



**JULIUS BERGER**

**PROJECTED CONSOLIDATED FINANCIAL STATEMENT  
FOR THREE MONTHS ENDING MARCH 31, 2014**

Julius Berger Nigeria Plc  
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Utako 900 108 | Abuja FCT  
RC No. 6852

**PROJECTED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THREE MONTHS ENDING MARCH 31, 2014**

**SUMMARY**

**N'000**

Turnover	46,662,000
Profit before tax	2,555,746
Taxation	(1,482,333)
Profit after tax	<b>1,073,413</b>

**BY ORDER OF THE BOARD**

**CECILIA MADUEKE  
COMPANY SECRETARY  
DECEMBER 05, 2013**

*For more information please visit [www.julius-berger.com](http://www.julius-berger.com).*

**PROJECTED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THREE MONTHS ENDING MARCH 31, 2014**

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**PROJECTED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND  
PROFIT OR LOSS FOR THREE MONTHS ENDING MARCH**

	<b>2014</b>	<b>2013</b>
	<b>N'000</b>	<b>N'000</b>
Revenue	46,662,000	47,991,732
Cost of sales	(36,196,822)	(37,015,797)
<b>Gross profit</b>	<b>10,465,178</b>	<b>10,975,935</b>
Other gains and losses	286,332	279,970
	10,751,510	11,255,905
Marketing expenses	(25,678)	(40,437)
Administrative expenses	(7,266,767)	(7,544,808)
<i>Operating profit</i>	<i>3,459,065</i>	<i>3,670,661</i>
Net financing cost	(903,319)	(994,137)
<b>Profit before tax</b>	<b>2,555,746</b>	<b>2,676,524</b>
Income tax expenses	(1,482,333)	(1,545,999)
<b>Profit after taxation</b>	<b>1,073,413</b>	<b>1,130,525</b>
Non-controlling interest	<b>(3,000)</b>	<b>(4,000)</b>
Retained profit for the year	1,073,413	1,126,525
<b>Other comprehensive income for the year net of taxes</b>		
Foreign currency translation reserves	61,942	49,554
<b>Total comprehensive income</b>	<b>1,135,355</b>	<b>1,176,079</b>
<b>Attributable to:</b>		
Owners of the company	1,044,527	1,081,992
Non-controlling interests	90,828	94,086
	<b>1,135,355</b>	<b>1,176,079</b>
<b>Basic earnings per share (Naira)</b>	<b>0.95</b>	<b>0.98</b>
<b>Diluted earnings per share (Naira)</b>	<b>0.95</b>	<b>0.98</b>

**PROJECTED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
FOR THREE MONTHS ENDING MARCH 31**
**NON- CURRENT ASSETS**

Property, plant and equipment	64,036,738	58,579,027
Contract receivables	15,959,662	15,827,611
Non-current tax receivable	11,008,903	10,240,255
Deferred tax assets	2,800,097	3,017,036
<b>Total noncurrent assets</b>	<b>93,805,399</b>	<b>87,663,929</b>

**CURRENT ASSETS**

Inventories	9,083,947	10,188,923
Construction-in-progress	5,400,000	5,000,000
Contract receivables	39,468,199	36,434,582
Current tax receivable	23,613,767	15,389,156
Non- current assets classified as held for sale	705,000	750,321
Other receivables & prepayments	3,832,570	2,592,081
Cash and cash equivalents	14,273,877	25,386,747
<b>Total current assets</b>	<b>96,377,360</b>	<b>95,741,809</b>

**CURRENT LIABILITIES**

Trade and other payables	(38,534,591)	(33,643,082)
Borrowings	(10,332,619)	(21,868,169)
Current tax payable	(1,482,333)	(1,545,999)
Retirement benefit liabilities	(3,200,000)	(1,729,263)
Other creditors	(13,127,998)	(11,106,428)
<b>Total current liabilities</b>	<b>(66,677,541)</b>	<b>(69,892,941)</b>

Net current assets/(liabilities)	29,699,819	25,848,868
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**TOTAL ASSETS LESS CURRENT LIABILITIES**

123,505,218	113,512,797
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**NON- CURRENT LIABILITIES**

Trade and other payables	(93,264,911)	(84,812,037)
Borrowings	(7,412,012)	(9,320,000)
Retirement benefit liabilities	-	-
Deferred tax liabilities	(6,004,000)	(5,666,877)

**NET ASSETS**

<b>16,824,296</b>	<b>13,713,882</b>
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**CAPITAL AND RESERVES**

Share capital	600,000	600,000
Share premium	425,440	425,440
Retained earnings	16,787,296	12,563,272
Non-controlling interest	162,171	125,171
<b>17,974,907</b>	<b>13,713,883</b>	

**STATEMENT OF CHANGES IN EQUITY**

At 1 January	15,713,883	11,436,747
Share Capital	600,000	600,000
Share premium	425,440	425,440
Non-controlling interests	162,171	125,171
Retained profit for the period	1,073,413	1,126,525
<b>At 31 March</b>	<b>17,974,907</b>	<b>13,713,883</b>

	<b>2014</b>	<b>2013</b>
	<b>N'000</b>	<b>N'000</b>
<b>Cashflows from operating activities</b>		
Cash receipts from customers	35,877,771	35,473,125
Cash paid to suppliers and employees	(30,049,857)	(34,722,572)
<b>Cash flows (used in)/provided by operating activities</b>	<b>5,827,914</b>	<b>750,553</b>
Interest paid	(886,790)	(731,332)
Tax paid	(231,689)	(241,640)
<b>Net cash (used in)/provided by operating activities</b>	<b>4,709,436</b>	<b>(222,419)</b>
<b>Cashflows from investing activities:</b>		
Interest received	18,608	28,456
Purchase of bond	-	(1,308,000)
Investment	-	(207,595)
Proceeds from sale of fixed assets	234,214	285,165
Purchase of fixed assets	(2,932,486)	(2,429,445)
<b>Net cash (used in)/provided by investing activities:</b>	<b>(2,679,664)</b>	<b>(3,631,419)</b>
<b>Cashflows from financing activities:</b>		
Loan received	-	7,200,000
Loan repayment	(1,700,526)	(1,651,000)
Dividend paid	-	-
<b>Net cash used in financing activities:</b>	<b>(1,700,526)</b>	<b>5,549,000</b>
Net increase in cash and cash equivalents	329,246	1,695,162
Cash and cash equivalent at 1 January	(3,800,000)	(7,496,584)
Cash and cash equivalent at 31 March	<b>(3,470,754)</b>	<b>(5,801,422)</b>
Cash and bank balances	14,273,877	25,386,747
Bank overdrafts	(10,332,619)	(21,868,169)
Bank loans	(7,412,012)	(9,320,000)
Promisory notes	-	-
	<b>(3,470,754)</b>	<b>(5,801,422)</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 90%, 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 2012 with 90% 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 Three-month period ending March 31, 2014 (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, 2012 prepared under IFRS (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 Six 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.

Revenue and results <i>Class of business:</i>	Three months ending March 31			
	Revenue		Profit/(loss)	
	2014 =N=	2013 =N=	2014 =N=	2013 =N=
Civil works	31,268,206	32,159,260	2,317,920	2,459,710
Building works	14,787,188	15,208,580	1,096,178	1,163,232
Services	606,606	623,893	44,968	47,719
	<b>46,662,000</b>	<b>47,991,732</b>	3,459,065	3,670,661
Net financing costs			(903,319)	(994,137)
<b>Profit before income tax</b>			<b>2,555,746</b>	<b>2,676,524</b>

## 4. Financial income and financing costs

### Financial income

Interest on deposits  
Other interest income  
Foreign exchange gains

### Financing costs

Interest on overdraft  
Interest on loan  
Other finance charges  
Foreign exchange losses

### Net financing costs

Period ending March 31	
2014 =N=	2013 =N=
(8,158)	(15,647)
(10,450)	(12,809)
(190,575)	(303,606)
527,780	564,655
191,501	216,693
359,010	166,677
34,212	378,173
<b>903,319</b>	<b>994,137</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 SE: The Company is an associated Company of Bilfinger SE that owns 39.87% stake in Julius Berger Nigeria PLC.
- Abumet Nigeria Limited: Subsidiary Company in which Julius Berger Nigeria PLC owns 90% 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 90% 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.



## **UNDERLYING ASSUMPTIONS FOR PROJECTED CONSOLIDATED FINANCIAL STATEMENTS FOR THREE MONTHS ENDING MARCH 31, 2014**

### **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 March 31, 2014 has been determined based on the quantum of revenue expected to be booked and recognised as at December 31, 2013 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 March 31, 2014 are based on expected fund releases of our clients. HSBC Installments are expected to be withdrawn in the period. Consequently, these 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. LONG TERM LOAN**

A new HSBC loan Facility was released to the Company in 2013 generating a long term bank Loan. Instalmental payment of the same facility is expected to continue in 2014 financial year. This development was considered in the preparation of this forecast

### **8. TAX RECEIVABLE**

Current tax receivable represents management's best estimate of expected utilization of withholding tax credit notes for settlement of companies income tax liabilities or recovery from tax authorities while the balance represents amounts expected to be recovered after more than one year.