



**CONSOLIDATED UNAUDITED FINANCIAL
STATEMENTS FOR THE SECOND QUARTER
ENDED 30 JUNE, 2018**

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



**CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED JUNE 30, 2018**

SUMMARY

	2nd Quarter	Year to date
	N'000	N'000
Turnover	<u>37,753,282</u>	<u>73,077,504</u>
Profit before tax	2,245,975	3,929,938
Taxation	<u>(616,869)</u>	<u>(1,335,906)</u>
Profit/(loss) after tax	<u>1,629,106</u>	<u>2,594,032</u>

BY ORDER OF THE BOARD

MRS. CECILIA MADUEKE
COMPANY SECRETARY
July 25, 2018

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



**CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED JUNE 30, 2018**

CONTENTS	PAGE
Consolidated Unaudited Statement of Comprehensive Income	1
Consolidated Unaudited Statement of Financial Position	2
Consolidated Unaudited Statement of Changes In Equity	3
Consolidated Unaudited Statement of Cash Flows	4
Selected Footnote Disclosures	5

**CONSOLIDATED UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED JUNE 30, 2018**

					AUDITED
					31/12/2017
		2018		2017	
		3 months Apr - Jun	6 months Jan - Jun	3 months Apr - Jun	6 months Jan - Jun
Note	N'000	N'000	N'000	N'000	N'000
Revenue	37,753,282	73,077,504	35,574,778	69,728,000	141,890,498
Cost of sales	(25,677,845)	(53,899,934)	(26,437,035)	(52,051,952)	(97,591,978)
Gross profit	12,075,437	19,177,570	9,137,743	17,676,048	44,298,520
Other gains and losses	(1,568,774)	4,847,695	1,229,084	1,889,194	4,076,096
Marketing expenses	10,506,664	24,025,265	10,366,827	19,565,242	48,374,616
Administrative expenses	(23,932)	(34,878)	(11,101)	(17,563)	(47,851)
	(7,720,262)	(17,358,156)	(8,908,900)	(16,348,650)	(35,564,107)
<i>Operating profit</i>	<i>2,762,470</i>	<i>6,632,230</i>	<i>1,446,826</i>	<i>3,199,029</i>	<i>12,762,658</i>
Investment Income	530,177	645,694	-	-	1,126,493
Foreign exchange acquisition loss	(127,215)	(127,215)	(627,680)	(2,729,681)	(3,249,960)
Finance costs	(919,457)	(3,220,772)	(736,203)	(413,566)	(6,900,051)
Profit/(loss) before tax	2,245,975	3,929,938	82,943	55,782	3,739,140
Income tax expenses	(616,869)	(1,335,906)	(10,672)	(420,511)	(1,167,100)
Profit/(loss) after taxation	1,629,106	2,594,032	72,270	(364,729)	2,572,040
Profit/(loss) for the year	1,629,106	2,594,032	72,270	(364,729)	2,572,040
Other comprehensive Income for the year:					
Actuarial gains on retirement benefits	-	-	-	-	(181,760)
Exchange difference on translation of foreign operations	662,414	2,119,543	180,629	508,500	2,389,336
Total comprehensive income	2,291,520	4,713,575	252,899	143,771	4,779,617
Attributable to:					
Owners of the Company	2,290,686	4,711,907	240,509	142,021	4,771,064
Non-controlling interests	833.94	1,668	2,339	1,750	8,553
	2,291,520	4,713,575	242,848	143,771	4,779,617
Earnings per share (Naira)	1.74	3.57	0.18	0.11	3.61
Diluted earnings per share	1.74	3.57	0.18	0.11	3.61

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.

**CONSOLIDATED UNAUDITED STATEMENT OF FINANCIAL POSITION
FOR THE SECOND QUARTER ENDED JUNE 30, 2018**

		2018	2017	AUDITED
		6 months Jan - Jun	6 months Jan - Jun	2017
		N'000	N'000	N'000
NON- CURRENT ASSETS	Notes			
Property, plant and equipment		41,688,524	45,662,859	43,621,129
Goodwill		9,535,022	8,348,748	9,781,954
Other intangible assets		692	1,383	1,383
Investment property		2,316,990	2,393,472	2,342,484
Trade and other receivables	7	69,278,355	427,214	70,867,547
Tax receivable	8	16,479,589	18,638,754	14,875,011
Deferred tax assets		2,516,800	5,453,858	2,816,807
Total noncurrent assets		141,815,972	80,926,288	144,306,315
CURRENT ASSETS				
Inventories		12,505,622	10,462,008	10,649,880
Gross amount due from customers	7	-	39,314,499	31,581,219
Trade and other receivables	7	63,268,629	98,257,063	49,837,624
Current tax receivable	8	616,869	5,427,850	341,132
Non- current assets classified as held for sale		1,021,951	1,200,041	1,087,498
Cash and bank balances		19,354,079	6,465,633	37,590,125
Total current assets		96,767,150	161,127,094	131,087,478
CURRENT LIABILITIES				
Trade and other payables	7	(29,285,536)	(27,873,210)	(42,914,438)
Borrowings		(34,434,169)	(35,551,737)	(33,597,303)
Current tax payable		(1,175,177)	(1,434,595)	(351,854)
Retirement benefit liabilities	7	(129,076)	(105,989)	(112,973)
Gross amount due to customers	7	-	(21,065,542)	(26,879,477)
Total current liabilities		(65,023,959)	(86,031,074)	(103,856,045)
Net current assets/(liabilities)		31,743,191	75,096,020	27,231,433
TOTAL ASSETS LESS CURRENT LIABILITIES		173,559,163	156,022,308	171,537,748
NON- CURRENT LIABILITIES				
Borrowings		-	-	-
Retirement benefit liabilities	7	(2,639,639)	(2,456,297)	(2,587,335)
Deferred tax liabilities		(7,038,984)	(9,185,562)	(7,214,400)
Gross amount due to customers		(125,186,834)	(118,466,132)	(122,881,472)
Trade and other payables		(7,704,037)	(454,232)	(8,284,314)
Provisions		(800,000)	-	(474,296)
NET ASSETS		30,189,669	25,460,086	30,095,931
EQUITY				
Share capital		660,000	660,000	660,000
Share premium		425,440	425,440	425,440
Foreign currency translation reserve		11,627,941	7,627,562	9,508,398
Retained earnings		17,419,541	16,698,808	19,447,014
Attributable to owners of the company		30,132,922	25,411,810	30,040,852
Non-controlling interest		56,747	48,276	55,079
		30,189,669	25,460,086	30,095,931

These interim financial statements were approved by the Board on July 25, 2018 and signed on its behalf by:

WOLFGANG GOETSCH
FRC/2014/NSE/00000006484
MANAGING DIRECTOR

MARTIN BRACK
FRC/2014/ANAN/00000006481
FINANCIAL DIRECTOR

**STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED JUNE 30, 2018**

	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 2018	660,000	425,440	9,508,398	19,447,014	30,040,852	55,079	30,095,931
Impact of change in accounting policy	-	-	-	(3,301,505)	(3,301,505)	-	(3,301,505)
Adjusted balance at 1 January 2018	660,000	425,440	9,508,398	16,145,509	26,739,347	55,079	26,794,426
Profit for the year	-	-	-	2,594,032	2,594,032	1,668	2,595,700
Other comprehensive income(net of tax)	-	-	2,119,543	-	2,119,543	-	2,119,543
Total comprehensive income for the year	-	-	2,119,543	2,594,032	4,713,575	1,668	4,715,243
Dividends to shareholders	-	-	-	(1,320,000)	(1,320,000)	-	(1,320,000)
Balance at 30 June 2018	660,000	425,440	11,627,941	17,419,541	30,132,922	56,747	30,189,669
Balance at 1 January 2017	660,000	425,440	7,119,062	17,065,287	25,269,789	46,526	25,316,315
Profit for the year	-	-	-	(366,479)	(366,479)	1,750	(364,729)
Other comprehensive income(net of tax)	-	-	508,500	-	508,500	-	508,500
Total comprehensive income for the year	-	-	508,500	(366,479)	142,021	1,750	143,771
Dividends to shareholders	-	-	-	-	-	-	-
Balance at 30 June 2017	660,000	425,440	7,627,562	16,698,808	25,411,810	48,276	25,460,086

**CONSOLIDATED UNAUDITED STATEMENT OF CASHFLOWS
FOR THE SECOND QUARTER ENDED JUNE 30, 2018**

Cashflows from operating activities

Cash receipts from customers
Cash paid to suppliers and employees

Cash flows (used in)/provided by operating activities

Interest paid
Purchase of FOREX loss
Tax paid

Net cash used in operating activities

Cashflows from investing activities:

Interest received
Proceeds from sale of fixed assets
Purchase of fixed assets

Net cash 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 1st January

Cash and cash equivalent at 30th June

Cash and bank balances
Bank overdrafts

	2018	2017
	6 months Jan - Jun	6 months Jan - Jun
	N'000	N'000
	84,897,084	75,597,490
	(100,303,023)	(77,429,359)
	(15,405,939)	(1,831,869)
	(3,220,772)	(3,238,382)
	(127,215)	(2,729,681)
	(43,842)	(601,804)
	(18,797,768)	(8,401,736)
	645,694	14,714
	407,365	1,889,194
	(8,203)	-
	1,044,856	1,903,908
	-	-
	-	-
	(1,320,000)	-
	(1,320,000)	-
	(19,072,912)	(6,497,828)
	3,992,822	(22,588,276)
	(15,080,090)	(29,086,104)
	19,354,079	6,465,633
	(34,434,169)	(35,551,737)
	(15,080,090)	(29,086,104)

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, while 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. Julius Berger Free Zone Enterprise Calabar is a 100% owned subsidiary of the Company and has been granted licence to operate in Calabar free trade zone.

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, 2018 (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, 2017 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.

2.1 New standards, interpretations and amendments effective 1st January 2018

The effect of the initial application of an IFRS on the entity's accounting policies

The following new standards, amendments and interpretations are effective for the first time for periods beginning on or after 1 January 2018:

IFRS 9 Financial Instruments and IFRS 15 Revenue from Contracts with Customers (both mandatorily effective for periods beginning on or after 1 January 2018).

IFRS 9 Financial Instruments

The group has identified that the adoption IFRS 9, which replaces IAS 39 Financial Instruments: *Recognition and Measurement* from 1 January 2018, will impact its consolidated financial statements in two key areas:

2.1.1 The group will need to apply an expected credit loss model when calculating impairment losses on its trade and other receivables (both current and non-current).

2.1.2 The Group have to account for its long term borrowings by using the effective interest rate and report it at fair value in accordance with the requirements of IFRS 13.

IFRS 15 Revenue from Contracts with Customers

The group has concluded that the adoption of IFRS 15 will result in revenue on all construction contracts in progress at the interim reporting date being recognised over time when the specifics of a particular contract result in control of the goods being passed to the customer. Only in the group's furniture production division which carries out certain furnishing production contracts and ABUMET Nigeria Limited which manufactures aluminium, steel and iron has their revenue been determined at a point in time.

The criteria in IFRS 15 for recognising revenue on contracts are different to those in IAS 18 Revenue, and will result in revenue being recognised later than it was the

case in the past and therefore, the Board has decided that it will apply IFRS 15 retrospectively, making use of any practical expedient available.

3. Segmental Analysis of Continuing operations

Julius Berger Nigeria Plc has three segment which offer construction, civil engineering, building and facility management services to third parties across Nigeria. Julius Berger Nigeria Plc is organised by segments, 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 segments are provided in the business and financial review in the Annual financial statement.

Disaggregation of revenue

	Government		Private		Total Reportable Segments			
	2018	2017	2018	2017	2018		2017	
	3 months Apr - Jun	3 months Apr - Jun	3 months Apr - Jun	3 months Apr - Jun	3 months Apr - Jun	6 months Jan - Jun	3 months Apr - Jun	6 months Jan - Jun
	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Primary geographical markets								
Nigeria	28,262,211	26,263,316	8,645,117	8,033,675	36,907,328	70,452,683	34,296,992	67,223,488
Europe & Asia	-	-	845,954	-	845,954	2,624,821	1,277,786	2,504,512
	28,262,211	26,263,316	9,491,071	8,033,675	37,753,282	73,077,504	35,574,778	69,728,000
Major product/services lines								
Civil works	16,478,706	15,527,824	5,040,665	4,749,800	21,519,371	41,654,177	20,277,623	39,744,960
Building works	9,829,404	9,262,211	3,006,712	2,833,214	12,836,116	24,846,351	12,095,424	23,707,520
Services	2,601,901	2,451,762	795,894	749,968	3,397,795	6,576,975	3,201,730	6,275,520
	28,910,010	27,241,796	8,843,272	8,332,982	37,753,282	73,077,504	35,574,778	69,728,000
Timing of revenue recognition								
At a point in time	1,304,283	-	398,967	-	1,703,250	2,774,813	1,350,804	2,647,630
Over time	27,605,728	-	8,444,305	-	36,050,033	70,302,691	34,223,974	67,080,370
	28,910,010	-	8,843,272	-	37,753,282	73,077,504	35,574,778	69,728,000

Disaggregation of Profit/(Loss)

	Government		Private		Total Reportable Segments			
	2018	2017	2018	2017	2018		2017	
	3 months Apr - Jun N'000	3 months Apr - Jun N'000	3 months Apr - Jun N'000	3 months Apr - Jun N'000	3 months Apr - Jun N'000	6 months Jan - Jun N'000	3 months Apr - Jun N'000	6 months Jan - Jun N'000
Major product/services lines								
Civil works	1,205,774	631,516	368,834	193,174	1,574,608	3,780,371	824,691	1,823,446
Building works	719,234	376,694	220,006	115,227	939,240	2,254,958	491,921	1,087,670
Services	190,385	99,713	58,237	30,501	248,622	596,901	130,214	287,913
	2,115,393	1,107,924	647,077	338,902	2,762,470	6,632,230	1,446,826	3,199,029
Foreign exchange acquisition loss	(97,416)	(480,653)	(29,799)	(147,027)	(127,215)	(127,215)	(627,680)	(2,729,681)
Investment Income	405,989	-	124,188	-	530,177	645,694	-	-
Net financing (costs)/income	(704,085)	(563,756)	(215,372)	(172,447)	(919,457)	(3,220,772)	(736,203)	(413,566)
Profit before income tax	1,719,881	63,514	526,094	19,428	2,245,975	3,929,938	82,943	55,782

4. Other gains and losses

 Profit from sales of PPE
 Foreign exchange gains

2018		2017	
3 months Apr - Jun N'000	6 months Jan - Jun N'000	3 months Apr - Jun N'000	6 months Jan - Jun N'000
323,568	407,365	1,229,084	1,889,194
(1,892,341)	4,440,330	-	-
(1,568,774)	4,847,695	1,229,084	1,889,194

5. Investment income

Other interest income

2018		2017	
3 months Apr - Jun N'000	6 months Jan - Jun N'000	3 months Apr - Jun N'000	6 months Jan - Jun N'000
530,177	645,694	-	-
530,177	645,694	-	-

6. Finance costs

 Interest on deposits
 Other interest expenses
 Foreign exchange gains
 Interest on overdraft
 Interest on loan
 Other finance charges
 Foreign exchange losses

2018		2017	
3 months Apr - Jun N'000	6 months Jan - Jun N'000	3 months Apr - Jun N'000	6 months Jan - Jun N'000
	198,953	(4,662)	(14,714)
	327,569	-	-
	-	(2,757,514)	(3,698,863)
796,593	1,994,308	2,830,682	3,238,382
594,672	669,776	-	-
(471,809)	30,165	251,193	270,421
		416,504	618,340
919,457	3,220,772	736,203	413,566

7. Financial Instruments
Financial Assets

 Due from customers under
 Construction contracts
 Trade and other receivables
 Tax receivables
 Cash and bank balances

Financial Liabilities

 Due to customers under
 Construction contracts
 Trade and other payables
 Gross amount due to customers
 Borrowings
 Current tax payable
 Retirement benefit liabilities

	FVOCI		FVPL		Amortised Costs		Total Reportable	
	2018	2017	2018	2017	2018	2017	2018	2017
	3 months Apr - Jun	3 months Apr - Jun	3 months Apr - Jun	3 months Apr - Jun	3 months Apr - Jun	3 months Apr - Jun	3 months Apr - Jun	3 months Apr - Jun
Due from customers under Construction contracts	-	-	-	-	-	39,314,499	-	39,314,499
Trade and other receivables	-	-	-	-	132,546,985	98,684,277	132,546,985	98,684,277
Tax receivables	-	-	-	-	17,096,457	24,066,604	17,096,457	24,066,604
Cash and bank balances	-	-	-	-	19,354,079	6,465,633	19,354,079	6,465,633
	-	-	-	-	168,997,522	168,531,013	168,997,522	168,531,013
Due to customers under Construction contracts	-	-	-	-	-	(21,065,542)	-	(21,065,542)
Trade and other payables	-	-	-	-	(36,989,573)	(28,327,442)	(36,989,573)	(28,327,442)
Gross amount due to customers	-	-	-	-	(125,186,834)	(118,466,132)	(125,186,834)	(118,466,132)
Borrowings	-	-	-	-	(34,434,169)	(35,551,737)	(34,434,169)	(35,551,737)
Current tax payable	-	-	-	-	(1,175,177)	(1,434,595)	(1,175,177)	(1,434,595)
Retirement benefit liabilities	(2,768,715)	(2,562,286)	-	-	-	-	(2,768,715)	(2,562,286)
	(2,768,715)	(2,562,286)	-	-	(197,785,753)	(204,845,448)	(200,554,469)	(207,407,735)

7.1. Risk Management

The Group is exposed through its operations to the following financial risks:

- Ø Credit risk
- Ø Fair value or cash flow interest rate risk
- Ø Foreign exchange risk
- Ø Market price risk, and
- Ø Liquidity risk.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

8. Tax receivable

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

2018	2017
N'000	N'000
616,869	5,427,850
16,479,589	18,638,754
17,096,457	24,066,604

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

9. Transaction Price allocated to the remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date.

	2019 N'000	2020 N'000	Total N'000
Civil Works	105,000,000	120,000,000	225,000,000
Building Works	85,000,000	82,000,000	167,000,000
Services	23,000,000	25,000,000	48,000,000
Total	213,000,000	227,000,000	440,000,000

All contracts with customers has been considered in the amounts presented above.

The Group applies the practical expedient in paragraph 121 of IFRS 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

Management expect that incremental fees to intermediaries as a result of obtaining contracts with customers are receivables. There were no incremental fees recognised in the period to 30 June 2018.

10. Changes in accounting policies.

Except for the change below, the Group has consistently applied the accounting policies to all periods presented in these consolidated financial statements.

The Group has adopted IFRS 15 Revenue from Contracts with Customers with a date of initial application of 1 January 2018. As a result, the Group has changed its accounting policy for revenue recognition as detailed below.

The Group has applied IFRS 15 using the cumulative effect method – i.e. by recognising the cumulative effect of initially applying IFRS 15 as an adjustment to the opening balance of equity at 1 January 2018. Therefore, the comparative information has not been restated and continues to be reported under IAS 18 and IAS 11. The details of the significant changes and quantitative impact of the changes are set out below.

10.1 Percentage of Completion (POC)

Previously, the Group recognised revenue for all construction contract based on engineer's certification plus work in progress in accordance with the requirement of IAS 11 on construction contracts. Under IFRS 15, the Group recognises revenue when a customer obtains control over the product and formally accept it. Under the Group contracts with customers, the customers controls all of the work in progress, as constructions are being carried out and therefore, for such contracts revenue is recognised progressively based on measurement and certification by the customer.

10.2 Impacts on financial statements

The following tables summarise the impacts of adopting IFRS 15 on the Group's consolidated financial statements for the first quarter ending 30 June 2018.

CONSOLIDATED UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED JUNE 30, 2018
Impact of changes in accounting policies

	With adoption of		Without adoption of
	As reported	Adjustments	IFRS 15
	N'000	N'000	N'000
Gross amount due from customers	-	31,581,219	31,581,219
Trade and other receivables	132,546,985	-	132,546,985
Tax receivable	17,096,457	3,098,906	20,195,363
Deferred tax assets	2,516,800	(929,672)	1,587,128
Contract Assets	-	-	-
Others	86,422,880	(4,412,315)	82,010,565
Total Assets	238,583,122	29,338,138	267,921,260
Deferred tax liabilities	(7,038,984)	-	(7,038,984)
Gross amount due to customers	-	(26,879,477)	(26,879,477)
Trade and other payables	(162,176,407)	-	(162,176,407)
Contract Liabilities	(1,175,177)	842,844	(332,334)
Others	(38,002,885)	-	(38,002,885)
Total Liabilities	(208,393,453)	(26,036,633)	(234,430,086)
Retained earnings	17,419,541	3,301,505	20,721,046
Non-controlling interest	56,747	-	56,747
Others	12,713,381	-	12,713,381
Total Equity	30,189,669	3,301,505	33,491,174

CONSOLIDATED UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE SECOND QUARTER ENDED JUNE 30, 2018
Impact of changes in accounting policies

	With adoption of		Without adoption of
	As reported	Adjustments	IFRS 15
	N'000	N'000	N'000
Revenue	73,077,504	(4,701,742)	68,375,762
Cost of sales	(53,899,934)	3,233,848	(50,666,086)
Administrative expenses	(7,744,194)	(3,098,906)	(10,843,100)
Others	2,272,618	1,178,467	3,451,085
Profit/(loss) for the year	13,705,994	(3,388,333)	10,317,661
Income tax expenses	(1,335,906)	(86,828)	(1,422,734)
Profit/(loss) after tax	12,370,088	(3,475,161)	8,894,927
Total comprehensive income	2,291,520	(3,475,161)	(1,183,642)

The following tables summarise the impacts of adopting IFRS 15 on the Group's consolidated financial statements for the year ending 31 December 2017.

<i>Impact of changes in accounting policies</i>	As reported	Adjustments	As restated
	31/12/2017		31/12/2017
	N'000	N'000	N'000
Gross amount due from customers	31,581,219	(31,581,219)	-
Trade and other receivables	120,705,171	-	120,705,171
Tax receivable	15,216,143	(3,098,906)	12,117,237
Deferred tax assets	2,816,807	929,672	3,746,479
Others	105,074,453	4,412,315	109,486,768
Total Assets	275,393,793	(29,338,138)	246,055,655
Deferred tax liabilities	(7,214,400)	-	(7,214,400)
Gross amount due to customers	(26,879,477)	26,879,477	-
Trade and other payables	(51,198,752)	-	(51,198,752)
Current tax payable	(351,854)	(842,844)	(1,194,698)
Others	(159,653,379)	-	(159,653,379)
Total Liabilities	(245,297,862)	26,036,633	(219,261,229)
Retained earnings	(19,447,014)	3,301,505	(16,145,509)
Non-controlling interest	(55,079)	-	(55,079)
Others	(10,593,838)	-	(10,593,838)
Total Equity	(30,095,931)	3,301,505	(26,794,426)
Total Equity & Liabilities	(275,393,793)	29,338,138	(246,055,655)

**CONSOLIDATED UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED JUNE 30, 2018**

<i>Impact of changes in accounting policies</i>	As reported	Adjustments	As restated
	N'000	N'000	N'000
Revenue	141,890,498	(4,701,742)	137,188,756
Cost of sales	(97,591,978)	3,233,848	(94,358,130)
Administrative expenses	(35,564,107)	(3,098,906)	(38,663,013)
Others	(4,995,273)	1,178,467	(3,816,806)
Profit/(loss) before tax	3,739,140	(3,388,333)	350,807
Income tax expenses	(1,167,100)	86,828	(1,080,272)
Profit/(loss) for the year	2,572,040	(3,301,505)	(729,465)
Total comprehensive income	4,779,617	(3,301,505)	1,478,112

11. 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.

12. 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.

In accordance with the requirement of IAS 24 on related parties, the following directors are the key management personnel of the Company.

- | | |
|--|---------------------------------------|
| - Mr. Mutiu Sunmonu, CON | - Chairman |
| - Engr. Heinz Stockhausen (German) | - Vice Chairman |
| - Engr. Wolfgang Goetsch (Austrian) | - Managing Director (Executive) |
| - Martin Brack (German) | - Financial Director (Executive) |
| - Alhaji Zubairu Ibrahim Bayi | - Director Administration (Executive) |
| - HRH Igwe Peter Nwokike Anugwu, JP, OFR | - Independent Director |
| - Mr. George Marks (German) | - Director |
| - Engr. Jafaru Damulak | - Director |
| - Dr. Ernest Nnaemeka Azudialu-Obiejesi | - Director |
| - Mrs Belinda Ajoke Disu | - Director |
| - Mrs Gladys Olubusola Talabi | - Director |

Except for the short term benefits to include fees and other remunerations for Directors, there were no other transaction with the key management personnel.

13. Significant events

- In the current financial year, the Company continued to have difficulties in converting receivables to cash or cash equivalent as result of delayed payments by some clients which invariably translated into slow performances on some project sites. However, costs have been managed in the same magnitude to ensure that profitability is achieved.

14. Comparative figures

Certain prior year balances have been reclassified to conform with current year's presentation for a more meaningful comparison.

15. 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, 2018 and the result for the period that has not been adequately provided for or recognised in the Financial Statements.