



**UNAUDITED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER, 2015**

Julius Berger Nigeria Plc
10 Shettima A. Munguno Crescent
Utako 900 108 | Abuja FCT
RC No. 6852



**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2015**

SUMMARY

	3rd Quarter	Year to date
	N'000	N'000
Turnover	<u>33,670,514</u>	<u>111,503,000</u>
Profit before tax	1,423,803	5,184,890
Taxation	<u>(673,219)</u>	<u>(2,177,654)</u>
Profit after tax	<u>750,584</u>	<u>3,007,236</u>

BY ORDER OF THE BOARD

**MRS. CECILIA MADUEKE
COMPANY SECRETARY
OCTOBER 19, 2015**

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



**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2015**

CONTENTS	PAGE
Unaudited consolidated statement of comprehensive income	1
Unaudited consolidated statement of financial position	2
Unaudited consolidated statement of changes in equity	3
Unaudited consolidated statement of cash flows	4
Selected footnote disclosures	5

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2015**

			AUDITED		
		2015		2014	31/12/2014
		3 months Jul - Sept	9 months Jan - Sept	3 months Jul - Sept	
		N'000	N'000	N'000	N'000
Revenue	Note	33,670,514	111,503,000	54,155,977	196,808,632
Cost of sales		(24,727,494)	(83,627,250)	(37,175,921)	(146,313,712)
Gross profit		8,943,020	27,875,750	16,980,056	50,494,920
Other gains and losses		600,156	1,232,356	98,822	235,450
Marketing expenses		9,543,176	29,108,106	17,078,878	50,730,370
Administrative expenses		(10,706)	(52,888)	(61,998)	(116,879)
<i>Operating profit</i>		<i>3,534,558</i>	<i>8,398,356</i>	<i>6,605,752</i>	<i>17,728,383</i>
Net financing income/(cost)	4	(2,110,755)	(3,213,466)	(2,349,569)	(4,593,487)
Profit before tax		1,423,803	5,184,890	4,256,183	13,134,896
Income tax expenses		(673,219)	(2,177,654)	(1,517,158)	(4,894,917)
Profit after taxation		750,584	3,007,236	2,739,025	8,239,979
Profit for the year		750,584	3,007,236	2,739,025	8,239,979
Other comprehensive Income for the year net of taxes					
Actuarial gains on retirement benefits		-	-	-	257,239
Exchange difference on translation of foreign operations		(60,586)	60,500	(104,356)	(234,303)
Total comprehensive income		689,998	3,067,736	2,634,669	8,262,915
Attributable to:					
Owners of the Company		688,748	3,066,486	2,516,691	8,088,795
Non-controlling interests		1,250	1,250	117,978	174,120
		689,998	3,067,736	2,634,669	8,262,915
Earnings per share (Naira)		0.52	2.32	1.91	6.13
Diluted earnings per share		0.52	2.32	1.91	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 THIRD QUARTER ENDED SEPTEMBER 30**

				AUDITED
		2015	2014	2014
		N'000	N'000	N'000
NON- CURRENT ASSETS	Notes			
Property, plant and equipment		60,649,715	69,337,829	68,369,671
Goodwill		4,520,100	4,706,300	4,606,412
Other intangible assets		40,300	106,820	77,402
Investment property		2,574,438	650,000	2,648,412
Contract and trade receivables	5	1,460,546	2,010,100	2,334,764
Current tax receivable	6	31,044,645	35,184,062	35,060,509
Deferred tax assets		8,041,407	7,468,271	8,041,407
Total noncurrent assets		108,331,151	119,463,382	121,138,577
CURRENT ASSETS				
Inventories		8,267,447	8,945,120	12,111,830
Gross amount due from customers		16,554,661	16,790,100	29,122,120
Trade and other receivables	5	88,271,897	66,379,498	63,425,208
Current tax receivable	6	4,177,654	5,517,158	5,575,112
Non- current assets classified as held for sale		1,331,274	1,104,256	1,199,775
Cash and bank balances		8,819,134	13,600,060	23,473,159
Total current assets		127,422,066	112,336,192	134,907,204
CURRENT LIABILITIES				
Trade and other payables	7	(39,169,366)	(39,060,173)	(42,138,848)
Borrowings		(27,030,333)	(26,108,455)	(34,809,060)
Current tax payable		(2,177,654)	(4,087,736)	(3,473,353)
Retirement benefit liabilities	8	(92,622)	(183,985)	(95,294)
Gross amount due to customers		(36,629,161)	(33,629,161)	(35,188,722)
Total current liabilities		(105,099,136)	(103,069,510)	(115,705,277)
Net current assets/(liabilities)		22,322,930	9,266,682	19,201,927
TOTAL ASSETS LESS CURRENT LIABILITIES		130,654,081	128,730,064	140,340,504
NON- CURRENT LIABILITIES				
Borrowings		-	(4,351,925)	(3,201,710)
Retirement benefit liabilities		(3,438,789)	(2,134,654)	(1,996,506)
Deferred tax liabilities		(13,220,121)	(12,336,676)	(13,220,121)
Gross amount due to customers		(88,516,677)	(86,573,343)	(93,690,330)
Provisions		-	-	(2,135,994)
NET ASSETS		25,478,493	23,333,466	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		858,825	593,976	919,411
Retained earnings		22,862,318	20,943,771	23,420,332
Attributable to owners of the company		24,806,583	22,623,187	25,425,183
Non-controlling interest		671,910	710,279	670,660
		25,478,493	23,333,466	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	-	-	-	3,005,986	3,005,986	1,250	3,007,236
Other comprehensive income(net of tax)	-	-	(60,586)	-	(60,586)	-	(60,586)
Total comprehensive income for the year	-	-	(60,586)	3,005,986	2,945,400	1,250	2,946,650
Dividends to shareholders	-	-	-	(3,564,000)	(3,564,000)	-	(3,564,000)
Balance at 30 September 2015	660,000	425,440	858,825	22,862,318	24,806,583	671,910	25,478,493
Balance at 1 January 2014	660,000	425,440	687,896	19,863,052	21,636,388	608,040	22,244,428
Profit for the year	-	-	-	4,320,719	4,320,719	112,675	4,433,394
Other comprehensive income(net of tax)	-	-	(93,920)	-	(93,920)	(10,436)	(104,356)
Total comprehensive income for the year	-	-	(93,920)	4,320,719	4,226,799	102,239	4,329,038
Dividends to shareholders	-	-	-	(3,240,000)	(3,240,000)	-	(3,240,000)
Balance at 30 September 2014	660,000	425,440	593,976	20,943,771	22,623,187	710,279	23,333,466

**UNAUDITED CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE THIRD QUARTER ENDED SEPTEMBER 30**
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 September 30

Cash and bank balances
Bank overdrafts

	2015	2014
	N'000	N'000
Cash receipts from customers	112,287,994	133,856,360
Cash paid to suppliers and employees	(110,579,763)	(138,167,049)
Cash flows (used in)/provided by operating activities	1,708,231	(4,310,689)
Interest paid	(4,162,662)	(2,752,319)
Tax paid	(348,425)	(654,038)
Net cash (used in)/provided by operating activities	(2,802,856)	(7,717,046)
Cashflows from investing activities:		
Interest received	60,462	153,424
Proceeds from sale of fixed assets	1,232,356	437,296
Purchase of fixed assets	(1,435,653)	(3,431,052)
Net cash (used in)/provided by investing activities:	(142,836)	(2,840,332)
Cashflows from financing activities:		
Loan received	-	-
Loan repayment	(3,305,978)	(3,303,027)
Dividend paid	(3,564,000)	(3,240,000)
Net cash used in financing activities:	(6,869,978)	(6,543,027)
Net increase in cash and cash equivalents	(9,815,670)	(17,100,405)
Cash and cash equivalent at 1 January	(8,395,529)	4,592,010
Cash and cash equivalent at September 30	(18,211,199)	(12,508,395)
Cash and bank balances	8,819,134	13,600,060
Bank overdrafts	(27,030,333)	(26,108,455)
	(18,211,199)	(12,508,395)



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 third Quarter ended September 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 Jul - Sept	9 months Jan - Sept	3 months Jul - Sept	3 months Jul - Sept	9 months Jan - Sept	3 months Jul - Sept
<i>Class of business:</i>	N'000	N'000	N'000	N'000	N'000	N'000
Civil works	22,562,611	74,718,160	36,289,920	2,368,507	5,627,738	9,378,187
Building works	10,670,186	35,335,301	17,162,029	1,130,705	2,686,634	1,975,781
Services	437,717	1,449,539	704,028	35,346	83,984	(4,748,215)
	33,670,514	111,503,000	54,155,977	3,534,558	8,398,356	6,605,752
Net financing costs				(2,110,755)	(3,213,466)	(2,349,569)
Profit before income tax				1,423,803	5,184,890	4,256,183

The decline recorded on turnover and performance in the quarter when compare to prior year resulted from the slow pace work in the period under review. The last three quarters witnessed a decline in clients payment to the company as evidence in the increase in receivables. Hence the drop in the Groups performance.

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 (income)/costs

2015		2014
3 months Jul - Sept	9 months Jan - Sept	3 months Jul - Sept
N'000	N'000	N'000
(42,453)	(60,462)	(69,634)
-	-	-
(50,515)	(1,965,834)	(258,436)
1,519,333	3,288,775	718,660
429,995	873,887	705,087
85,310	530,860	336,285
169,084	546,239	917,607
2,110,755	3,213,466	2,349,569

5. Contract and trade receivables

Included in contract receivables are amounts due from contracts receivable **N75.41 billion**, trade receivables **N8.75 billion**, advances to suppliers **N0.55 billion** and advance payment to sub-contractors of about **N9.81 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
4,177,654	5,517,158
31,044,645	35,184,062
35,222,299	40,701,220

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 amounts due to suppliers and subcontractors amounting to **N23.6 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: 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.

- During the year, the Company had significant difficulties in converting receivables to cash or cash equivalent as 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. However, costs have been managed in the same magnitude to ensure that a relatively similar profitability index is achieved.

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, 2015 and the profit for the year then ended date that has not been adequately provided for or recognised in the Financial Statements.