



*RC 6852*

**UNAUDITED FINANCIAL STATEMENT FOR  
THREE MONTHS ENDED MARCH 31, 2013**



**JULIUS BERGER** RC 6852

*More than a "Construction" Company*

**UNAUDITED RESULTS FOR THREE MONTHS ENDED MARCH 31, 2013**

	<b>N'000</b>
Turnover	<u>39,646,298</u>
Profit before tax	2,197,380
Taxation	<u>(950,952)</u>
Profit after tax	<u><u>1,246,428</u></u>

**BY ORDER OF THE BOARD**

**MRS. CECILIA MADUEKE**  
**COMPANY SECRETARY**  
APRIL 09, 2013

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



**UNAUDITED RESULTS FOR THREE MONTHS  
ENDED MARCH 31, 2013**

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**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR  
THREE MONTHS ENDED MARCH 31**

	Note	2013 N'000	2012 N'000	<b>AUDITED</b> 31/12/2012 N'000
Revenue		39,646,298	36,575,742	196,954,713
Cost of sales		(35,206,942)	(32,814,993)	(157,423,249)
<b>Gross profit</b>		<b>4,439,356</b>	<b>3,760,749</b>	39,531,464
Other gains and losses		318,670	272,515	1,293,546
Marketing expenses		4,758,026	4,033,265	40,825,010
Administrative expenses		(8,235)	(15,072)	(152,155)
		(3,070,967)	(2,645,982)	(27,066,902)
<i>Operating profit</i>		<i>1,678,825</i>	<i>1,372,211</i>	13,605,953
Net financing income/(cost)	4	518,555	537,350	(2,060,973)
<b>Profit before tax</b>		<b>2,197,380</b>	<b>1,909,561</b>	11,544,980
Income tax expenses		(950,952)	(914,394)	(3,772,925)
<b>Profit after taxation</b>		<b>1,246,428</b>	<b>995,167</b>	<b>7,772,055</b>
Retained profit for the year		1,246,428	995,167	7,772,055
Earnings per share		<b>1.04</b>	<b>0.83</b>	<b>6.48</b>

*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.*

**UNAUDITED STATEMENT OF FINANCIAL POSITION FOR  
THREE MONTHS ENDED MARCH 31**

		<b>2013</b>	<b>2012</b>	<b>AUDITED</b>
		<b>N'000</b>	<b>N'000</b>	<b>31/12/2012</b>
				<b>N'000</b>
<b>NON- CURRENT ASSETS</b>	<b>Notes</b>			
Property, plant and equipment		59,968,875	56,506,911	56,172,990
Investment in subsidiaries		11,375,207	273,990	11,375,207
Contract and trade receivables	<b>5</b>	2,450,456	2,948,822	1,706,063
Other financial assets		-	-	4,125,734
Deferred tax assets		2,899,471	6,036,940	2,899,471
<b>Total noncurrent assets</b>		<b>76,694,009</b>	<b>65,766,663</b>	<b>76,279,465</b>
<b>CURRENT ASSETS</b>				
Inventories & work in progress		12,246,037	17,003,906	9,837,796
Contract and trade receivables	<b>5</b>	39,821,098	48,121,716	39,814,653
Current tax receivable	<b>6</b>	39,852,326	37,012,991	38,451,730
Non- current assets classified as held for sale		563,045	308,152	728,473
Other receivables & prepayments		328,670	2,710,220	5,544,984
Cash and cash equivalents		14,808,745	14,626,916	4,821,084
<b>Total current assets</b>		<b>107,619,920</b>	<b>119,783,901</b>	<b>99,198,720</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	<b>7</b>	(48,743,887)	(47,888,988)	(31,481,698)
Amount due to related party		(776,570)	(824,773)	-
Borrowings		(24,618,698)	(19,866,464)	(8,208,260)
Current tax payable		(3,998,453)	(4,365,090)	(3,047,502)
Retirement benefit liabilities	<b>8</b>	(4,596,445)	(6,067,000)	(4,596,445)
Dividend and other taxes payables		(2,747,321)	(4,045,484)	(18,740,904)
<b>Total current liabilities</b>		<b>(85,481,374)</b>	<b>(83,057,799)</b>	<b>(66,074,809)</b>
Net current assets/(liabilities)		22,138,546	36,726,102	33,123,911
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>98,832,555</b>	<b>102,492,765</b>	<b>109,403,376</b>
<b>NON- CURRENT LIABILITIES</b>				
Trade and other payables	<b>7</b>	(75,922,206)	(77,867,379)	(86,071,448)
Provisions		-	-	(1,668,007)
Retirement benefit liabilities		(1,449,205)	(5,433,000)	(1,449,205)
Deferred tax liabilities		(5,693,035)	(8,105,079)	(5,693,035)
<b>NET ASSETS</b>		<b>15,768,109</b>	<b>11,087,308</b>	<b>14,521,681</b>
<b>CAPITAL AND RESERVES</b>				
Share capital		600,000	600,000	600,000
Share premium		425,440	425,440	425,440
Retained earnings		14,742,669	10,061,868	13,496,241
		<b>15,768,109</b>	<b>11,087,308</b>	<b>14,521,681</b>
At 1 January		13,496,241	9,066,701	8,604,186
Dividend		-	-	(2,880,000)
Retained profit for the year		1,246,428	995,167	7,772,055
At 31 December		<b>14,742,669</b>	<b>10,061,868</b>	<b>13,496,241</b>

**UNAUDITED STATEMENT OF CASHFLOWS FOR  
THREE MONTHS ENDED 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 repayment

**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 31 March

Cash and bank balances

Bank loan &amp; overdrafts

	<b>2013</b>	<b>2012</b>
	<b>N'000</b>	<b>N'000</b>
Cash receipts from customers	34,240,372	36,250,384
Cash paid to suppliers and employees	(37,008,413)	(33,665,931)
<b>Cash flows (used in)/provided by operating activities</b>	<b>(2,768,041)</b>	<b>2,584,453</b>
Interest paid	(537,428)	(536,302)
Tax paid	(148,634)	(142,920)
<b>Net cash (used in)/provided by operating activities</b>	<b>(3,454,103)</b>	<b>1,905,231</b>
<b>Cashflows from investing activities:</b>		
Interest received	8,465	10,831
Proceeds from sale of fixed assets	318,670	272,515
Purchase of fixed assets	(3,295,808)	(2,442,857)
<b>Net cash (used in)/provided by investing activities:</b>	<b>(2,968,673)</b>	<b>(2,159,511)</b>
<b>Cashflows from financing activities:</b>		
Loan repayment	-	(605,648)
<b>Net cash used in financing activities:</b>	<b>-</b>	<b>(605,648)</b>
Net increase in cash and cash equivalents	(6,422,776)	(859,928)
Cash and cash equivalent at 1 January	(3,387,176)	(4,379,621)
Cash and cash equivalent at 31 March	<b>(9,809,952)</b>	<b>(5,239,549)</b>
Cash and bank balances	14,808,745	14,626,916
Bank loan & overdrafts	(24,618,698)	(19,866,464)
	<b>(9,809,952)</b>	<b>(5,239,549)</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 70%, 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 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 International GmbH a 90% owned subsidiary is into the provision of logistic and technical support while Julius Berger Investments Limited a 100% owned subsidiary is into investment management.

## 2. Basis of preparation of financial statements

These financial statements are the unaudited interim financial statement (hereafter "the Interim Financial Statements") of Julius Berger Nigeria Plc for the three-month period ended MARCH 31, 2013 (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. The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual 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.

	<i>Three months ended March 31</i>			
	<i>Revenue</i>		<i>Profit/(loss)</i>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	<b>=N=</b>	<b>=N=</b>	<b>=N=</b>	<b>=N=</b>
<b>Revenue and results</b>				
<b>Class of business:</b>				
Civil works	26,566,984	24,509,405	2,383,427	1,948,128
Building works	12,563,912	11,590,853	502,136	410,428
Services	515,402	475,485	(1,206,739)	(986,345)
	<b>39,646,298</b>	<b>36,575,742</b>	1,678,825	1,372,211
Net financing costs			518,555	537,350
<b>Profit before income tax</b>			<b>2,197,380</b>	<b>1,909,561</b>

## 4. Financial income and financing costs

### Financial income

	<i>Period ended March 31</i>	
	<b>2013</b>	<b>2012</b>
	<b>=N=</b>	<b>=N=</b>
Interest on deposits	(8,465)	(10,802)
Other interest income	-	(29)
Foreign exchange gains	(1,566,981)	(1,491,508)

### Financing costs

Interest on overdraft	439,045	420,230
Interest on loan	98,384	116,072
Other finance charges	336,870	156,655
Foreign exchange losses	182,593	272,032
<b>Net financing (income)/costs</b>	<b>(518,555)</b>	<b>(537,350)</b>

## 5. Contract and trade receivables

Included in contract receivables are gross amounts due from contracts (**N4.2billion**), trade receivables (**N6.5billion**), advances to suppliers & sub-contractors (**N2.1billion**) and retentions amounting to **N4.0billion** expected to be recovered within one year. Trade receivables expected to be recovered after more than one year include retentions of **N5.0 billion**.

## 6. Current tax receivable

	<b>2013</b>	<b>2012</b>
	<b>=N=</b>	<b>=N=</b>
Amounts expected to be recovered within one year	3,998,453	18,939,199
Amounts expected to be recovered after more than one year	35,853,873	18,074,252
	<b>39,852,326</b>	<b>37,013,451</b>

This represents withholding and value added taxes recoverable from clients and the Federal Inland Revenue Service.



## 7. Trade and other payables

Included in trade and other payables are advance payments received from contracts (**N102billion**), third party advances (**N1.8billion**) and retentions amounting to **N1.1billion**

Trade payables, amounts owed to joint ventures, other taxation and social security costs, other payables and dividends are classified as other financial liabilities.

## 8. 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.

In November 2011, an agreement was reached between the construction industry and the National Joint Industrial Council to liquidate the accumulated staff retirements benefits and henceforth, to settle staff retirement benefit and gratuities on annual basis. The terminal benefits are expected to be settled in full in the year 2013.

## 9. 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 70% 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 90% 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.

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

## 10. Significant events

10.1 Guaranty Trust Bank Plc in an arm's length transaction has offered to discount the LCR (bonds) issued to the Company for a total consideration of N3.68 billion subject to terms and conditions of the bond and a successful transfer of original certificate to the bank on 20 February, 2013. The Company has accepted the terms of the offer and has transferred the bonds to Bank for the agreed consideration. The amount has been paid in the period and recognised in cash and balances.

10.2 The provision for the garniche order relating to a court case in which a judgement debt in the sum of N400 million was provided for in the annual financial statement had been fully settled and paid in the period.

## 11. Post balance sheet events

Except as disclosed above, there were no other material events after the reporting period which could have had material effect on the state of affairs of the Company as at 31 March 2013 and the profit for the year then ended date that has not been adequately provided for or recognised in the Financial Statements.