



**UNAUDITED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE SECOND QUARTER
ENDED 30 JUNE, 2015**

Julius Berger Nigeria Plc
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RC No. 6852



**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED JUNE 30, 2015**

	2rd Quarter N'000	Year to Date N'000
Turnover	<u>34,344,946</u>	<u>77,832,486</u>
Profit before tax	1,641,478	3,761,087
Taxation	<u>(656,591)</u>	<u>(1,504,435)</u>
Profit after tax	<u>984,887</u>	<u>2,256,652</u>

BY ORDER OF THE BOARD

**CECILIA MADUEKE
COMPANY SECRETARY
JULY 1, 2015**

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



**UNAUDITED FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED JUNE 30, 2015**

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**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED JUNE 30**
AUDITED

	2015		2014	2014
	3 months April - June	6 months Jan - June	3 months April - June	
	N'000	N'000	N'000	N'000
Revenue	34,344,946	77,832,486	51,411,556	196,808,632
Cost of sales	(25,392,419)	(58,899,756)	(40,183,764)	(146,313,712)
Gross profit	8,952,527	18,932,730	11,227,792	50,494,920
Other gains and losses	274,196	632,200	169,237	235,450
Marketing expenses	9,226,723	19,564,930	11,397,029	50,730,370
Administrative expenses	(21,687)	(42,182)	19,725	(116,879)
<i>Operating profit</i>	<i>2,612,614</i>	<i>4,863,798</i>	<i>3,256,354</i>	<i>17,728,383</i>
Net financing cost	(971,136)	(1,102,711)	(686,308)	(4,593,487)
Profit before tax	1,641,478	3,761,087	2,570,047	13,134,896
Income tax expenses	(656,591)	(1,504,435)	(899,516)	(4,894,917)
Profit after taxation	984,887	2,256,652	1,670,530	8,239,979
Retained profit for the period	984,887	2,256,652	1,670,530	8,239,979
Other comprehensive Income for the year net of taxes				
Exchange difference on translation of foreign operations	31,621	121,086	46,173	257,239
Actuarial (loss)/gains on retirement benefits	-	-	-	(234,303)
Total comprehensive income	1,016,508	2,377,738	1,716,703	8,262,915
Attributable to:				
Owners of the Company	996,177	2,330,183	1,682,369	8,088,795
Non-controlling interests	20,330	47,555	34,334	174,120
	1,016,508	2,377,738	1,716,703	8,262,915
Earnings per share (Naira)	0.75	1.77	1.27	6.13
Diluted earnings per share	0.75	1.77	1.40	6.13

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
FOR THE SECOND QUARTER ENDED JUNE 30**

	NOTES	2015	2014	AUDITED
		N'000	N'000	N'000
NON- CURRENT ASSETS				
Property, plant and equipment		65,143,237	63,818,265	68,369,671
Goodwill		4,652,476	4,842,708	4,606,412
Other intangible assets		58,632	99,600	77,402
Investment property		2,605,721	602,584	2,648,412
Trade and other receivables	5	1,464,977	2,098,000	2,334,764
Non-current tax receivable	6	29,313,150	32,420,642	35,060,509
Deferred tax assets		8,041,407	7,468,271	8,041,407
Total noncurrent assets		111,279,600	111,350,070	121,138,577
CURRENT ASSETS				
Inventories		8,699,988	9,222,766	12,111,830
Gross amount due from customers		19,122,120	22,922,668	29,122,120
Trade and other receivables	5	72,637,186	61,341,551	63,425,208
Current tax receivable	6	4,894,917	9,365,611	5,575,112
Non- current assets classified as held for sale		1,357,012	1,114,813	1,199,775
Cash and cash equivalents		15,108,651	13,303,447	23,473,159
Total current assets		121,819,874	117,270,856	134,907,204
CURRENT LIABILITIES				
Trade and other payables	7	(36,562,048)	(35,069,530)	(42,138,848)
Borrowings		(27,279,348)	(33,931,350)	(34,809,060)
Current tax payable		(1,504,435)	(2,570,578)	(3,473,353)
Retirement benefit liabilities		(90,342)	(80,000)	(95,294)
Gross amount due to customers		(34,129,161)	(20,488,203)	(35,188,722)
Total current liabilities		(99,565,334)	(92,139,661)	(115,705,277)
Net current assets/(liabilities)		22,254,541	25,131,195	19,201,927
TOTAL ASSETS LESS CURRENT LIABILITIES		133,534,140	136,481,265	140,340,504
NON- CURRENT LIABILITIES				
Borrowings		(1,620,345)	(4,094,352)	(3,201,710)
Retirement benefit liabilities	8	(3,670,257)	(2,450,000)	(1,996,506)
Deferred tax liabilities		(13,220,121)	(12,336,676)	(13,220,121)
Gross amount due to customers		(90,113,836)	(96,684,410)	(93,690,330)
Provisions		-	-	(2,135,994)
NET ASSETS		24,909,581	20,915,827	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		919,411	771,007	919,411
Retained earnings		22,186,515	18,527,079	23,420,332
Attributable to owners of the company		24,191,366	20,323,526	25,425,183
Non-controlling interest		718,215	592,301	670,660
		24,909,581	20,915,827	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 2015	660,000	425,440	919,411	23,420,332	25,425,183	670,660	26,095,843
Profit for the year	-	-	-	2,221,206	2,221,206	35,446	2,256,652
Other comprehensive income(net of tax)	-	-	-	108,977	108,977	12,109	121,086
Total comprehensive income for the year	-	-	-	2,330,183	2,330,183	47,555	2,377,738
Dividends to shareholders	-	-	-	(3,564,000)	(3,564,000)	-	(3,564,000)
Balance at 30 June 2015	660,000	425,440	919,411	22,186,515	24,191,366	718,215	24,909,581

**UNAUDITED STATEMENT OF CONSOLIDATED CASHFLOWS
FOR THE SECOND QUARTER ENDED JUNE 30**

	2015	2014
	N'000	N'000
Cashflows from operating activities		
Cash receipts from customers	67,169,875	75,853,441
Cash paid to suppliers and employees	(62,430,495)	(84,646,558)
Cash flows (used in)/provided by operating activities	4,739,380	(8,793,117)
Interest paid	(2,213,334)	(1,328,572)
Tax paid	(265,232)	(411,292)
Net cash (used in)/provided by operating activities	2,260,814	(10,532,981)
Cashflows from investing activities:		
Interest received	18,009	83,790
Investment income	-	-
Proceeds from sale of fixed assets	632,200	338,475
Purchase of fixed assets	(1,435,653)	(10,226,987)
Net cash (used in)/provided by investing activities:	(785,444)	(9,804,722)
Cashflows from financing activities:		
Loan received	-	-
Loan repayment	(1,686,537)	(1,642,210)
Dividend paid	(3,564,000)	(3,240,000)
Net cash used in financing activities:	(5,250,537)	(4,882,210)
Net increase in cash and cash equivalents	(3,775,167)	(25,219,913)
Cash and cash equivalent at beginning of period	(8,395,529)	4,592,010
Cash and cash equivalent at 30 June	(12,170,696)	(20,627,903)
Cash and bank balances	15,108,651	13,303,447
Bank overdrafts	(27,279,348)	(33,931,350)
Promisory notes	-	-
	(12,170,696)	(20,627,903)

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 unaudited interim results (hereafter "the Interim Financial Statements") of Julius Berger Nigeria Plc for the Second Quarter ended June 30, 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	Revenue			Profit/(loss)		
	2015		2014	2015		2014
	3 months April - June N'000	6 months Jan - June N'000	3 months April - June N'000	3 months April - June N'000	6 months Jan - June N'000	3 months April - June N'000
Class of business:						
Civil works	23,014,548	52,155,549	34,450,884	3,709,128	6,905,134	4,623,046
Building works	10,883,913	24,665,115	16,292,322	781,433	1,454,762	973,975
Services	446,484	1,011,822	668,350	(1,877,947)	(3,496,098)	(2,340,667)
	34,344,946	77,832,486	51,411,556	2,612,614	4,863,798	3,256,354
Net financing costs				(971,136)	(1,102,711)	(686,308)
Profit before income tax				1,641,478	3,761,087	2,570,047

4. Financial income and financing costs

Financial income

Interest on deposits
Other interest income
Foreign exchange gains

Financing costs

Interest on overdraft
Interest on loan
Other finance charges
Foreign exchange losses
Net financing costs

	2015		2014
	3 months April - June N'000	6 months Jan - June N'000	3 months April - June N'000
Interest on deposits	(4,195)	(18,009)	(14,957)
Other interest income	-	-	-
Foreign exchange gains	(27,521)	(1,915,319)	(713,597)
Interest on overdraft	724,039	1,769,442	571,774
Interest on loan	255,365	443,892	52,370
Other finance charges	-	445,550	160,136
Foreign exchange losses	23,448	377,155	630,581
Net financing costs	971,136	1,102,711	686,308

5. Contract and trade receivables

Included in contract receivables are amounts due from contracts receivable **N71.6 billion**, trade receivables **N9.3 billion**, advances to suppliers **N0.4 billion** and advance payment to sub-contractors of about **N5.0 billion**. All debts considered doubtful of recovery have been considered in stating the figures above.

6. Tax receivable

Amounts expected to be recovered within one year
Amounts expected to be recovered after more than one year

	2015	2014
	N'000	N'000
Amounts expected to be recovered within one year	4,894,917	9,365,611
Amounts expected to be recovered after more than one year	29,313,150	32,420,642
	34,208,067	41,786,253

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 trade payables amounting to **N31.4 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:

- 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 Calabar: 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

i. During the period, Bilfinger SE a minority shareholder with a holding of 16.5%, had disposed its stake in the company to long term Nigerian investors.

ii. 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.

iii. In the second quarter, the Company increased its stake in Julius Berger International GmbH by 10% making it a wholly owned subsidiary.

iv. During the year, Julius Berger Free Zone Enterprise Calabar has been duly incorporated as a 100% subsidiary of the Company has commenced operations with a paid up share capital of N500 million

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 December 31, 2014 and the profit for the year then ended date that has not been adequately provided for or recognised in the Financial Statements.