



**PROJECTED CONSOLIDATED FINANCIAL
STATEMENT FOR THE YEAR ENDING
DECEMBER 31, 2014**

More than a "Construction" Company

SUMMARY OF PROJECTED RESULTS FOR THE YEAR ENDING DECEMBER 31, 2014

	N'000
Turnover	<u>207,208,000</u>
Profit before tax	12,843,855
Taxation	<u>(4,880,665)</u>
Profit after tax	<u><u>7,963,190</u></u>

BY ORDER OF THE BOARD

CECILIA MADUEKE
COMPANY SECRETARY
SEPTEMBER 08, 2014

Note: visit our website @ www.julius-berger.com for detailed projected results.

**SUMMARY OF PROJECTED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDING DECEMBER 31, 2014**

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**PROJECTED CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME FOR THE YEAR ENDING DECEMBER 31**

	2014	2013
	N'000	N'000
Revenue	207,208,000	207,400,000
Cost of sales	(160,942,387)	(159,120,492)
Gross profit	46,265,613	48,279,508
Other gains and losses	553,167	355,236
	46,818,780	48,634,744
Marketing expenses	(102,127)	(113,989)
Administrative expenses	(30,461,491)	(31,809,153)
<i>Operating profit</i>	<i>16,255,162</i>	<i>16,711,602</i>
Net financing cost	(3,411,308)	(2,993,434)
Profit before tax	12,843,855	13,718,168
Income tax expenses	(4,880,665)	(4,389,814)
Profit after taxation	7,963,190	9,328,354
Retained profit for the year	7,963,190	9,328,354
Other comprehensive Income for the year net of taxes		
Exchange difference on translation of foreign operations	600,164	464,904
Actuarial gains on retirement benefits	-	-
Total comprehensive income	8,563,354	9,793,258
Attributable to:		
Owners of the Company	8,392,087	9,597,392
Non-controlling interests	171,267	195,865
	8,563,354	9,793,258
Earnings per share (Naira)	6.99	8.16

**PROJECTED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDING DECEMBER 31**
NON- CURRENT ASSETS

	2014 N'000	2013 N'000
Property, plant and equipment	69,826,638	66,635,997
Goodwill	4,939,562	4,745,854
Other intangible assets	78,865	115,931
Investment property	1,955,427	800,000
Contract receivables	1,543,256	1,440,199
Non-current tax receivable	29,418,204	33,561,643
Deferred tax assets	7,468,271	2,899,471
Total noncurrent assets	115,230,223	110,199,095

CURRENT ASSETS

Inventories	10,045,120	10,975,183
Construction-in-progress	14,792,845	19,226,765
Contract receivables	49,782,953	46,439,547
Current tax receivable	8,367,196	6,910,690
Non- current assets classified as held for sale	1,496,811	1,068,400
Other receivables & prepayments	7,950,486	9,728,742
Cash and cash equivalents	19,878,446	18,428,084
Total current assets	112,313,857	112,777,411

CURRENT LIABILITIES

Trade and other payables	(37,682,592)	(39,119,073)
Borrowings	(27,941,997)	(17,351,472)
Current tax payable	(4,880,665)	(4,389,814)
Retirement benefit liabilities	(121,775)	(111,834)
Other creditors	(26,099,316)	(46,936,809)
Total current liabilities	(96,726,345)	(107,909,002)

Net current assets/(liabilities)

15,587,513 4,868,409

TOTAL ASSETS LESS CURRENT LIABILITIES

130,817,736 115,067,504

NON- CURRENT LIABILITIES

Borrowings	-	(5,148,113)
Retirement benefit liabilities	(4,174,435)	(1,789,044)
Deferred tax liabilities	(12,336,676)	(5,693,035)
Other liabilities	(88,090,438)	(80,197,282)

NET ASSETS

26,216,187 22,240,030

CAPITAL AND RESERVES

Share capital	660,000	600,000
Share premium	425,440	425,440
Foreign currency translation reserve	504,021	402,301
Retained earnings	24,015,139	20,371,969
Attributable to owners of the company	25,604,600	21,799,710
Non-controlling interest	611,587	440,320

26,216,187 22,240,030

Reconciliation of retained earnings

At 1 January	18,863,052	13,774,577
Dividend	(3,240,000)	(3,000,000)
Buyback of non-controlling interest	-	-
Retained profit for the year	8,392,087	9,597,392
At 31 December	24,015,139	20,371,969

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
Balance at 1 January 2014	660,000	425,440	402,301	18,863,052	20,350,793	440,320	20,791,113
Profit for the year	-	-	-	8,392,087	8,392,087	159,965	8,552,052
Other comprehensive income(net of tax)	-	-	101,720	-	101,720	11,302	113,022
Total comprehensive income for the year	-	-	101,720	8,392,087	8,493,807	171,267	8,665,074
Dividends to shareholders	-	-	-	(3,240,000)	(3,240,000)	-	(3,240,000)
Balance at 31 December 2014	660,000	425,440	504,021	24,015,139	25,604,600	611,587	26,216,187

**STATEMENT OF CONSOLIDATED CASHFLOWS PROJECTIONS
FOR THE YEAR ENDING DECEMBER 31**

	2014	2013
	N'000	N'000
Cashflows from operating activities		
Cash receipts from customers	153,761,537	130,055,236
Cash paid to suppliers and employees	(144,728,331)	(130,797,532)
Cash flows (used in)/provided by operating activities	9,033,206	(742,296)
Interest paid	(3,428,475)	(2,534,740)
Tax paid	(860,461)	(773,924)
Net cash (used in)/provided by operating activities	4,744,270	(4,050,960)
Cashflows from investing activities:		
Interest received	60,116	40,005
Purchase of investment	-	-
Investment income	10,800	-
Proceeds from sale of fixed assets	553,167	1,002,010
Purchase of fixed assets	(9,857,715)	(4,002,000)
Net cash (used in)/provided by investing activities:	(9,233,632)	(2,959,985)
Cashflows from financing activities:		
Loan received	-	12,526,621
Loan repayment	(4,926,200)	(3,200,000)
Dividend paid	(3,240,000)	(3,000,000)
Net cash used in financing activities:	(8,166,200)	6,326,621
Net increase in cash and cash equivalents	(12,655,561)	(684,324)
Cash and cash equivalent at 1 January	4,592,010	(3,387,176)
Cash and cash equivalent at 31 December	(8,063,551)	(4,071,500)
Cash and bank balances	19,878,446	18,428,084
Bank overdrafts	(27,941,997)	(17,351,472)
Bank loans	-	(5,148,113)
	(8,063,551)	(4,071,500)

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 serves as an investment company to acquire securities and act as investment portfolio managers. Julius Berger International GmbH Wiesbaden - Germany, a 90% owned subsidiary was acquired 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 the year ending December 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, 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.

Revenue and results	THE YEAR ENDING DECEMBER 31			
	Revenue		Profit/(loss)	
	2014 =N=	2013 =N=	2014 =N=	2013 =N=
<i>Class of business:</i>				
Civil works	138,850,081	138,978,740	23,077,454	23,725,461
Building works	65,664,215	65,725,060	4,861,919	4,998,440
Services	2,693,704	2,696,200	(11,684,211)	(12,012,299)
	207,208,000	207,400,000	16,255,162	16,711,602
Net financing costs			(3,411,308)	(2,993,434)
Profit before income tax			12,843,855	13,718,168

4. Financial income and financing costs

Financial income

	Period ending DECEMBER	
	2014 =N=	2013 =N=
Interest on deposits	(60,116)	(40,005)
Other interest income	-	-
Foreign exchange gains	(2,495,729)	(1,641,699)

Financing costs

Interest on overdraft	2,279,723	1,530,000
Interest on loan	1,148,752	1,004,740
Other finance charges	1,678,659	622,000
Foreign exchange losses	860,019	1,518,398
Net financing costs	3,411,308	2,993,434

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 33.4% 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 THE YEAR ENDING DECEMBER 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 December 31, 2014 has been determined based on the quantum of revenue expected to be booked and recognised as at September 08, 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 December 31, 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

The HSBC loan Facility which was released to the Company in 2013 inform of a long term bank Loan is being repaid. This development was considered in the preparation of this forecast.