



JULIUS BERGER *RC 6852*

**PROJECTED CONSOLIDATED FINANCIAL
STATEMENT FOR THE FOURTH QUARTER
ENDING DECEMBER 31, 2015**

More than a "Construction" Company

SUMMARY OF PROJECTED RESULTS FOR THE FOURTH QUARTER ENDING DECEMBER 31, 2015

	4th Quarter N'000	Year to Date N'000
Turnover	<u>34,523,545</u>	<u>148,957,282</u>
Profit before tax	1,671,200	7,160,276
Taxation	<u>(668,480)</u>	<u>(2,864,110)</u>
Profit after tax	<u>1,002,720</u>	<u>4,296,165</u>

BY ORDER OF THE BOARD

**CECILIA MADUEKE
COMPANY SECRETARY
SEPTEMBER 08, 2015**

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

**SUMMARY OF PROJECTED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FOURTH QUARTER YEAR ENDING DECEMBER 31, 2015**

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**PROJECTED CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME FOR FOURTH QUARTER ENDING DECEMBER 31**

	2015		2014	AUDITED DEC '2014 N'000
	3 months Oct - Dec N'000	12 months Jan - Dec N'000	3 months Oct - Dec N'000	
Revenue	34,523,545	148,957,282	62,162,400	196,808,632
Cost of sales	(27,354,106)	(113,489,506)	(48,282,716)	(146,313,712)
Gross profit	7,169,439	35,467,776	13,879,684	50,494,920
Other gains and losses	448,615	1,222,709	110,633	235,450
	7,618,055	36,690,486	13,990,317	50,730,370
Marketing expenses	(21,707)	(61,920)	(30,638)	(116,879)
Administrative expenses	(2,881,282)	(25,166,739)	(9,747,677)	(32,885,108)
<i>Operating profit</i>	4,715,066	11,461,827	4,212,002	17,728,383
Net financing cost	(3,043,866)	(4,301,551)	(1,159,845)	(4,593,487)
Profit before tax	1,671,200	7,160,276	3,052,158	13,134,896
Income tax expenses	(668,480)	(2,864,110)	(1,356,311)	(4,894,917)
Profit after taxation	1,002,720	4,296,165	1,695,846	8,239,979
Retained profit for the year	1,002,720	4,296,165	1,695,846	8,239,979
Other comprehensive Income for the year net of taxes				
Exchange difference on translation of foreign operations	120,544	502,000	200,055	257,239
Actuarial gains on retirement benefits	(32,459)	(120,000)	-	(234,303)
Total comprehensive income	1,090,805	4,678,165	1,895,901	8,262,915
Attributable to:				
Owners of the Company	1,079,897	4,631,384	1,857,983	8,088,795
Non-controlling interests	10,908	46,782	37,918	174,120
	1,090,805	4,678,165	1,895,901	8,262,915
Earnings per share (Naira)	0.82	3.51	1.41	6.13

**PROJECTED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE FOURTH QUARTER ENDING DECEMBER 31**

	2015	2014	AUDITED
	N'000	N'000	DEC '2014
			N'000
NON- CURRENT ASSETS			
Property, plant and equipment	62,993,157	69,826,638	68,369,671
Goodwill	4,560,348	4,939,562	4,606,412
Other intangible assets	38,701	78,865	77,402
Investment property	2,717,881	731,427	2,648,412
Trade and other receivables	1,318,479	2,500,100	2,334,764
Non-current tax receivable	31,064,698	29,418,204	35,060,509
Deferred tax assets	8,041,407	7,468,271	8,041,407
Total noncurrent assets	110,734,671	114,963,067	121,138,577
CURRENT ASSETS			
Inventories	8,264,988	10,045,120	12,111,830
Construction-in-progress	9,561,060	15,000,000	29,122,120
Trade and other receivables	83,583,552	57,733,440	63,425,208
Current tax receivable	5,864,110	8,367,196	5,575,112
Non- current assets classified as held for sale	1,390,273	1,496,811	1,199,775
Cash and cash equivalents	15,185,896	19,878,446	23,473,159
Total current assets	123,849,879	112,521,013	134,907,204
CURRENT LIABILITIES			
Trade and other payables	(34,040,549)	(37,742,592)	(42,138,848)
Borrowings	(30,189,521)	(27,941,997)	(34,809,060)
Current tax payable	(2,864,110)	(4,110,033)	(3,473,353)
Retirement benefit liabilities	(115,638)	(121,775)	(95,294)
Other creditors	(28,269,802)	(26,099,316)	(35,188,722)
Total current liabilities	(95,479,620)	(96,015,713)	(115,705,277)
Net current assets/(liabilities)	28,370,259	16,505,300	19,201,927
TOTAL ASSETS LESS CURRENT LIABILITIES	139,104,930	131,468,367	140,340,504
NON- CURRENT LIABILITIES			
Borrowings	-	-	(3,201,710)
Retirement benefit liabilities	(1,890,970)	(4,174,435)	(1,996,506)
Deferred tax liabilities	(13,220,121)	(12,336,676)	(13,220,121)
Other liabilities	(97,199,220)	(88,090,438)	(93,690,330)
Provision	-	-	(2,135,994)
NET ASSETS	26,794,618	26,866,818	26,095,843
CAPITAL AND RESERVES			
Share capital	660,000	600,000	660,000
Share premium	425,440	425,440	425,440
Foreign currency translation reserve	1,006,021	504,021	919,411
Retained earnings	23,989,536	24,710,357	23,420,332
Attributable to owners of the company	26,080,997	26,239,818	25,425,183
Non-controlling interest	713,622	627,000	670,660
	26,794,618	26,866,818	26,095,843
Reconciliation of retained earnings			
At 1 January	23,420,332	18,863,052	18,863,052
Retained profit for the period	4,253,204	9,147,305	8,091,583
Dividend	(3,564,000)	(3,300,000)	(3,240,000)
Other comprehensive income	(120,000)	-	(234,303)
Issued share capital (NCI)	-	-	(60,000)
At 31 December	23,989,536	24,710,357	23,420,332

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 2015	660,000	425,440	919,411	23,420,332	25,425,183	670,660	26,095,843
Profit for the year	-	-	-	4,253,204	4,253,204	42,962	4,296,165
Other comprehensive income(net of tax)	-	-	86,610	(120,000)	(33,390)	-	(33,390)
Total comprehensive income for the year	-	-	86,610	4,133,204	4,219,814	42,962	4,262,775
Dividends to shareholders	-	-	-	(3,564,000)	(3,564,000)	-	(3,564,000)
Balance at 31 December 2015	660,000	425,440	1,006,021	23,989,536	26,080,997	713,622	26,794,618

**STATEMENT OF CONSOLIDATED CASHFLOWS PROJECTIONS
FOR THE FOURTH QUARTER ENDING DECEMBER 31**

	2015	2014
	N'000	N'000
Cashflows from operating activities		
Cash receipts from customers	144,014,466	202,804,693
Cash paid to suppliers and employees	(136,597,117)	(194,133,348)
Cash flows (used in)/provided by operating activities	7,417,349	8,671,345
Interest paid	(5,407,430)	(3,428,475)
Tax paid	(117,853)	(724,599)
Net cash (used in)/provided by operating activities	1,892,066	4,518,271
Cashflows from investing activities:		
Interest received	53,049	60,116
Purchase of investment	(1,561,818)	346,000
Investment income	44,207	10,800
Proceeds from sale of fixed assets	1,222,709	553,167
Purchase of fixed assets	(1,720,311)	(9,857,715)
Net cash (used in)/provided by investing activities:	(1,962,165)	(8,887,632)
Cashflows from financing activities:		
Loan received	-	-
Loan repayment	(3,305,978)	(4,926,200)
Dividend paid	(3,564,000)	(3,360,000)
Net cash used in financing activities:	(6,869,978)	(8,286,200)
Net increase in cash and cash equivalents	(6,940,076)	(12,655,561)
Cash and cash equivalent at 1 January	(8,063,551)	4,592,010
Cash and cash equivalent at 31 December	(15,003,625)	(8,063,551)
Cash and bank balances	15,185,896	19,878,446
Borrowing	(30,189,521)	(27,941,997)
Promisory notes	-	-
	(15,003,625)	(8,063,551)

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 100% 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 the fourth quarter ending December 31, 2015 (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, 2014 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

Class of business:

	Revenue			Profit/(loss)		
	2015		2014	2015		2014
	3 months Oct - Dec N'000	12 months Jan - Dec N'000	3 months Oct - Dec N'000	3 months Oct - Dec N'000	12 months Jan - Dec N'000	3 months Oct - Dec N'000
Civil works	23,134,228	99,816,275	41,655,024	6,693,979	16,272,355	5,979,780
Building works	10,940,511	47,204,563	19,699,265	1,410,276	3,428,232	1,259,810
Services	448,806	1,936,445	808,111	(3,389,189)	(8,238,761)	(3,027,587)
	34,523,545	148,957,282	62,162,400	4,715,066	11,461,827	4,212,002
Net financing costs				(3,043,866)	(4,301,551)	(1,159,845)
Profit before income tax				1,671,200	7,160,276	3,052,158

4. Financial income and financing costs

Financial income

	2015		2014
	3 months Oct - Dec N'000	12 months Jan - Dec N'000	3 months Oct - Dec N'000
Interest on deposits	20,079	(3,374)	(13,602)
Other interest income	(16,558)	(49,675)	-
Foreign exchange gains	(451,852)	(2,337,199)	(492,510)

Financing costs

	2015		2014
	3 months Oct - Dec N'000	12 months Jan - Dec N'000	3 months Oct - Dec N'000
Interest on overdraft	2,526,154	4,273,167	520,200
Interest on loan	696,425	1,134,263	341,612
Other finance charges	245,864	637,032	211,480
Foreign exchange losses	23,754	647,337	592,664
Net financing costs	3,043,866	4,301,551	1,159,845

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:

- 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: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.

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

6. Significant Events:

- An associate of the Company Bilfinger SE had divested its stake from the Company and its shares had been acquired by other Nigerian investors. The process had been completed in line with the requirements of the Nigerian Stock exchange.
- During the period, the Company had acquired the remaining 10% stake in Julius Berger International Germany GmbH making it a 100% owned subsidiary of the Company.

7. 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 FOURTH QUARTER ENDING DECEMBER 31, 2015

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, 2015 has been determined based on the quantum of revenue expected to be booked and recognised as at December 31, 2015 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, 2015 are based on expected fund releases of our clients. HSBC loans are expected to be paid installmenatally in the period.

5. RECEIVABLES

Receivables include WHT receivables, advance paid to third parties and 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 2012 inform of a long term bank Loan is being repaid. This development was considered in the preparation of this forecast.