



**PROJECTED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE FIRST QUARTER
ENDING 31 MARCH, 2016**

Julius Berger Nigeria Plc
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RC No. 6852



**PROJECTED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDING MARCH 31, 2016**

SUMMARY

	1st Quarter	Year to date
	N'000	N'000
Turnover	<u>33,240,000</u>	<u>33,240,000</u>
Profit before tax	1,639,402	1,639,402
Taxation	<u>(688,549)</u>	<u>(688,549)</u>
Profit after tax	<u>950,853</u>	<u>950,853</u>

BY ORDER OF THE BOARD

**MRS. CECILIA MADUEKE
COMPANY SECRETARY
DECEMBER 9, 2015**

For more information please visit www.julius-berger.com.



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FOR THE FIRST QUARTER ENDING MARCH 31, 2016**

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**PROJECTED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDING MARCH 31**

			AUDITED	
			31/12/2014	
		2016		2015
		3 months Jan - March	3 months Jan - March	3 months Jan - March
		N'000	N'000	N'000
Note				N'000
	Revenue	33,240,000	33,240,000	44,320,000
	Cost of sales	(25,067,128)	(25,067,128)	(33,904,800)
	Gross profit	8,172,872	8,172,872	10,415,200
	Other gains and losses	353,696	353,696	136,629
	Marketing expenses	8,526,568	8,526,568	10,551,829
	Administrative expenses	(16,061)	(16,061)	(29,009)
	<i>Operating profit</i>	(5,765,810)	(5,765,810)	(7,192,320)
		2,744,697	2,744,697	3,330,500
	Net financing income/(cost)	(1,105,295)	(1,105,295)	(1,241,907)
4		1,639,402	1,639,402	2,088,593
	Profit before tax	1,639,402	1,639,402	2,088,593
	Income tax expenses	(688,549)	(688,549)	(814,208)
	Profit after taxation	950,853	950,853	1,274,385
	Profit for the year	950,853	950,853	1,274,385
	Other comprehensive Income for the year net of taxes			
	Actuarial gains on retirement benefits	-	-	-
	Exchange difference on translation of foreign operations	(20,160)	(20,160)	(10,250)
	Total comprehensive income	930,693	930,693	1,264,135
	Attributable to:			
	Owners of the Company	930,318	930,318	1,228,764
	Non-controlling interests	375	375	35,371
		930,693	930,693	1,264,135
	Earnings per share (Naira)	0.70	0.70	0.93
	Diluted earnings per share	0.70	0.70	0.93

The tax rate applied above is assumed based on the corporate tax rate of 30% payable by corporate entities in Nigeria on taxable profits under the Companies Income Tax Act, and 2% education tax based on the assessable profit of companies.

**PROJECTED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT THE FIRST QUARTER ENDING 31 MARCH**

		AUDITED		
		2016	2015	31/12/2014
		N'000	N'000	N'000
NON- CURRENT ASSETS	Notes			
Property, plant and equipment		61,209,888	70,243,466	68,369,671
Goodwill		4,520,100	5,326,979	4,606,412
Other intangible assets		29,026	82,808	77,402
Investment property		2,552,395	2,661,116	2,648,412
Contract and trade receivables		3,186,630	3,010,100	2,334,764
Tax receivable		30,237,118	30,993,369	35,060,509
Deferred tax assets		8,041,407	7,468,271	8,041,407
Total noncurrent assets		109,776,564	119,786,109	121,138,577
CURRENT ASSETS				
Inventories		8,347,638	9,045,120	12,111,830
Gross amount due from customers		7,840,069	11,377,782	29,122,120
Trade and other receivables		80,724,141	58,704,155	63,425,208
Current tax receivable		4,161,902	8,367,196	5,575,112
Non- current assets classified as held for sale		1,354,637	1,104,928	1,199,775
Cash and bank balances		10,073,594	15,655,888	23,473,159
Total current assets		112,501,981	104,255,069	134,907,204
CURRENT LIABILITIES				
Trade and other payables	7	(29,810,257)	(48,703,070)	(42,138,848)
Borrowings		(27,428,184)	(22,693,252)	(34,809,060)
Current tax payable		(688,549)	(814,208)	(3,473,353)
Retirement benefit liabilities	6	(90,765)	(307,124)	(95,294)
Gross amount due to customers		(25,906,313)	(34,308,036)	(35,188,722)
Total current liabilities		(83,924,068)	(106,825,690)	(115,705,277)
Net current assets/(liabilities)		28,577,913	(2,570,622)	19,201,927
TOTAL ASSETS LESS CURRENT LIABILITIES		138,354,477	117,215,487	140,340,504
NON- CURRENT LIABILITIES				
Borrowings		-	(4,877,886)	(3,201,710)
Retirement benefit liabilities	6	(2,080,067)	(2,296,076)	(1,996,506)
Deferred tax liabilities		(13,220,121)	(12,336,676)	(13,220,121)
Gross amount due to customers		(95,401,761)	(69,573,895)	(93,690,330)
Provisions		-	-	(2,135,994)
NET ASSETS		27,652,528	28,130,954	26,095,843
CAPITAL AND RESERVES				
Share capital		660,000	660,000	660,000
Share premium		425,440	425,440	425,440
Foreign currency translation reserve		985,861	494,796	919,411
Retained earnings		25,510,852	25,888,347	23,420,332
Attributable to owners of the company		27,582,153	27,468,583	25,425,183
Non-controlling interest		70,375	662,371	670,660
		27,652,528	28,130,954	26,095,843



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 2016	660,000	425,440	1,006,021	24,560,373	26,651,834	70,000	26,721,834
Profit for the year	-	-	-	950,478	950,478	375	950,853
Other comprehensive income(net of tax)	-	-	(20,160)	-	(20,160)	-	(20,160)
Total comprehensive income for the year	-	-	(20,160)	950,478	930,318	375	930,693
Dividends to shareholders	-	-	-	-	-	-	-
Balance at 31 March 2016	660,000	425,440	985,861	25,510,852	27,582,153	70,375	27,652,528
Balance at 1 January 2015	660,000	425,440	504,021	24,650,358	26,239,819	627,000	26,866,819
Profit for the year	-	-	-	1,237,989	1,237,989	36,396	1,274,385
Other comprehensive income(net of tax)	-	-	(9,225)	-	(9,225)	(1,025)	(10,250)
Total comprehensive income for the year	-	-	(9,225)	1,237,989	1,228,764	35,371	1,264,135
Dividends to shareholders	-	-	-	-	-	-	-
Balance at 31 March 2015	660,000	425,440	494,796	25,888,347	27,468,583	662,371	28,130,954

**PROJECTED CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE FIRST QUARTER ENDING MARCH 31**

Cashflows from operating activities

Cash receipts from customers
Cash paid to suppliers and employees

Cash flows (used in)/provided by operating activities

Interest paid
Tax paid

Net cash (used in)/provided by operating activities

Cashflows from investing activities:

Interest received
Proceeds from sale of fixed assets
Purchase of fixed assets

Net cash (used in)/provided by investing activities:

Cashflows from financing activities:

Loan received
Loan repayment
Dividend paid

Net cash used in financing activities:

Net increase in cash and cash equivalents
Cash and cash equivalent at 1 January
Cash and cash equivalent at March 31

Cash and bank balances
Bank overdrafts

	2016	2015
	N'000	N'000
Cash receipts from customers	36,601,183	21,009,155
Cash paid to suppliers and employees	(31,998,008)	(21,246,905)
Cash flows (used in)/provided by operating activities	4,603,175	(237,750)
Interest paid	(1,244,132)	(1,011,029)
Tax paid	(110,168)	(143,545)
Net cash (used in)/provided by operating activities	3,248,875	(1,392,324)
Cashflows from investing activities:		
Interest received	20,103	55,996
Proceeds from sale of fixed assets	353,696	136,629
Purchase of fixed assets	(200,000)	(1,000,000)
Net cash (used in)/provided by investing activities:	173,799	(807,375)
Cashflows from financing activities:		
Loan received	-	-
Loan repayment	(1,773,640)	(1,652,000)
Dividend paid	-	-
Net cash used in financing activities:	(1,773,640)	(1,652,000)
Net increase in cash and cash equivalents	1,649,034	(3,851,699)
Cash and cash equivalent at 1 January	(19,003,625)	(8,063,551)
Cash and cash equivalent at March 31	(17,354,591)	(11,915,250)
Cash and bank balances	10,073,594	15,655,888
Bank overdrafts	(27,428,184)	(27,571,138)
	(17,354,591)	(11,915,250)



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 projected interim results (hereafter "the Interim Financial Statements") of Julius Berger Nigeria Plc for the First Quarter ending March 31, 2016 (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	Revenue			Profit/(loss)		
	2016		2015	2016		2015
<i>Class of business:</i>	3 months Jan - March	3 months Jan - March	3 months Jan - March	3 months Jan - March	3 months Jan - March	3 months Jan - March
	N'000	N'000	N'000	N'000	N'000	N'000
Civil works	18,950,124	18,950,124	25,266,832	1,564,752	1,564,752	1,898,718
Building works	9,536,556	9,536,556	12,715,408	787,453	787,453	955,520
Services	4,753,320	4,753,320	6,337,760	392,492	392,492	476,262
	33,240,000	33,240,000	44,320,000	2,744,697	2,744,697	3,330,500
Net financing costs				(1,105,295)	(1,105,295)	(1,241,907)
Profit before income tax				1,639,402	1,639,402	2,088,593

4. Financial income and financing costs

	2016		2015
	3 months Jan - March	3 months Jan - March	3 months Jan - March
	N'000	N'000	N'000
Financial income			
Interest on deposits	(20,103)	(20,103)	(55,996)
Other interest income	-	-	-
Foreign exchange gains	(531,471)	(531,471)	(126,247)
Financing costs			
Interest on overdraft	999,037	999,037	652,216
Interest on loan	245,095	245,095	358,813
Other finance charges	132,715	132,715	396,666
Foreign exchange losses	280,022	280,022	16,455
Net financing (income)/costs	1,105,295	1,105,295	1,241,907

5. 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.



6. Related party Information

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.
- Julius Berger International GmbH: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger Investments: 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 Free Zone Enterprise: 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.

In accordance with the requirement of IAS 24 on related parties, the following directors are the key management personnel of the Company.

- | | |
|--|---------------------------------------|
| - AVM (Dr.) Mohammed Nurudeen Imam, CFR | - Chairman |
| - Engr. Heinz Stockhausen (German) | - Vice Chairman |
| - Engr. Lubasch Detlev (German) | - Managing Director (Executive) |
| - Wolfgang Kollermann (German) | - Financial Director (Executive) |
| - Mr. David Herron (Australian) | - Director Operations (Executive) |
| - Alhaji Zubairu Ibrahim Bayi | - Director Administration (Executive) |
| - HRH Igwe Peter Nwokike Anugwu, JP, OFR | - Independent Director |
| - Engr. Jafaru Damulak | - Director |
| - Engr. Wolfgang Goetsch (Austrian) | - Director |
| - Mr. Harold Samuel Tumba, Esq. | - Director |
| - Dr. Ernest Nnaemeka Azudialu-Obiejesi | - Director |
| - Mr. George Marks (German) | - Director |
| - Mr. Mutiu Summonu | - Director |

Except for the short term benefits to include fees and other remunerations for Directors, there were no other transactions with the key management personnel.

7. Significant events

- The Company had continued the repayment of the secured term loan from HSBC bank London in the period. The loan was to finance supply of capital goods and related services. The repayment of the loan had been incorporated in the preparation of these financial statements.

- In the prior year, the Company had significant difficulties in converting receivables to cash and cash equivalent as a result of delayed payments by most clients which invariably translated into slow performances on project sites. This culminated in significant decline in volume of activities and related turnover. This trend though continuing, is expected to improve in the current financial year. Management is focused on project execution for clients who fulfil their payment obligations. This is in addition to proper cost management in the same magnitude to ensure that a relatively similar profitability index is achieved.

UNDERLYING ASSUMPTIONS FOR PROJECTED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDING MARCH 31, 2016

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, 2016 has been determined based on the quantum of revenue expected to be booked and recognised as at March 31, 2016 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, 2016 are based on expected fund releases of our clients. HSBC loans are expected to be paid

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. Term Loan

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