



**PROJECTED CONSOLIDATED FINANCIAL  
STATEMENT FOR NINE MONTHS ENDING  
SEPTEMBER 30, 2014**

*More than a "Construction" Company*

**SUMMARY OF PROJECTED RESULTS FOR NINE MONTHS ENDING SEPTEMBER 30, 2014**

	<b>N'000</b>
Turnover	<u>155,222,000</u>
Profit before tax	9,608,242
Taxation	<u>(4,035,462)</u>
Profit after tax	<u><u><b>5,572,780</b></u></u>

**BY ORDER OF THE BOARD**

**CECILIA MADUEKE**  
**COMPANY SECRETARY**  
JUNE 07, 2014

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

**SUMMARY OF PROJECTED CONSOLIDATED FINANCIAL STATEMENTS  
FOR NINE MONTHS ENDING SEPTEMBER 30, 2014**

<b>CONTENTS</b>	<b>PAGE</b>
Summary of projected results	1
Table of contents	2
Projected consolidated statement of comprehensive income	3
Projected consolidated statement of financial position	4
Projected consolidated cash flow st	5
Selected footnote disclosures	6
Underlying assumptions	8

**PROJECTED CONSOLIDATED STATEMENT OF COMPREHENSIVE  
INCOME FOR NINE MONTHS ENDING SEPTEMBER 30**

	<b>2014</b>	<b>2013</b>
	<b>N'000</b>	<b>N'000</b>
Revenue	155,222,000	143,597,671
Cost of sales	(120,393,346)	(106,751,722)
<b>Gross profit</b>	<b>34,828,654</b>	<b>36,845,949</b>
Other gains and losses	2,265,723	(601,528)
	37,094,376	36,244,421
Marketing expenses	(51,824)	(83,407)
Administrative expenses	(26,298,886)	(26,099,818)
<i>Operating profit</i>	<i>10,743,666</i>	<i>10,061,198</i>
Net financing cost	(1,135,425)	(1,215,345)
<b>Profit before tax</b>	<b>9,608,242</b>	<b>8,845,853</b>
Income tax expenses	(4,035,462)	(2,830,673)
<b>Profit after taxation</b>	<b>5,572,780</b>	<b>6,015,180</b>
Retained profit for the year	5,572,780	6,015,180
<b>Other comprehensive Income for the year net of taxes</b>		
Exchange difference on translation of foreign operations	381,456	413,248
Actuarial gains on retirement benefits	-	-
<b>Total comprehensive income</b>	<b>5,954,236</b>	<b>6,428,428</b>
<b>Attributable to:</b>		
Owners of the Company	5,835,152	6,299,859
Non-controlling interests	119,085	128,569
	<b>5,954,236</b>	<b>6,428,428</b>
Earnings per share (Naira)	<b>4.86</b>	<b>5.25</b>

**PROJECTED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
FOR NINE MONTHS ENDING SEPTEMBER 30**
**NON- CURRENT ASSETS**

	2014 N'000	2013 N'000
Property, plant and equipment	68,859,948	59,359,699
Goodwill	4,842,708	4,729,290
Other intangible assets	118,297	122,123
Investment property	755,802	790,233
Contract receivables	2,012,801	1,566,067
Non-current tax receivable	33,805,556	22,356,956
Deferred tax assets	7,468,271	2,899,471
<b>Total noncurrent assets</b>	<b>117,863,383</b>	<b>91,823,839</b>

**CURRENT ASSETS**

Inventories	13,617,900	18,396,555
Construction-in-progress	14,676,558	8,285,790
Contract receivables	47,861,443	33,651,531
Current tax receivable	8,367,196	18,491,554
Non- current assets classified as held for sale	1,170,366	980,234
Other receivables & prepayments	13,246,110	5,451,554
Cash and cash equivalents	19,833,324	10,587,358
<b>Total current assets</b>	<b>118,772,898</b>	<b>95,844,576</b>

**CURRENT LIABILITIES**

Trade and other payables	(28,722,372)	(30,489,773)
Borrowings	(27,870,146)	(7,169,184)
Current tax payable	(4,035,462)	(2,830,673)
Retirement benefit liabilities	(100,234)	(93,195)
Other creditors	(42,987,000)	(34,399,848)
<b>Total current liabilities</b>	<b>(103,715,214)</b>	<b>(74,982,673)</b>

Net current assets/(liabilities)

15,057,684      20,861,903

**TOTAL ASSETS LESS CURRENT LIABILITIES**

132,921,067      112,685,742

**NON- CURRENT LIABILITIES**

Borrowings	(2,413,178)	(6,753,234)
Retirement benefit liabilities	(3,557,757)	(1,524,753)
Deferred tax liabilities	(12,336,676)	(5,693,035)
Other liabilities	(91,086,575)	(79,526,553)

**NET ASSETS**
**23,526,881      19,188,167**
**CAPITAL AND RESERVES**

Share capital	600,000	600,000
Share premium	425,440	425,440
Foreign currency translation reserve	504,021	402,301
Retained earnings	21,458,204	17,340,294
Attributable to owners of the company	22,987,665	18,768,035
Non-controlling interest	539,217	420,132

**23,526,881      19,188,167**
**Reconciliation of retained earnings**

At 1 January	18,863,052	14,040,435
Dividend	(3,240,000)	(3,000,000)
Buyback of non-controlling interest	-	-
Retained profit for the period	5,835,152	6,299,859
At 30 September	<b>21,458,204</b>	<b>17,340,294</b>



STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Attributable to owners of the Company	Attributable to non - controlling interest	Total equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
<b>Balance at 1 January 2014</b>	600,000	425,440	402,301	18,863,052	20,290,793	420,132	20,710,925
Profit for the year	-	-	-	5,835,152	5,835,152	107,783	5,942,934
Other comprehensive income( net of tax)	-	-	101,720	-	101,720	11,302	113,022
<b>Total comprehensive income for the year</b>	-	-	101,720	5,835,152	5,936,872	119,085	6,055,956
Dividends to shareholders	-	-	-	(3,240,000)	(3,240,000)	-	(3,240,000)
<b>Balance at 30 September 2014</b>	<b>600,000</b>	<b>425,440</b>	<b>504,021</b>	<b>21,458,204</b>	<b>22,987,665</b>	<b>539,217</b>	<b>23,526,881</b>

**STATEMENT OF CONSOLIDATED CASHFLOWS PROJECTIONS  
FOR NINE MONTHS ENDING SEPTEMBER 30**

	<b>2014</b>	<b>2013</b>
	<b>N'000</b>	<b>N'000</b>
<b>Cashflows from operating activities</b>		
Cash receipts from customers	140,565,354	130,110,953
Cash paid to suppliers and employees	(142,357,525)	(131,430,984)
<b>Cash flows (used in)/provided by operating activities</b>	<b>(1,792,171)</b>	<b>(1,320,031)</b>
Interest paid	(1,457,764)	(1,248,288)
Tax paid	(711,452)	(499,048)
<b>Net cash (used in)/provided by operating activities</b>	<b>(3,961,387)</b>	<b>(3,067,367)</b>
<b>Cashflows from investing activities:</b>		
Interest received	35,369	29,914
Purchase of investment	-	-
Investment income	-	-
Proceeds from sale of fixed assets	2,265,723	552,618
Purchase of fixed assets	(6,857,715)	(3,881,546)
<b>Net cash (used in)/provided by investing activities:</b>	<b>(4,556,623)</b>	<b>(3,299,014)</b>
<b>Cashflows from financing activities:</b>		
Loan received	-	12,526,621
Loan repayment	(3,284,000)	(3,108,124)
Dividend paid	(3,240,000)	(3,000,000)
<b>Net cash used in financing activities:</b>	<b>(6,524,000)</b>	<b>6,418,497</b>
Net increase in cash and cash equivalents	(15,042,010)	52,116
Cash and cash equivalent at 1 January	4,592,010	(3,387,176)
Cash and cash equivalent at 30 September	<b>(10,450,000)</b>	<b>(3,335,060)</b>
Cash and bank balances	19,833,324	10,587,358
Bank overdrafts	(27,870,146)	(7,169,184)
Bank loans	(2,413,178)	(6,753,234)
Promisory notes	-	-
	<b>(10,450,000)</b>	<b>(3,335,060)</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 May 2012 as Procurement and Supporting Unit of the JB Group. JBI is now a 90% owned subsidiary of Julius Berger Nigeria Plc.

### 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 nine-month period ending September 30, 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, 2013 prepared under IFRS (hereafter "the Annual Financial Statements"), as they provide an update of previously reported information. 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.

	NINE MONTHS ENDING SEPTEMBER 30			
	Revenue		Profit/(loss)	
	2014 =N=	2013 =N=	2014 =N=	2013 =N=
<b>Revenue and results</b>				
<b>Class of business:</b>				
Civil works	104,014,262	96,224,800	15,252,783	14,283,883
Building works	49,189,852	45,506,102	3,213,431	3,009,304
Services	2,017,886	1,866,770	(7,722,547)	(7,231,989)
	<b>155,222,000</b>	<b>143,597,671</b>	10,743,666	10,061,198
Net financing costs			(1,135,425)	(1,215,345)
<b>Profit before income tax</b>			<b>9,608,242</b>	<b>8,845,853</b>

### 4. FINANCIAL INCOME AND FINANCING COSTS

#### Financial income

	Period ending September 30	
	2014 =N=	2013 =N=
Interest on deposits	(35,369)	(29,914)
Other interest income	-	-
Foreign exchange gains	(1,105,482)	(1,841,699)

#### Financing costs

Interest on overdraft	1,157,641	1,143,548
Interest on loan	300,123	104,740
Other finance charges	530,564	320,272
Foreign exchange losses	287,948	1,518,398
<b>Net financing costs</b>	<b>1,135,425</b>	<b>1,215,345</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 Berger that owns 33.37% stake in Julius Berger Nigeria PLC.
- Abumet (Nigeria) Limited: This is a 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: This is a subsidiary Company in 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.

## **UNDERLYING ASSUMPTIONS FOR PROJECTED CONSOLIDATED FINANCIAL STATEMENTS FOR NINE MONTHS ENDING SEPTEMBER 30, 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 September 30, 2014 has been determined based on the quantum of revenue booked and recognised as at June 04, 2014 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 September 30, 2014 are based on expected fund releases of our clients. HSBC loans are expected to be paid installmenatally in the period.

### **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 calssified as noncurrent.

### **7. LONG TERM LOAN**

Repayment has commenced for the HSBC loan Facility which released to the Company in 2013. This development was considered in the preparation of this forecast.