

IRSN

INSTITUT
DE RADIOPROTECTION
ET DE SÛRETÉ NUCLÉAIRE

Enhancing nuclear safety

FINANCIAL REPORT 2016



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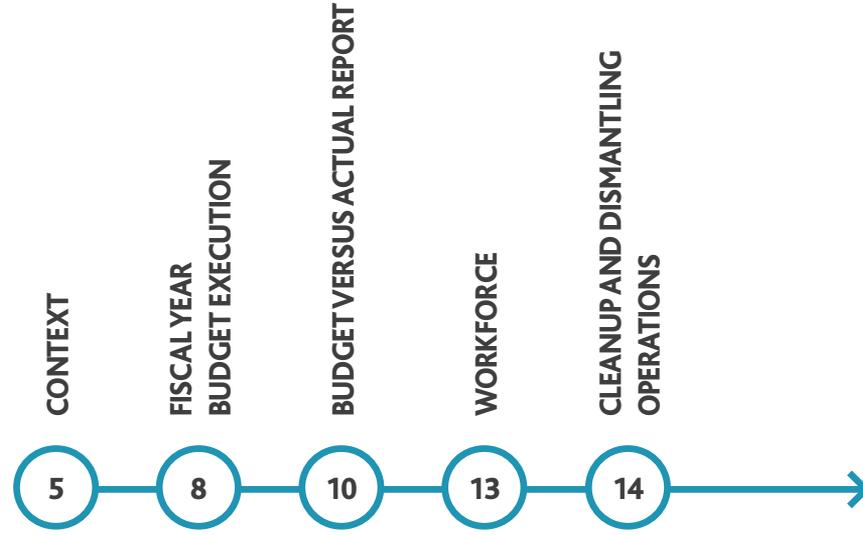
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MANAGEMENT REPORT



CONTEXT

GENERAL CONTEXT

2016 was an important year for IRSN. Institutionally this was evident in the consolidation of the national control system for nuclear safety and radiation protection, and the decision to publish all of IRSN's reports, an important step for transparency and openness to society. As regards expert assistance, in a context of unprecedented challenges IRSN continued to make extensive use of its resources in areas such as the analysis of the fourth safety reviews of 900 MWe reactors to extend their service life beyond 40 years, and the analysis of nuclear pressure equipment such as the EPR reactor vessel. These actions illustrate the necessity of building IRSN's responsive and incisive expertise on a foundation of cutting-edge knowledge, and they confirm the validity of IRSN's policy of large-scale research, which is essential for the acquisition and development of this knowledge.

EXPERT ASSISTANCE IN SUPPORT OF THE SAFETY AUTHORITIES AND OTHER PUBLIC AUTHORITIES

The provision of expert assistance is one of the pillars of IRSN's action within the national system for managing nuclear and radiological risks. It is primarily aimed at the safety authorities and at any other public authorities that require IRSN's technical support in the course of their duties. But it is also important within the broader national context of public policy implementation.

As regards the provision of technical support to the ASN, 2016 was marked by the continuation and intensification of expert assessment activities for the commissioning of the EPR reactor in Flamanville, but also by the handling of cases of manufacturing defects in EPR closure head domes and in certain installed components in other nuclear power reactors, including the steam generators of 900 MWe series reactors.

IRSN also continued its examination of applications to extend the service life of 900 MWe reactors in the run-up to their fourth ten-yearly safety reviews.

As part of efforts to improve the robustness of nuclear facilities in the wake of the Fukushima accident, IRSN examined the measures proposed by EDF to protect its nuclear power plants from external hazards (earthquakes, floods, extreme weather events, etc.) much more effectively than the measures put in place when they were designed.

IRSN also started examining the safety review files of several fuel cycle facilities, including the fuel fabrication plant at Romans sur Isère, the Active Fuel Examination Laboratory and the UP2-800 plant on the La Hague site. This process will take several years to complete.

In defense-related nuclear facility safety, IRSN continued to work hard on evaluating the provisional safety report on the Suffren, the first nuclear-powered attack submarine produced by the Barracuda program.

In nuclear security, priority was given to examining security reports for nuclear facilities as part of the application of regulatory requirements aimed at strengthening protection for existing facilities against malicious attacks and terrorism. In particular, IRSN examined the security report on the commissioning of the EPR reactor.

As part of the support IRSN provides to the public authorities, in addition to initiatives over a number of years to monitor workers exposed to ionizing radiation, foodstuffs, and the sites of former uranium mines, IRSN made a major contribution in 2016 to the transposition of EU Directive 2013/59/Euratom of 5 December 2013 laying down basic safety standards for protection against the dangers arising from ionizing radiation. IRSN also took part in the major SECNUC 2016 exercise organized by the General Secretariat for Defense and National Security, simulating a nuclear accident at the Areva La Hague site, which involved government ministries. For IRSN these exercises were to test the appropriateness of its organizational position in the national response plan for nuclear and radiological emergencies – as a member of the Interministerial Emergency Response Group (CIC), nationally as provider of expertise to all public authorities (using expertise supplied by its emergency response center), and locally (departmental and local prefectures).

RESEARCH TO ENHANCE NUCLEAR SAFETY AND RADIATION PROTECTION

Having answers to the questions raised by expert assessments and pushing out the boundaries of current knowledge in order to improve safety and radiation protection are the main aims of IRSN's research.

In several respects 2016 was a key year in terms of both the activities carried out and the deployment of platforms and experimental facilities needed by IRSN for its work and also open to the scientific community.

In 2016 IRSN commissioned the PERSEE facility for characterizing the performance of radioactive gaseous waste purification devices. In particular the facility will enable IRSN to carry out research at national and European level into methods and equipment for limiting radioactive gaseous releases such as iodine-131.

In the safety field, IRSN is running a project to study the aging of concrete in nuclear facilities and, for this purpose, has built the ODE experimental facility on the Cadarache site, which can hold up to 60 large concrete blocks fitted with instruments to monitor their natural or accelerated aging. In 2016, qualification tests were also carried out on the CABRI reactor.

The tests are a key step towards the completion of upgrading work on this experimental reactor, which will enable the international CIP program for the study of reactivity accidents to be run. Regarding radiation protection, IRSN developed and upgraded several experimental facilities used for its research with, among other things, the upgrade of the image guided micro-irradiation system (SARRP), the development of the MIRCOM ion microbeam facility and the completion of PARISII (an experimental platform for research into the incorporation of radioactive substances through ingestion or inhalation).

In terms of governance, IRSN finalized and published its scientific strategy, which is designed to clarify the major challenges around which IRSN's scientific and technical activities are planned, with the ultimate goal of improving nuclear safety and security and protection against ionizing radiation. To make

the process even more coherent and answer the scientific questions identified in IRSN's different areas of work, this strategy is defined in liaison with IRSN's research teams through the formulation of research policies in each of these areas. These policies will make it possible to prepare and update IRSN's research program with greater confidence and in more detail.

2016 was also the year when the European CONCERT program was launched. CONCERT has been tasked by the European Commission with allocating and managing a large share of the budget dedicated under Horizon 2020 to radiation protection of humans and the environment and to preparing for emergencies. IRSN played a significant role in setting up CONCERT and in 2016 responded to the first call for proposals under CONCERT.

OPENING UP TO SOCIETY AND TRANSPARENCY

Calls for transparency in the nuclear sector are on the increase, but IRSN began a deliberate policy of opening up to society more than 10 years ago. Many feel that noticeable change has been achieved. Openness is at the heart of the research, expert assessment and monitoring tasks assigned to IRSN in nuclear safety and radiation protection. This commitment to sharing knowledge more widely and taking greater account of civil society's contribution in research and/or risk assessment is now a common factor of seven public establishments – IRSN, ANSES, BRGM, IFSTTAR, INERIS, IRSTEA and Santé Publique France – which in 2016 signed an interinstitutional charter on openness to society.

Among IRSN's activities in 2016, and directly linked to the expert assessments conducted with the authorities, particularly ASN, technical dialogs were conducted with stakeholders as part of the examination of Areva's test program following the detection of a defect affecting the composition of the steel in some parts of the reactor vessel head and bottom head destined for the EPR at Flamanville and during work done jointly on extending the service life of 900 MWe reactors beyond 40 years. The high point of this dialog was a conference on the subject arranged by IRSN in conjunction with Anccli, the local information commission for the major energy facilities at Tricastin (Cligeet) and the ASN.

FISCAL YEAR BUDGET EXECUTION

The budget execution is presented below in terms of commitment authorizations (CA) and payment appropriations (PA) with reference to the third budget amendment (BR3), shown under the heading «2016 Budget» in the tables.

BUDGETARY CONTEXT

In fiscal year 2016:

- IRSN applied the decree of November 7, 2012 on public budgetary management and management accounting (GBCP) as from January 1, 2016;
- self-generated revenue fell by €2.0 million but established entitlements were not significantly affected;
- a budget execution of €317.4 million in PA was achieved out of a budget of €320.6 million;
- personnel expenses fell by €2.2 million, with an average of 1692 full-time equivalent (FTE) employees (excluding government-subsidized contracts and intern and apprenticeship contracts), which was in line with the initial budget. The number of FTE employees at the end of December 2016 was 1684.5.

BUDGET VERSUS ACTUAL REPORT

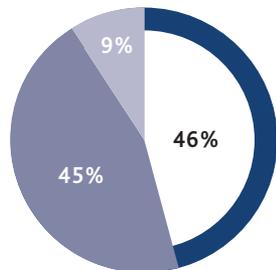
Budget balance

in € thousands	Actual 2016		Budget 2016	
	CA	PA	CA	PA
EXPENDITURE				
Personnel expenses*	145,159	145,957	147,958	148,150
Operating expenses	96,442	142,383	137,446	143,498
Capital expenses	19,412	29,086	21,172	28,990
TOTAL	261,012	317,426	306,576	320,638
REVENUE				
Aggregated revenues		279,354		277,344
Public service grant		167,587		167,440
Other government finance		4,306		126
Tax allocation		62,764		62,519
Other public finance		1,851		2,402
Self-generated revenue		42,846		44,856
Earmarked revenue		-		130
TOTAL		279,354		277,474
BUDGET BALANCE		(38,072)		(43,165)

* Personnel expenses are personnel costs and the cost of taxes on remuneration

There were reclassifications affecting non-grant and tax revenue items.

Breakdown of 2016 expenditure by payment appropriations



- Personnel expenses
- Operating expenses
- Capital expenses

The budget balance, executed at -€38.1 million in 2016, improved by €5.1 million compared to the projection in the third budget amendment (BR3).

There were three areas of expenditure – personnel expenses, operating expenses and capital expenses – amounting to a total of €317.4 million in 2016, which was €3.2 million below the projected figure in BR3 2016. Of this, €2.2 million was attributable to the under-execution of personnel expenses. A partial transfer of €0.1 million was made from personnel expenses to capital expenses under the «asymmetric fungibility» rule defined in Article 178 of the GBCP decree; the transfer was approved by the board of directors up to a maximum of 2% of personnel expenses, i.e. €2.9 million in fiscal year 2016.

Revenue collected was €1.9 million above the projected figure in BR3 2016 at €279.4 million, mainly due to advances paid for work to be done in 2017.

Resources by origin

The following table gives resources by field, showing actual figures against the figures in BR3 2016:

<i>in € thousands</i>	Actual 2016	BR3 2016
AREAS	Total revenue	Total revenue
001 Facility radiation protection	18.4	16.3
002 Security, non-proliferation	0.1	0.3
003 Radiation protection - Environment and human health	20.0	19.3
004 Emergency and post-accident situations	0.9	0.7
005 Transparency, openness to society, safety culture	1.4	1.4
006 Strategy, scientific and technical excellence	6.3	6.3
Interdisciplinary	232.2	231.0
BUDGET BALANCE	279.4	275.5

Notably, interdisciplinary resources include the grants for Budget Programs 190 and 212 and the contribution paid by INB licensees of €230.4 million.

Expenditure by destination

The following table shows expenditure by destination expressed in terms of production costs, showing actual figures against the figures in BR3 2016:

<i>in € thousands</i>	Actual 2016				BR3 2016
AREAS	Operation	Investment	Personnel	Total expenditure	Total revenue
001 Facility radiation protection	57.2	9.5	59.4	126.1	124.9
002 Security, non-proliferation	2.9	0.3	7.5	10.8	11.0
003 Radiation protection - Environment and human health	21.6	9.2	35.3	66.1	66.8
004 Emergency and post-accident situations	3.7	0.5	4.5	8.8	7.9
005 Transparency, openness to society, safety culture	3.1	-	4.4	7.6	7.3
006 Strategy, scientific and technical excellence	2.1	-	10.3	12.4	11.1
Functional and support	14.3	0.9	20.5	35.6	40.6
IT	12.6	1.5	1.7	15.8	14.8
Property master plan	1.0	6.1	0.1	7.2	6.4
Other property	23.1	1.0	2.0	26.2	27.4
Feursmétal	0.8	-	0.1	0.9	2.4
GRAND TOTAL	142.4	29.1	146.0	317.4	320.6

BUDGET VERSUS ACTUAL REPORT

INCOME STATEMENT

in € thousands

	Actual 2016	Budget 2016
REVENUE		
Grants and similar revenue	233,568	232,488
Grants	170,804	169,970
Revenue from tax allocation	62,764	62,519
Direct revenue from activities	42,407	42,856
Investment income	47	-
Internal operations	21,614	18,995
TOTAL REVENUE	297,637	294,340
EXPENDITURE		
Personnel expenses*	146,122	148,150
Operating expenses	115,782	115,098
Internal operations	42,091	27,244
TOTAL EXPENDITURE	303,995	290,492
FISCAL YEAR RESULT	(6,359)	(3,848)
TOTAL INCOME STATEMENT BALANCE	297,637	294,340

* Personnel expenses are personnel costs and the cost of taxes on remuneration

Fiscal year 2016 ended with a €6.4 million loss, compared with a projected profit of €3.8 million in BR3, a difference of - €10.2 million, of which €13.5 million was due to an increase in expenses and €3.3 million was due to additional income.

Revenue

The main differences between the most recent projection (BR3) and the execution of fiscal year 2016 are summarized below:

- grants and similar revenue grew by €1.1 million, of which €0.8 million was in grants from the government and other public bodies (excluding the allocations for Budget Programs 190 and 212, which were executed in the budget), and €0.2 million was the contribution paid by INB licensees. Because the INB licensees' contribution is capped in accordance with Article 46 of the Budget Act of December 28, 2011 in its form expressed in Article 41 of the Budget Act of December 29, 2015, the excess amount was paid back to the government and recorded as expenditure in the fiscal year 2016.
- direct revenue from activities was executed at a rate of 99%.

• in addition, non-budgetary revenue showed a €2.6 million increase, largely due to write-backs on provisions, which were smaller than anticipated when the initial budget was prepared.

Expenditure

Total operating expenditure, budgeted at €115.1 million, was in fact €115.8 million, an increase of €0.7 million.

Personnel expenses (account 64 + accounts 631 and 633), projected at €148.2 million, totaled €146.1 million, a difference of -€2.0 million.

Internal operations, restated in the calculation of cash provided by operations, rose by €14.8 million. This was due primarily to:

- a €5.0 million increase in provisions for depreciation related to the commissioning of fixed assets under construction;
- contingency and loss provisions, of which only the provision for profit-sharing was included in the budget, but which in fact amounted to €5.1 million (a difference of €2.9 million);
- all the provisions not included in the budget: an extraordinary provision of €4.7 million in IRSN's fixed asset inventory, provisions for bad debts (0.1), provisions for special depreciation allowances for tax purposes (€0.4 million), booking of the net accounting value of assets disposed of as a result of asset retirements in fiscal year 2016 (€1.7 million).

	2012	2013	2014	2015	2016
Expenditure execution rate (compared to the budget amendment of the year in question)	87.9%	88.6%	94.1%	97.4%	99.0%

CASH FLOW STATEMENTS

in € thousands

	Actual 2016	Budget 2016
TRANSFER OF RESULT TO CASH PROVIDED BY OPERATIONS		
FISCAL YEAR RESULT	(6,359)	3,848
+ Loss on sale of assets	1,679	-
+ Depreciation and provisions	40,422	27,244
- Gains on sale of assets	(33)	-
- Portion of grants recorded in result	(10,153)	(10,000)
- Write-backs on depreciation and provisions	(11,399)	(8,995)
Expense transfers	(63)	-
CASH PROVIDED BY OPERATIONS	14,096	12,097

in € thousands

	Actual 2016	Budget 2016
SUMMARY CASH FLOW STATEMENTS		
CASH PROVIDED BY OPERATIONS	14,096	12,097
SOURCES OF CASH		
Equity	(286)	-
Disposal of fixed assets	33	-
Other sources (excl. internal operations)	274	129
Increase in long-term debt	66	-
TOTAL SOURCES OF CASH	14,183	12,226
USES OF CASH		
Acquisition of tangible and intangible assets	22,817	24,460
Financial assets	67	-
Long-term debt paid	567	629
TOTAL USES OF CASH	23,451	25,089
CONTRIBUTION TO (+) OR DEDUCTION FROM (-) WORKING CAPITAL	-9,268	-12,863

Sources of cash

Cash provided by operations, budgeted at €12.1 million in BR3 2016, totaled €14.1 million, a difference of +€2.0 million. The increase was primarily due to the combined effect of the fall in income (-€10.2 million), and the €12.3 million increase in internal operations. In addition to the cash provided by operations, there were other sources of cash. The total value was not significant, consisting primarily of a €0.3 million reduction in capital grants, corresponding to the share of income from Cabri recognized on a percentage of completion basis, the repayment of loans to staff (€0.2 million), and interest accruing on loans (€0.1 million). For the record, as the special fund has not been booked under IRSN's fixed assets since the fiscal year ending December 31, 2015, it is no longer visible as a source of cash.

Uses of cash

The total amount of €23.5 million was used for:

- the acquisition of tangible and intangible assets and investments, in the amount of €22.9 million, which was €1.6 million below the budgeted amount;
- the reimbursement of financial debts, in the amount of €0.6 million, virtually the same as the projected figure in the budget.

This resulted in a €9.3 million reduction in working capital, compared with a projected withdrawal of €12.9 million in BR3 2016.

Working capital and working capital requirement

in € millions

	Actual 2016	Budget 2016	Actual/Budget	Actual 2015	Actual difference 2016/2015
Result	- 6.4	+ 3.8	- 10.2	+ 6.5	- 12.9
Cash provided by operations	+ 14.1	+ 12.1	+ 2.0	+ 15.8	- 1.7
Variation in working capital	- 9.3	- 12.9	+ 3.6	- 11.8	+ 2.5

Overall, the difference between the working capital withdrawals projected in BR3 and the actual figure for 2016 was +€3.6 million.

The budget execution gap was due to:

- two operations not completed in 2016 (+€0.9 million), due to the delay in:
 - work related to the construction of building 01 at Fontenay-aux-Roses, amounting to €0.6 million;
 - CEA expenditure linked to the use of calculation time on computer equipment at the Research and Technology Computing Center, amounting to €0.3 million;

- the €0.5 million increase in provisions;
- the impact of the change of method of recognition of CABRI income on a percentage of completion basis, which proved slower than expected, leading to a decrease of €0.2 million;
- the increase of €0.7 million in the use of the special fund.

Lastly, the residual balance at the end of 2016 can be used to add €2.7 million to the working capital. At year-end 2016, the amount of working capital not earmarked was therefore €4.4 million.

in € millions

	Actual 2016	Budget 2016	Actual/budget difference
Working capital	+ 15.3	+ 11.7	+ 3.6
Working capital requirement	- 13.8	- 22.8	+ 9.0
Cash	+ 29.1	+ 34.5	- 5.4

As at December 31, 2016, cash stood at €29.1 million, €5.4 million below the BR3 2016 projection of €34.5 million because of higher levels of supplier payments.

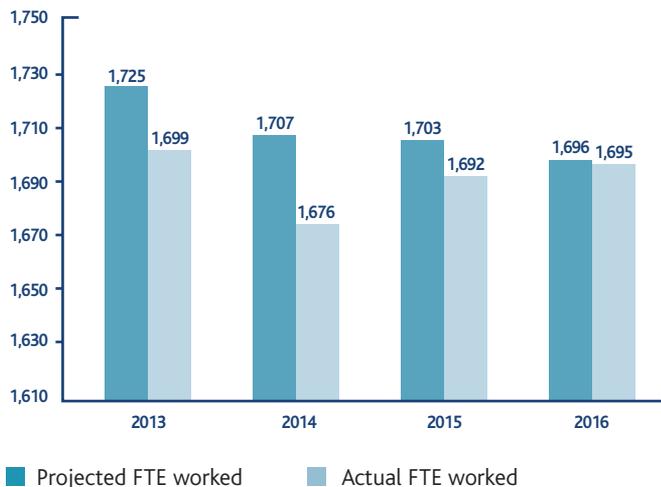
This results in an increase in the working capital requirement of €9.0 million compared to the budget target.

WORKFORCE

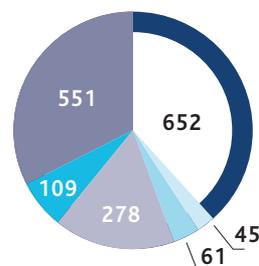
The average number of employees (excluding interns, apprenticeships and government-subsidized contracts) in 2016 was 1,695 FTE worked, which was almost exactly the figure set in the Initial Finance Act but 6.6 FTE worked below the revised forecast in BR3 2016.

	Actual 2016	LFI 2016
Posts	1,695.3	1,696
Below ceiling	1,644.6	1,637
Above ceiling	50.7	59

The average number of permanent employees represented 94% of the total workforce, compared with 93% in 2015.



Breakdown of average annual workforce in 2016 (in FTE worked)



- Nuclear safety
- Radiation protection
- Functional and support divisions
- Nuclear defense
- On temporary assignment
- Business Units

The number of employees connected to IRSN's program development effort represented 80.0% of the 2016 total average workforce.

The level of FTEs as at December 31, 2015 was 1674.4 (excluding interns, apprenticeships and government-subsidized contracts) compared to 1741.5 as at December 31, 2015. For the record, the high level in the previous year was due to a temporary peak in the recruitment of staff on fixed-term contracts to handle exceptional increases in workload and in the replacement of permanent staff. The level of FTEs at year-end 2016 had fallen by 67.1 FTEs and was back to a level comparable with previous years.

CLEANUP AND DISMANTLING OPERATIONS

IRSN cleanup and dismantling operations involve four specific areas: the PHEBUS and CABRI research reactors operated by the CEA, the facilities classified on environmental protection grounds (ICPE) that belong to it, various surplus equipment that is considered radioactive waste, and the cleanup of the Feurs site, which was accidentally polluted.

As at December 31, 2016, the position of operations concerning the first three areas stood at €42.8 million, broken down as follows:

- PHEBUS regulated nuclear facility (INB 92) and related rod clusters: €4.6 million;
- CABRI (INB 24) and related waste (sodium): €31.0 million;
- valduc regulated nuclear defense facility (INBS 010) and related waste: €3.9 million;
- ICPEs: €3.3 million.

In addition, the cost of cleaning up the Feurs site is estimated at €5.7 million.

These estimates are based on a firm contract for INB 92 and a proposal for the Valduc INBS. The technical and financial assessments for INB 24 are based on the costs incurred for INB 92.

For the record, the special fund for the cleanup and dismantling of regulated nuclear facilities (INBs) was reclassified to cash on the DGFIP's recommendation in the previous year. IRSN's objective is to maintain, at the end of year N, a special fund amount sufficient to reimburse year N operations in N+1, to be processed based on documentation. The use of the special fund for operations due in 2016 amounted to €5.3 million, including €0.9 million for cleaning up the Feurs site, and €4.3 million for other dismantling and cleanup operations, while the contribution to the fund amounted to €3.9 million. These operations affected the special fund balance, which therefore stood at €10.1 million as at December 31, 2016.

FINANCIAL STATEMENTS AND NOTES TO THE ACCOUNTS



INCOME STATEMENT

in € thousands

	Notes	Exercice 2016	Exercice 2015
EXPENDITURE			
OPERATING EXPENSES			
Purchases		6	12
Outside expenses for the fiscal year	Note 5	108,991	113,509
Personnel expenses	Note 6	139,864	136,305
Wages, salaries and other remuneration		95,490	92,710
Social security contributions		39,167	37,704
Profit-sharing		1,662	2,409
Other personnel expenses		3,545	3,483
Other operating expenses (including losses due to bad debts)	Note 7	12,437	12,145
Depreciation, impairments, provisions and net accounting value	Note 8	42,091	32,586
TOTAL OPERATING EXPENSES		303,389	294,557
FINANCIAL CHARGES			
Interest charges		566	592
Foreign exchange losses		30	64
Other financial charges		-	-
Depreciation, impairments and provisions	Note 8	10	-
TOTAL FINANCIAL CHARGES	Note 9	606	656
TOTAL EXPENSES		303,995	295,213

in € thousands

	Notes	Exercice 2016	Exercice 2015
REVENUE			
OPERATING REVENUE			
Grants and similar revenue		233,568	233,578
Public service grants	Note 2	167,587	168,413
Operating grants from the government and other public bodies		3,217	2,647
Revenue from tax allocation		62,764	62,519
Direct revenue from activities		42,407	44,760
Revenue	Note 3	38,881	41,119
Revenue from assets sold		33	2
Other operating revenue		3,494	3,639
Other revenue	Note 8	21,614	23,326
Write-backs on depreciation, impairments and provisions		11,461	13,324
Write-backs of asset-related finance		10,153	10,001
TOTAL OPERATING REVENUE		297,589	301,664
INVESTMENT INCOME	Note 4		
Revenue from controlled entities and loans		8	-
Interest on short-term receivables		1	13
Foreign exchange gains		39	43
Write-backs on depreciation, impairments and provisions		-	-
TOTAL INVESTMENT INCOME		47	55
TOTAL REVENUE		297,637	301,719

in € thousands

	Exercice 2016	Exercice 2015
FISCAL YEAR RESULT	(6,359)	6,506

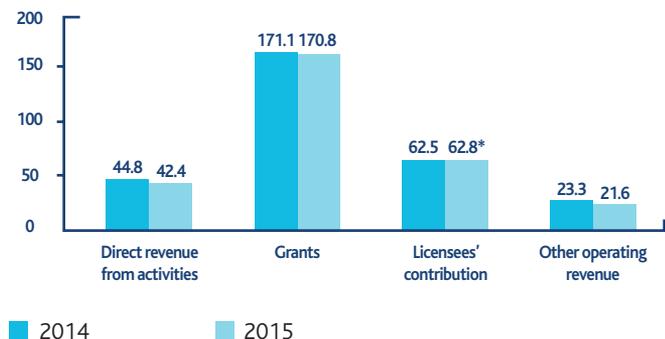
REVENUE

in € millions	2016	2015	Evolution
Grants and similar revenue	233.6	233.6	-
Direct revenue from activities	42.4	44.8	- 2.4
Other revenue	21.6	23.3	- 1.7
Operating revenue	297.6	301.7	- 4.1
Investment income	-	0.1	-
TOTAL REVENUE	297.6	301.7	- 4.1

IRSN's income fell overall by €4.1 million between 2015 and 2016.

Operating revenue stood at €297.6 million, down €4.1 million or -1.3% compared to the previous fiscal year.

Change in operating income (in €M)

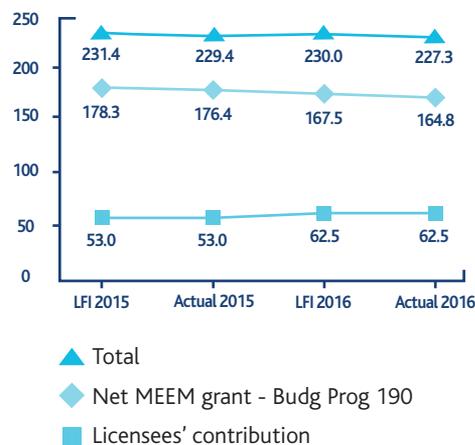


*A repayment of €0.3 million was allocated to expenses, giving a net cash figure of €62.5 million, which complies with the cap.

It includes:

- €170.8 million in operating grants, down €0.3 million between the two fiscal years, composed of:

- the €163.9 million public service grant received from the MEEM under Budget Program 190, compared with €164.8 million in 2015;

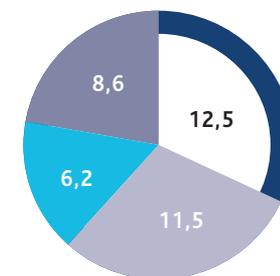


- the €3.7 million grant under the Ministry of Defense agreement in connection with Budget Program 212;
- €3.2 million (+€0.6 million) in other grants from other public bodies;

- the contribution paid by the INB licensees is capped at €62.5 million, so the excess amount of €+0.3 million collected in 2016 was paid back to the government;

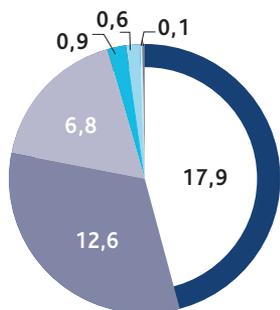
- direct revenue of €42.4 million from activities, including revenue from standard services, R&D contracts, specific services and other activities, which was down €2.2 million or 5% to €38.9 million.

Breakdown of 2016 sales by type (in € thousands)



- Standard services
- Research and development contracts
- Other activities
- Special services

Breakdown of 2016 sales by field (in € thousands)



- Radiation protection - Environnement and human health
- Facility radiation protection
- Strategy, scientific and technical excellence
- Interdisciplinary
- Transparency, openness to society, safety culture
- Emergency and post-accident situations
- Sécurité, non-prolifération

The cancellation of expenses payable on prior fiscal years (€2.2 million) and revenue from fees (€1.0 million) account for most of the balance of direct revenue from activities.

- other revenue of €21.6 million, down €1.7 million compared to the previous year, corresponds to € 11.5 million in write-backs on depreciation, impairments and provisions, and the portion of the capital grant recorded in the income statement (€10.2 million).

Investment income, composed primarily of foreign exchange gains, was stable and negligible. For the record, IRSN is not permitted to invest its cash.

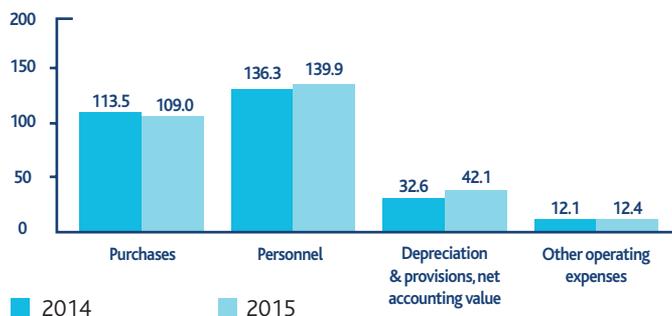
EXPENDITURE

in € millions	2016	2015	Evolution
Purchases	109.0	113.5	- 4.5
Personnel	139.9	136.3	+ 3.6
Depreciation & provisions, net accounting value	42.1	32.6	+ 9.5
Other operating expenses	12.4	12.1	+ 0.3
Operating expenses	303.4	294.5	+ 8.9
Financial charges	0.6	0.7	- 0.1
TOTAL EXPENSES	304.0	295.2	+ 8.8

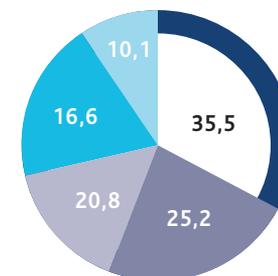
IRSN's expenditure rose overall by €8.9 million between 2015 and 2016.

Operating expenses totaled €303.4 million, up €8 million or 3% on the previous fiscal year, broken down as follows:

Change in operating expenses (in €M)



Breakdown of 2016 purchases (in €M)



- Other purchases
- External subcontracting
- Research purchases (other)
- Research purchases (CEA)
- Purchases of supplies not stocked

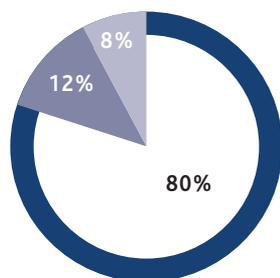
Financial charges were almost stable at €0.6 million. They consisted primarily of interest paid on a loan to finance certain investments.

BALANCE SHEET – ASSETS

in € thousands

	Notes	12/31/2016			12/31/2015 NET	12/31/2015 restated
		GROSS	DEPRECIATION & PROVISIONS	NET		
FIXED ASSETS						
Intangible assets	Note 10	33,642	(26,761)	6 881	7,560	7,560
Startup costs		-	-	-	-	-
Concessions, patents, licenses and software		30,441	(26,761)	3,680	3,811	3,811
Intangible assets in progress		3,201	-	3,201	3,749	3,749
Tangible assets	Note 10	504,754	(220,439)	284,315	296,372	296,372
Land		31,087	(276)	30,811	30,346	30,346
Constructions		96,700	(46,383)	50,316	42,021	42,021
Technical facilities, equipment and tools		279,965	(144,629)	135,336	147,630	147,630
Other tangible assets		40,468	(29,151)	11,317	12,546	12,546
Tangible assets in progress		56,535	-	56,535	63,829	63,829
Financial assets	Note 11	659	-	659	804	804
Special dismantling fund		-	-	-	-	-
Loans		500	-	500	643	643
Other financial assets		160	-	160	160	160
TOTAL FIXED ASSETS		539,056	(247,200)	291,855	304,736	304,736
CURRENT ASSETS						
Inventory and work in progress		-	-	-	-	-
Receivables	Note 12			44,091	50,431	57,858
Receivables from public bodies	Note 13	13,220	-	13,220	11,865	19,295
Customer receivables and related accounts	Note 14	30,264	(156)	30,108	37,489	37,489
Prepayments and advances on orders		327	-	327	519	672
Other receivables	Note 15	436	-	436	559	403
Prepaid expenses		878	-	878	787	787
TOTAL CURRENT ASSETS (EXCLUDING CASH)		45,126	(156)	44,970	51,218	58,645
Cash	Note 16	29,106	-	29,106	76,424	76,424
TOTAL CURRENT ASSETS		74,232	(156)	74,076	127,642	135,069
Foreign currency gains or losses		10	-	10	3	3
GRAND TOTAL		613,298	(247,356)	365,941	432,380	439,807

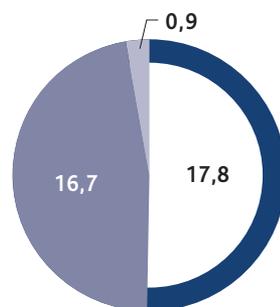
The balance sheet total for the fiscal year ending December 31, 2016 stood at €365.9 million. Gross assets were €613.3 million. For the sake of comparison, the financial data for the year ending December 31, 2015 are also presented in the form required by the accounting standards for publicly-funded bodies. Please note the restatement of advance payments on grants (€7.7 million) under assets in 2015 and liabilities in 2016.



- Net fixed assets
- Customers receivables
- Cash

Net fixed assets fell by €12.9 million to €291.9 million, mainly due to a €12.1 million reduction in net tangible assets. Net increases in fixed assets amounted to €35.4 million, while asset retirements stood at €48.2 million.

Acquisitions of fixed assets (in €M)



Acquisitions of fixed assets (in €M):

- Fixed assets in progress
- Tangible assets
- Intangible assets

Current assets stood at €74.1 million, down €61.0 million compared to the previous year, primarily as a result of the following changes:

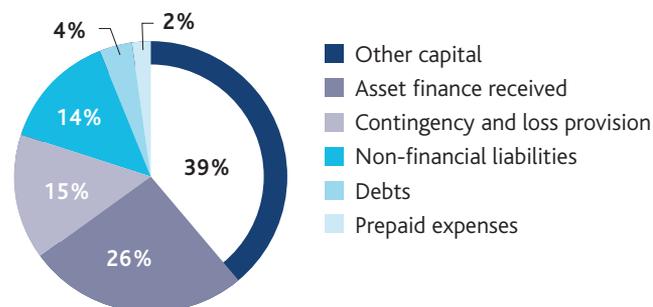
- receivables from public bodies were down by €6.1 million because advance payments on grants (€7.7 million) had been booked as assets as at December 31, 2015;
- customer receivables were down by €7.4 million;
- cash was affected by a significant increase in disbursements in the fiscal year, leading to a reduction in liabilities, the effect of which was a €47.3 million reduction in cash at December 31, 2016.

BALANCE SHEET – LIABILITIES

in € thousands

	Notes	12/31/2016	12/31/2015	12/31/2015 restated
CAPITAL				
Finance received				
Government-financed assets	Note 17	67,215	74,168	74,168
Assets financed by third parties	Note 18	27,183	30,668	30,668
Reserves		90,783	90,783	90,783
Retained earnings	Note 19	55,227	48,722	48,722
Fiscal year profit or loss		(6,359)	6,506	6,506
Special depreciation allowances for tax purposes	Note 20	3,884	5,200	5,200
TOTAL CAPITAL		237,933	256,046	256,046
CONTINGENCY AND LOSS PROVISION				
Contingency provision		628	378	378
Loss provision		54,673	58,515	58,515
TOTAL CONTINGENCY AND LOSS PROVISION	Note 21	55,301	58,893	58,893
LIABILITIES				
Debts				
Bank borrowings	Note 23	13,757	14,258	14,258
Non-financial liabilities		52,199	93,857	101,284
Trade notes and accounts payable	Note 24	22,743	66,317	66,363
Tax and social liabilities	Note 25	21,344	26,935	26,592
Prepayments and advances on orders		7,303	152	7,876
Other non-financial liabilities	Note 26	809	454	454
Prepaid expenses		6,752	9,326	9,326
TOTAL LIABILITIES		72,707	117,441	124,868
GRAND TOTAL		365,941	432,380	439,807

The liabilities balance with assets as follows:



With a loss of €6.4 million, combined with a €10.4 million reduction in financing received and a drop of €1.3 million in special depreciation allowances for tax purposes, IRSN's capital fell by €18.1 million to €237.9 million as at December 31, 2016, compared to €256.0 million at the end of the previous fiscal year. Contingency and loss provisions stood at €55.3 million, down €3.6 million on the December 31, 2015 balance. This reduction was due largely to the use of the provision for the clean-up and dismantling of facilities.

Debt fell by €52.2 million, from €124.9 million in 2015 to €72.7 million as at December 31, 2016. This was largely due to a €49.1 million reduction in non-financial liabilities. Prepaid income fell by €2.6 million to €6.8 million. This was mainly due to the change in method for recording revenue from the CABRI program. The new method, in place since fiscal year 2014, is based on percentage of completion.

CASH FLOW STATEMENTS

in € thousands

	Exercice 2016	Exercice 2015
SOURCES OF CASH		
Fiscal year net profit or loss	(6,359)	6,506
Increase/decrease in depreciation	40,422	30,713
Increase/decrease in impairments and provisions	(11,399)	(13,149)
Portion of capital grant recorded in income statement	(10,153)	(10,001)
Losses/gains on disposal of assets	1,647	1,871
Expense transfers	(63)	(143)
CASH PROVIDED BY OPERATIONS	14,096	15,796

in € thousands

	Exercice 2016	Exercice 2015
USES OF CASH		
Acquisition of tangible and intangible assets	22,817	40,805
Acquisition of financial assets	67	(13,102)
Acquisitions of fixed assets	22,884	27,703
Long-term debt paid	567	550
TOTAL USES OF CASH (B)	23,451	28,253

in € thousands

	Exercice 2016	Exercice 2015
SOURCES		
Disposal of assets	33	2
Other sources	274	252
Increase in equity	(286)	320
Increase in long-term debt	66	68
TOTAL SOURCES OF CASH (A)	14,183	16,438

in € thousands

	Exercice 2016	Exercice 2015
VARIATION IN WORKING CAPITAL (C=A-B)	(9,268)	(11,815)
+ Variation in current operating assets	(6 183)	(23,579)
- Variation in operating liabilities	(36,111)	(39,008)
Variation in working capital requirements from operations	29,928	15,430
+ Variation in other debit balances	-	(0)
- Variation in other credit balances	(8,121)	(5,368)
Variation in working capital requirements not from operations	8,121	5,368
Variation in working capital requirements (D)	38,049	20,798
VARIATION IN CASH (E=C-D)	(47,318)	(32,613)
Cash at the start of the period	76,424	
Cash at the end of the period	29,106	
Cash variation	(47,318)	

WORKING CAPITAL, CASH AND WORKING CAPITAL REQUIREMENT

in € millions

	Actual position on 31/12/2015	Actual movements 2016	Actual position on 31/12/2016
EARMARKED OPERATIONS	(1.88)	(1.59)	(3.47)
Property project - Building 01 (FAR)	1.73	(0.54)	1.19
Property project - Building 01 (Le Vésinet)	3.66	(3.35)	0.30
CABRI	2.25	(0.47)	1.79
Change of method for recording income from CABRI	(9.53)	2.77	(6.75)
RECURRING OPERATIONS	22.97	(8.65)	14.32
Special fund	11.46	(1.37)	10.09
Delays in other operations	6.70	(6.39)	0.32
Of which operations for 2015 carried over to 2016 and withdrawn in the initial budget 2016	4.55	(4.55)	-
Of which operations for 2015 carried over to 2016 and withdrawn in the first budget amendment 2016	2.16	(2.16)	-
Operations for 2016 carried over to 2017	-	0.32	0.32
Provision	4.8	(0.89)	3.91
Available	3.48	0.96	4.44
TOTAL	24.56	(9.27)	15.29

Operating capital stood at €15.3 million as at December 31, 2016 compared with €24.6 million on December 31, 2015, down €9.3 million. This is set aside to cover «earmarked» expenses in the next few fiscal years. Expenses earmarked for working capital mainly concerned:

- IRSN's property projects in Le Vésinet and Fontenay-aux-Roses (€1.5 million);
- the CABRI project (€1.8 million);

- the special fund for facility dismantling and cleanup, now shown in cash and working capital, which stood at €10.1 million as at December 31, 2016, fell by €1.4 million between the two fiscal years, which breaks down into a €3.9 million contribution to the fund and a €5.3 million use of funds;

- the delay in buying calculation time on the computer equipment at CEA's Research and Technology Computing Center, amounting to €0.3 million;

- provisions subject to rapid disbursement, which stood at €3.9 million;

- unused funds of €4.4 million as at December 31, 2016.

The level of working capital has also been impacted by the fact that CABRI income is now recognized on a percentage of completion basis. Working capital is thus pledged on future income from the CABRI project in the amount of €6.8 million. Actual receipt of these future resources will allow a significant increase in the level of working capital in the medium term.

in € millions

	2016	2015	Difference 2016/2015
Working capital	+ 15.3	+ 24.6	- 9.3
Working capital requirement	- 13.8	- 51.9	+ 38.0
Cash	+ 29.1	+ 76.4	- 47.3

Cash at December 31, 2016 stood at €29.1 million, down €47.3 million on the previous fiscal year. The reconciliation of expenses payable on previous fiscal years, and in particular the finalization of negotiations with CEA on the operating cost of Cabri and tighter management control, caused a drop in the year-end cash level. Available cash of €19.0 million excluding the special fund will cover maturities in January 2017 without any difficulty, until the first quarter of the grant under Budget Program 190 is received in early February 2017.

Working capital requirements were executed at -€13.8 million at year-end 2016. The €38.0 million rise in working capital requirements was due to a €29.9 million increase in trade working capital requirements (operating liabilities decreased faster than current asset receivables) and to a €8.1 million rise in non-trade working capital. It should be pointed out that IRSN's working capital requirement is structurally negative because of the way the SCSP public service grant is paid (each quarter) and the licensees' contributions are received (during the second quarter).

NOTES TO THE ACCOUNTS

NOTE 1 – ACCOUNTING PRINCIPLES AND VALUATION METHODS

IRSN's financial statements for fiscal year 2016 were prepared in accordance with the following standards, principles and methods:

- regulation No. 2014-03 of June 5, 2014 of France's national accounting standards body (Autorité des Normes Comptables) on the general accounting plan, approved by the Order of September 8, 2014 and published in the French Official Journal on October 15, 2014;
- accounting standards applicable to organizations mentioned under paragraphs 4 to 6 of Article 1 of Decree No. 2012-1246 of November 7, 2012 on budget management and public accounting, approved by the Order of July 1, 2015, and published in the French Official Journal on July 9, 2015, with advance application as from January 1, 2015;
- the Instruction of April 1, 2016 on the implementation of the accounting standards for publicly-funded bodies (BOFIP-GCP-16-0006 of April 25, 2016).

1.1- Comparability of the accounts

The main consequence of the application of the Instruction of April 1, 2016 on the implementation of the accounting standards for publicly-funded bodies (BOFIP-GCP-16-0006 of April 25, 2016) has been to change the way some accounts are presented. This accounting change has caused the disappearance of extraordinary income; operations of this type were reclassified in 2016 under operating income, along with other expenditure and revenue.

Significant differences in presentation are indicated, where necessary, in the relevant notes.

1.2 - Valuation principles and methods (options, derogations, exceptions)

1.2.1 - Tangible and intangible assets

Valuation of the entry cost

Tangible and intangible assets are valued at the historic purchase or production cost excluding financial charges and administration costs. In accordance with standards 5 and 6 of the accounting standards applicable by public bodies relating to fixed assets, the Board of Directors decided on a €1,500 unit simplification threshold for the recognition of assets to be capitalized.

Intangible assets include patents, licenses and purchased software as well as created or developed software. Nuclear facilities controlled jointly with CEA (the CABRI experimental reactor) are included in IRSN's fixed assets in proportion to the control of the asset, in application of DGFIP Instruction No. 14-0003 of January 31, 2014.

Some equipment (nuclear facilities operated by CEA and facilities classified on environmental protection grounds (ICPEs)) used by IRSN are entered as tangible assets under «Dismantling assets» as a double entry counterpart of the provision for the estimated total cost of end-of-cycle operations, once the facility comes into active service. This asset forms an integral part of the cost price of the corresponding facilities and is depreciated in accordance with the depreciation schedules drawn up for each facility. These assets are valued, symmetrically with the corresponding provisions, based on technical information that is regularly revised.

The assets provided by the government under usage agreements have been valued in the accounts on the basis of valuation at fair value determined in 2013 by France Domaine.

External financing of assets is managed in application of the Instruction of December 18, 2012 (BOFIP-GCP 13 005 of January 31, 2013), which introduced provisions from Opinion No. 2011-10 of December 8, 2011 issued by France's public accounts standardization body (CNoCP) into the accounting standards for publicly-funded bodies. This Opinion requires capital to be presented so as to differentiate between government finance and finance from other third parties (local and regional authorities, the European Union, etc.). This presentation, which is different from the presentation required by the general accounting plan, is justified by the special legal status of public bodies, which do not have their own equity capital and depend on the government for finance. In addition, asset-related finance now changes symmetrically with the asset that it finances so that there is a link between the income (the finance received) and the expenditure (consumption of the economic benefits or loss of value of the asset).

Research and development costs, regardless of outcome, are treated as expenditure for the fiscal year.

Depreciation

Intangible assets, composed solely of software, are depreciated over 3 years.

Tangible assets are depreciated in accordance with depreciation schedules drawn up on the basis of the economic life or according to the probable conditions of use of the asset, on a straight-line basis and at the rates usually applied to these asset categories. Depreciation in the «Land» row corresponds to the depreciation of the development of these investments.

The main depreciation times used for new equipment are as follows:

- Infrastructure 10 years
- Heavy-duty buildings 20 to 30 years
- Light buildings 10 to 20 years
- General installations 10 years
- Fixtures 5 to 10 years
- Equipment 5 to 7 years
- Tools 3 to 5 years
- Furniture., small equipment items and computer equipment 3 to 5 years

For second-hand assets, the depreciation times are reduced by half.

The special depreciation allowance for tax purposes is used as necessary and corresponds to the difference between depreciation on replacement value and legally accepted depreciation.

Impairment

Intangible and tangible assets are subject to impairment where events or circumstances make their value in use less than the net accounting value over the long term.

Exceptional depreciation

A general physical inventory of IRSN's equipment was produced in 2012 and, since then, it has been monitored on a three-yearly basis. A full reconciliation with the accounts was not possible using the data from the 2012 physical inventory. An additional approach has been introduced for internal control purposes, which is to assess the quality of accounting entry monitoring through comparison with existing physical assets, in order to guarantee the accuracy of the resulting accounting picture. This approach relies on the existence within IRSN's operational teams of equipment records kept for technical reasons (maintenance contracts, periodic inspections, calibration, etc.). An additional depreciation of €4.7 million was recorded in the unreconciled accounts on December 31, 2016, to take account of the impact of the work done by the year end.

1.2.2 - Financial assets

Financial assets are valued at their historic cost.

1.2.3 - Inventory and work in progress

Given the fact that this item is not significant, IRSN does not estimate the value of inventories of materials or supplies of consumables. These purchases are treated entirely as expenditure for the fiscal year.

Work in progress and finished products related to research contracts or to uninvoiced service orders are treated as income accrued as and when the services are provided.

1.2.4 - Investment securities

IRSN does not hold any transferable securities.

1.2.5 - Contingency and loss provision

A provision is set up in cases where there is an obligation towards a third party on the account-closing date. This obligation may be legal, contractual or implicit and must be subject to a probable outflow of resources to the third party which IRSN can estimate with an adequate degree of reliability.

No provision is made for contingent liabilities that correspond to an obligation that is neither certain nor likely on the account-closing date. Information is provided in the Notes if they are significant.

IRSN acts as its own insurer with respect to compensation for employees who have lost their job. A provision has thus been made based on the residual compensation period for beneficiaries registered as at December 31 of that year.

No provision is made for IRSN's commitments towards its staff regarding severance pay on retirement; instead these are listed as off-balance sheet commitments.

Except in specific circumstances, based on the delay noted at closing in settling our customers' receivables, a provision is established in the amount of:

- 25% of the amount of the receivable when the delay is less than 6 months,
- 50% for a delay between 6 and 12 months,
- 75% for a delay between 12 and 18 months,
- 100% for a delay in excess of 18 months.

The provision for the cleanup and dismantling of facilities used by IRSN corresponds to the total cost of the operation where IRSN is the facility licensee (ICPEs) or to the portion attributable to it in connection with its participation in a program in which CEA is the nuclear licensee (of an INB). In view of the immediacy of the degradation, these provisions are made as soon as the facility commences active operation (CRC Regulation No. 2004-06 and CNC Notice No. 2005-H). Provisions are offset on the assets side of the balance sheet as «Dismantling assets».

The assessment of the cost to clean up and dismantle the facilities is based on methodologies that can provide the best estimate, at any moment, of the operations' costs and time frame. These estimates are based on agreements signed with the service providers, internal assessments based on an inventory of equipment items and their projected radiological situation, and successive studies used to assess cleanup and dismantling costs with an increasingly small margin of uncertainty.

These estimates incorporate the following main assumptions:

- an inventory of the costs of bringing the facility to decommissioning level, generally and without specific constraints, based on cleanup of standing civil engineering infrastructure, with all nuclear waste areas reclassified as conventional waste areas. The final state of the facilities to be dismantled (buildings and soils) is a baseline assumption for developing the dismantling scenario and estimating the cost;
- the assessment of the expenses based on projected costs, which take into account subcontracting, staff costs, radiation protection costs, consumables, equipment, processing of associated waste, transportation and final disposal at Andra. The assessment also takes into account a portion of the technical support costs of the entities responsible for the dismantling operations;
- some waste from former experiments could not be processed as it was generated because conditioning facilities were not available at that time. It will be retrieved and conditioned in accordance with methods and technologies approved by the French safety authorities;
- some of these projected costs are based on firm, non-adjustable quotes signed with the licensee of the facilities. Consequently, no assumption has been made for inflation in determining these quotes;

- these provisions are not discounted as the organization is not authorized to have interest-bearing investments.

The assessments used for end-of-cycle provisions are, at the closing date of the accounts for the fiscal year, the best assessment of the resources needed to carry out its current obligations to dismantle and clean up its facilities. These estimations nevertheless present external risks, such as CEA's performance of operations under contractually defined conditions, and changes in the regulatory framework defined by the Nuclear Safety Authority (ASN) or in the final destination of the waste.

1.2.6 - Debts

IRSN's commitments towards its staff for expired paid leave not taken, paid leave accrued but not yet taken within the period, and leave entitlement recorded by the staff in an accumulated leave time savings account are recorded as debts at their gross value plus any social security contributions and tax charges payable by the employer.

NOTES ON THE INCOME STATEMENT

NOTE 2 – GRANTS AND SIMILAR REVENUE

This item includes the public service grants received from the government and the income from the contribution paid by INB licensees (see Article 96 of the 2010 Revised Budget Act), the grants received from the French National Research Agency (ANR), the European Union and other public bodies, allocated to the financing of operating expenses for the fiscal year.

<i>in € thousands</i>			
	Notes	Exercice 2016	Exercice 2015
Public service grants			
Budget Program 190	(a)	163,912	164,753
Budget Programs 212		3,675	3,660
Operating grants from the government and other public bodies	(b)	3,217	2,647
ANR (IA and non IA)		1,993	
European Union		710	
Others		514	
Licensees' contribution	(c)	62,764	62,519
TOTAL		233,568	233,578

(a) The grant paid under Budget Program 190 by the Ministry of Ecology was reduced by €0.8 million between 2015 and 2016.

(b) Other grants from public bodies increased by €0.6 million in 2016 to €3.2 million.

(c) The contribution was established as of fiscal year 2011 and is paid by the INB licensees, a list of which is drawn up by the Nuclear Safety Authority. In 2016, the amount collected was €62.8 million. The main contributors were EDF (€48.4 million), CEA (€7.1 million) and Areva (€5 million). Because of the cap on the taxes payable by licensees, imposed by Article 46 of the Budget Act for 2012 (No. 2011-1977 of December 28, 2011) in its form expressed in Article 41 of the Budget Act for 2016 (No 2015-1785 of December 29, 2015), IRSN paid the €0.3 million excess collected back to the government. This adjustment of the contribution to the capped amount is booked as «special expenses» under «other operating expenses» in the income statement.

<i>in € thousands</i>	
LICENSEES' CONTRIBUTION	
Cap (Art. 46 of Act No. 2011-1977)	62,500
Excess amount paid back to the government and booked as expenses in 2016	264
TOTAL	62,764

NOTE 3 – SALES

Sales correspond to the research and services invoiced by IRSN to third parties within the context of its programs or service provision. They are based on percentage of completion.

<i>in € thousands</i>	Exercice 2016	Exercice 2015
Research and development contracts	11,501	11,955
Standard services	12,548	12,277
Special services	6,221	11,448
Other activities	8,612	5,440
TOTAL	38,881	41,119

As from January 1, 2016, in application of the Instruction BOFIP-GCP No 13-0023 of December 6, 2013, some finance from public bodies is treated as grants (see Note 2).

Sales fall into four main categories:

- co-funded R&D contracts of €11.5 million, down €0.5 million on the previous fiscal year, in which the main partners again were EDF (€7.2 million), Areva (€1 million) and CEA (€0.6 million);
- standard services grew by €12,3 million to €12.5 million, especially from dosimetry (€10.4 million), radiotoxicology analyses (€0.8 million) and CAMARI examinations (€0.4 million);
- special services and research that is not co-funded (€6.2 million). The €5.2 million reduction compared to 2015 reflects the reclassification of €3.2 million to ancillary activities and a specific research results sale (HTC) in 2015, worth €2 million, that was not repeated in 2016;
- other activities (€8.6 million) grew by €3.2 million. This item primarily involved invoicing for personnel on temporary assignments (€6.2 million) and logistical support agreements (€2.3 million).

NOTE 4 – INVESTMENT INCOME

Investment income consists of the following:

<i>in € thousands</i>	Exercice 2016	Exercice 2015
Revenue from controlled entities and loans	8	-
Interest on short-term receivables	1	13
Foreign exchange gains	39	43
Write-backs on depreciation, impairments and provisions	-	-
TOTAL	47	55

In application of the regulation applicable to publicly-owned bodies, IRSN does not invest its cash.

NOTE 5 – EXPENSES FOR THE FISCAL YEAR

Expenses for the fiscal year are broken down as follows:

<i>in € thousands</i>	Exercice 2016	Exercice 2015
Subcontracting purchases	37,373	42,560
Research purchases (CEA)	16,611	14,280
Research purchases	11,073	15,221
Service purchases	9,689	13,059
Purchases of materials and supplies not stocked	10,114	9,199
Purchases of equipment and works	994	1,143
Other purchases of materials and supplies not stocked	9,120	8,057
Outside services	61,505	61,749
External subcontracting	25,223	25,533
Rental and hire costs	2,024	2,300
Maintenance and repairs	15,695	14,824
Insurance	746	974
Documentation	1,664	1,753
Temporary workers	3,417	3,238
Fees	322	435
Advertising and publications	172	210
Transport	454	478
Travel and entertainment expenses	6,923	7,317
Postage and telecommunication costs	2,554	2,638
Bank charges	13	20
Other	2,299	2,030
TOTAL	108,991	113,509

Goods and services purchased totaled €109.0 million, down €4.5 million on 2015 due to a €5.2 million reduction in purchases of subcontracted services.

NOTE 6 – PERSONNEL EXPENSES

Personnel expenses can be analyzed as follows:

<i>in € thousands</i>	Exercice 2016	Exercice 2015
Wages and salaries	95,490	92,710
Emoluments, paid leave and leave time saving accounts	91,533	89,174
Family allowance	1,066	1,019
Other	2,891	2,516
Social security contributions	44,374	43,596
Medical insurance	26,169	25,985
Mutual insurance	1,510	1,459
Pension	10,425	10,139
Other social security contributions	1,063	122
Works Committee	1,931	1,933
PEE/PERCO employer contributions	517	396
Profit-sharing (excluding associated social security contrib.)	1,662	1,431
Other personnel expenses	1,097	2,132
TOTAL	139,864	136,305

The entitlements accrued by employees in respect of paid leave and accumulated leave time saving accounts (CET) have been recorded in full under expenses payable at their gross value plus estimated costs.

NOTE 7 – TAXES, DUTIES, AND SIMILAR PAYMENTS

Taxes, duties and similar payments are broken down as follows:

in € thousands

	Exercice 2016	Exercice 2015
On remuneration	6,258	5,824
Employment tax	1,735	1,797
Apprenticeship tax	799	689
Business tax	206	200
Travel payments	2,357	2,181
Other taxes and duties on remuneration	1,162	957
Other taxes, duties, and similar payments	1,353	2,171
Real estate taxes	560	500
Office taxes	84	84
Company vehicle taxes	80	112
Non-recoverable taxes over a combined perimeter	102	576
Other	527	898
TOTAL	7,612	7,995

The €0.4 million reduction compared to 2015 is explained by:

- a €0.4 million increase in tax associated with an increase in payroll expenses (see Note 6);
- a €0.8 million reduction in other taxes, including a reduction in the coefficient applicable to non-recoverable VAT (-€0.6 million) and the balance paid in 2015 under the AGEFIPH for the 2012-2014 period (-€0.2 million).

NOTE 8 - DEPRECIATION AND PROVISIONS AND WRITE-BACKS ON DEPRECIATIONS AND PROVISIONS, IMPAIRMENTS (EXCLUDING NET ACCOUNTING VALUE OF ASSETS DISPOSED OF)

Depreciation and provisions and write-backs on depreciation and provisions can be broken down as follows:

in € thousands

	Depreciation and provisions		Write-backs	
	Exercice 2016	Exercice 2015	Exercice 2016	Exercice 2015
On fixed assets	34,795	24,790	-	-
Depreciation allowances	30,092	24,790	-	-
Special depreciation allowances	4,703	-	-	-
On current assets				
Impairments of customer receivables	80	99	22	12
Provisions				
Contingency and loss provision	5,137	5,114	9,649	12,396
Special depreciation allowances for tax purposes	411	711	1,727	740
Write-back of asset-related finance	-	-	10,153	10,001
TOTAL	40,422	30,713	21,551	23,151

The overall net increase of €11.3 million is explained by:

- Intangible assets
 - +€7 million for the depreciation of the CABRI reactor over a full year in 2016.
 - +€4.7 million for an exceptional depreciation (a) of intangible assets not reconciled as a result of the inventories carried out from 2012 to 2014 (see Note 10).
 - -€1.3 million in write-backs of the special depreciation allowance (see Note 20).
- Provisions
 - +€0.6 million in provisions including €0.3 million to cover the closure costs of the Seyne-sur-Mer site.
 - a +€0.3 million adjustment to the provision for dismantling.

The portion of the capital grant recorded in the income statement is now booked as operating income so that it is shown in the income statement on the same level as the expenses financed by the grant; it amounted to €9.5 million in 2016.

NOTE 9 – FINANCIAL CHARGES

The financial charges are shown below:

in € thousands

	Notes	Exercice 2016	Exercice 2015 *
Interest charges	(a)	566	592
Foreign exchange losses		30	64
Other financial charges		-	-
Depreciation, impairments and provisions		10	-
TOTAL		606	656

* 2015 has been restated to comply with the new accounting standards for publicly-funded bodies.

(a) This item includes the interest paid on a loan taken out with Crédit Agricole. The reduction relates to the repayment of capital.

NOTES ON THE BALANCE SHEET

ASSETS

NOTE 10 – TANGIBLE AND INTANGIBLE ASSETS

To remove the risk of overestimation of the value of assets not yet reconciled following the physical inventories in 2012-2014, an exceptional depreciation was recorded to make the net accounting value of the assets concerned zero. This had a €4.7 million impact on the fiscal year (see Note 8).

Depreciation of the upgrading work on the CABRI experimental reactor for the whole year, amounting to €8.3 million, should be noted.

The intangible and tangible asset flows, together with the corresponding depreciations and provisions, are as follows:

<i>in € thousands</i>	12/31/2015	Increases	Decreases	12/31/2016
INTANGIBLE ASSETS				
Gross value	31,412	12,410	10,180	33,642
Startup costs	2	-	2	-
Concessions, patents, licenses and software	27,661	11,903	9,123	30,441
Intangible assets in progress	3,749	507	1,054	3,201
Depreciation	23,852	11,026	8,117	26,761
Startup costs	2	-	2	-
Concessions, patents, licenses and software	23,849	11,026	8,115	26,761
SUBTOTAL	7,560	1,383	2,062	6,881
TANGIBLE ASSETS				
Gross value	495,909	75,000	66,156	504,754
Land	30,589	498	-	31,087
Constructions	84,082	15,556	2,938	96,700
Technical facilities, equipment and tools	268,232	37,286	25,553	279,965
Other tangible assets	49,176	4,324	13,032	40,468
Tangible assets in progress	63,829	17,337	24,632	56,535
Depreciation	199,538	40,967	20,065	220,439
Land	244	32	-	276
Constructions	42,061	4,517	195	46,383
Technical facilities, equipment and tools	120,603	31,977	7,951	144,629
Other tangible assets	36,630	4,440	11,919	29,151
SUBTOTAL	296,372	34,034	46,091	284,315
TOTAL	303,932	-	-	291,196

Fixed assets as at December 31, 2016 include:

- €23.8 million newly booked as assets, including €1.1 million in intangible assets (software licenses and software development), €11.8 million in tangible assets (€5 million for operating equipment and €2.4 million for IT equipment), and €10.9 million in fixed assets in progress (€5.8 million under construction and €2.5 million in operating equipment);

- €12.7 million in asset retirements, including €10 million as a result of internal controls of fixed assets (net accounting value of €0.5 million);

- €18.8 million in transfers from fixed assets in progress, including €5.6 million for building Z at Le Vésinet, now 50% in use, €2.2 million for the commissioning of the PERSEE test bench, €6.1 million for the commissioning of the AMANDE and MIRCOM facilities, and €4.9 million in operating equipment reclassified as part of the reconciliation of physical assets with recorded assets;

- dismantling assets recorded as a balancing entry to offset provisions, which are not entered in the income statement, set up for the dismantling of facilities used by IRSN, for a gross amount of €53.7 million, depreciated by €29.9 million. The balance of €23 million is lower than the balance of €42.8 million of the provision set up in exactly the same way, corresponding to the level of dismantling actually performed.

NOTE 11 – FINANCIAL ASSETS

The financial assets of €0.66 million include deposits and guarantees paid and loans to staff. Loans to staff fell by €0.15 million.

in € thousands

	Exercice 2016	Exercice 2015
Loans	500	643
Other financial assets	160	160
TOTAL	659	804

NOTE 12 – MATURITY OF RECEIVABLES

At the end of the fiscal year the situation is as follows:

in € thousands

	12/31/2016 Gross	Maturing in less than 1 year	Maturing in more than 1 year
FIXED ASSET RECEIVABLES			
Loans	500	2	497
Other financial assets	160	-	160
CURRENT ASSET RECEIVABLES			
Doubtful and disputed trade receivables	187	187	-
Other customer receivables	23,971	23,971	-
Other accounts receivable	13,656	13,656	-
Other receivables	-	-	-
TOTAL	38,473	37,816	657

NOTE 13 – RECEIVABLES FROM PUBLIC BODIES

in € thousands

	Notes	12/31/2016	12/31/2015
Government and other public authorities - Grants to be received	(a)	1,487	(7,661)
Government - VAT	(c)	8,794	16,983
Government and other public authorities - Expenses to pay and revenue to be received	(b)	2,939	2,542
TOTAL		13,220	11,865

(a) This item corresponds primarily to grants of €1.4 million to be received. A significant increase of €9.1 million was recorded due to the reclassification of advance payments on grants, which amounted to €7.7 million in 2015, as liabilities. There was a €1.2 million increase in grants from the National Research Agency (ANR) and a €0.6 million increase from the European Commission (Horizon 2020 projects) in 2016.

(b) Government accrued income is mainly attributable to the National Research Agency (ANR); it grew by €0.4 million to €2.9 million.

(c) The €8.1 million reduction in VAT correlates with the 72% reduction in Expenses Payable at the year end.

NOTE 14 – CUSTOMER RECEIVABLES

in € thousands

	Notes	12/31/2016	12/31/2015
Gross value		30,264	37,587
Customers - sales of goods or services	(a)	23,971	28,992
Customers -holdbacks		-	31
Doubtful and disputed trade receivables		187	117
Customers - invoices to be prepared		6,107	8,447
Impairment provision		(156)	(99)
Provision for impairment of customer accounts		(156)	(99)
TOTAL		30,108	37,489

(a) A provision for additional contingencies in the amount of €901,000 was made based on the delay in payment recorded at closing (see Note 21).

NOTE 15 – OTHER RECEIVABLES

At the end of the fiscal year the situation is as follows:

in € thousands

	12/31/2016	12/31/2015
Prepayments and advances to personnel	4	156
Other debtors	432	403
Other receivables	-	-
TOTAL	436	559

NOTE 16 – CASH

This item shows the cash position with the Recette Générale des Finances at the closing of the year:

in € thousands

	12/31/2016	12/31/2015
Cash	29,106	76,424

The cash position as at December 31, 2015 was €29.1 million and includes the special fund for cleanup and dismantling of facilities used by IRSN, in the amount of €10.1 million, which was transferred from financial assets to cash. On a like basis, the cash position fell by €47.3 million between December 31, 2015 and December 31, 2016.

LIABILITIES

NOTE 17 – GOVERNMENT-FINANCED ASSETS

Allowances recorded a balance of €67.2 million as at December 31, 2016, which can be broken down as follows:

<i>in € thousands</i>	Notes	12/31/2015	Allowances	Write-backs	12/31/2016
Allowances					
Funds not associated with specific assets - Government	(a)	14,554	929	459	15,024
Asset funds made available - Government	(b)	30,923	-	-	30,923
Original value of asset-related funds - Government	(c)	103,446	9,395	10,359	102,482
Original value of asset-related funds - ANR/IA	(d)	18	459	229	247
SUBTOTAL		148,941	10,783	11,048	148,676
ADDITIONAL ALLOWANCES					
Write-back of asset funds made available - Government	(e)	(1,247)	(416)	-	(1,662)
Write-back of other asset funds	(e)	(73,526)	(10,174)	(3,939)	(79,762)
Write-back of other asset funds - ANR/IA	(e)	(0)	(37)	-	(37)
SUBTOTAL		(74,773)	(10,627)	(3,939)	(81,462)
TOTAL		74,168	156	7,109	67,215

(a) For the record, in 2015 this item related to the extraordinary allocation paid by the government in 2012, associated with the sale of land at the Le Vésinet site to finance the construction of a new building. The variation of +€0.9 million observed in 2016 reflects the payment of ANR capital grants not associated with specific assets.

(b) The assets allocated by the government under the usage agreements and valued in the accounts as at December 31, 2016 (France Domaine valuation) concern the land at Fontenay-aux-Roses, Orsay, Octeville and Le Vésinet.

(c) This item combines the government capital grants that IRSN received until 2011 (gross value). The difference between the two fiscal years is related to the retirement of grant-funded assets in the amount of -€1 million (assets discarded as a result of internal controls, increase of the threshold for recording fixed assets to €1500).

(d) This item concerns ANR allowances relating to fixed assets, of +€0.2 million.

(e) These write-backs correspond to the portion of depreciation for grant-funded assets of €10.6 million, minus the write-backs for discarded fixed assets of €3.9 million, giving a difference of €6.7 million.

NOTE 18 – ASSETS FINANCED BY THIRDPARTIES

This is essentially an issue of how the external financing of assets is treated in the accounts. Grants received from sources other than the government and allocated to the financing of assets are written back as the corresponding assets are depreciated. During the 2013 fiscal year, external financing allocated to assets and received from the government was transferred to allowances in application of the instruction of December 18, 2012 (BOFIP-GCP 13 005 of January 31, 2013).

<i>in € thousands</i>	Notes	12/31/2016	12/31/2015
Funds not associated with specific assets - other third parties	(b)	-	7,683
Government capital grants		6,697	-
Other capital grants		-	-
Original value of asset-related funds - Local authorities and national public bodies	(a)	35,292	35,292
Original value of asset-related funds - Other organizations	(a)	22,320	22,320
Write-backs on asset-related funds - Local authorities and national public bodies	(a)	(34,448)	(34,180)
Write-backs on asset-related funds - Other organizations	(c)	(2,678)	(446)
Capital grants recorded in income statement		-	-
TOTAL		27,183	30,668

(a) These items are connected to the capital grants from the transfers from CEA and OPRI, and to the related write-backs on financing.

(b) The reduction of €1 million in external financing as at December 31, 2015 is linked to the share of income from CABRI in 2016.

(c) External financing allocated to the capitalization of CABRI is written back as the corresponding asset is depreciated.

NOTE 19 – RETAINED EARNINGS CARRIED FORWARD

in € thousands

	12/31/2016	12/31/2015
Retained earnings	55,227	48,722
TOTAL	55,227	48,722

The variation in «retained earnings» corresponds to the allocation of the loss of €6.5 million from the previous year.

NOTE 20 – SPECIAL DEPRECIATION ALLOWANCES FOR TAX PURPOSES

en milliers d'euros

	12/31/2016	12/31/2015
Special depreciation allowances for tax purposes	3,884	5,200
TOTAL	3,884	5,200

In 2013, IRSN changed the depreciation term of certain assets in relation to the fiscal reference period, which was reflected by the entry in the accounts of special depreciation allowances for tax purposes. The impact of this on the 2016 fiscal year was a €1.3 million write-back.

NOTE 21 – CONTINGENCY AND LOSS PROVISION

in € thousands

	Notes	12/31/2015	Allocations in the fiscal year	Write-backs for the fiscal year		12/31/2016
				(provision used)	(provision not used)	
Provision for disputes		378	605	365	-	618
Employment disputes	(c)	54	605	41	-	618
Other disputes		324	-	324	-	-
Provision for foreign exchange losses		-	10	-	-	10
Loss provision	(a)	58,515	5,443	8,992	292	54,673
Dismantling	(b)	45,741	921	3,858	-	42,804
Cleanup		7,644	310	1,185	-	6,768
Customer risks		878	901	878	-	901
European Commission reimbursement		-	101	-	-	101
Contribution - Strasbourg INB		319	-	-	-	319
PRP//DGGN expenditure - Teleray		140	50	-	-	190
Riskaudit - Share/losses		-	-	-	-	-
ENSTTI - Share/losses		400	-	-	-	400
AGEFIPH		283	24	-	260	46
Employee profit-sharing		2,192	2,255	2,192	-	2,255
Miscellaneous human resources (incl. unemployment compensation provision)		919	880	879	32	888
TOTAL		58,893	6,058	9,357	292	55,301

(a) The allocation for the fiscal year includes in particular €0.9 million in connection with the dismantling assets, €2.3 million for staff profit sharing, €0.9 million to cover the risks on customer receivables, and €0.8 million corresponding to projected unemployment compensation paid by IRSN to the former employees concerned as at December 31, 2016, as IRSN provides unemployment coverage for its employees. The write-backs consist mainly of use of the provision for the dismantling of facilities (€3.9 million) (2016 expenditure), use of the provision for cleanup of the Feurs site (€0.9 million), and write-back of the profit-sharing reserve.

(b) The provision for dismantling equipment and facilities, which also covers the disposal of contaminated waste, stood at €42.8 million as at December 31, 2016 and is made up of:

- The PHEBUS reactor (INB 92): €2.3 million;
- The FPT rod assemblies associated with the PHEBUS facility: €2.4 million;
- The CABRI facility (INB 24) and related waste: €31.0 million;
- The Valduc regulated nuclear defense facility (INBS 010) and related waste: €3.7 million; and,
- ICPes: €3.3 million.

(c) The allocation for the fiscal year to the provision for employment disputes was €0.3 million related to the closure of the Seyne-sur-Mer site and €0.3 million for ongoing proceedings.

NOTE 22 – DEBT MATURITIES

At the end of the fiscal year the situation is as follows:

in € thousands

	12/31/2016 Gross	Maturing in less than 1 year	Maturing in 1 - 5 years	Maturing in more than 5 years
Bank borrowings	13,757	585	2,998	10,873
Prepayments and advances received	7,303	7,303	-	-
Trade notes and accounts payable	19,573	19,573	-	-
Tax and social liabilities	21,344	21,344	-	-
Other operating liabilities	-	-	-	-
Trade notes	3,170	3,170	-	-
Other liabilities	809	809	-	-
TOTAL	65,956	52,784	2,298	10,873

NOTE 24 – TRADE NOTES AND ACCOUNTS PAYABLE

Trade payables at the end of the fiscal year can be broken down as follows:

in € thousands

	Notes	12/31/2016	12/31/2015
Suppliers -Purchases of goods and services	(a)	4,307	90
Travel expenses	-	29	-
Suppliers - Holdbacks	-	375	46
Suppliers - Expenses payable	(b)	14,862	54,535
Trade notes and accounts payable	-	3,170	11,647
TOTAL		22,743	66,317

(a) The position at the end of 2015 resulted from advance payments in preparation for the switchover of the accounting system to GBCP mode.

(b) The expenses payable fell sharply as a result of the end of negotiations with CEA on the operation of the CABRI reactor and standardization of the handling of certain matters.

NOTE 23 – BANK BORROWINGS

As at December 31, 2016, the borrowing situation is as follows:

in € thousands

	12/31/2015	Reimbursement	12/31/2016
Crédit Agricole loan	14,190	(499)	13,691
Accrued interest not yet due	68	-	66
TOTAL	14,258		13,757

NOTE 25 – TAX AND SOCIAL WELFARE LIABILITIES

At the end of the fiscal year, the accounting situation is as follows:

<i>in € thousands</i>	Notes	12/31/2016	12/31/2015
Employee - related liabilities		13,385	13,316
Provision for paid leave		9,200	9,221
Other personnel liabilities		4,185	4,095
Social organizations		9,204	6 688
Social security contributions/PL		4,508	4,518
Other liabilities / social organizations		4,696	2,170
Government - VAT	(a)	(1,369)	5,643
Other taxes and duties		124	1,288
Employment taxes to be paid		124	129
Other		-	1,159
TOTAL		21,344	26,935

(a) The VAT position shows a €7 million difference due to the reclassification of VAT to be paid, amounting to €6 million, as a tax liability from 2016, and to a reduction in VAT collected of €1 million associated with a drop in customer receivables (see Note 14).

NOTE 26 – OTHER NON-FINANCIAL LIABILITIES

The significant elements of this item are as follows:

<i>in € thousands</i>	12/31/2016	12/31/2015
Other liabilities	809	454
TOTAL	809	454

NOTE 27 – OTHER INFORMATION

Post-closing events

None.

Situation with regard to corporate tax

IRSN has a loss to carry over.

The following are excluded: taxable activities and all funding of public service, research and teaching missions, whether or not they are carried out in partnership with public- or private-sector organizations. Conversely, all activities subject to corporate tax correspond to «lucrative» operations, carried out under similar conditions to commercial companies.

The loss to carry over in 2016 was estimated at €61 million.

Off-balance sheet commitments

• Retirement commitments (calculated in accordance with IAS 19): €18.9 million gross, or €29.1 million including an estimate of social security costs. The following assumptions were made:

- Discount rate 1.0%
- Age at retirement: 62 years for non-executive staff and 65 years for executive staff
- Turnover rate used: 4.2%
- Salary increase rate: 1.9%
- Leasing: None.

• On July 7, 2014, IRSN signed a public-private partnership (PPP) for the construction of a building on its Fontenay-aux-Roses site. The contract represents a commitment over 25 years. The total investment is for €42.5 million, of which €9.5 million paid by IRSN was booked as fixed assets in progress as at December 31, 2016. The €36.0 million debt will be booked when the asset is commissioned in 2017, as recommended by the DGFIP (BOFIP-GCP-140011 dated July 21, 2014).

Workforce

IRSN employed a paid workforce of 1731 as at December 31, 2016 (excluding work-study program contracts). This figure can be broken down as follows:

- Permanent managerial contracts: 1229
- Permanent non-managerial contracts: 389
- Fixed-term contracts: 113

AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS



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Rapport du commissaire aux comptes sur les comptes annuels

Exercice clos le 31 décembre 2016

Mesdames, Messieurs,

En exécution de la mission qui nous a été confiée par le Ministère de l'économie, de l'industrie et du numérique, nous vous présentons notre rapport relatif à l'exercice clos le 31 décembre 2016, sur :

- le contrôle des comptes annuels de l'IRSN, tels qu'ils sont joints au présent rapport ;
- la justification de nos appréciations ;
- les vérifications et informations spécifiques prévues par la loi.

Les comptes annuels ont été arrêtés par votre Conseil d'administration. Il nous appartient, sur la base de notre audit, d'exprimer une opinion sur ces comptes.

1 Opinion sur les comptes annuels

Nous avons effectué notre audit selon les normes d'exercice professionnel applicables en France ; ces normes requièrent la mise en œuvre de diligences permettant d'obtenir l'assurance raisonnable que les comptes annuels ne comportent pas d'anomalies significatives. Un audit consiste à vérifier, par sondages ou au moyen d'autres méthodes de sélection, les éléments justifiant des montants et informations figurant dans les comptes annuels. Il consiste également à apprécier les principes comptables suivis, les estimations significatives retenues et la présentation d'ensemble des comptes. Nous estimons que les éléments que nous avons collectés sont suffisants et appropriés pour fonder notre opinion.

Nous certifions que les comptes annuels sont, au regard des règles et principes comptables français, réguliers et sincères et donnent une image fidèle du résultat des opérations de l'exercice écoulé ainsi que de la situation financière et du patrimoine de l'établissement à la fin de cet exercice.

Sans remettre en cause l'opinion exprimée, ci-dessus, nous attirons votre attention sur les notes « 8 – Dotations et reprises sur amortissements et provisions, dépréciations (hors VNC des actifs cédés) » et « 10 – Immobilisations corporelles et incorporelles » de l'annexe qui expose les conséquences sur les comptes de l'exercice 2016 du renforcement du suivi des immobilisations et notamment de la prise en compte du résultat de l'inventaire réalisé de 2012 à 2014, point qui avait fait l'objet d'une réserve dans notre rapport sur les comptes 2015

KPMG S.A.,
société française membre du réseau KPMG
constitué de cabinets indépendants adhérents de
KPMG International Cooperative, une entité de droit suisse.

Société anonyme d'expertise
comptable et de commissariat
aux comptes à direction et
contrôle de surveillance
inscrits au Tableau de l'Ordre
à Paris sous le n° 14-3090101
et à la Compagnie Régionale
des Commissaires aux Comptes
de Versailles.

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Institut de Radioprotection et de Sécurité Nucléaire (IRSN)
Rapport du commissaire aux comptes sur les comptes annuels
8 mars 2017

2 Justification des appréciations

En application des dispositions de l'article L.823-9 du code de commerce relatives à la justification de nos appréciations, nous portons à votre connaissance les éléments suivants :

Immobilisations corporelles et incorporelles

La note « 1.2.1 – Immobilisations corporelles et incorporelles » de l'annexe expose les règles et méthodes comptables relatives à la comptabilisation des immobilisations corporelles et incorporelles.

Dans le cadre de notre appréciation des principes comptables suivis par votre société, nous avons examiné les modalités de l'inscription à l'actif des immobilisations corporelles et incorporelles ainsi que celles retenues pour leur amortissement et nous nous sommes assurés que les notes « 8 – Dotations et reprises sur amortissements et provisions, dépréciations (hors VNC des actifs cédés) » et « 10 – Immobilisations corporelles et incorporelles » de l'annexe fournissent une information appropriée.

Provisions pour risques et charges

Votre établissement constitue des provisions pour couvrir ses passifs de démantèlement et d'assainissement, tels que décrits dans la note « 20 – Provisions pour risques et charges » de l'annexe.

Dans le cadre de nos travaux, nous avons apprécié le caractère approprié et raisonnable des hypothèses retenues concernant les estimations de ces passifs. Nous rappelons toutefois que, ces estimations étant fondées sur des prévisions présentant par nature, un caractère incertain, les réalisations pourraient différer, parfois de manière significative, des prévisions.

Les appréciations ainsi portées s'inscrivent dans le cadre de notre démarche d'audit des comptes annuels, pris dans leur ensemble, et ont donc contribué à la formation de notre opinion exprimée dans la première partie de ce rapport.

DM-171-26 - Exercice clos le 31 décembre 2016

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*Institut de Radioprotection et de Sûreté Nucléaire (IRSN)
Rapport du commissaire aux comptes sur les comptes annuels
8 mars 2017*

3 Vérifications et informations spécifiques

Nous avons également procédé, conformément aux normes d'exercice professionnel applicables en France, aux vérifications spécifiques prévues par la loi.

Nous n'avons pas d'observation à formuler sur la sincérité et la concordance avec les comptes annuels des informations données dans le rapport de gestion du Directeur général et dans les documents adressés sur la situation financière et les comptes annuels.

Paris La Défense, le 8 mars 2017

KPMG Audit
Département de KPMG S.A.



Denis Marangé
Associé

The logo for IRSN, featuring the letters 'IRSN' in a bold, sans-serif font. The 'I' and 'R' are red, the 'S' is blue, and the 'N' is red with a blue vertical bar on its right side.

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