



**UNAUDITED CONSOLIDATED FINANCIAL
STATEMENTS FOR NINE MONTHS ENDED
SEPTEMBER 30, 2014**

Julius Berger Nigeria Plc
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RC No. 6852



**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED SEPTEMBER 30, 2014**

SUMMARY

N'000

Turnover	<u>156,979,089</u>
Profit before tax	9,732,704
Taxation	<u>(4,087,736)</u>
Profit after tax	<u><u>5,644,968</u></u>

BY ORDER OF THE BOARD

MRS. CECILIA MADUEKE
COMPANY SECRETARY
October 15, 2014

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



**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR NINE MONTHS ENDED SEPTEMBER 30, 2014**

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**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR NINE MONTHS ENDED SEPTEMBER 30, 2014**

		2014	2013	%
	Note	N'000	N'000	
Revenue		156,979,089	155,298,222	1.1%
Cost of sales		(117,543,449)	(117,628,313)	-0.1%
Gross profit		39,435,640	37,669,910	4.7%
Other gains and losses		437,296	236,123	85.2%
		39,872,936	37,906,033	5.2%
Marketing expenses		(101,448)	(88,967)	14.0%
Administrative expenses		(26,731,928)	(25,773,570)	3.7%
<i>Operating profit</i>		13,039,560	12,043,496	8.3%
Net financing income/(cost)	4	(3,306,857)	(2,294,694)	44.1%
Profit before tax		9,732,704	9,748,802	-0.2%
Income tax expenses		(4,087,736)	(4,183,598)	-2.3%
Profit after taxation		5,644,968	5,565,204	1.4%
Profit for the year		5,644,968	5,565,204	1.4%
Other comprehensive Income for the year net of taxes				
Actuarial gains on retirement benefits		-	-	
Exchange difference on translation of foreign operations		(12,011)	397,751	-103.0%
Total comprehensive income		5,632,957	5,962,955	-5.5%
Attributable to:				
Owners of the Company		5,380,719	5,724,437	-6.0%
Non-controlling interests		252,239	238,518	5.8%
		5,632,957	5,962,955	-5.5%
Earnings per share (Naira)		4.48	4.77	-6.0%
Diluted earnings per share		4.48	4.77	-6.0%

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 CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2014

	Notes	2014 N'000	2013 N'000	%
NON- CURRENT ASSETS				
Property, plant and equipment		69,337,829	63,100,500	9.9%
Goodwill		4,706,300	4,888,180	-3.7%
Other intangible assets		106,820	122,123	-12.5%
Investment property		650,000	790,233	-
Contract and trade receivables	5	2,010,100	1,566,069	28.4%
Current tax receivable	6	35,184,062	32,358,900	8.7%
Deferred tax assets		7,468,271	2,899,471	157.6%
Total noncurrent assets		119,463,382	105,725,476	13.0%
CURRENT ASSETS				
Inventories		8,945,120	13,201,001	-32.2%
Contract and trade receivables	5	66,379,498	43,700,800	51.9%
Current tax receivable	6	5,517,158	19,500,421	-71.7%
Other receivables & prepayments		16,790,100	14,098,658	19.1%
Cash and bank balances		13,600,060	10,587,320	28.5%
Non- current assets classified as held for sale		1,104,256	980,234	12.7%
Total current assets		112,336,192	102,068,434	10.1%
CURRENT LIABILITIES				
Trade and other payables	7	(72,201,132)	(71,461,450)	1.0%
Borrowings		(26,108,455)	(16,152,969)	61.6%
Current tax payable		(4,087,736)	(4,183,598)	-2.3%
Retirement benefit liabilities	8	(183,985)	(93,190)	-
Dividend and other taxes payables		(488,203)	(488,203)	0.0%
Total current liabilities		(103,069,511)	(92,379,410)	11.6%
Net current assets/(liabilities)		9,266,681	9,689,024	-4.4%
TOTAL ASSETS LESS CURRENT LIABILITIES		128,730,064	115,414,500	11.5%
NON- CURRENT LIABILITIES				
Trade and other payables	7	(86,573,343)	(81,841,475)	5.8%
Borrowings		(4,351,925)	(7,960,793)	-
Retirement benefit liabilities		(2,134,654)	(1,820,190)	17.3%
Deferred tax liabilities		(12,336,676)	(5,666,877)	117.7%
NET ASSETS		23,333,466	18,125,165	28.7%
CAPITAL AND RESERVES				
Share capital		660,000	600,000	10.0%
Share premium		425,440	425,440	0.0%
Foreign currency translation reserve		593,976	449,576	32.1%
Retained earnings		20,943,771	16,499,014	26.9%
Non-controlling interest		710,279	151,135	370.0%
		23,333,466	18,125,165	28.7%

STATEMENT OF CHANGES IN EQUITY FOR NINE MONTHS
AS AT SEPTEMBER 30, 2014

At 1 January	18,803,052	13,774,577	36.5%
Dividend	(3,240,000)	(3,000,000)	8.0%
Buy-back of non-controlling interest	-	-	#DIV/0!
Retained profit for the period	5,380,719	5,724,437	-6.0%
Retained earnings at end of period	20,943,771	16,499,014	26.9%
Share capital	660,000	600,000	10.0%
Share premium	425,440	425,440	0.0%
Foreign currency translation reserve	593,976	449,576	32.1%
Non-controlling interest	710,279	151,135	370.0%
Balance at end of period	23,333,466	18,125,165	28.7%

**UNAUDITED CONSOLIDATED STATEMENT OF CASHFLOWS
FOR NINE MONTHS ENDED SEPTEMBER 30, 2014**

	2014	2013	%
	N'000	N'000	
Cashflows from operating activities			
Cash receipts from customers	133,856,360	120,191,910	11.4%
Cash paid to suppliers and employees	(138,167,049)	(121,274,478)	13.9%
Cash flows (used in)/provided by operating activities	(4,310,689)	(1,082,568)	298.2%
Interest paid	(2,752,319)	(1,804,842)	52.5%
Tax paid	(654,038)	(653,896)	0.0%
Net cash (used in)/provided by operating activities	(7,717,046)	(3,541,306)	117.9%
Cashflows from investing activities:			
Interest received	153,424	29,914	412.9%
Proceeds from sale of fixed assets	437,296	236,123	85.2%
Purchase of fixed assets	(3,431,052)	(5,321,700)	-35.5%
Net cash (used in)/provided by investing activities:	(2,840,332)	(5,055,663)	-43.8%
Cashflows from financing activities:			
Loan received	-	12,526,621	-100.0%
Loan repayment	(3,303,027)	(3,108,125)	6.3%
Dividend paid	(3,240,000)	(3,000,000)	8.0%
Net cash used in financing activities:	(6,543,027)	6,418,496	-201.9%
Net increase in cash and cash equivalents	(17,100,405)	(2,178,473)	685.0%
Cash and cash equivalent at 1 January	4,592,010	(3,387,176)	-235.6%
Cash and cash equivalent at September 30	(12,508,395)	(5,565,649)	124.7%
Cash and bank balances	13,600,060	10,587,320	28.5%
Bank overdrafts	(26,108,455)	(16,152,969)	61.6%
	(12,508,395)	(5,565,649)	124.7%



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 Nine-months period ended September 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	Nine months ended September 30			
	Revenue		Profit/(loss)	
	2014 =N=	2013 =N=	2014 =N=	2013 =N=
<i>Class of business:</i>				
Civil works	105,191,688	104,065,339	8,737,809	17,098,151
Building works	49,746,673	49,214,007	4,171,355	3,602,210
Services	2,040,728	2,018,877	130,396	(8,656,865)
	156,979,089	155,298,222	13,039,560	12,043,496
Net financing costs			(3,306,857)	(2,294,694)
Profit before income tax			9,732,704	9,748,802

4. Financial income and financing costs	Period ended September 30	
	2014 =N=	2013 =N=
<i>Financial income</i>		
Interest on deposits	(153,424)	(29,914)
Other interest income	-	-
Foreign exchange gains	(2,002,710)	(1,468,076)
<i>Financing costs</i>		
Interest on overdraft	1,647,911	913,850
Interest on loan	1,104,408	890,992
Other finance charges	1,378,841	336,870
Foreign exchange losses	1,331,832	1,650,972
Net financing (income)/costs	3,306,857	2,294,694

5. Contract and trade receivables

Included in contract receivables are amounts due from contracts receivable **N51.53 billion**, trade receivables **N11.80 billion**, advances to suppliers **N1.53 billion** and advance payment to sub-contractors of about **N4.97 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	5,517,158	8,018,286
Amounts expected to be recovered after more than one year	35,184,062	32,834,040
	40,701,220	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 **N88.21 billion**, third party advances **N3.36 billion**, trade payables amounting to **N32.92 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 30.31% 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 September 30, 2014 and the profit for the year then ended date that has not been adequately provided for or recognised in the Financial Statements.