



**UNAUDITED CONSOLIDATED FINANCIAL
STATEMENTS FOR SIX MONTHS ENDED
JUNE 30, 2014**

Julius Berger Nigeria Plc
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RC No. 6852



**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR SIX MONTHS ENDED JUNE 30, 2014**

SUMMARY

N'000

Turnover	<u>102,823,112</u>
Profit before tax	5,476,521
Taxation	<u>(2,570,578)</u>
Profit after tax	<u><u>2,905,943</u></u>

BY ORDER OF THE BOARD

**MRS. CECILIA MADUEKE
COMPANY SECRETARY**

July 21, 2014

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



**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR SIX MONTHS ENDED JUNE 30, 2014**

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**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR SIX MONTHS ENDED JUNE 30, 2014**

		2014	2013	AUDITED 31/12/2013
	Note	N'000	N'000	N'000
Revenue		102,823,112	100,186,527	212,737,291
Cost of sales		(80,367,528)	(79,933,297)	(161,134,675)
Gross profit		22,455,584	20,253,230	51,602,616
Other gains and losses		338,474	1,081,716	295,816
Marketing expenses		22,794,058	21,334,946	51,898,432
Administrative expenses		(39,450)	(52,268)	(111,209)
<i>Operating profit</i>		<i>6,433,808</i>	<i>6,749,034</i>	<i>19,162,451</i>
Net financing income/(cost)	4	(957,287)	(1,382,700)	(2,941,915)
Profit before tax		5,476,521	5,366,334	16,220,536
Income tax expenses		(2,570,578)	(2,928,519)	(8,367,196)
Profit after taxation		2,905,943	2,437,816	7,853,340
Profit for the year		2,905,943	2,437,816	7,853,340
Other comprehensive Income for the year net of taxes				
Actuarial gains on retirement benefits		-	-	55,444
Exchange difference on translation of foreign operations		92,345	242,783	516,560
Total comprehensive income		2,998,288	2,680,599	8,425,344
Attributable to:				
Owners of the Company		2,864,027	2,573,375	8,064,235
Non-controlling interests		134,261	107,224	361,109
		2,998,288	2,680,599	8,425,344
Earnings per share (Naira)		2.39	2.14	6.72
Diluted earnings per share		2.39	2.14	6.72

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 SIX MONTHS ENDED JUNE 30, 2014**
NON- CURRENT ASSETS

Property, plant and equipment
Goodwill
Other intangible assets
Investment property
Contract and trade receivables
Current tax receivable
Deferred tax assets

Notes

	2014 N'000	2013 N'000	AUDITED 31/12/2013 N'000
Total noncurrent assets	111,350,070	96,953,141	113,750,554
CURRENT ASSETS			
Inventories & WIP	9,222,766	9,219,993	11,432,482
Contract and trade receivables	68,744,958	42,422,831	52,245,757
Current tax receivable	9,365,611	12,018,286	7,430,849
Other receivables & prepayments	15,519,261	15,468,779	20,898,658
Cash and bank balances	13,303,447	18,453,043	20,475,649
Non- current assets classified as held for sale	1,114,813	875,698	1,027,308
Total current assets	117,270,856	98,458,630	113,510,703
CURRENT LIABILITIES			
Trade and other payables	(55,069,530)	(48,461,444)	(80,000,470)
Borrowings	(33,931,350)	(25,152,969)	(19,279,413)
Current tax payable	(2,570,578)	(2,928,519)	(5,314,810)
Retirement benefit liabilities	(80,000)	-	(124,260)
Dividend and other taxes payables	(488,203)	(1,439,683)	(488,203)
Total current liabilities	(92,139,661)	(77,982,615)	(105,207,156)
Net current assets/(liabilities)	25,131,196	20,476,015	8,303,547
TOTAL ASSETS LESS CURRENT LIABILITIES	136,481,266	117,429,156	122,054,101
NON- CURRENT LIABILITIES			
Trade and other payables	(96,684,411)	(85,733,178)	(80,214,852)
Borrowings	(4,094,352)	(5,960,793)	(6,435,141)
Retirement benefit liabilities	(2,450,000)	(2,094,205)	(2,033,004)
Deferred tax liabilities	(12,336,676)	(5,666,877)	(12,336,676)
NET ASSETS	20,915,826	17,974,103	21,034,428
CAPITAL AND RESERVES			
Share capital	600,000	600,000	600,000
Share premium	425,440	425,440	425,440
Foreign currency translation reserve	771,007	449,576	687,896
Retained earnings	18,527,079	16,347,952	18,863,052
Non-controlling interest	592,301	151,135	458,040
	20,915,826	17,974,103	21,034,428

**STATEMENT OF CHANGES IN EQUITY FOR SIX MONTHS
ENDED JUNE 30, 2014**

At 1 January
Dividend
Buy-back of non-controlling interest
Retained profit for the period
Retained earnings at end of period

Share capital
Share premium
Foreign currency translation reserve
Non-controlling interest
Balance at end of period

18,863,052	13,774,577	13,774,577
(3,200,000)	-	(3,000,000)
-	-	24,240
2,864,027	2,573,375	8,064,235
18,527,079	16,347,952	18,863,052
600,000	600,000	600,000
425,440	425,440	425,440
771,007	449,576	687,896
592,301	151,135	458,040
20,915,826	17,974,103	21,034,428

**UNAUDITED STATEMENT OF CASHFLOWS
FOR SIX MONTHS ENDED JUNE 30**

	2014	2013
	N'000	N'000
Cashflows from operating activities		
Cash receipts from customers	75,853,441	96,712,310
Cash paid to suppliers and employees	(84,646,558)	(109,882,118)
Cash flows (used in)/provided by operating activities	(8,793,117)	(13,169,808)
Interest paid	(1,328,572)	(537,428)
Tax paid	(411,292)	(457,727)
Net cash (used in)/provided by operating activities	(10,532,981)	(14,164,963)
Cashflows from investing activities:		
Interest received	83,790	84,665
Proceeds from sale of fixed assets	338,474	1,081,716
Purchase of fixed assets	(10,226,987)	(4,185,345)
Net cash (used in)/provided by investing activities:	(9,804,722)	(3,018,964)
Cashflows from financing activities:		
Loan received	-	12,526,621
Loan repayment	(1,642,210)	(1,565,828)
Dividend paid	(3,240,000)	(3,000,000)
Net cash used in financing activities:	(4,882,210)	7,960,793
Net increase in cash and cash equivalents	(25,219,913)	(9,223,134)
Cash and cash equivalent at 1 January	4,592,010	2,523,208
Cash and cash equivalent at June 30	(20,627,903)	(6,699,926)
Cash and bank balances	13,303,447	18,453,043
Bank overdrafts	(33,931,350)	(25,152,969)
	(20,627,903)	(6,699,926)



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 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 logistics and technical support while Julius Berger Investments Limited a 100% owned subsidiary is into investments 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 Six-months period ended June 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 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.

Revenue and results	Six months ended June 30			
	Revenue		Profit/(loss)	
	2014 =N=	2013 =N=	2014 =N=	2013 =N=
<i>Class of business:</i>				
Civil works	68,901,767	67,134,992	4,311,295	9,581,604
Building works	32,584,644	31,749,110	2,058,175	2,018,636
Services	1,336,700	1,302,425	64,338	(4,851,206)
	102,823,112	100,186,527	6,433,808	6,749,034
Net financing costs			(957,287)	(1,382,700)
Profit before income tax			5,476,521	5,366,334

4. Financial income and financing costs

Financial income

	Period ended June 30	
	2014 =N=	2013 =N=
Interest on deposits	(83,790)	(84,665)
Other interest income	-	-
Foreign exchange gains	(1,744,274)	410,473

Financing costs

Interest on overdraft	929,251	439,045
Interest on loan	399,320	98,384
Other finance charges	1,042,556	336,870
Foreign exchange losses	414,225	182,593

Net financing (income)/costs

	957,287	1,382,700
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5. Contract and trade receivables

Included in contract receivables are amounts due from contracts receivable **N55.48 billion**, trade receivables **N10.23 billion**, advances to suppliers **N1.39 billion** and advance payment to sub-contractors of about **N3.68 billion**. All debts considered doubtful of recovery have been considered in stating the figures above.

6. Tax receivable

	2014 =N=	2013 =N=
Amounts expected to be recovered within one year	9,365,611	8,018,286
Amounts expected to be recovered after more than one year	32,420,642	32,834,040
	41,786,253	40,852,326

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 **N87.88 billion**, third party advances **N1.97 billion**, trade payables amounting to **N28.57 billion**

The remaining balance represents accruals, other deferred payments and provisions in the period under review.

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.

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 33.37% 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.
- 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

The Company has continued with 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 has continued in the period and both principal and interest payments have been incorporated in these financial statements

11. Events after the reporting period

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 June 30, 2014 and the profit for the year then ended date that has not been adequately provided for or recognised in the Financial Statements.