally.*

The weighted average effective interest rate for the long-term loans as at the balance sheet date was 3.8% (year-end 2012: 4.3%).

Interest rate risk is managed by means of financial derivatives (see also note 21).

Securities have been provided by Gate terminal B.V. for loans concluded by Gate terminal B.V. The securities relate to the pledging of all assets and future cash flows of Gate terminal B.V. No securities have been provided for the other interest-bearing loans concluded by N.V. Nederlandse Gasunie.

15. Deferred tax liabilities

The deferred tax liabilities arise from temporary differences between the valuation in the financial statements for financial reporting purposes and those for tax purposes of Gasunie Deutschland. They can be broken down as follows:

In millions of euros	31 Dec. 2013	31 Dec. 2012
Tangible fixed assets	**178.8**	177.4
Provision for employee benefits	**(8.3)**	(9.8)
Other deferred tax liabilities	**32.3**	24.9
Total deferred tax liabilities	**202.8**	192.5

Movements in deferred tax liabilities:

In millions of euros	2013	2012
Balance as at 1 January	**192.5**	200.3
Movements taken to the profit and loss account	**7.9**	(5.7)
Movements taken to equity	**2.4**	(2.1)
Balance as at 31 December	**202.8**	192.5

Movements taken to the profit and loss account and to equity for 2013:

In millions of euros	Profit and loss account	Equity
Tangible fixed assets	1.4	-
Provision for employee benefits	(0.9)	2.4
Other movements	7.4	-
Total	7.9	2.4

Movements taken to the profit and loss account and to equity for 2012:

In millions of euros	Profit and loss account	Equity
Tangible fixed assets	(6.7)	-
Provision for employee benefits	(0.4)	(2.1)
Other movements	1.4	-
Total	(5.7)	(2.1)

16. Employee benefits

As of 1 July 2013 a new pension scheme has come into force for employees in the Netherlands. For additional information, see A. 'Provision for pension liabilities, the Netherlands'.

In millions of euros		31 Dec. 2013		31 Dec. 2012
A. Pension liabilities, the Netherlands	-		179.5	
B. Pension liabilities, Gasunie Deutschland	**56.3**		60.2	
		56.3		239.7
C. Jubilee benefits		**5.4**		5.5
D. Post-employment fringe benefits		**4.9**		5.5
Total		**66.6**		250.7

Provisions for pension liabilities

The assumptions underlying the calculation of the pension liabilities are set out below:

	Netherlands		Germany	
	2013 *)	2012	2013	2012
Discount rate	-	3.3%	**3.7%**	3.3%
Expected future salary increases	-	3.7%	**2.8%**	2.8%
Expected future pension increases	-	1.8%	**1.8%**	1.8%
Expected return on plan assets	-	4.0%	-	-

**) For additional information, see A. 'Provision for pension liabilities, the Netherlands'.*

Under IAS 19 Employee Benefits (Revised), the (expected) return on plan assets is determined on the basis of the discount rate used in determining the pension liabilities. If IAS 19 Employee Benefits (Revised) had been effective in 2012, the (expected) return on plan assets would have been based on 3.9% for 2012. The effect on the (expected) return on plan assets is € 1.0 million negative for 2012. The effect on the actuarial result on plan assets is € 1.0 million positive for 2012. On balance, there is no effect on the pension liabilities and equity of N.V. Nederlandse Gasunie. Given the minimal effect of IAS 19 Employee Benefits (Revised), the comparative figures for 2012 have not been restated.

Five-year summary (balance at year-end):

In millions of euros	2013 *)	2012	2011	2010	2009
Present value of pension entitlements	56.3	1,306.3	1,113.4	996.2	858.6
Plan assets	-	(1,066.6)	(958.3)	(925.0)	(865.0)
Pension provision	56.3	239.7	155.1	71.2	(6.4)
Experience adjustments to plan liabilities	(1.8)	1.2	(16.8)	41.4	70.2
Experience adjustments to plan assets	-	77.5	13.6	41.8	47.9

*) For additional information, see A. 'Provision for pension liabilities, the Netherlands'.

A. Provision for pension liabilities, the Netherlands

N.V. Nederlandse Gasunie and its employees in the Netherlands, represented by the trade unions, have agreed that as of 1 July 2013:

- the old pension scheme (Pension Regulations 2006) will be terminated;
- a new pension scheme will come into force, in which the company committed itself to pay out a fixed, predetermined contribution. This contribution is based on a conditional average-salary scheme, which aims to achieve an annual accrual of 2% of the pension base. The pensionable age is set at 67.

The contribution payable by N.V. Nederlandse Gasunie will be 22.6% of the pensionable salary. This contribution will be fixed up to and including 31 December 2017. The pension execution agreement was entered into on 1 July 2013 with Stichting Pensioenfonds Gasunie.

In addition, it was agreed that N.V. Nederlandse Gasunie will:

- pay a one-off amount of € 20 million to the pension fund for the benefit of an indexation reserve to be set up for employees in active service, in order to increase the chances of indexation of employees' pension entitlements in the coming years;
- pay a one-off amount of € 5 million to the pension fund for the benefit of a reserve to be set up for employees in active service, in order to prevent pension accrual cuts.

The new pension scheme qualifies as a 'defined contribution plan' in IFRS terms. The financial consequences of the transition to the new pension scheme are broadly as follows:

- On 1 July 2013, the provision for pension liabilities of € 115.9 million that relates to the old pension scheme was released to the profit and loss account after deduction of the related deferred tax receivable of € 29.0 million;
- The one-off payments of € 20 million and € 5 million respectively have been taken to the profit and loss account;
- The accumulated actuarial gains and losses relating to the old pension scheme have not been reclassified to the profit and loss account. The direct effect on equity is nil.

The new pension scheme also applies to the members of the Executive Board.

For a very small group of employees (born before 1950), the Pension Regulations 1994 with the associated savings regulations still applies. These regulations will remain in force for as long as the pension accrual is allowed within the fiscal framework. For this group, N.V. Nederlandse Gasunie pays a premium that covers the costs. If, due to the financial situation of the pension fund, the pension entitlements need to be cut back, N.V. Nederlandse Gasunie will not be obliged to pay a supplementary premium. The size of this group, whose members will retire in the next two years, as well as the balance of the related pension liabilities and plan assets, is so insignificant that it has been decided not to recognise it in the balance sheet.

A breakdown of the provision for pension liabilities in respect of employees in the Netherlands is shown below:

In millions of euros	31 Dec. 2013	31 Dec. 2012
Present value of pension entitlements	-	1,246.1
Plan assets	-	(1,066.6)
Pension provision	-	179.5

Movements in the pension provision:

In millions of euros	2013	2012
Present value of pension entitlements		
Balance as at 1 January	**1,246.1**	1,064.4
Increase in pension entitlements	**14.5**	26.8
Accrued interest	**20.5**	40.8
Actuarial result	**(103.9)**	153.2
Pension benefits paid	**(19.6)**	(39.1)
Settlement as a consequence of the termination of the existing defined benefit plan as of 1 July 2013	**(1,157.6)**	-
Balance as at 31 December	**-**	1,246.1
Plan assets		
Balance as at 1 January	**1,066.6**	958.3
Return	**17.5**	39.3
Employer's pension contributions received	**11.3**	30.6
Actuarial result	**(34.1)**	77.5
Pension benefits paid	**(19.6)**	(39.1)
Settlement as a consequence of the termination of the existing defined benefit plan as of 1 July 2013	**(1,041.7)**	-
Balance as at 31 December	**-**	1,066.6

On 1 July 2013, the provision for pension liabilities amounted to € 115.9 million. This is the sum of the present value of the pension entitlements (€ 1,157.6 million) and the plan assets (€ 1,041.7 million).

In calculating the pension liabilities as of 30 June 2013, a discount rate was used of 3.6% (31 December 2012: 3.3%). The assumptions relating to future salary increases, future pension increases, and the return on plan assets have remained unchanged compared to 31 December 2012.

All plan assets are administered by Stichting Pensioenfonds Gasunie.

Pursuant to the pension execution agreement between Stichting Pensioenfonds Gasunie and N.V. Nederlandse Gasunie, which has been in force since 1 January 2009 and which was last changed as of 1 July 2010, the company has undertaken to pay an additional contribution to restore the funding ratio of the fund to 105% to the extent that the funding ratio is less than 105% as at 31 December.

On 31 December 2012, the pension fund had a funding ratio that was less than 105%. Pursuant to the above-mentioned pension execution agreement, the pension fund claimed an additional premium contribution of approximately € 6 million from N.V. Nederlandse Gasunie in order to increase its funding ratio to 105% as at the balance sheet date. This additional obligatory contribution was, in accordance with the relevant IFRS standard, not included in the balance sheet at year-end 2012.

The aforementioned execution agreement was terminated by N.V. Nederlandse Gasunie as of 31 December 2012. As a result, the additional contribution obligation has lapsed. During the period between 1 January 2013 and 30 June 2013, an addendum to the execution agreement was in force, which was replaced on 1 July 2013 by an execution agreement that fits in with the new pension scheme. In the latter two execution agreements, no additional contribution obligation for Gasunie has been included, which means that Gasunie is not obliged to supplement any shortages in the fund.

The actuarial results taken directly to equity are:

In millions of euros	First half of 2013	2012
Actuarial result on pension entitlements	**103.9**	(153.2)
Actuarial result on plan assets	**(34.1)**	77.5
Total actuarial result	**69.8**	(75.7)

The actuarial result in the first half year of 2013 was affected by the higher discount rate and experience adjustments on the one hand, and by the lower than (expected) return on plan assets on the other.

The actuarial result in 2012 was mainly affected by the lower discount rate and the change in the survivors' rate tables on the one hand, and by the (expected) return on plan assets on the other.

The actuarial results on pension entitlements are:

In millions of euros	First half of 2013	2012
Changes in actuarial financial assumptions	**63.6**	(125.9)
Changes in actuarial demographic assumptions	**-**	(26.3)
Experience adjustments	**40.3**	(1.0)
Total actuarial result on pension entitlements	**103.9**	(153.2)

The accumulated actuarial gains and losses total € 333.6 million negative on 30 June 2013 (year-end 2012: € 403.4 million negative). These realised accumulated actuarial gains and losses were not reclassified to the profit and loss account on 1 July 2013.

The plan assets for each investment category are:

In percentages	31 Dec. 2013	31 Dec. 2012
Property and shares	-	38
Bonds	-	59
Cash	-	3
Total	-	100

The actual return on plan assets in the first half year of 2013 is 1.4% negative (2012: 12.0% positive).

As at 30 June 2013, just as at 31 December 2012, no financing was granted by Stichting Pensioenfonds Gasunie to N.V. Nederlandse Gasunie and its participations. The pension fund does not invest in property or other assets used by N.V. Nederlandse Gasunie and its participations.

The total pension costs for the defined benefit pension plan as presented in the profit and loss account comprise:

In millions of euros	2013	2012
Increase in pension entitlements	**14.5**	26.8
Accrued interest	**20.5**	40.8
Return on plan assets	**(17.5)**	(39.3)
Total pension costs first half of 2013 and 2012	**17.5**	28.3
Settlement as a consequence of the termination of the existing defined benefit plan as of 1 July 2013:		
- release of the pension liabilities	**(115.9)**	-
- one-off payments of € 20 million and € 5 million respectively	**25.0**	-
Total pension costs	**(73.4)**	28.3

B. Provision for pension liabilities, Gasunie Deutschland

The provision for pension liabilities for Gasunie Deutschland relates to the pension scheme of employees who joined Gasunie Deutschland before 2012 and is treated as a defined benefit pension scheme.

A breakdown of the provision is shown below:

In millions of euros	31 Dec. 2013	31 Dec. 2012
Present value of pension entitlements	**56.3**	60.2
Plan assets	**-**	-
Pension provision	**56.3**	60.2

The weighted average duration of the pension liabilities is approximately 20 years.

Movements in the pension provision:

In millions of euros	2013	2012
Present value of pension entitlements		
Balance as at 1 January	**60.2**	49.0
Increase in pension entitlements	**2.6**	2.2
Accrued interest	**2.0**	1.9
Actuarial result	**(8.3)**	7.2
Pension benefits paid	**(0.2)**	(0.1)
Balance as at 31 December	**56.3**	60.2

The total actuarial result taken directly to equity in 2013 is € 8.3 million positive (2012: € 7.2 million negative).

The actuarial results are:

In millions of euros	2013	2012
Changes in actuarial financial assumptions	**4.7**	(7.0)
Changes in actuarial demographic assumptions	**1.8**	-
Experience adjustments	**1.8**	(0.2)
Total actuarial result on pension entitlements	**8.3**	(7.2)

At year-end 2013, the accumulated actuarial gains and losses directly take to equity total € 10.3 million negative (year-end 2012: € 18.6 million negative).

If the discount rate changes by 0.1%-point, in otherwise unchanged circumstances, this is expected to lead to a change in the 'present value of pension entitlements' of € 1.1 million and a change in the total of actuarial results directly taken to equity of € 1.1 million at year-end 2013.

If the 'expected future salary increases' change by 0.1%-point, in otherwise unchanged circumstances, this is expected to lead to a change in the 'present value of pension entitlements' of € 0.3 million and a change in the total of actuarial results directly taken to equity of € 0.3 million at year-end 2013.

If the 'expected future pension increases' change by 0.1%-point, in otherwise unchanged circumstances, this is expected to lead to a change in the 'present value of pension entitlements' of € 0.7 million and a change in the total of actuarial results directly taken to equity of € 0.7 million at year-end 2013.

The total pension costs for the defined benefit pension plan as presented in the profit and loss account comprise:

In millions of euros	2013	2012
Increase in pension entitlements	**2.6**	2.2
Accrued interest	**2.0**	1.9
Total pension costs	**4.6**	4.1

For employees of Gasunie Deutschland who joined the company in or after 2012, a new pension scheme was implemented, which came into force on 1 January 2013. This pension scheme, which has been reinsured one-on-one with a pension fund, is a defined contribution scheme.

C. Provision for jubilee benefits

This provision relates to jubilee benefits paid by N.V. Nederlandse Gasunie to its employees. Movements in the provision are as follows:

In millions of euros	2013	2012
Balance as at 1 January	**5.5**	5.6
Additions	**0.4**	0.4
Charges	**(0.5)**	(0.5)
Balance as at 31 December	**5.4**	5.5

The existing jubilee scheme was replaced by a new scheme on 1 January 2012. Employees received a lump sum payment as compensation in January 2012.

D. Provision for costs of post-employment fringe benefits for non-active and retired employees

This provision relates to the allowance which N.V. Nederlandse Gasunie pays to its employees after their retirement.

A scheme forming part of the fringe benefits package in the event of termination of employment – including retirement, early retirement or death – was discontinued as at 31 December 2011. In February 2012, employees were compensated for the financial gain from the scheme which they would have otherwise received.

Movements in the provision:

In millions of euros	2013	2012
Balance as at 1 January	**5.5**	5.5
Additions	**0.2**	0.9
Charges	**(0.8)**	(0.9)
Balance as at 31 December	**4.9**	5.5

The provision is primarily long-term. The provision is not fully funded.

17. Provisions

Provision for reorganisation expenses

This provision serves to cover the liabilities (in respect of non-active employees) arising from previously implemented reorganisations. Movements in the provision are as follows:

In millions of euros	2013	2012
Balance as at 1 January	**0.1**	0.1
Additions	**0.0**	0.0
Short-term share of the provision	**(0.1)**	(0.0)
Balance as at 31 December	**0.0**	0.1

Provision for clearance costs and redevelopment

Movements in the provision are as follows:

In millions of euros	2013	2012
Balance as at 1 January	**97.9**	98.9
Additions	**3.3**	9.0
Charges	**(11.4)**	(8.5)
Release	**-**	(1.5)
Balance as at 31 December	**89.8**	97.9

This provision was recognised in 2010 due to management decisions to decommission, remove or redevelop specific assets within the foreseeable future, for instance due to new legislation. The provision relates to the redevelopment of site-related and group-related bottlenecks, obligations to disengage decommissioned branches from the grid and the decision to redevelop or replace certain pipeline sections.

Pipelines that had already been disengaged were added to the redevelopment programme in 2011, and in 2012 pipelines were added that had been taken over from third parties in the past. The last part of the redevelopment programme is expected to be carried out in 2020.

A provision for long-term general clearance costs is not recognised because it is currently considered unlikely that the removal of transport pipelines and appurtenances will be needed. The income from alternative use (in the longer term) less the costs of conservation is anticipated to offset the costs of removal, including social costs.

18. Other long-term liabilities

In millions of euros	31 Dec. 2013	31 Dec. 2012
Derivative financial instruments	**66.1**	87.8
Other long-term liabilities	**2.8**	1.7
Total other long-term liabilities	**68.9**	89.5

In July 2008, Gate terminal B.V. concluded a private loan with a floating interest rate. The floating interest was converted into fixed interest by means of a swap transaction. At year-end 2013, the valuation of the swap transaction, including accrued interest, amounted to € 66.1 million negative (2012: € 87.8 million negative).

19. Current financing liabilities

In millions of euros	31 Dec. 2013	31 Dec. 2012
Repayments on long-term loans	**37.8**	1,130.0
Short-term loans	**384.5**	19.8
Total current financing liabilities	**422.3**	1,149.8

As at the end of 2013, N.V. Nederlandse Gasunie had taken out € 384.5 million (2012: € 19.8 million) in short-term loans against prevailing market rates, which primarily related to term deposits and commercial paper.

To be able to fulfil the above current financing liabilities, N.V. Nederlandse Gasunie has a current account facility of € 100 million (2012: € 100 million) and a committed credit facility for short-term financing of € 800 million (2012: € 800 million), which expires in 2015. No funds were drawn under these facilities as at year-end 2013 and 2012. The interest payable on the funds drawn under the facilities is based on prevailing market rates. No securities have been provided for the credit facilities by N.V. Nederlandse Gasunie.

20. Trade and other payables

In millions of euros	31 Dec. 2013	31 Dec. 2012
Trade payables	**55.7**	35.4
Tax liabilities	**23.3**	42.1
Other liabilities, accruals and deferred income	**274.3**	299.5
Total trade and other payables	**353.3**	377.0

Trade and other payables do not bear interest.

21. Financial risks

General

The main financial risks to which N.V. Nederlandse Gasunie is exposed are market risk (consisting of interest rate risk and currency risk), credit risk and liquidity risk. N.V. Nederlandse Gasunie uses financial risk management to limit these risks by operational and financial measures. Specific instruments are used for this purpose, depending on the nature and size of the risks.

The Treasury department is responsible for executing financial risk management. The use of specific risk instruments requires the prior approval of the Executive Board, which receives regular reports on the nature and size of the risks as well as the measures taken.

N.V. Nederlandse Gasunie may use derivative financial instruments to manage currency and interest rate risks arising from ordinary operational activities. The risk policy relating to interest rate risk aims to limit the short-term effects of interest rate fluctuations on the result, and in the long term to follow the regulatory allowance for cost of debt. The risk policy relating to currency risk aims to limit the effects of exchange rate fluctuations on the result.

Financial instruments are only used to hedge risks and not for trading or any other purpose.

For the disclosure of currency and interest rate risks, IFRS 7 requires sensitivity analyses that show the financial effects of reasonable hypothetical changes in relevant risk variables on the profit and loss account and on equity. These effects are determined by relating the hypothetical changes to the risk variables to the balance sheet values of the financial instruments as at the reporting date, assuming that the balance sheet values as at the reporting date are representative of the whole period.

Interest rate risk

The risk to which the company is exposed resulting from fluctuations in market interest rates mainly relates to the long-term loans with a floating interest rate. The company is also exposed to an interest rate risk in the period between the decision to issue long-term loans with a fixed rate and the realisation of these loans.

For the project financing of one of the consolidated joint ventures, the interest rate risk was managed by means of a swap transaction in the period between the decision to finance the project and the time of actually doing so. This swap transaction is also being used to manage the interest rate risk during the total maturity of the project financing. The transaction is designed to effectively offset changes in the cash flows (interest-based or otherwise) caused by changes in the market interest rate (cash flow hedge). Since there are no margin obligations on this swap, it does not constitute a liquidity risk.

At year-end 2013, the share of the floating interest rate loans in the loan portfolio is 3.9% (2012: 0.3%). A 1%-point increase/decrease of the interest rate will respectively increase/decrease the annual interest expenses of the loan portfolio by € 1.7 million (2012: € 0.1 million).

The effect of a 1%-point interest rate increase/decrease on the valuation of the financial instruments that are recognised by direct movements in equity is a € 4 million decrease/ increase (2012: € 6 million decrease/increase), net of corporate income tax.

Currency risk

Currency risks arise, as defined in IFRS 7, if financial instruments are concluded in a currency that is different from the functional currency, and if the financial instruments are of a monetary nature.

N.V. Nederlandse Gasunie seeks to limit currency risks. To this end, it uses forward exchange contracts and currency swaps. Foreign exchange instruments are only used if underlying positions exist. Currency risks are fully hedged to the extent that there is sufficient certainty about the amount and timing of the foreign currency cash flows.

At year-end 2013 and 2012, there were no liabilities denominated in foreign currencies that were hedged by means of forward transactions.

In 2013, balance sheet liabilities include GBP positions to the value of € 2.5 million (2012: nil). Foreign currencies were converted into euros at the year-end exchange rate.

In millions of euros	Position	Exchange rate increase/ decrease	Effect on result before taxation	Effect on equity
2013				
Euro/GBP	2.5	+/- 30%	-/+ 0.7	-/+ 0.6

The sensitivity analysis takes into account the past fluctuation range of currencies. The same ranges are used by the company for its analyses of potential risks. There were no other significant foreign currency positions.

Credit risk

Credit risk relates to the loss that would arise if counterparties were to default entirely as at the balance sheet date and fail to meet their contractual obligations. The company is not exposed to any material credit risk with regard to any individual customer or counterparty.

To reduce counterparty risk, when employing derivative financial instruments, the company uses strict limits concerning the credit risk exposure allowed for each counterparty.
The company has drawn up criteria for selecting counterparties of financial instrument transactions. These criteria limit the risks associated with possible credit concentrations and market risks. As at year-end 2013 and 2012, no collateral was placed by counterparties at N.V. Nederlandse Gasunie to hedge counterparty risks with respect to financial instruments.

Guarantees received

N.V. Nederlandse Gasunie and its group companies have received the following guarantees from third parties:

In millions of euros	31 Dec. 2013		31 Dec. 2012	
	Number	Value	Number	Value
Bank guarantees	**79**	**159.5**	75	116.1
Deposits	**40**	**7.7**	32	5.2
Sureties	**26**	**151.9**	26	166.7
Letters of Credit	**2**	**0.1**	2	0.7
Other	**1**	**4.8**	2	46.0
Total guarantees received	**148**	**324.0**	137	334.7

The bank guarantees received mainly concern financial securities from contractors for new construction projects. The deposits and sureties received relate to securities from gas transport agreements. The deposits are held in cash. The interest on deposits is credited to the issuer of the guarantee.

The individual terms of the guarantees received are generally short (one to three years), with the terms of a few guarantees exceeding five years. The guarantees are not freely assignable.

Liquidity risk

The liquidity risk is the risk that the company has insufficient cash to meet its short-term liabilities. N.V. Nederlandse Gasunie's policy is to reduce this risk at minimal cost. The options for reducing the liquidity risk depend on the solvency of an enterprise. As a solvent company, N.V. Nederlandse Gasunie is in a good position to obtain credit facilities. It quantifies the liquidity risk by using a multi-year forecast of capital expenditures and a liquidity forecast with a horizon of at least one year for operational expenses.

The company has a current account facility of € 100 million (2012: € 100 million), committed credit facilities of € 800 million (2012: € 800 million), committed bank guarantee facilities of € 10 million (2012: € 10 million), a € 750 million Commercial Paper programme (2012: € 750 million), and a credit facility of € 100 million (2012: € 150 million) with the European Investment Bank. It also has a € 7.5 billion Medium Term Note (MTN) programme (2012: € 7.5 billion), with € 4.25 billion available for new issues as at year-end 2013.

Rating

In 2013, rating agency Standard & Poor's lowered Gasunie's long-term credit rating from AA- with a negative outlook to A+ with a stable outlook. Rating agency Moody's Investors Service did not change Gasunie's long-term credit rating in 2013. Gasunie's credit rating with Moody's Investors Service remained A2 with a stable outlook.

Dividend policy

N.V. Nederlandse Gasunie aims to achieve a ratio of liabilities to equity which will enable the company to realise its strategy.

Summary of future cash flows

The maturity profile of future cash flows pertaining to long-term and current liabilities outstanding as at the balance sheet date is as follows:

In millions of euros	Total	Payable immediately	< 1 year	1-5 year	> 5 year
2013					
Long-term liabilities					
- interest-bearing loans	4,192.8	-	-	2,106.7	2,086.1
- derivative financial instruments	66.1	-	-	-	66.1
- other long-term liabilities	2.8	-	-	2.8	-
Current liabilities					
- current financing liabilities	422.3	21.5	400.8	-	-
- trade payables	55.7	54.1	1.6	-	-
- tax liabilities	23.3	23.3	-	-	-
- other liabilities, accruals and deferred income	274.3	79.3	195.0	-	-
Interest payable on liabilities	941.4	-	158.3	474.6	308.5
Total	**5,978.7**	**178.2**	**755.7**	**2,584.1**	**2,460.7**
2012					
Long-term liabilities					
- interest-bearing loans	4,063.2	-	-	2,015.3	2,047.9
- derivative financial instruments	87.8	-	-	-	87.8
- other long-term liabilities	1.7	-	-	0.4	1.3
Current liabilities					
- current financing liabilities	1,149.8	19.8	1,130.0	-	-
- trade payables	35.4	34.4	1.0	-	-
- tax liabilities	42.1	42.1	-	-	-
- other liabilities, accruals and deferred income	299.5	105.5	194.0	-	-
Interest payable on liabilities	1,148.5	-	214.0	548.2	386.3
Total	**6,828.0**	**201.8**	**1,539.0**	**2,563.9**	**2,523.3**

Guarantees issued

N.V. Nederlandse Gasunie and its group companies have issued the following guarantees to third parties:

In millions of euros	31 Dec. 2013		31 Dec. 2012	
	Number	Value	Number	Value
Bank guarantees	5	**5.9**	2	1.4
Parent guarantees	5	**565.5**	6	729.5
Sureties	2	**30.0**	2	30.0
Total guarantees issued	12	**601.4**	10	760.9

The sureties are issued for a specific purpose and mainly relate to investment projects. The guarantees are not freely assignable.

The maturity of the bank guarantees is generally short (one to two years).

In 2010, N.V. Nederlandse Gasunie acted as a guarantor for the payment obligations of Gasunie Deutschland regarding an investment project in Germany for a maximum of € 320 million. During the project, the guarantee is reduced by the value of the investments made. At year-end 2013, the remaining guarantee amounts to € 2.5 million. The guarantee will end upon completion of the investment project, which is currently expected for the first half year of 2014.

The company is guarantor for Gate terminal B.V. for leases payable to the Port of Rotterdam Authority to the value of € 49 million at year-end 2013 and two sureties provided to shippers totalling € 30 million. The remaining maturity of the guarantee for the Port of Rotterdam is 14 years and of the two sureties more than 20 years.

The Nord Stream project was financed with almost € 6 billion of external debt. During the construction, the investors (including N.V. Nederlandse Gasunie) guarantee their share in the project to the external debt providers. In 2012, construction phase 1 was completed, so that N.V. Nederlandse Gasunie's completion guarantee of € 350 million for this construction phase terminated. At year-end 2013, N.V. Nederlandse Gasunie was still guarantor for € 220 million for construction phase 2. This Completion Guarantee is expected to remain in force until mid-2014.

Following the termination of the completion guarantee for construction phase 1, a Change in Law Commitment Agreement towards Nord Stream AG came into force in 2012 for the benefit of the external debt providers. This guarantee is issued to compensate possible negative consequences of changes in laws or regulations.

For construction phase 1, the guarantee resulting from the Change in Law Commitment Agreement may be invoked due to the negative consequences arising from changes in the laws and regulations (or their interpretation) during the period from 16 April 2009 to 14 May 2010.

With respect to construction phase 2, the Change in Law Commitment Agreement applies to negative consequences arising from changes in laws or regulations (or their interpretation)

during the period from 16 April 2009 to 21 April 2011.
The Change in Law Commitment Agreement can only be invoked if, as a result of changes in laws or regulations in the said periods, Nord Stream's customer, in whole or in part, will be exempted from its payment obligations, as a consequence of which Nord Stream AG is no longer able to pay its operating costs or meet its obligations to its lenders.

If laws or regulations come into force or are changed which do not related to the above-mentioned periods, no claim can be made on the basis of the Change in Law Commitment Agreement. Furthermore, this guarantee does not cover any changes in Russian laws or regulations.

The Change in Law Commitment Agreement expires in 2026. The chance that this guarantee will be invoked is considered to be very small. The maximum share of N.V. Nederlandse Gasunie in this guarantee to lenders is € 570 million. The guarantee reduces proportionally with the repayments made on the debt. At year-end 2013, the remaining guarantee is for a maximum of € 513 million, of which € 220 million is concurrent with the Completion Guarantee for construction phase 2. The share of N.V. Nederlandse Gasunie in this guarantee in relation to the operating costs of Nord Stream is expected to be approximately € 7 million per year. The above table includes € 293 million relating to this guarantee.

In 2009, N.V. Nederlandse Gasunie issued a purchase guarantee to N.V. KEMA totalling € 87.5 million for a period of ten years, starting from € 15 million in 2010 and gradually decreasing to € 5 million in 2019. The guarantee concerns the purchase of services to ensure the safe and reliable transport of gas and the development of sustainable initiatives. The guarantee commitments were fulfilled for 2013. This purchase guarantee is included in note 22 to the consolidated balance sheet under 'other commitments'.

Fair value and carrying amount of financial instruments

The following methods are applied by N.V. Nederlandse Gasunie to determine the approximate fair values of financial instruments:

- For trade receivables, tax and social security contributions, other receivables, cash and cash equivalents, current financing liabilities excluding repayment obligations on long-term loans, trade payables, tax liabilities, and other liabilities, accruals and deferred income, the carrying amount approximates the fair value because of the short period to the due date for each of these instruments;
- The other equity interests are stated at fair value, which is based on the present value of the cash flows. In determining the discount rate, the risk profile, including the credit risk, of the other equity interests has been taken into account;
- The derivative financial instruments are stated at fair value, which is calculated by discounting their future cash flows at the appropriate rates taken from the current interest curve. In determining the discount rate, the own risk profile, including the credit risk, has been taken into account; and
- The interest-bearing loans are bonds with a listing on the Amsterdam stock exchange, and private loans. The fair value of the bonds is the market value at the year-end closing price. The fair value of the private loans has been calculated by discounting the future cash flows against the current interest curve. In determining the discount rate, the own risk profile, including the credit risk, has been taken into account.

N.V. Nederlandse Gasunie uses the following hierarchy of methods to determine and measure the fair value of the derivative financial instruments for presentation in the balance sheet:

Level 1: Based on prices in active markets for the same instrument;

Level 2: Based on prices in active markets for comparable instruments, or based on other measurement methods, with all required key data being derived from publicly available market information;

Level 3: Based on other measurement methods, with all required key data not being derived from publicly available market information.

The assets and liabilities presented at fair value in the balance sheet are determined in accordance with the following hierarchy:

In millions of euros	Total	Level 1	Level 2	Level 3
2013				
- other equity interests	418.1	-	-	418.1
- derivative financial instruments	66.1	-	66.1	-
2012				
- other equity interests	403.9	-	-	403.9
- derivative financial instruments	87.8	-	87.8	-

The table below compares the carrying amount and fair value of those financial instruments whose carrying amount does not approximate the fair value:

In millions of euros		2013		2012
	Carrying amount	Fair value	Carrying amount	Fair value
Interest-bearing loans	**4,188.4**	**4,549.2**	4,059.1	4,568.0
Repayments on long-term loans	**37.8**	**37.9**	1,130.0	1,181.0

The fair value of these financial instruments is determined in accordance with the following hierarchy:

In millions of euros	Total	Level 1	Level 2	Level 3
2013				
- interest-bearing loans	4,549.2	3,502.0	1,047.2	-
- repayments on long-term loans	37.9	-	37.9	-
2012				
- interest-bearing loans	4,568.0	3,624.1	943.9	-
- repayments on long-term loans	1,181.0	1,166.7	14.3	-

For more information on the movements in other equity interests, see note 6 to the consolidated balance sheet.

22. Commitments not included in the balance sheet

Investment commitments

At year-end 2013, N.V. Nederlandse Gasunie had commitments not included in the balance sheet of € 192 million with regard to investment projects, compared to € 221 million in 2012.

The figure for 2013 includes € 80 million (2012: € 42 million) for Integrated Open Season Germany, € 39 million (2012: € 24 million) for Integrated Open Season Netherlands and € 18 million (2012: nil) for the construction of the Elbe tunnel.

Lease commitments (operating lease)

Lease commitments at year-end 2013 totalled € 63 million (2012: € 65 million). A breakdown is shown below:

Term	Commitment as at 31 Dec. 2013	Commitment as at 31 Dec. 2012
0 – 1 year	**€ 9 million**	€ 11 million
1 – 5 year	**€ 13 million**	€ 15 million
> 5 year	**€ 41 million**	€ 39 million

These commitments include the operating leases for company cars and private vehicles. The fixed lease payment is partly based on the value of the leased vehicle and the expected operating expenses, which are based on a standard annual number of kilometres driven. A variable allowance is also paid per kilometre over and above the standard number of kilometres. The average remaining term of the lease commitments is approximately two years. The real operating lease costs for company cars and private vehicles for 2013 amount to approximately € 7 million (2012: approximately € 9 million).

Several lease agreements are concluded for the site of the LNG terminal in Rotterdam (Gate), the largest of which, in terms of size, with the Port of Rotterdam Authority. These agreements, with a remaining term of 44 years relate to leases for land at the location. At year-end 2013, the average lease commitments for all agreements amount to approximately € 1 million (2012: approximately € 1 million) annually.

Other commitments

Other commitments at year-end 2013 amount to € 411 million (2012: € 427 million). A breakdown of these commitments is shown below:

Term	Contract value as at 31 Dec. 2013	Contract value as a 31 Dec. 2012
0 – 1 jaar	**€ 97 million**	€ 154 million
1 – 5 jaar	**€ 171 million**	€ 167 million
> 5 jaar	**€ 143 million**	€ 106 million

The other commitments relate to commitments entered into with suppliers for the purpose of carrying out operational activities.

Notes to the consolidated profit and loss account

23. Staff costs

In millions of euros	2013	2012
Salaries	**136.6**	140.1
Social security costs	**15.5**	16.0
Pension costs	**(56.8)**	32.6
Total staff costs	**95.3**	188.7

The 'pension costs' of defined contribution pension plans total € 12.1 million (2012: € 0.1 million).

The settlement as a consequence of the termination of the defined benefit plan in the Netherlands as of 1 July 2013 is part of the 'pension costs' 2013. See note 16 to the consolidated balance sheet for more information on this subject.

Remuneration for members of the Executive Board and Supervisory Board

I. Members of the Executive Board

In euros	Salary	Variable remune-ration	Deferred remune-ration	Social security costs	Other bene-fits
2013					
Executive Board					
G.H. Graaf, Interim Chairman	248,447	71,748	65,661	33,340	18,273
I.M. Oudejans	249,548	74,172	61,166	30,575	41,877
P.C. van Gelder, Chairman (until 1 September 2013)	179,995	48,340	84,772	39,674	50,784

The variable remuneration shown in the table above is based on achieving agreed targets during the financial year. The agreed targets comprise both collective Gasunie targets and individual targets, as described in the section '*Remuneration policy for the Executive Board*'. The collective Gasunie targets relate to achieving agreed financial and operational results over 2013.

Since 1 July 2010, a separate pension scheme, based on a conditional average-salary system, applied to members of the Executive Board. As of 1 July 2013, the pension scheme of employees of N.V. Nederlandse Gasunie was changed. The new pension scheme is a defined contribution plan, which means that the company has committed itself to paying a fixed, predetermined premium. This premium is based on a conditional average-salary scheme, which aims to achieve an annual accrual of 2% of the pension base. As of 1 July 2013, this new pension scheme also applies to members of the Executive Board.

In order to limit travel and accommodation costs of Mr Oudejans, as of 1 December 2012, N.V. Nederlandse Gasunie rented a pied-à-terre in Groningen. The costs involved have been recognised in the column 'Other benefits'.

Following the departure of Mr Van Gelder, Mr Graaf acted as Interim Chairman of the Executive Board from 1 September 2013 up to and including 28 February 2014. In connection with this, he was temporarily awarded a supplement to his salary.

In 2010, it had been agreed with Mr Van Gelder that N.V. Nederlandse Gasunie would bear the costs of the premium to extend the pension base with the variable remuneration. In 2013, N.V. Nederlandse Gasunie therefore made a payment to the pension fund of € 31,203 to cover Mr Van Gelder's entire period of service. This amount has been recognised in the column 'Deferred remuneration'. It had also been agreed with Mr Van Gelder that he would not be charged the 'employee contribution' to the pension premium. Because no account had been taken of this in 2012, the comparative figures for 2012 have been restated. The correction amounts to € 10,849.

The company is obliged to pay a 'crisis levy' for a total of € 80,116 in respect of the remuneration paid to board members in 2013. In the above table, this amount has been recognised in the column 'Social security costs'.

In euros	Salary	Variable remuneration	Deferred remuneration*)	Social security costs**)	Other benefits***)
2012					
Executive Board					
P.C. van Gelder, Chairman	266,667	80,638	54,947	44,172	46,766
I.M. Oudejans (as of 1 October 2012)	61,830	17,314	10,140	2,242	4,344
G.H. Graaf	230,151	65,407	44,828	27,132	41,648
H.A.T. Chin Sue (until 1 July 2012)	121,765	32,875	290,764	20,477	87,441

**) Gasunie provides a separate average-salary scheme for members of the Executive Board who were appointed after 1 July 2010. The premium shown in the above table is the average premium for the members of the Executive Board. The premium percentages have changed following the appointment of new members. The scheme itself has not changed.*
***) In order to facilitate comparison with 2013, the column 'Social security costs' has been added to the table above.*
****) In 2012, Gasunie simplified a number of schemes applying to the workforce as a whole. The most significant of these was the jubilee benefit scheme. To compensate for this, one-off payments were made. The amounts shown in this column also include (as of 2012) the income tax liability of lease cars.*

As of 1 July 2012, Mr Chin Sue stepped down from the Executive Board. It had been agreed with him that as of that date he would remain in employment and perform various activities for N.V. Nederlandse Gasunie. The employment contract with Mr Chin Sue was terminated as of 1 July 2013. In respect of the termination of his membership of the Executive Board and of his employment, he was allocated an appropriate payment of one year's salary within the framework of the Corporate Governance Code.

The variable remuneration shown in the table above is based on achieving agreed targets during the financial year. The agreed targets comprise both collective Gasunie targets and individual targets, as described in the section entitled '*Remuneration policy for the Executive Board*'. The collective Gasunie targets relate to achieving agreed financial and operational results over 2012.

The company is obliged to pay a 'crisis levy' for a total of € 70,625 in respect of the remuneration paid to board members in 2012. In the table above, this amount has been recognised in the column 'Social security costs'.

II. Members of the Supervisory Board

In euros	Remuneration
2013	
R. de Jong, Interim Chairman	43,000
M.M. Jonk (as of 1 October 2013)	5,500
M.J. Poots-Bijl	29,093
W.J.A.H. Schoeber (as of 1 October 2013)	6,250
J.P.H.J. Vermeire	30,000
G.J. van Luijk, Chairman (until 23 April 2013)	13,289
H.L.J. Noy, Vice-Chairman (until 23 April 2013)	10,416
A. Lont (until 23 April 2013)	8,979
2012	
G.J. van Luijk, Chairman	39,627
H.L.J. Noy, Vice-Chairman	31,595
R. de Jong (as of 16 May 2012)	15,000
A. Lont	26,775
M.J. Poots-Bijl	28,917
J.P.H.J. Vermeire	30,000
C. Griffioen (until 1 May 2012)	10,353

The remuneration of the members of the Supervisory Board for the 2013 financial year amounts to a total of € 146,527 (2012: € 182,267).

In the period between Mr Van Gelder's departure and the arrival of a new Chairman of the Executive Board, Mr De Jong, in consultation with the shareholder, tightened his supervision. In connection with this, he was awarded a supplement of € 2,500 per month to his remuneration.

III. Former members of the Executive Board

Mr Van Gelder left the company as of 1 September 2013. Upon his departure, no additional agreements were made.

Mr Chin Sue stepped down from the Executive Board as of 1 July 2012 and his employment contract was terminated as of 1 July 2013.

Mr Dam stepped down from the Executive Board as of 1 October 2011. It had been agreed with him that he would remain in employment until 1 August 2012, during which time he would perform various activities for N.V. Nederlandse Gasunie and also spend 50% of his time on secondment with the Energy Delta Institute. Mr Dam retired on 1 August 2012.

In euros	Salary	Variable remune-ration	Deferred remune-ration	Social security costs *)	Other benefits **)
2013					
H.A.T. Chin Sue, for the period					
1 January - 30 June 2013	123,713	32,116	47,866	21,542	36,845
2012					
E. Dam, for the period					
1 January - 31 July 2012	108,324	36,832	41,297	31,001	77,544
H.A.T. Chin Sue, for the period					
1 July - 31 December 2012	123,713	32,875	44,031	20,477	18,722

**) In order to facilitate comparison with 2013, the column 'Social security costs' has been added to the table above.*

***) In 2012, Gasunie simplified a number of schemes applying to the workforce as a whole. The most significant of these was the jubilee benefit scheme. To compensate for this, one-off payments were made. The amounts shown in this column also include (as of 2012) the income tax liability of lease cars.*

The company is obliged to pay a 'crisis levy' for a total of € 18,323 (2012: € 44,995) in respect of the remuneration paid to former board members in 2013. In the table above, this amount has been recognised in the column 'Social security costs'.

24. Other operating expenses

In millions of euros	2013	2012
Cost of subcontracted work and other external costs	**228.5**	216.7
Costs of network operations	**165.3**	181.4
Other operating costs	**42.1**	66.5
Total other operating expenses	**435.9**	464.6

Other operating costs include the additions to the provision for clearance costs and redevelopment totalling € 3.3 million (2012: € 9.0 million) and movements in the provision for obsolescence amounting to € 0.1 million positive (2012: € 0.6 million positive).

25. Finance revenue

In millions of euros	2013	2012
Interest income	**4.7**	2.1
Total finance revenue	**4.7**	2.1

Interest income relates to loans granted and receivables.

26. Finance costs

In millions of euros	2013	2012
Interest expenses	**195.5**	225.1
Exchange results	**0.1**	0.1
Other finance costs	**3.4**	2.6
Total finance costs	**199.0**	227.8

The interest expenses on financing liabilities stated at amortised cost amount to € 211.3 million (2012: € 241.1 million), of which in 2012 € 20.1 million relates to the difference between the exercise price and the nominal value of the early repayment on long-term bond loans in July 2012 (see also note 14 to the consolidated balance sheet). The interest expenses relating to short-term financing amount to € 1.8 million (2012: € 1.1 million). Of the interest expenses, a total of € 17.6 million was capitalised in 2013 (2012: € 17.1 million), based on a weighted average interest rate of 3.9% (2012: 4.7%).

27. Taxes

The taxes on the result in the consolidated profit and loss account comprise the following components:

In millions of euros	2013	2012
Corporate income tax payable for the financial year	**79.8**	25.8
Corporate income tax payable for the previous financial years	**(5.0)**	-
Movement in deferred taxation	**84.3**	85.7
Total taxes	**159.1**	111.5

The reconciliation between the effective tax rate and the applicable tax rate for the consolidated financial statements is:

In percentages	2013	2012
Profit and loss account		
Applicable rate (standard tax rate, the Netherlands)	**25.0**	25.0
Prior-year adjustments	**0.1**	-
Effect of tax rate change on deferred taxation	**0.1**	-
Other differences	**0.3**	(1.3)
Effective rate	**25.5**	23.7
Deferred taxation		
Applicable rate (for subsequent financial years)	**25.0**	25.0
Effective rate (for subsequent financial years)	**25.0**	25.0

The other differences relate to non-taxable amounts as a result of factors such as the application of the participation exemption and the differences in tax rates between the Netherlands and Germany.

28. Workforce

The average number of employees in full-time equivalents in 2013 totalled 1,686 (2012: 1,684). At year-end 2013, the company employed 1,686 full-time equivalents (2012: 1,685).

29. Dividend paid and proposed

The Executive Board proposes that € 139.3 million of the profit for 2013 be added to the general reserve and € 325.1 million be distributed to the shareholder. This dividend proposal has not been taken into account in the balance sheet as at 31 December 2013 or in the notes. A final dividend of € 215.2 million was distributed in 2013 for 2012.

30. Financial information by segment

The information is segmented in line with the Group's activities. The operating segments reflect the management structure of the Group. The following segments are distinguished:

- *Gasunie Transport Services*
  This segment covers network management in the Netherlands and is responsible for managing transport, developing the pipeline network and related plants, as well as promoting market forces.
- *Gasunie Deutschland*
  This segment covers network management in Germany and is responsible for managing transport, developing the pipeline network and related plants, as well as promoting market forces.
- *Participations & Business Development*
  This segment focuses on facilitating access to the new gas flows for Northwest Europe using an LNG connection and long-distance pipelines, and on utilising the geological infrastructure for the purpose of storing natural gas. Participation in national and international projects relating to the natural gas infrastructure in the Netherlands and Germany is another activity of this segment. This segment also includes joint ventures relating to pipelines that connect the Gasunie transport network with foreign markets, such as the BBL pipeline to the United Kingdom.

The accounting policies used for these segments are the same as those applied to the consolidated and company financial statements.

In line with internal reporting to management with regard to information on assets and liabilities per segment, in 2013, unlike in previous years, information is only given on tangible fixed assets, intangible fixed assets, investments in associates and other equity interests. The comparative figures for 2012 were restated accordingly.

The assets, liabilities, income and results of a segment comprise both items directly related to the segments and items that can reasonably be attributed to them. Transaction prices for inter-segment transactions are determined at arm's length.

I. Information on assets

In millions of euros	Assets 31 Dec. 2013	Assets 31 Dec. 2012
Segments		
- Gasunie Transport Services	**6,897.3**	6,721.8
- Gasunie Deutschland	**1,213.6**	1,037.7
- Participations & Business Development	**1,765.8**	1,704.7
Segment total	**9,876.7**	9,464.2
Unallocated assets and liabilities	**729.3**	1,608.9
Total consolidated assets	**10,606.0**	11,073.1

Allocated assets relate to tangible fixed assets, intangible fixed assets, investments in associates and other equity interests. Unallocated assets relate to deferred tax assets and current assets.

II. Information on income and result

In millions of euros		Income		Segment result
	2013	2012	2013	2012
Segments				
- Gasunie Transport Services	**1,083.1**	1,053.9	**531.9**	422.6
- Gasunie Deutschland	**227.9**	239.6	**78.3**	83.0
- Participations & Business Development	**274.7**	271.8	**188.0**	166.5
Inter-segment	**(58.7)**	(59.2)		
Segment total	**1,527.0**	1,506.1	**798.2**	672.1
Financial income and expenses			**(174.7)**	(201.9)
Result before taxation			**623.5**	470.2
Taxes			**(159.1)**	(111.5)
Income and result after taxation for the year	**1,527.0**	1,506.1	**464.4**	358.7

During 2013, the Gasunie Transport Services segment provided inter-segment services to the value of € 0.8 million (2012: € 0.8 million), the Gasunie Deutschland segment provided € 0.7 million (2012: € 1.7 million) and the Participations & Business Development segment provided € 57.2 million (2012: € 56.7 million).

III. Other segment information

In millions of euros	Investments in fixed assets 2013	2012
Segments		
- Gasunie Transport Services	**405.0**	370.8
- Gasunie Deutschland	**206.5**	84.9
- Participations & Business Development	**66.6**	59.4
Segment total	**678.1**	515.1

The above fixed assets comprise tangible fixed assets, intangible fixed assets, investments in associates and other equity interests.

In millions of euros	Depreciation		Tangible non-monetary items other than depreciation	
	2013	2012	2013	2012
Segments				
- Gasunie Transport Services	**221.4**	207.4	**(93.0)**	32.9
- Gasunie Deutschland	**25.1**	21.4	**7.9**	5.2
- Participations & Business Development	**44.0**	40.5	**(6.4)**	4.0
Segment total	**290.5**	269.3	**(101.5)**	42.1

The 'tangible non-monetary items other than depreciation' relate to additions to and releases of provisions.

In millions of euros	Investments in associates		Share in equity of associates	
	2013	2012	31 Dec. 2013	31 Dec. 2012
Segments				
- Gasunie Transport Services	**-**	-	**0.1**	0.1
- Gasunie Deutschland	**-**	-	**116.0**	118.5
- Participations & Business Development	**0.4**	0.1	**10.4**	10.0
Segment total	**0.4**	0.1	**126.5**	128.6

In millions of euros	Acquisitions in associates		Share in result of associates	
	2013	2012	2013	2012
Segments				
- Gasunie Transport Services	-	-	-	-
- Gasunie Deutschland	-	-	**19.5**	25.7
- Participations & Business Development	- *)	-	**0.0**	(1.9)
Segment total	-	-	**19.5**	23.8

*) *The amount relating to the acquisition of a share in an associate has been netted off with the amount of its subsequent disposal.*

31. Information on products and services

In millions of euros	Income from third parties	
	2013	2012
Gas transport	**1,315.5**	1,289.2
Other activities	**211.5**	216.9
Total	**1,527.0**	1,506.1

32. Geographical information

Income from third parties and fixed assets by geographical area are determined primarily on the basis of the area where gas transport takes place. As of 1 July 2008, N.V. Nederlandse Gasunie has been operating in two geographical areas: in the Netherlands and outside the Netherlands.

In millions of euros	Income from third parties		Fixed assets	
	2013	2012	31 Dec. 2013	31 Dec. 2012
The Netherlands	**1,226.3**	1,198.2	**7,963.4**	7,734.3
Outside the Netherlands	**300.7**	307.9	**1,913.3**	1,729.9
Total	**1,527.0**	1,506.1	**9,876.7**	9,464.2

In 2013 and 2012, the company generated at least 10% of its external revenues from gas transport from one single external customer.

33. Major customers

In 2013 and 2012, the company generated at least 10% of its external revenues from gas transport from one single external customer.

34. Related parties

Services between N.V. Nederlandse Gasunie and its related parties are provided at arm's length.

GasTerra B.V. is a related party because the Dutch State has significant influence, both directly and indirectly. N.V. Nederlandse Gasunie provides gas transport services to GasTerra B.V. These services are performed in compliance with the Dutch Gas Act, which stipulates that N.V. Nederlandse Gasunie is obliged to act in a non-discriminatory manner and to conduct business as requested. The tariffs charged have been established by the ACM, an independent body with no involvement from the Dutch State. GasTerra B.V. qualifies as a major customer.

Company financial statements

Company balance sheet as at 31 December (before profit appropriation)

In millions of euros	Notes	2013	2013	2012	2012
Assets					
Fixed assets					
- tangible fixed assets	1	**6,984.8**		6,804.7	
- financial fixed assets	2	**2,794.0**		2,517.9	
- deferred tax assets		**366.8**		458.7	
			10,145.6		9,781.3
Current assets					
- stocks			**29.7**		33.8
- trade and other receivables			**170.5**		146.4
- receivables from group companies			**23.0**		25.5
- cash and cash equivalents			**19.7**		853.5
Total assets			**10,388.5**		10,840.5
Equity and liabilities					
Equity					
- issued share capital	3	**0.2**		0.2	
- revaluation reserve	4	**2,099.5**		2,175.9	
- statutory reserves for equity interests	5	**165.5**		115.6	
- general reserve	6	**2,484.3**		2,206.1	
- result for the year	7	**464.4**		358.7	
			5,213.9		4,856.5
Provisions	8		**92.4**		284.1
Long-term liabilities					
- interest-bearing loans			**3,878.6**		3,750.0
Current liabilities					
- current financing liabilities			**384.4**		1,115.8
- trade and other payables			**297.4**		304.3
- liabilities to group companies			**521.8**		529.8
Total equity and liabilities			**10,388.5**		10,840.5

Company profit and loss account

In millions of euros	Notes		2013		2012
Gross income		**1,432.4**		1,409.2	
Tariff settlement repayment		**(206.4)**		(214.8)	
Net income			**1,226.0**		1,194.4
Staff costs		**(64.0)**		(159.2)	
Other operating expenses	11	**(382.7)**		(395.8)	
Depreciation		**(227.4)**		(211.5)	
Total expenses			**(674.1)**		(766.5)
Operating result			**551.9**		427.9
Finance revenue and costs	13		**(138.2)**		(147.8)
Share in result of group companies and associates			**175.3**		164.4
Result from ordinary activities before taxation			**589.0**		444.5
Taxes			**(124.6)**		(85.8)
Result from ordinary activities after taxation			**464.4**		358.7

Notes to the company financial statements

Accounting policies

The company financial statements have been prepared in accordance with accounting policies generally accepted in the Netherlands and comply with the financial reporting requirements (NL GAAP), using the option provided in Section 362, paragraph 8, of Book 2 of the Dutch Civil Code to apply the accounting policies used in the consolidated financial statements to the company financial statements. These are the IFRS provisions, as adopted by the European Union.

Please refer to the notes to the consolidated balance sheet and profit and loss account for the accounting policies. These notes contain additions to the notes to the consolidated financial statements.

Interests in group companies are stated at net asset value. If and to the extent that N.V. Nederlandse Gasunie is unable to transfer results to itself due to restrictions, the results will be added to a statutory reserve.

Notes to the company balance sheet

1. Tangible fixed assets

In millions of euros	Carrying amount as at 1 Jan. 2013	Investments	Disposals	Deprecia-tion	Carrying ammount as at 31 Dec. 2013
Land and buildings	98.2	2.3	0.5	3.7	96.3
Compressor stations	694.6	41.1	0.1	36.5	699.1
Installations	885.8	66.4	3.9	56.4	891.9
Main transmission lines and related plant and equipment	3,920.5	199.3	-	87.9	4,031.9
Regional transmission lines and related plant and equipment	734.3	8.5	3.4	15.5	723.9
Other fixed operating assets	137.8	28.6	-	27.4	139.0
Fixed assets under construction	333.5	69.2	-	-	402.7
Total for 2013 financial year	**6,804.7**	**415.4**	**7.9**	**227.4**	**6,984.8**

In millions of euros	Carrying amount as at 1 Jan. 2012	Investments	Disposals	Deprecia-tion	Carrying ammount as at 31 Dec. 2012
Land and buildings	100.8	1.7	0.4	3.9	98.2
Compressor stations	657.3	72.5	0.4	34.8	694.6
Installations	735.6	201.2	1.4	49.6	885.8
Main transmission lines and related plant and equipment	3,951.5	52.5	1.2	82.3	3,920.5
Regional transmission lines and related plant and equipment	694.5	53.7	1.9	12.0	734.3
Other fixed operating assets	133.4	35.4	2.1	28.9	137.8
Fixed assets under construction	362.8	(29.3)	-	-	333.5
Total for 2012 financial year	**6,635.9**	**387.7**	**7.4**	**211.5**	**6,804.7**

In millions of euros	Cost as at 31 Dec. 2013	Accumulated depreciation *) as at 31 Dec. 2013	Cost as at 31 Dec. 2012	Accumulated depreciation *) as at 31 Dec. 2012
Land and buildings	166.9	70.6	165.4	67.2
Compressor stations	945.8	246.7	908.4	213.8
Installations	1,316.1	424.2	1,264.8	379.0
Main transmission lines and related plant and equipment	4,899.0	867.1	4,676.0	755.5
Regional transmission lines and related plant and equipment	920.1	196.2	944.3	210.0
Other fixed operating assets	457.0	318.0	428.7	290.9
Fixed assets under construction	402.7	-	333.5	-
Total for 2013 financial year	**9,107.6**	**2,122.8**	**8,721.1**	**1,916.4**

**) Including any impairments*

2. Financial fixed assets

In millions of euros		2013		2012
Group companies				
Equity interest as at 1 January	**1,695.0**		1,130.8	
Movements				
- investments	**10.3**		280.3	
- movements directly in equity	**56.4**		118.7	
- share in result of group companies	**175.3**		166.2	
- repayment of share premium	**(11.1)**		-	
- dividend received	**(10.4)**		(1.0)	
Equity interest as at 31 December		**1,915.5**		1,695.0
Financing as at 1 January	**812.9**		696.9	
Movements				
- long-term loans granted	**143.5**		435.5	
- repayment of long-term loans	**(88.4)**		(319.5)	
Financing as at 31 December		**868.0**		812.9
Balance as at 31 December		**2,783.5**		2,507.9
Investments in associates		**10.5**		10.0
Total financial fixed assets		**2,794.0**		2,517.9

The short-term part of the long-term loans totals € 20.0 million at year-end 2013 (year-end 2012: nil). In the above table, this amount has been recognised in the financing of the group companies.
For information on investments in associates, see note 5 to the consolidated balance sheet in the consolidated financial statements.

3. Issued share capital

The authorised share capital amounts to € 756,000 and is divided into 7,560 shares, each having a nominal value of € 100, of which 1,512 have been issued and paid up in full.

All shares issued are held by the Dutch State.

Movements in issued share capital:

In euros	2013	2012
Balance as at 1 January	**151,200**	151,200
Movements	**-**	-
Balance as at 31 December	**151,200**	151,200

4. Revaluation reserve

Movements in the revaluation reserve:

In millions of euros	2013	2012
Balance as at 1 January	**2,175.9**	2,247.3
Realised share of the unrealised revaluation	**(75.2)**	(70.0)
Transferred to the profit and loss account,	**(1.6)**	(1.8)
of which corporate income tax	**0.4**	0.4
Balance as at 31 December	**2,099.5**	2,175.9

The revaluation reserve as at balance sheet date 2013 and 2012 includes the revaluation of tangible fixed assets as at 1 January 2004 and the cash flow hedge reserve of N.V. Nederlandse Gasunie relating to two long-term bond loans.

In millions of euros		31 Dec. 2013		31 Dec. 2012
Revaluation of tangible fixed assets as at 1 January 2004		**2,092.9**		2,168.1
Cash flow hedge N.V. Nederlandse Gasunie,	**8.8**		10.4	
of which corporate income tax	**(2.2)**		(2.6)	
		6.6		7.8
Total		**2,099.5**		2,175.9

5. Statutory reserves for equity interests

Movements in the statutory reserves for equity interests:

In millions of euros	2013	2012
Balance as at 1 January	**115.6**	(8.4)
Movement in cash flow hedge reserve,	**25.6**	(18.4)
of which corporate income tax	**(6.4)**	4.6
Movement in other equity interests stated at fair value	**31.2**	137.6
Share in retained earnings not distributable due to restriction	**(0.5)**	0.2
Balance as at 31 December	**165.5**	115.6

The 'actuarial gains and losses on employee benefits' concerning Gasunie Deutschland have been reclassified from the 'statutory reserves for equity interests' to the 'general reserve', because it is a freely distributable reserve. The comparative figures for 2012 were restated accordingly

6. General reserve

Movements in the general reserve:

In millions of euros	2013	2012
Balance as at 1 January	**2,206.1**	2,800.2
Appropriation of result for previous financial year	**143.5**	(602.0)
Balance of actuarial gains and losses on employee benefits,	**78.1**	(82.9)
of which corporate income tax	**(19.8)**	21.0
Realised share of the unrealised revaluation	**75.2**	70.0
Movements in statutory reserves	**1.2**	(0.2)
Balance as at 31 December	**2,484.3**	2,206.1

The 'actuarial gains and losses on employee benefits' concerning Gasunie Deutschland have been reclassified from the 'statutory reserves for equity interests' to the 'general reserve', because it is a freely distributable reserve. The comparative figures for 2012 were restated accordingly.

7. Result for the year

Movements in the result for the year are as follows:

In millions of euros	2013	2012
Balance as at 1 January	**358.7**	(602.0)
Dividend paid	**(215.2)**	-
Appropriation of result	**(143.5)**	602.0
Result for the year	**464.4**	358.7
Balance as at 31 December	**464.4**	358.7

8. Provisions

In millions of euros	2013	2012
Provision for pension liabilities	**-**	179.5
Provision for jubilee benefits	**5.0**	5.1
Provision for post-employment fringe benefits	**4.9**	5.5
Provision for reorganisation expenses	**0.0**	0.1
Provision for clearance costs and redevelopment	**82.5**	93.9
Total provisions	**92.4**	284.1

For information on these provisions, see notes 16 and 17 to the consolidated balance sheet in the consolidated financial statements.

9. Other items in the company balance sheet

For information on other items in the company balance sheet, see the notes to the relevant consolidated items in the consolidated financial statements.

10. Events after the balance sheet date

As of 1 January 2014, N.V. Nederlandse Gasunie has transferred the ownership of the gas transport network in the Netherlands and the related assets, liabilities and activities to its 100% group company Gasunie Transport Services B.V. The transfer is part of the certification of Gasunie Transport Services B.V. as independent system operator.

At the same time, as of 1 January 2014, the ownership and the related activities of the Peakshaver installation on the Maasvlakte in Rotterdam have been transferred to its 100% group company Gasunie Peakshaver B.V., founded on 1 January 2014. The transfer is intended to simplify the management of the Peakshaver installation within Gasunie.

N.V. Nederlandse Gasunie has financed the transfers of the gas transport network and the Peakshaver installation internally by providing equity and long-term interest-bearing loans to the two group companies.

In the overview below, the indicative financial consequences are given for the balance sheet of the company at 1 January 2014:

In millions of euros	Balance sheet before transfer	Settlement of intercompany positions & contractual agreement *)	Transfer of gas transport network	Transfer of Peakshaver	Granted additional financing	Balance sheet after transfer
Assets						
Fixed assets						
- tangible fixed assets	6,985	4	(6,871)	(118)	-	-
- financial fixed assets	2,794	(1)	-	-	7,461	10,254
- deferred tax assets	367	-	(483)	-	-	(116)
Current assets	243	-	(156)	-	-	87
Total assets	**10,389**	**3**	**(7,510)**	**(118)**	**7,461**	**10,225**
Liabilities						
Equity	5,214	-	-	-	-	5,214
Provisions	92	-	(83)	-	-	9
Long-term liabilities						
- interest-bearing loans	3,879	-	-	-	-	3,879
Current liabilities	1,204	3	(84)	-	-	1,123
Total liabilities	**10,389**	**3**	**(167)**	**-**	**-**	**10,225**

**) The contractual agreement concerns a liability of Gasunie Transport Services B.V. to Gasunie Peakshaver B.V. with regard to supplementing the gas supply in the Peakshaver installation to the agreed volume.*

The financial consequences for the company profit and loss account of N.V. Nederlandse Gasunie are reclassifications of income and expenses to 'share in result of group companies'. These re-classifications have no impact on the result after taxation.

Notes to the company profit and loss account

11. Other operating expenses

In millions of euros	2013	2012
Capitalised expenditure	**(85.2)**	(83.7)
Costs of subcontracted work and other external costs	**187.5**	172.7
Cost of network operations	**163.7**	180.8
Other operating costs	**116.7**	126.0
Total other operating expenses	**382.7**	395.8

The specification on the remuneration for members of the Executive Board and Supervisory Board can be found in the notes to the consolidated financial statements.

12. External auditor's fees

The following fees relating to the work carried out by the audit firm responsible for auditing these financial statements were charged to the legal entity in the year under review. They include the corresponding fees charged to the consolidated subsidiaries.

In millions of euros	Total		Of which Ernst & Young Accountants LLP	
	2013	2012	2013	2012
Audit of the financial statements	**0.7**	0.7	**0.6**	0.6
Other audit engagements	**0.3**	0.3	**0.2**	0.3
Tax consultancy	**0.2**	0.2	**0.1**	-
Other non-audit services	**-**	-	**-**	-
Total external auditor's fees	**1.2**	1.2	**0.9**	0.9

13. Finance revenue and costs

In millions of euros		2013		2012
Interest income	**46.6**		63.2	
Finance revenue		**46.6**		63.2
Interest expenses	**(181.4)**		(210.5)	
Exchange results	-		(0.4)	
Other finance costs	**(3.4)**		(0.1)	
Finance costs		**(184.8)**		(211.0)
Net finance costs		**(138.2)**		(147.8)

14. Other items in the company profit and loss account

For information on other items in the company profit and loss account, see the notes to the relevant consolidated items in the consolidated financial statements.

List of participations

Company	Registered office	Interest as at 31 Dec. 2013
Group companies		
Gasunie Transport Services B.V.	Groningen	100%
Gastransport Noord-West Europa B.V.	Groningen	100%
Gastransport Noord-West Europa Holding B.V.	Groningen	100%
Gastransport Noord-West Europa Services 1 B.V.	Groningen	100%
Gastransport Noord-West Europa Services 2 B.V.	Groningen	100%
Gastransport Noord-West Europa Services 3 B.V.	Groningen	100%
Gastransport Noord-West Europa Services 4 B.V.	Groningen	100%
Gasunie BBL B.V.	Groningen	100%
Gasunie Engineering B.V.	Groningen	100%
Gasunie Germany B.V.	Groningen	100%
Gasunie LNG BBR B.V.	Groningen	100%
Gasunie LNG Holding B.V.	Groningen	100%
Gasunie Underground Storage (GUUS) B.V.	Groningen	100%
Gasunie Zuidwending B.V.	Groningen	100%
Vertogas B.V.	Groningen	100%
Cupa Holding GmbH	Hanover, Germany	100%
Cupa Transport Services GmbH	Hanover, Germany	100%
Gasunie Deutschland GmbH & Co. KG	Hanover, Germany	100%
Gasunie Deutschland Services GmbH	Hanover, Germany	100%
Gasunie Deutschland Technical Services GmbH	Hanover, Germany	100%
Gasunie Deutschland Transport Services GmbH	Hanover, Germany	100%
Gasunie Deutschland Transport Services Holding GmbH	Hanover, Germany	100%
Gasunie Deutschland Verwaltungs GmbH	Hanover, Germany	100%
Gasunie Ostseeanbindungsleitung (GOAL) GmbH	Hanover, Germany	100%
Gasunie Infrastruktur AG	Zug, Zwitzerland	100%
Joint ventures		
BBL Company V.O.F.	Groningen	60%
Gate terminal B.V.	Rotterdam	47.5%
Gate terminal C.V.	Rotterdam	47.5%
Gate terminal Management B.V.	Rotterdam	50%
LBBR Management B.V.	Groningen	50%
LNG Break Bulk Rotterdam C.V.	Rotterdam	50%
Arbeitsgemeinschaft GOAL/Fluxys NEL-Projektphase	Hanover, Germany	51.3%
DEUDAN - Deutsch/Dänische Erdgastransport-GmbH	Handewitt, Germany	75%
DEUDAN - Holding GmbH	Hanover, Germany	51%
Associates		
Energie Data Services Nederland (EDSN) B.V.	Arnhem	25%
ICE Endex Holding B.V.	Amsterdam	20.9%
Rotterdamse Cintra Maatschappij B.V.	Rotterdam	25%
DEUDAN - Deutsch/Dänische Erdgastransport-GmbH & Co. KG	Handewitt, Germany	33.3%
GASPOOL Balancing Services GmbH	Berlin, Germany	16.7%
NETRA GmbH Norddeutsche Erdgas Transversale	Emstek/Schneiderkrug, Germany	33.3%
NETRA GmbH Norddeutsche Erdgas Transversale & Co. KG	Emstek/Schneiderkrug, Germany	28.7%

The Executive Board,

J.J. Fennema, Chairman
I.M. Oudejans

The Supervisory Board,

R. de Jong, Interim Chairman
M.M. Jonk
M.J. Poots-Bijl
W.J.A.H. Schoeber
J.P.H.J. Vermeire

Groningen, the Netherlands
18 March 2014

Other information

Provisions of the Articles of Association governing profit appropriation

The Executive Board does not consider it necessary to add profit to reserves pursuant to Article 39, paragraph 2, of the Articles of Association. As a result, the profit is at the free disposal of the General Meeting of Shareholders.

The company may make distributions to shareholders and other persons entitled to receive part of the distributable profit only insofar as its equity exceeds the total issued share capital plus the reserves that must be maintained by law.

Proposed appropriation of the result

The Executive Board proposes that € 139.3 million of the profit for 2013 be added to the general reserve and € 325.1 million be distributed to the shareholder.

The proposed dividend payment for 2013 is significantly higher than the dividend payment for 2012 (€ 215.2 million). This is partly due to the one-off release of the provision for pension liabilities in the Netherlands in 2013.

Events after the balance sheet date

As of 1 January 2014, N.V. Nederlandse Gasunie has transferred the ownership of the gas transport network in the Netherlands and the related assets, liabilities and activities to its 100% group company Gasunie Transport Services B.V. At the same time, the ownership and the related activities of the Peakshaver installation on the Maasvlakte in Rotterdam have been transferred to its 100% group company Gasunie Peakshaver B.V., founded on 1 January 2014. For more information, see note 10 to the company balance sheet.

Combined independent auditor's report and assurance report

To: the General Meeting of Shareholders and the Supervisory Board of N.V. Nederlandse Gasunie

Report on the financial statements and assurance report regarding the non-financial information

We have audited the financial statements 2013 of N.V. Nederlandse Gasunie in Groningen, the Netherlands as included in this Integrated Annual Report 2013 (hereinafter: Report). The financial statements include the consolidated financial statements and the company financial statements. The consolidated financial statements comprise the consolidated balance sheet position as at 31 December 2013, the consolidated profit and loss account for the year then ended, the consolidated statement of comprehensive income, the consolidated statement of movements in equity and the consolidated cash flow statement for 2013, and notes, comprising a summary of the significant accounting policies and other explanatory information. The company financial statements comprise the company balance sheet as at 31 December 2013 and the company profit and loss account for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

We have also reviewed the non-financial information as included in the chapters *Corporate social responsibility*, *Results in the fields of safety, the environment and supply chain responsibility*, *Employees* and *Gasunie in society* in the Report of N.V. Nederlandse Gasunie. This information contains a representation of the policy of N.V. Nederlandse Gasunie with regard to sustainability and the business operations, performance and events in that field during the year 2013.

The Report contains forward-looking information in the form of ambitions, strategy, plans, forecasts and estimates. The fulfilment of such information is inherently uncertain. For that reason, we do not provide assurance relating to forward-looking information. The comparative amounts and referrals in the Report (to www.gasunie.nl, external websites and other documents) are not included in our assurance-engagement.

Management's responsibility

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the report by the Executive Board in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Management is also responsible for the preparation of the non-financial information in accordance with the Sustainability Reporting Guidelines (G3) of the Global Reporting Initiative (GRI), the Guidance Note on Sustainability Reporting of the Dutch Accounting Standards Board and the reporting policies of N.V. Nederlandse Gasunie, including the identification of stakeholders and the selection of material topics. The choices made by management in respect of the scope of the non-financial information and the reporting policies are set out in the section entitled *Annex II: Reporting principles* to the Report.

Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements and the Report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements and to give a conclusion regarding the non-financial information as included in the chapters *Corporate social responsibility*, *Results in the fields of safety*, *the environment and supply chain responsibility*, *Employees* and *Gasunie in society* in the Report of N.V. Nederlandse Gasunie based on the assurance evidence obtained. We conducted our procedures in accordance with Dutch law, including the Dutch Standards on Auditing and the Dutch Standard 3410N "Assurance engagements with respect to sustainability reports". This requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether the financial statements are free from material misstatement and limited assurance about whether the non-financial information as included in the chapters *Corporate social responsibility*, *Results in the fields of safety*, *the environment and supply chain responsibility*, *Employees* and *Gasunie in society* in the Report of N.V. Nederlandse Gasunie is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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, the auditor considers internal control relevant to the entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

The procedures performed in order to obtain limited assurance regarding the non-financial information aim to assess the plausibility of this information and are limited primarily to inquiries of entity's personnel and analytical procedures applied to non-financial data and therefore provide less assurance than assurance engagements aimed at obtaining reasonable assurance.

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

Opinion with respect to the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position of N.V. Nederlandse Gasunie as at 31 December 2013 and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

Opinion with respect to the company financial statements

In our opinion, the company financial statements give a true and fair view of the financial position of N.V. Nederlandse Gasunie as at 31 December 2013 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Conclusion with respect to the non-financial information

Based on our procedures we conclude that nothing came to our attention that causes us to believe that the non-financial information as included in the chapters *Corporate social responsibility*, *Results in the fields of safety, the environment and supply chain responsibility*, *Employees* and *Gasunie in society* in the Report of N.V. Nederlandse Gasunie does not provide, in all material respects, an accurate and adequate representation of the policy of N.V. Nederlandse Gasunie with regard to sustainability and the business operations, performance and events in that field during 2013 in accordance with the Sustainability Reporting Guidelines (G3) of the Global Reporting Initiative (GRI), the Guidance Note on Sustainability Reporting of the Dutch Accounting Standards Board and the reporting policies of N.V. Nederlandse Gasunie as set out in *Annex II: Reporting principles* to the Report.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2:393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the report by the Executive Board, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2:392 sub 1 at b-h has been annexed. Further we report that the Report, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

Groningen, the Netherlands
18 March 2014

Ernst & Young Accountants LLP

For the selected non-financial information
signed by H. Hollander

For the financial statements
signed by A.E. Wijnsma
external auditor