



**PROJECTED FINANCIAL STATEMENT**  
for twelve months  
ending December 31, 2012

JULIUS BERGER NIGERIA PLC  
RC No.: 6852

**SUMMARY OF PROJECTED RESULTS FOR TWELVE MONTHS ENDING DECEMBER 31, 2012**

	<b>N'000</b>
Turnover	<u>175,001,428</u>
Profit before tax	9,568,846
Taxation	<u>(4,318,800)</u>
Profit after tax	<u><u>5,250,046</u></u>

**BY ORDER OF THE BOARD**

**CECILIA MADUEKE  
COMPANY SECRETARY  
SEPTEMBER 06, 2012**

***Note: visit our website @ [www.julius-berger.com](http://www.julius-berger.com) for detailed projected results.***

**SUMMARY OF PROJECTED FINANCIAL STATEMENTS FOR  
TWELVE MONTHS ENDING DECEMBER 31, 2012**

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**PROJECTED STATEMENT OF COMPREHENSIVE INCOME FOR  
TWELVE MONTHS ENDING DECEMBER 31**

	2012	2011	AUDITED DEC '2011
	N'000	N'000	N'000
Revenue	175,001,428	160,500,000	167,398,723
Cost of sales	(138,596,595)	(130,979,600)	(134,126,771)
<b>Gross profit</b>	<b>36,404,833</b>	<b>29,520,400</b>	33,271,952
Other gains and losses	379,923	798,042	1,516,131
	36,784,756	30,318,442	34,788,083
Marketing expenses	(145,848)	(91,479)	(91,479)
Administrative expenses	(24,964,379)	(19,266,580)	(22,413,739)
<i>Operating profit</i>	<i>11,674,530</i>	<i>10,960,383</i>	<i>12,282,865</i>
Net financing cost	(2,105,684)	(2,660,382)	(1,946,713)
<b>Profit before tax</b>	<b>9,568,846</b>	<b>8,300,001</b>	<b>10,336,152</b>
Income tax expenses	(4,318,800)	(5,172,500)	(5,461,817)
<b>Profit after taxation</b>	<b>5,250,046</b>	<b>3,127,501</b>	<b>4,874,335</b>
Retained profit for the year	5,250,046	3,127,501	4,874,335
Earnings per share (Naira)	<b>4.38</b>	<b>2.61</b>	<b>4.06</b>

**PROJECTED STATEMENT OF FINANCIAL POSITION FOR  
TWELVE MONTHS ENDING DECEMBER 31**
**NON- CURRENT ASSETS**

Property, plant and equipment	61,081,497	59,345,946	55,488,667
Investment in subsidiaries	7,321,951	213,990	273,990
Contract receivables	16,054,475	-	-
Non-current tax receivable	7,717,566	6,000,000	12,280,502
Deferred tax assets	5,277,451	6,320,609	7,416,251
<b>Total noncurrent assets</b>	<b>97,452,940</b>	<b>71,880,545</b>	<b>75,459,410</b>

**CURRENT ASSETS**

Inventories	18,047,732	15,785,235	18,096,386
Contract receivables	35,151,577	32,518,582	39,522,873
Current tax receivable	29,824,483	14,856,555	23,226,833
Amount due from subsidiaries	2,366,578	576,211	1,764,134
Non- current assets classified as held for sale	451,383	711,495	336,269
Other receivables & prepayments	7,095,966	16,296,756	6,146,735
Cash and cash equivalents	10,574,445	19,380,908	11,658,397
<b>Total current assets</b>	<b>103,512,164</b>	<b>100,125,742</b>	<b>100,751,627</b>

**CURRENT LIABILITIES**

Trade and other payables	(21,632,606)	(8,384,829)	(8,766,475)
Amount due to related party	(630,652)	(650,550)	(1,668,879)
Borrowings	(27,071,029)	(16,453,144)	(16,038,018)
Current tax payable	(4,318,800)	(5,172,500)	(3,450,695)
Retirement benefit liabilities	(4,311,709)	-	(6,069,307)
Other creditors	(37,114,979)	(36,375,200)	(37,503,987)
<b>Total current liabilities</b>	<b>(95,079,775)</b>	<b>(67,036,223)</b>	<b>(73,497,361)</b>
Net current assets/(liabilities)	8,432,389	33,089,519	27,254,266

**TOTAL ASSETS LESS CURRENT LIABILITIES**
**NON- CURRENT LIABILITIES**

Trade and other payables	(84,396,996)	(80,178,468)	(78,906,514)
Borrowings	-	-	-
Retirement benefit liabilities	(1,680,555)	(8,500,000)	(4,230,630)
Deferred tax liabilities	(7,345,591)	(7,947,086)	(9,484,391)
<b>NET ASSETS</b>	<b>12,462,187</b>	<b>8,344,510</b>	<b>10,092,141</b>

**CAPITAL AND RESERVES**

Share capital	600,000	600,000	600,000
Share premium	425,440	425,440	425,440
Retained earnings	11,436,747	7,319,070	9,066,701
	<b>12,462,187</b>	<b>8,344,510</b>	<b>10,092,141</b>

**Reconciliation of General Reserve**

At 1 January	9,066,701	6,591,569	6,591,569
Dividend	(2,880,000)	(2,400,000)	(2,400,000)
Unclaimed dividend transferred to reserve	-	-	797
Retained profit for the period	5,250,046	3,127,501	4,874,335
At 31 December	<b>11,436,747</b>	<b>7,319,070</b>	<b>9,066,701</b>

**STATEMENT OF CASHFLOWS - PROJECTIONS FOR  
TWELVE MONTHS ENDING DECEMBER 31**

	<b>2012</b>	<b>AUDITED</b>
	<b>N'000</b>	<b>2011</b>
		<b>N'000</b>
<b>Cashflows from operating activities</b>		
Cash receipts from customers	135,040,309	143,200,033
Cash paid to suppliers and employees	(121,031,103)	(123,032,712)
<b>Cash flows (used in)/provided by operating activities</b>	<b>14,009,206</b>	<b>20,167,321</b>
Interest paid	(2,592,575)	(1,946,713)
Tax paid	(761,404)	(963,135)
<b>Net cash (used in)/provided by operating activities</b>	<b>10,655,227</b>	<b>17,257,473</b>
<b>Cashflows from investing activities:</b>		
Interest received	170,397	99,303
Investment	(7,047,961)	(77,715)
Proceeds from sale of fixed assets	379,923	2,146,789
Purchase of fixed assets	(12,137,445)	(8,449,242)
<b>Net cash (used in)/provided by investing activities:</b>	<b>(18,635,086)</b>	<b>(6,280,865)</b>
<b>Cashflows from financing activities:</b>		
Loan received	-	-
Loan repayment	(1,257,104)	(2,047,739)
Dividend paid	(2,880,000)	(2,169,602)
<b>Net cash used in financing activities:</b>	<b>(4,137,104)</b>	<b>(4,217,341)</b>
Net increase in cash and cash equivalents	(12,116,963)	6,759,267
Cash and cash equivalent at 1 January	(4,379,621)	(11,138,888)
Cash and cash equivalent at 31 December	<b>(16,496,584)</b>	<b>(4,379,621)</b>
Cash and bank balances	10,574,445	11,658,397
Bank overdrafts	(27,071,029)	(9,237,262)
Bank loans	-	(1,257,104)
Promisory notes	-	(5,543,652)
	<b>(16,496,584)</b>	<b>(4,379,621)</b>

## 1. GENERAL INFORMATION

Julius Berger Nigeria Plc (the Company) was incorporated as a private limited liability company in 1970 and was converted to a public liability company in 1979 and the company's shares are quoted on the Nigerian Stock Exchange. The principal activities of the Company cover planning, design and construction of civil engineering and building works. The subsidiaries, Abumet (Nigeria) Limited in which the Company owns 70%, is involved in the manufacturing and installation of building aluminium components while Julius Berger Services Nigeria Limited a wholly owned subsidiary, is involved in port management services. Other subsidiaries include Julius Berger Medical Services Nigeria limited which is wholly owned and is into the provision of medical services while Primetech Engineering and Design Nigeria limited also wholly owned is into architectural and engineering design. Julius Berger Investments Limited is a wholly owned subsidiary and was incorporated in June 2012 as an investment company to acquire securities and act as investment managers. Julius Berger International GmbH Wiesbaden - Germany was acquired in May 2012 with 60% shares as Procurement and Supporting Unit of the JB Group.

## 2. Basis of preparation of financial statements

These financial statements are the projections of interim financial statement (hereafter "the Interim Financial Statements") of Julius Berger Nigeria Plc for twelve-month period ending December 31, 2012 (hereafter "the interim period"). They are prepared in accordance with International Accounting Standard 34 (IAS 34), Interim Financial Reporting. These Interim Financial Statements should be read in conjunction with the audited Financial Statements for the year ended December 31, 2011 prepared under local GAAP (hereafter "the Annual Financial Statements"), as they provide an update of previously reported information. The FRCN requires all publically quoted companies to prepare their financial statements under the IFRS from 2012. The Interim Financial Statements have been prepared in accordance with the accounting policies set out in the Annual Financial Statements. The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. Where necessary, comparative information has been reclassified or expanded from the previously reported Interim Financial Statements to take into account any presentational changes made in the Annual Financial Statements or in these Interim Financial Statements.

## 3. Segmental Analysis of Continuing operations

Julius Berger Nigeria Plc has three divisions which offer construction, civil engineering, building and facility management services to third parties across Nigeria. Julius Berger Nigeria Plc is organised by division, each of which is managed separately and considered to be a reportable segment. The Managing Director together with senior executive management constitute the chief operating decision maker and they regularly review the performance of these divisions. Details of the services offered by these divisions are provided in the business and financial review in the Annual financial statement.

	TWELVE MONTHS ENDING DECEMBER 31			
	Revenue		Profit/(loss)	
	2012 =N=	2011 =N=	2012 =N=	2011 =N=
<b>Revenue and results</b>				
<b>Class of business:</b>				
Civil works	117,268,457	107,551,050	16,574,330	15,560,456
Building works	55,457,953	50,862,450	3,491,852	3,278,251
Services	2,275,019	2,086,500	(8,391,652)	(7,878,323)
	<b>175,001,428</b>	<b>160,500,000</b>	11,674,530	10,960,383
Net financing costs			(2,105,684)	(2,660,382)
<b>Profit before income tax</b>			<b>9,568,846</b>	<b>8,300,001</b>
			<i>Period ending December 31</i>	
<b>4. Financial income and financing costs</b>			<b>2012</b>	<b>2011</b>
<b>Financial income</b>			<b>=N=</b>	<b>=N=</b>
Interest on deposits			(51,718)	(82,493)
Other interest income			(118,679)	(16,809)
Foreign exchange gains			(1,288,504)	(3,144,585)
<b>Financing costs</b>				
Interest on overdraft			1,948,328	1,044,919
Interest on loan			644,247	901,793
Other finance charges			246,646	139,919
Foreign exchange losses			725,364	3,817,638
<b>Net financing costs</b>			<b>2,105,684</b>	<b>2,660,382</b>

## **5. Related party transactions**

The Company entered into various transactions with related parties ranging from purchase of goods or services, to expenses incurred by the related party on behalf of the Company. Related parties to the Company are as listed:

- Bilfinger Berger: The Company is an associated Company of Bilfinger Berger that owns 39.87% stake in Julius Berger Nigeria PLC.
- Abumet (Nigeria) Limited: Subsidiary Company in which Julius Berger Nigeria PLC owns 70% stake.
- Julius Berger Services Nigeria Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger Medical Services Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Primetech Design and Engineering Nigeria Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger Investments Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger International Germany GmbH: A subsidiary which Julius Berger Nigeria PLC owns 60% stake.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been completed at arms length.

## **6. Retirement benefit liabilities**

Obligations under defined benefit plans are calculated separately for each plan by estimating the benefit amount that employees have earned in return for their service in the current and prior periods which represent employees' terminal gratuities based on qualifying years of service and applicable emoluments as per operating collective agreement. Management has decided to settle the obligations and it is probable that the amounts due will be paid. Consequently this had been incorporated in the preparation of these interim financial statements.

During the year, an agreement was reached between the construction industry and the National Joint Industrial Council to liquidate the accumulated staff retirement benefits and henceforth, to settle staff retirement benefit and gratuities on annual basis. The Group has commenced in the year, the process of liquidating the outstanding staff retirement benefits and gratuities.



## **UNDERLYING ASSUMPTIONS FOR PROJECTED FINANCIAL STATEMENTS FOR TWELVE MONTHS ENDING DECEMBER 31, 2012**

### **1. BASIS OF ASSUMPTION**

The preparation of this projection of Interim Financial Statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, and other disclosures considered significant at the date of the Interim Financial Statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the Interim Financial Statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

### **2. TURNOVER**

Revenue is measured at the fair value of the consideration received or receivable. The expected revenue for the period ending December 31, 2012 has been determined based on the quantum of revenue booked and recognised as at August 31, 2012 and is dependent upon the terms of the contract between the entity and its numerous clients.

### **3. COST OF SALES**

The cost of materials has been ascertained based on the bill of quantities as per contract agreements and the estimated level of work to be approved by the respective certificates of valuation. Performance still to be executed, cost already booked and also the proportion of cost still to be expected has been considered accordingly. The same procedure was applied for the development of inventories, PPE and Work in Progress.

### **4. CASH AND BANK**

The level of cash flow has been estimated using the cash flow analysis of expected cash receipts and payments in line with the budgeted cash flow for the company. However, the Cash Flow Planning and consequently the development of Bank and Cash Balances as at December 31, 2012 are based on expected fund releases of our clients. The Company invested in a foreign subsidiary within the period. Consequently, this had been considered in the preparation of this forecast.

### **5. RECEIVABLES**

Receivables include contract receivables, which are amounts due from clients for construction, civil or building works or services performed in the normal course of business. Efforts are geared by management towards recovery of all outstanding debts and settlement of liabilities as at when due. This had been incorporated in the preparation of this forecast.

### **6. PAYABLES**

Trade and other payables represent advances from customer prepayments for performance of services related construction contracts which are expected to be recovered and are classified as current liabilities at the end of the period if they are to be recovered within one year or the operating cycle; otherwise, they are classified as noncurrent.

### **7. DIVIDENDS**

The Directors propose that a dividend of 240k per ordinary share will be paid to the shareholders. The dividend was approved at the Annual General Meeting and payment has commenced with deduction of withholding tax at the appropriate rate and this had been incorporated in the preparation of this forecast. The total amount of estimated dividend to be paid is N2,880million in the year).