



**JULIUS BERGER**

*RC 6852*

**PROJECTED FINANCIAL STATEMENT  
FOR SIX MONTHS ENDING JUNE 30, 2013**

*More than a "Construction" Company*

**SUMMARY OF PROJECTED RESULTS FOR SIX MONTHS ENDING JUNE 30, 2013**

	<b>N'000</b>
Turnover	83,700,600
Profit before tax	4,610,500
Taxation	(1,844,200)
Profit after tax	<b><u>2,766,300</u></b>

**BY ORDER OF THE BOARD**



**CECILIA MADUEKE  
COMPANY SECRETARY  
MARCH 07, 2012**

**Note: visit our website @ [www.julius-berger.com](http://www.julius-berger.com) for detailed projected results.**



## SUMMARY OF PROJECTED FINANCIAL STATEMENTS FOR SIX MONTHS ENDING JUNE 30, 2013

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## PROJECTED STATEMENT OF COMPREHENSIVE INCOME FOR SIX MONTHS ENDING JUNE 30

	2013	2012
	<b>N'000</b>	<b>N'000</b>
Revenue	83,700,600	80,125,000
Cost of sales	<u>(71,982,516)</u>	<u>(68,932,000)</u>
<b>Gross profit</b>	<b>11,718,084</b>	<b>11,193,000</b>
Other gains and losses	<u>446,128</u>	<u>376,380</u>
Marketing expenses	12,164,212	11,569,380
Administrative expenses	<u>(9,085)</u>	<u>(4,936)</u>
	<u>(6,570,492)</u>	<u>(6,802,453)</u>
<i>Operating profit</i>	<i>5,584,635</i>	<i>4,761,991</i>
Net financing cost	<u>(974,135)</u>	<u>(274,991)</u>
<b>Profit before tax</b>	<b>4,610,500</b>	<b>4,487,000</b>
Income tax expenses	<u>(1,844,200)</u>	<u>(1,937,000)</u>
<b>Profit after taxation</b>	<b>2,766,300</b>	<b>2,550,000</b>
Retained profit for the year	<u>2,766,300</u>	<u>2,550,000</u>
Earnings per share (Naira)	<u><b>2.31</b></u>	<u><b>2.13</b></u>

**PROJECTED STATEMENT OF FINANCIAL POSITION FOR  
SIX MONTHS ENDING JUNE 30**
**NON- CURRENT ASSETS**

	2013 N'000	2012 N'000
Property, plant and equipment	59,745,541	55,027,674
Investment in subsidiaries	11,057,813	273,990
Contract receivables	16,156,552	12,548,555
Non-current tax receivable	35,420,256	30,985,666
Deferred tax assets	5,277,451	5,277,451
<b>Total noncurrent assets</b>	<b>127,657,613</b>	<b>104,113,336</b>

**CURRENT ASSETS**

	2013 N'000	2012 N'000
Inventories	11,587,956	12,899,700
Construction-in-progress	2,058,698	4,876,500
Contract receivables	15,656,737	26,114,882
Current tax receivable	5,428,254	5,889,982
Amount due from subsidiaries	1,984,564	1,556,000
Non- current assets classified as held for sale	594,392	322,006
Other receivables & prepayments	1,750,196	2,250,180
Cash and cash equivalents	10,587,358	13,314,538
<b>Total current assets</b>	<b>49,648,155</b>	<b>67,223,788</b>

**CURRENT LIABILITIES**

	2013 N'000	2012 N'000
Trade and other payables	(14,384,422)	(9,013,118)
Amount due to related party	(855,655)	(917,017)
Borrowings	(14,706,990)	(18,815,815)
Current tax payable	(1,844,200)	(1,937,000)
Retirement benefit liabilities	(842,445)	(10,299,937)
Other creditors	(36,764,897)	(32,387,677)
<b>Total current liabilities</b>	<b>(69,398,608)</b>	<b>(73,370,564)</b>
Net current assets/(liabilities)	(19,750,453)	(6,146,776)

**TOTAL ASSETS LESS CURRENT LIABILITIES**
**NON- CURRENT LIABILITIES**

	2013 N'000	2012 N'000
Trade and other payables	(84,732,527)	(77,978,828)
Borrowings	-	-
Retirement benefit liabilities	(600,555)	-
Deferred tax liabilities	(7,345,591)	(7,345,591)
<b>NET ASSETS</b>	<b>15,228,487</b>	<b>12,642,141</b>

**CAPITAL AND RESERVES**

	2013 N'000	2012 N'000
Share capital	600,000	600,000
Share premium	425,440	425,440
Retained earnings	14,203,047	11,616,701
<b>15,228,487</b>	<b>12,642,141</b>	

**Reconciliation of General Reserve**

At 1 January	11,436,747	9,066,701
Dividend	-	-
Unclaimed dividend transferred to reserve	-	-
Retained profit for the period	2,766,300	2,550,000
<b>At 31 March</b>	<b>14,203,047</b>	<b>11,616,701</b>

**STATEMENT OF CASHFLOWS - PROJECTIONS FOR  
SIX MONTHS ENDING JUNE 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

Purchase of investment

Investment income

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 31 March

Cash and bank balances

Bank overdrafts

Bank loans

Promisory notes

	<b>2013</b>	<b>2012</b>
	N'000	N'000
Cash receipts from customers	79,717,878	75,286,956
Cash paid to suppliers and employees	<u>(77,856,940)</u>	<u>(72,287,556)</u>
<b>Cash flows (used in)/provided by operating activities</b>	<b>1,860,938</b>	<b>2,999,400</b>
Interest paid	(781,348)	(783,496)
Tax paid	<u>(325,132)</u>	<u>(302,753)</u>
<b>Net cash (used in)/provided by operating activities</b>	<b><u>754,458</u></b>	<b><u>1,913,151</u></b>
<b>Cashflows from investing activities:</b>		
Interest received	28,456	(32,406)
Purchase of investment	-	-
Investment income	507,000	-
Proceeds from sale of fixed assets	446,128	376,380
Purchase of fixed assets	<u>(6,035,445)</u>	<u>(2,760,000)</u>
<b>Net cash (used in)/provided by investing activities:</b>	<b><u>(5,053,861)</u></b>	<b><u>(2,416,026)</u></b>
<b>Cashflows from financing activities:</b>		
Loan received	3,566,947	-
Loan repayment	-	(618,781)
Dividend paid	-	-
<b>Net cash used in financing activities:</b>	<b><u>3,566,947</u></b>	<b><u>(618,781)</u></b>
Net increase in cash and cash equivalents	<u>(732,456)</u>	<u>(1,121,656)</u>
Cash and cash equivalent at 1 January	<u>(3,387,176)</u>	<u>(4,379,621)</u>
Cash and cash equivalent at 31 March	<b><u>(4,119,632)</u></b>	<b><u>(5,501,277)</u></b>
Cash and bank balances	10,587,358	13,314,538
Bank overdrafts	<u>(14,706,990)</u>	<u>(18,815,815)</u>
Bank loans	-	-
Promisory notes	-	-
<b></b>	<b><u>(4,119,632)</u></b>	<b><u>(5,501,277)</u></b>

## 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 70%, 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 2013 as an investment company to acquire securities and act as investment managers. Julius Berger International GmbH Wiesbaden - Germany was acquired in May 2013 with 60% shares as Procurement and Supporting Unit of the JB Group.

## 2. Basis of preparation of financial statements

These financial statements are the projections of interim financial statement (hereafter "the Interim Financial Statements") of Julius Berger Nigeria Plc for SIX-month period ending June 30, 2013 (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 June 30, 2012 prepared under local GAAP (hereafter "the Annual Financial Statements"), as they provide an update of previously reported information. The FRCN requires all publicly quoted companies to prepare their financial statements under the IFRS from 2013. 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 SIX 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.

	SIX MONTHS ENDING JUNE 30			
	Revenue		Profit/(loss)	
	2013 =N=	2012 =N=	2013 =N=	2012 =N=
<b>Revenue and results</b>				
<b>Class of business:</b>				
Civil works	56,087,772	53,691,763	7,928,506	6,760,599
Building works	26,524,720	25,391,613	1,670,364	1,424,312
Services	1,088,108	1,041,625	(4,014,236)	(3,422,919)
	<b>83,700,600</b>	<b>80,125,000</b>	<b>5,584,635</b>	<b>4,761,991</b>
Net financing costs			(974,135)	(274,991)
<b>Profit before income tax</b>			<b>4,610,500</b>	<b>4,487,000</b>

## 4. Financial income and financing costs

### *Financial income*

	Period ending June 30	
	2013 =N=	2012 =N=
Interest on deposits	(15,647)	(32,405)
Other interest income	(12,809)	(1)
Foreign exchange gains	(303,606)	(1,469,466)

### *Financing costs*

	2013 =N=	2012 =N=
Interest on overdraft	564,655	715,879
Interest on loan	216,693	67,618
Other finance charges	146,677	371,780
Foreign exchange losses	378,173	621,586
<b>Net financing costs</b>	<b>974,135</b>	<b>274,991</b>

**5. 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 Berger: The Company is an associated Company of Bilfinger Berger that owns 39.87% stake in Julius Berger Nigeria PLC.
- Abumet (Nigeria) Limited: Subsidiary Company in which Julius Berger Nigeria PLC owns 70% 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.
- Primetech Design and Engineering Nigeria Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger Investments Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger International Germany GmbH: A subsidiary which Julius Berger Nigeria PLC owns 90% stake.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been completed at arms length.

**6. 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.

During the prior year, an agreement was reached between the construction industry and the National Joint Industrial Council to liquidate the accumulated staff retirement benefits and henceforth, to settle staff retirement benefit and gratuities on annual basis. The Group has commenced in the year, the process of liquidating the outstanding staff retirement benefits and gratuities. It is expected that all outstandings will be settled before the end of 2013. Consequently, the amount outstanding had been classified as a current liability.



## UNDERLYING ASSUMPTIONS FOR PROJECTED FINANCIAL STATEMENTS FOR SIX MONTHS ENDING JUNE 30, 2013

### 1. BASIS OF ASSUMPTION

The preparation of this projection of Interim Financial Statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, and other disclosures considered significant at the date of the Interim Financial Statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the Interim Financial Statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change.

### 2. TURNOVER

Revenue is measured at the fair value of the consideration received or receivable. The expected revenue for the period ending June 30, 2013 has been determined based on the quantum of revenue expected to be booked and recognised as at June 30, 2013 and is dependent upon the terms of the contract between the entity and its numerous clients.

### 3. COST OF SALES

The cost of materials has been ascertained based on the bill of quantities as per contract agreements and the estimated level of work to be approved by the respective certificates of valuation. Performance still to be executed, cost already booked and also the proportion of cost still to be expected has been considered accordingly. The same procedure was applied for the development of inventories, PPE and Work in Progress.

### 4. CASH AND BANK

The level of cash flow has been estimated using the cash flow analysis of expected cash receipts and payments in line with the budgeted cash flow for the company. However, the Cash Flow Planning and consequently the development of Bank and Cash Balances as at June 30, 2013 are based on expected fund releases of our clients. HSBC Installments are expected to be withdrawn in the period. Also, expected refund of N2b from FIRS is anticipated in the period. Consequently, these had been considered in the preparation of this forecast.

### 5. RECEIVABLES

Receivables include contract receivables, which are amounts due from clients for construction, civil or building works or services performed in the normal course of business. Efforts are geared by management towards recovery of all outstanding debts and settlement of liabilities as at when due. This had been incorporated in the preparation of this forecast.

### 6. PAYABLES

Trade and other payables represent advances from customer prepayments for performance of services related construction contracts which are expected to be recovered and are classified as current liabilities at the end of the period if they are to be recovered within one year or the operating cycle; otherwise, they are classified as noncurrent.

### 7. LONG TERM LOAN

A new HSBC loan Facility will be released to the Company in 2013 generating a long term bank Loan. The same facility is expected to be withdrawn in the second quarter of 2013. This development was considered in the preparation of this forecast