



Annual Report 2009



JULIUS BERGER
NIGERIA PLC



“Customer satisfaction is the essence of our Company. As a multi-service partner, the mission of Julius Berger Nigeria PLC is to provide engineered solutions to the highest standards of safety, quality, delivery and excellence in all of our endeavors. We strive to build enduring partnerships with our Customers based on mutual trust, respect and a fair return for the value we deliver.”

AVM (Dr.) Nura Imam (Rtd.), CFR
Chairman of Julius Berger Nigeria PLC

50 Years of Nigerian Independence
40 Years of Julius Berger Nigeria



JULIUS BERGER
NIGERIA PLC



From the humble roots of a small contractor building the Lagos Eko Bridge in 1965, Julius Berger Nigeria PLC has grown into a mature, world class Nigerian entity. As we celebrate 50 Years of Nigerian Independence, our Company reaffirms its commitment to Nigeria and its people. Together, we will continue to turn potentials into achievements.



For more than four decades,
our Employees have been turning
potentials into achievements.

**50 Years of Nigerian Independence
40 Years of Julius Berger Nigeria**

Financial Statements

for the Year Ended 31 December 2009

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Company Registration No. 6852
Directors, Professional Advisers,
Registered Office, etc.

Directors

- Air-Vice Marshal (Dr.) Nura Imam (Rtd.), CFR
Chairman
- Engr. Heinz Stockhausen (German)
Vice Chairman
- Engr. Wolfgang Goetsch (Austrian)
Managing Director
- Hans Georg Christ (German)
Financial Director
- Chief (Mrs.) Lucy Yahemba Anapine
Katsina-Alu
- HRH Igwe Peter Nwokike Anugwu, J.P., OFR
- Jafaru Damulak
- George Marks (German)
- Engr. Rafiu Afolabi Salami

Secretary

- Dr. O.A. Agbaje, ESQ.

Registrar and Transfer Office

- Union Registrars Ltd.
2, Burma Road
Apapa, Lagos

Registered Office

- Utako District
Berger Junction, Abuja, FCT

Auditors

- Akintola Williams Deloitte
(Chartered Accountants)
2nd Floor Metro Plaza
Central Business District, Abuja

Solicitors

- Femi Okunnu & Co.
Onilewura Chambers
3, Karimu Kotun Street
Victoria Island, Lagos

Principal Bankers

- First Bank of Nigeria PLC
- Guaranty Trust Bank PLC
- Union Bank of Nigeria PLC
- United Bank for Africa PLC
- Zenith Bank PLC

Results at a Glance
for the Year Ended 31 December 2009

	Group 2009 ₦000	Group 2008 ₦000	Change %	Company 2009 ₦000	Company 2008 ₦000	Change %
Turnover	150,358,257	114,028,617	32	148,426,197	112,475,888	32
Profit before taxation	9,444,412	5,241,121	80	9,369,147	5,170,401	81
Profit after taxation	3,300,131	2,508,265	32	3,259,122	2,452,427	33
Profit attributable to equity holders	3,289,169	2,499,700	32	3,259,122	2,452,427	33
Non-controllable interest	10,962	8,565	28	–	–	–
Retained profit for the year	3,300,131	2,508,265	32	3,259,122	2,452,427	33
Share capital	600,000	600,000	–	600,000	600,000	–
Shareholders' funds	7,828,825	6,643,695	18	7,722,184	6,563,062	18

Per share data:

Based on 1,200 (2008: 1,200) Million ordinary shares of 50 K each

Earnings per share (K)						
– Basic	274	208	32	272	204	33
– Adjusted	274	208	32	272	204	33
Net assets per share (₦)						
– Basic	6.52	5.54	18	6.44	5.47	18
– Adjusted	6.52	5.54	18	6.44	5.47	18
Stock Exchange quotation at 31 December (₦)	25.79	55.60	(54)	25.79	55.60	(54)

Number of employees:	18,727	17,575	7	18,334	17,191	7
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Company Registration No. 6852

Notice of Annual General Meeting

Notice is hereby given that the 40th Annual General Meeting of the Company will be held at the Shehu Musa Yar'Adua Centre, No. 1 Memorial Drive, Abuja, Federal Capital Territory on Thursday, 08 July 2010 at 11:00 A.M., for the following purposes:

1. To lay before the meeting the Financial Statements of the Company and the Consolidated Accounts for the year ended 31 December 2009 and the reports of the Directors, Auditors and the Audit Committee thereon.
2. To declare a dividend in respect of the year ended 31 December 2009.
3. To declare a bonus dividend.
4. To re-elect Directors.
5. To approve the remuneration of the Directors for the year ended 31 December 2009.
6. To authorize the Directors to fix the remuneration of the Auditors.
7. To elect members of the Audit Committee.

By Order Of The Board,



Dr. O.A. Agbaje, ESQ.
Company Secretary, Abuja, 29 March 2010

Notes

Proxy

A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy on his or her behalf to vote instead of him/her and such proxy needs not be a member. To be valid, instrument of proxy should be duly stamped by the Commissioner of Stamp Duties. Executed proxy forms should be deposited at the office of Union Registrars Limited, 2, Burma Road, Apapa, P.M.B. 12717, Lagos not less than forty-eight (48) hours before the time of the Meeting.

Dividend Warrant

If the dividend recommended by the Directors is approved by members at the Annual General Meeting, the dividend warrants will be issued immediately after the Annual General Meeting to members whose names appear in the Register of Members at the close of business on 24 June 2010. The Register of Members and Transfer Books of the Company will be closed to the public from the 25th day of June 2010 to the 08th day of July 2010, both days inclusive.

Audit Committee

Any member may nominate a Shareholder as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least twenty-one (21) days before the Annual General Meeting.

Clockwise: Escravos Gas to Liquids Plant (EGTL);
Bonny NLNG Residential Area +238 Apartments;
EGTL Precast Concrete Cooling Tower.



JBN – Industries, Gas and Oil

Division Industries, Gas and Oil operates in the private industrial sector dominated by the oil, gas and power industry. The projects undertaken typically involve the construction of civil and building infrastructure for large scale industrial developments. The main focus continues to be the construction of Liquefied Natural Gas and Gas to Liquids Plants.

Left: Admiralty Alexander Bridge Project, Lagos; Right and bottom:
Remodeling of the Central Bank of Nigeria, Lagos.



JBN – West

Since its foundation in 1965, Julius Berger Nigeria PLC has continuously participated as a key player in the development of Lagos State. This has included the provision of infrastructure, port facilities, industrial installations and buildings for the Mega City. JBN's Division West continues this enduring partnership with the Lagos State Government and the Private Sector. As a multi-service provider, our Clients can depend on JBN to provide a single source solution to their project requirements.

AVM (Dr.) Nura Imam (Rtd.),
CFR, Chairman



“Our policies are socially responsible with a core principle of ‘Respect for Humanity’. Julius Berger Nigeria PLC understands that our success is not a one way street. It is our privilege and honour to be an integral part of the society and we channel significant energy into the support of education, the fight against HIV/AIDS and other worthy initiatives.”

Chairman’s Statement

Introduction

Today, this 8th day of July 2010, we are gathered at the beautiful Yar’Adua center to convey the results of our successful 2009 business year and to celebrate the 40th Annual General Meeting of Julius Berger Nigeria PLC. I wish to personally welcome each and every one of our Shareholders and honored guests to this important event.

This particular meeting has a special significance to Julius Berger Nigeria PLC as it represents over 40 years of our operation in Nigeria and 50 years since independence of our great Nation.

If one is to really contemplate four decades of work in Nigeria, this equates to a lifetime of achievement for Julius Berger Nigeria PLC. It signifies the close bonds, the commitment and, above all, the integrity that has allowed our Company to grow from strength to strength. It represents our success in providing quality construction services that are the core of any emerging economy. Finally, it is a symbol of our Employee’s commitment and the pride that we all feel about our Company. Julius Berger Nigeria PLC is truly a partner in progress for our vast Nation.

In respect of our Company’s performance during last year’s business cycle, let us turn to the matters at hand. Today the Board of Directors wishes to present for your consideration and adaptation, the financial statements for the year ending 31 December 2009. The statements include the Directors Report, the Auditors Report and the Audit Committee Report covering the requisite financial year.

We are confident that our Shareholders will once again be pleased with the performance of the Company, as presented in detail herein.

2009 in Review

Our performance in 2009 was positive and indicates that our Company has thus far weathered the global financial slowdown without any major impacts. For this above average performance, I wish to personally thank all of our Employees who continue to turn our potentials into our achievements.

The macroeconomic conditions in Nigeria improved in 2009 and the Nigerian economy witnessed another year of positive growth due to the contribution from the oil sector and a resilient performance in the non-oil sector. The Naira enjoyed stability and liquidity conditions improved in the second half of 2009 due to expansionary monetary policy and an injection of capital into the banking system by the CBN.

Despite this improvement, there is no question that 2009 ushered in a difficult operating environment impacting the performance of most quoted companies. Challenging economic factors weakened investor confidence further exerting downward pressure on the stock market. In addition, the impact of the global economic meltdown also worsened the scenario. Finally, the initial negative reaction to the banking and insurance industries making full provision for their non-performing assets further dampened investor appetite and slowed the market recovery.

Chairman's Statement (Continued)

The close of the 2009 business year revealed that many positive economic indicators were starting to emerge and we are confident that during our 2010 business year we will continue to see growth.

Specifically, the IMF stated that it expected the world economy to grow by over three percent (3.1%) in 2010 while the Nigerian economy is expected to grow by five percent (5%). Others, including the Economist Group and the Federal Government, believe that the figure for Nigeria will be slightly higher.

While the oil sector will continue to play a large role in the overall economy of Nigeria, as agricultural production continues to be boosted by increased investment the non-oil sector's performance will have an increasing and important role in the economy.

Nigerian manufacturing output was a key focus in 2009 and the Federal Government is taking steps to ensure that this sector receives the incentives necessary for future growth. This is another important step in achieving the objectives of the Vision 20/20.

This continued growth of the economy in 2009 allowed our Company to maintain a robust project portfolio. The Company continued work on existing projects and received some substantial new awards. Some samples are herein listed.

Ongoing Works 2009:

- Abuja – Completion of Roads B6, B12, and Circle Road in Central Area
- Abuja – Construction of National Assembly Complex, Phase III – Part 2
- Lagos – Remodeling of Central Bank of Nigeria, Lagos Office
- Bonny Island – EPC of 238 Apartments in NLNG Residential Area

New Awards 2009:

- Abuja – Rehabilitation and Expansion of Airport Expressway Lot 1 & 2
- Kaduna – New Kaduna Government House
- Agbor – RWC Addendum 2A Itakpe to Ajaokuta to Warri Ore Rail Line
- Lagos – Admiralty Alexander Bridge
- Lagos – Lagos Badagry Expressway
- Lagos – Chevron Twin Lakes Estate Infrastructure Development Phase 1A
- Akwa Ibom – Exxon Mobil Lease Hire of Temporary Offices
- Akwa Ibom – Government House Phase 2

Although the real-side effects of the global economic crisis in 2009 have been large and serious, Nigeria has continued on a positive, but reduced, growth trend. Despite this optimistic news and projections of continued expansion in 2010, there are risks. Specifically, the combination of declining activity in 2009 and the projection of a modest rate of global recovery means that business must remain cognizant of continued challenges in funding, potential delays to project planning and an economic growth rate that is below “the true potential” of the Nation.

Performance

Turning to performance, our Company turnover in 2008 was ₦112.48 Billion against ₦148.43 Billion in the year 2009. This represents an increase of thirty-two percent (32%) over the previous year's reporting.

Company profit before taxation was ₦5.17 Billion in the year 2008 against ₦9.37 Billion in the year 2009, an increase of eighty-one percent (81%).

The increase in the Company's profit after taxation from the year 2008 to the year 2009 is adjusted to thirty-three percent (33%).

The Nigerian Stock Exchange share valuation of the Company at the end of the year 2009 was ₦25.79 compared to ₦55.60 at the end of the year 2008.

Dividend

In view of the excellent performance, the proposed dividend for the year 2009 is 200 Kobo per each ordinary share.

Additionally, the Board of Directors is proposing a bonus of 40 Kobo per each ordinary share in honour of the Company's 40th Annual General Meeting and the years of shareholder support behind our success. This results in a total gross dividend payment of ₦2.88 Billion.

The retained earnings of the Company for 2009 amount to ₦3.26 Billion, thirty-three percent (33%) higher than the corresponding figure in 2008.

Board of Directors

Regarding our Board of Directors, there have been some significant changes during the 2009 business year.

Engineer (Dr.) H. Wittmann OON, retired his post on 18 May 2009 and therefore ceased to be the Vice Chairman of the Board of Directors.

Following this development, Engr. H. Stockhausen was nominated and, by a unanimous decision of the Board of Directors, appointed as Vice Chairman.

In accordance with Article 91 of the Company's Articles of Association, G. Marks, J. Damulak and Engr. R.A. Salami retire by rotation and being eligible, offer themselves for re-election.

Staff

During 2009 our average staff strength increased to just over 18,000 employees. Despite the challenging economic environment, our Company was able to retain our Employees and even increase our manpower strength over the previous year.

Once again, I am extremely pleased to announce that labour issues remained harmonious within the organization. In this regard, Management continues to promote open communication and mutual respect with all of our Employees. All of the Management and supervisory staff understand that our Employees are the core of our business and the most important asset in the Company.

Chairman's Statement (Continued)

Staff discipline training continued to be a focus of the Management in 2009 and several new initiatives were developed. These included formal classroom to apprentice training in the mechanical and electrical workshops, enhanced security initiatives and a heavy emphasis on Health, Safety and Environment, which will be further addressed in the following section.

Our Employees are being trained and developed to be some of the most highly skilled workers in Nigeria. This is clearly reflected in their high caliber of professionalism and the quality of our end product.

Health, Safety and Environment

During 2009, our Company witnessed a continuous improvement in our HSE performance on our construction sites. Bonny Island and EGTL Projects are still demonstrating Company "best performance" with respective Loss Time Injury (LTI) targets for 2010 pegged at four years (10 Million man hours) LTI free and two years (5 Million man hours) LTI free.

Although we have seen a reduction in the severity of the road accidents involving JBN vehicles, this area continues to be a key focus for further improvement as we enter our 2010 business cycle. In our effort to continually strive for excellence, we only view zero accidents as the final measure of success.

On a general training note for 2009, a total of 4,124 JBN staff benefited from an HSE awareness training course with each trainee receiving an average of eight hours training.

All in all, this is a total of 31,100 hours of HSE related training in 2009.

Our Company and its employees are committed to a culture of safety. All new employees are initiated into that culture and encouraged to fully embrace this mandate of the Management.

Quality Assurance

Implementation of the International Standards Organization (ISO) based corporate quality management system has further progressed. Documentation, including procedures and quality management plans for projects and organizational units, has been fully developed in accordance with ISO requirements.

Staff inductions into the quality management system and application of procedures, with focus on work quality assurance and control processes, are continuing on a regular basis in all operational areas in Nigeria. Emphasis in the fourth quarter of 2009 was placed on Lagos operations.

The internal quality audit program for 2010 has been prepared and issued to the relevant divisions, project management and supporting departments.

In 2010, we are planning to commence with third party assessment and auditing processes for our quality management system. The objective is to achieve final system conformance certification with the international quality management system ISO 9001:2008.

Research and Development

We continue to push our organization to develop new efficiencies in the utilization of our resources.

In 2009, the Company initiated various studies on green technology, which included solar power and production and use of biogas. This research is predicated on the increased pressure that is being placed on the environment through population growth, especially in the satellite developments, and the future demand for green energy.

Additionally, we introduced micro tunneling methodologies on our Akwa Ibom Road Project and developed new equipment that supported our award of the Admiralty Alexander Link Bridge Project.

While our studies and development are continuous, our achievements are the true reflection of our Company's commitment to remain at the leading edge of future technologies.

Security

I am very pleased to report that Julius Berger Nigeria PLC had no substantial security incidents recorded in 2009. Nevertheless, we cannot ignore that security issues remain, which require our Company to remain vigilant.

The Niger Delta amnesty process had substantial success during the year. It remains a positive sign that during the last two quarters of 2009, the Niger Delta region did not witness a single serious militant attack.

We remain confident that Nigeria can peacefully resolve the issues in the Niger Delta. A continued economic recovery will be a catalyst for employing more people and reducing the potential for criminality associated with unemployment.

Focus on Corporate Social Responsibility

This year I would like to commend the Management on their commitment to Corporate Social Responsibility. Our Company has grown with Nigeria and all of us realize that success is not a one way street.

Specifically, you will read in this Annual Report that Julius Berger Nigeria PLC has increased its philanthropic contributions for 2009. We believe that it is good business that we continue to support educational initiatives, programs for the underprivileged and to promote institutions that contribute to the development and sustainability of the construction industry.

In the fight against HIV/AIDS, Julius Berger Nigeria PLC continues to lead with a very active participation in the Nigerian Business Coalition Against Aids (NIBUCAA). Presently, Julius Berger hosts the headquarters in Lagos. In 2010 we intend to continue our support for this laudable effort.

Our Employees and the general community greatly benefit from NIBUCAA. In this regard, we are ensuring a pro-active education of the workforce.

Also in 2009, the HSE department conducted two high profile public "Road Safety" campaigns in conjunction with the Federal Road

Chairman's Statement (Continued)

Safety Commission. One educational campaign posted road safety banners throughout the city of Abuja and the other targeted the performance of over-the-road bus drivers just prior to the December holiday season. We can only speculate that there were many lives saved as a result of this effort. We are planning to expand these programs to other cities in 2010.

Future Projects – 2010 Outlook

As evidenced by our existing long term contracts and new contract awards in 2009, our current project portfolio remains ample for our balance of resources through 2010. Nevertheless, our Company continues to pursue new contracts that meet our corporate objectives and resource allocation targets.

In 2010, we expect to see a re-focus of both Federal and State Governments, towards completion of ongoing projects. In addition, the Federal Government has resolved to push forward on their goal of increased Power Generation, which will certainly create new opportunities for our Company.

Also, State Governments are making substantial efforts to accelerate infrastructure that will benefit the people and there are large allocations earmarked for the Niger Delta development. While we still approach the latter with caution because of the obvious security concerns, we still continue to operate in the Niger Delta areas where we are confident that our personnel can be fully protected and operate safely.

In the Private Sector we remain confident that there will be a gradual recovery of the Oil and Gas initiatives in 2010. There are many issues that are hampering growth in this area. Nevertheless, it is inevitable that a substantial portion of the energy required to run the global economy will be emanating from Nigeria.

Therefore, we believe that ample business opportunities will continue to be available for our Company in Nigeria and that our resources will remain occupied for the foreseeable future.

Conclusion

Considering our positive performance over the past years, it is important to balance the success of our 2009 business year in relation to the future. Navigating through a difficult economic period last year, our Company has managed to remain very active and to obtain new projects. Assuming budgetary continuity in the Public and Private Sectors, these successes will contribute to a robust portfolio for Julius Berger Nigeria PLC in 2010.

Nevertheless, our business is cyclic in nature and despite the best Management efforts, our Shareholders must remain cognizant that the positive years will always be tempered with those that are less favorable.

The global economic recovery is underway but the strength of the global recovery is still an open question. Notwithstanding this uncertainty, the financial community projects that the African Continent will experience a better rate of recovery than many other parts of the world.

While the net result of the recovery process will have a significant impact on future public expenditure and private investment, we remain confident that Nigeria will continue its current course of positive growth.

In the end, it is a fact that our Company remains active, we are maintaining a substantial project portfolio and consistently positive results. Our Management will continue to act with wisdom and contemplated action, anticipating market variables and remaining flexible to accommodate new challenges. We will not lose focus of our obligation to provide our Shareholders with a fair and just return for their investment.

While doing this, we will also keep in sight our Corporate Social Responsibilities and our duty to this great Nation.

In closing, I wish to thank all of those people, past and present, who have made Julius Berger Nigeria PLC what it is today. This Company is one of a kind and I feel very privileged to be a part of this great family.

God bless you all.

AVM (Dr.) Nura Imam (Rtd.), CFR
Chairman
Julius Berger Nigeria PLC

JBN – Abuja and North

The “Abuja Story” started in 1980 when JBN was called to lay the very first foundations of the new Federal Capital of Nigeria, Abuja. Until today, in accordance with the Master Plan for the city, the main activities of the Division Abuja remains the planning and construction of major infrastructure and building projects for the Federal Capital Development Authority (FCDA). This core national development is supplemented by various multi-service activities for the Private Sector in Abuja and the North.



Clockwise: Abuja National Assembly Complex, Phase III-Part 2; Completion of Roads B6/B12 and Circle Road in Central Area of Abuja; Expansion of Airport Expressway Lot 1 & 2.



JBN – East

The FSP Division is operating primarily for Federal Ministries and State Governments within the Easter region of Nigeria. The principle activities of the division are major infrastructure and building projects in Akwa Ibom, Rivers, Bayelsa and Imo States. A special project, also being executed by the Division, is the Itakpe to Ajaokuta to Warri Ore Rail Line, which was awarded in 2009.

Clockwise: Men at Work; Government House, Uyo; Pipe jacking and flyover at Ekim Itam – Ikot Oku Ikono Road Project, Uyo.



Corporate Governance

The quality of a company's corporate governance can influence its share price as well as the cost of raising capital. That measure of quality is determined by the financial markets, legislation and other external market forces plus the method by which policies and processes are implemented in a corporate body.

While external forces are, to a large extent, outside the circle of control of any board, the internal environment is quite a different matter. Internally, our Board of Directors and the Management have the opportunity to exceed the average and strive for exemplary Corporate Governance in all aspects of the Company's operations.

Although legislative policy is a deterrent to fraudulent activity, in the end, exemplary performance is only achieved through the implementation of full operational transparency, adaptation and implementation of appropriate policies and control procedures and, finally, a conveyance of corporate integrity into the workforce.

In their role as trustees on behalf of the shareholders, the Board of Directors of Julius Berger Nigeria PLC is committed to a system of structuring, operating and controlling with a view to achieve long term strategic goals within the framework of legal and regulatory compliance.

We believe that Corporate Governance is about commitment to values, ethical business conduct and doing what is right. By remaining committed to this doctrine, corporate longevity and shareholder satisfaction are achieved and our Company can continue to grow from strength to strength.



Julius Berger Nigeria PLC
Board of Directors

Board of Directors



AVM (Dr.) N. Imam (Rtd.), CFR,
Chairman



Engr. H. Stockhausen
(German), Vice Chairman



Engr. W. Goetsch (Austrian),
Managing Director (Executive)



H.G. Christ (German),
Financial Director (Executive)



HRH I.P.N. Anugwu, J.P.,
OFR



Chief (Mrs.) L.Y.A.
Andohol Katsina-Alu



J. Damulak



G. Marks (German)



Engr. R.A. Salami

Report of the Directors for the Year Ended 31 December 2009

The Directors have the pleasure in submitting to the members of the Company their report, together with the Financial Statements of the Group for the year ended 31 December 2009.

1. Results

	₦000
The Group profit attributable to ordinary Shareholders for the year	3,289,169

The Board of Directors has recommended, for declaration at the Annual General Meeting, a dividend of 200 Kobo per each ordinary share.

The Board of Directors is also recommending an additional bonus of 40 Kobo per each ordinary share in honor of the Company’s 40th Annual General Meeting.

2. Legal Form

The Company was incorporated as a private limited liability company in 1970 and was converted to a public liability company in 1979. The Company’s shares are quoted on the Nigerian Stock Exchange.

3. Principal Activities

The principal activities of the Company cover planning, design and construction of civil engineering and building works whilst the subsidiaries, Abumet (Nigeria) Ltd. and Julius Berger Services Nigeria Ltd., respectively carry on the business of manufacturing and installation of aluminum building components and port management services.

4. Directors

- The names of the Directors of the Company are listed on page 2.
- Dr. Eng. H. Wittmann OON resigned his post on 18 May 2009 and therefore ceased to be the Vice Chairman of the Board of Directors.
- Engr. H. Stockhausen was officially appointed as Vice Chairman.
- In accordance with Article 91 of the Company’s Articles of Association, G. Marks, J. Damulak and Engr. R.A. Salami retire by rotation and being eligible, offer themselves for re-election.

Report of the Directors for the Year Ended 31 December 2009 (Continued)

5. Directors' Interest

The interest of the Directors in the issued share capital of the Company is as follows:

	2009 Number	2008 Number
Air-Vice Marshal (Dr.) N. Imam (Rtd.), CFR	660,448	660,448
Chief (Mrs.) L.Y.A. Andohol Katsina-Alu	390,324	390,324
HRH I.P.N. Anugwu, J.P., OFR	80,000	80,000
J. Damulak	1,800,772	1,800,772

No changes were made in the above holdings as at 29 March 2010.

None of the Directors has notified the Company for the purposes of section 277 of the Companies and Allied Matters Act, Cap C20 LFN 2004 of any disclosable interest in contracts in which the Company was involved as at 31 December 2009.

6. Directors' Responsibilities

The Directors are responsible for the preparation of the Financial Statements, that give a true and fair view of the state of affairs of the Company at the end of each financial year and of the profit or loss for that year and comply with the Companies and Allied Matters Act, Cap C20, LFN 2004. In doing so, they ensure that:

- adequate control procedures are instituted which, as far as is reasonably possible, safeguard the assets and prevent and detect fraud and other irregularities;
- ethical standards are maintained and that the Company complies with the laws of Nigeria and the Code of Corporate Governance;
- the terms of reference and procedures of all board committees are determined;
- proper accounting records are maintained;
- applicable accounting standards are adhered to;
- suitable accounting policies are adopted and consistently applied;
- judgments and estimates made are reasonable and prudent;
- the going concern basis is adopted, unless it is inappropriate to presume that the Company will continue in business.

7. Schedule of Board Meetings

The Board of Directors met four times in 2009 with all members present. The meetings took place on:

Meetings of the Board of Directors in 2009			
20 February 2009	18 May 2009	17 August 2009	08 December 2009

8. Substantial Interest in Shares

The called-up and fully paid shares of the Company as at 31 December 2009 were beneficially held as follows:

	2009 Number of shares 000		2008 Number of shares 000	
		%		%
Bilfinger Berger AG	598,420	49.87	598,420	49.87
Lagos State Government (Ibile Holdings Ltd.)	83,963	6.99	120,674	10.06
Benue State Government (Benue Investment Co. Ltd.)	63,293	5.27	63,293	5.27
Nigerian Citizens and Associations	454,324	37.87	417,613	34.80
Total	1,200,000	100.00	1,200,000	100.00

No Shareholder, except as disclosed above, held more than five percent (5%) of the issued share capital of the Company at 31 December 2009 and up to and including 29 March 2010.

Report of the Directors for the Year Ended 31 December 2009 (Continued)

9. Analysis of Shareholding

Range of shareholdings	Number of shareholders	% to Total	Number of shares held	% of shareholding
1–500	1,012	10.19	267,013	0.02
501–1,000	1,039	10.46	802,650	0.07
1,001–5,000	3,539	35.64	9,243,466	0.77
5,001–10,000	1,895	19.09	13,157,336	1.10
10,001–25,000	1,218	12.27	18,776,194	1.56
25,001–100,000	967	9.74	43,904,580	3.66
100,001–500,000	190	1.91	41,180,496	3.43
500,001 – and above	69	0.69	1,072,668,265	89.39
Total	9,929	100.00	1,200,000,000	100.00

10. Fixed Assets

Movements in fixed assets during the year are shown in note 7 on page 47 of the Financial Statements for the year ended 31 December 2009. In the opinion of the Directors, the market value of the Company's properties is not less than the value shown in the accounts.

11. Donations and charitable gifts

Donations and charitable gifts made during the year amounted to ₦11,295,000 (2008: ₦11,243,500) as follows:

Beneficiary	₦
Dr. Mrs. Buki Kogbe / Book Launching	25,000
Launch of NSMA / Pearl Awards Night	250,000
Gongbeat Productions / Annual Dance Comp. Festival	200,000
NIQS FCT Investiture / Dinner 2009	25,000
NSE Investiture / Induction Ceremony	100,000
Fidelis Udah / Donation of Drugs	450,000
Rotary Club of Gwarimpa / Glaucoma Day	50,000
Yakuba Gowon Cntr. of National Unity & Int. Cooperation	1,000,000
Africare / HIV Campaign Argungu	170,000
Tonia Stitches / Donation for Accident Victim	300,000
Chartered Institute of Taxation / 11 th Annual Conference	300,000
HRH Oba Michael Adediji Oladehinde Orelaja / Com. Ass.	500,000
Shettima Ali Mongunu Educatation Foundation	250,000
Yaba College of Technology / Refurbishment	250,000
COREN / 18 th Engineering Assembly	300,000
NATIP (Office of Prohibition of Trafficking)	50,000
Muslim & Christian Youth Awareness Foundation	25,000
CCESSA / 8 th Triennial National Delegation Conference	250,000
Nigerian Soc. of Engrs. / Book Launch Road Maintenance	50,000
FOCI / 53 rd AGM	650,000
NSE Abuja Branch / 2009 Engineering Week	250,000
ICAN / 39 th Annual Chartered Accountants Conference	300,000
NICE / Sponsoring Lecture	100,000
Task Force Committee FIFA / 2010 U 17 World Cup	3,000,000
PCRC / Annual Conf. of Police Community Relations	50,000
Nigerian Institute of Quantity Surveyor / Seminar	150,000
Federal School of Surveying / Anniversary Celebration	300,000
Down Syndrom Association	100,000
Novitate HHCJ	750,000
Lafaji Fanty Association	500,000
Various minor social contributions	600,000

In accordance with Section 38(2) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria 2004, the Company did not make any donation or gift to any political party, political association or for any political purpose in the course of the year under review.

Note: Julius Berger Nigeria PLC is a founding member of the Nigerian Business Coalition Against Aids (NIBUCAA). While forgoing cash contribution, our Company's contribution is "in kind" as represented by our support for the organizational aspects of NIBUCAA and by utilising their services in educating our workforce on the dangers of HIV/AIDS.

Report of the Directors for the Year Ended 31 December 2009 (Continued)

12. Research and Development

We persist in the search for new methods and technologies to reduce our carbon footprint, economize our resources and to become more efficient.

In 2009, we continued a study on the use of environmentally friendly waste disposal and regeneration techniques. The study determined that “biogas” power generation from organic waste is a future marketing potential for our Company as our existing technology base could easily adapt to the processes. In this regard, we will continue to follow new trends and market demand.

These studies have resulted in a better understanding of “green” technology and the incentive for further research in our day to day operations. For example, internally we are now using solar water heaters on many of our building structures.

As our research into these new technologies has grown, so has the interest of our staff. As a result, in late 2009 our engineering staff convened a voluntary “think tank” that meets bi-monthly to review upcoming green technologies that may become viable for our business in the future. This voluntary effort reflects the interest of our Employees in keeping Julius Berger Nigeria PLC at the forefront of “green” development.

Also in 2009, the Company researched alternative construction methodologies for installation of a drainage system in Akwa Ibom State. As a direct result of this research, a method of micro tunneling was chosen to be the preferred method of installation.

Finally, our 2009 efforts at Research and Development facilitated our competitive bidding for the Admiralty Alexander Link Bridge. This is the first cable-stayed bridge in West Africa and innovative construction methods were required to carry out the work in a cost sensitive manner.

After a great deal of research on suitable off the shelf components, it was concluded that Julius Berger Nigeria PLC would conceptualize, design and build two major construction components thereby minimizing external costs and keeping our Company competitive for the work.

Specifically, our Company developed a road section launching girder and innovative pre-casting equipment to support this complex work. This is a perfect example of where our in-house R&D efforts provide strong returns to our Company.

13. Suppliers

The Company’s significant overseas and local suppliers are G.Tesch GmbH, Bilfinger Berger, Flour Mills of Nigeria PLC, Zenon Petroleum & Gas Ltd., African Petroleum PLC, Ashaka Cement PLC, African Timber & Plywood Ltd., Oando PLC and Abumet (Nigeria) Ltd., Julius Berger Services Nigeria Ltd.

The Company is not associated with any of the local suppliers, except Abumet (Nigeria) Ltd. and Julius Berger Services Nigeria Ltd. and obtains all its materials at “arms length” basis.

The Company is an associated company of Bilfinger Berger.

14. Technical Service and Know-How Agreement

The Company has a valid and subsisting agreement with Bilfinger Berger. The agreement has been registered with the National Office for Technology Acquisition and Promotion (NOTAP).

15. Employment and Employees

a) Employment of Physically Challenged Persons

It is the policy of the Company that there should be no discrimination in considering applications for employment, including those from physically challenged persons. All employees whether or not physically challenged, are given equal opportunities to develop their experience and knowledge and to qualify for promotion in furtherance of their careers. As at 31 December 2009, the number of physically challenged persons employed by the Company was forty-six (46).

b) Employee Involvement and Training

The Company is committed to keeping employees informed, as far as possible, regarding the Company’s performance and progress and seeking their views on matters that particularly affect them as employees.

Management, professional and technical expertise are the Company’s major assets and investment in developing such skills continues.

The Company’s expanding skills base has extended the range of training provided and broadened the opportunities for career development within the organisation.

Incentive schemes designed to meet special circumstances of our various cadre are implemented wherever appropriate. Samples of these include bonus, promotion and training.

c) Health, Safety at Work and Welfare of Employees

Health and safety regulations are in force within the Company’s premises and employees are aware of existing regulations. The Company provides free medical attention as well as allowances for transportation and housing to all levels of employees.

16. Post Balance Sheet Events

There were no post balance sheet events that would have had an effect on these Financial Statements.

Report of the Directors for the Year Ended 31 December 2009 (Continued)

17. Corporate Governance

Julius Berger Nigeria PLC has adopted a responsible attitude towards Corporate Governance in its business activities. Julius Berger Nigeria PLC is committed to the principles contained in the Code of Best Practices as issued by the Securities and Exchange Commission (SEC). To further the protection and promotion of Shareholders interest, the Board of Directors has implemented a Compliance System with its key component being the Statement of Business Principles.

The Julius Berger Business Principles are fundamental rules which are valid throughout the Company and serve as guidelines in the adherence to uncompromising standards of business ethics and integrity. The core values of our Business Principles are, amongst others, ethical and lawful conduct of our business, accountability, honesty and fairness, trust and mutual respect, respect of human rights in all aspects of business transactions, shareholder satisfaction and protection of their investment.

In order to achieve the goals of good Corporate Governance, the Board of Directors has established the following committees:

Remuneration Committee

The Remuneration Committee is responsible for reviewing the remuneration of the executive and non-executive directors and determination of specific remuneration packages for the Directors.

The Remuneration Committee has met once in 2009. The meeting took place on:

Meetings of the Remuneration Committee			
19 February 2009			
Name	Designation	Number of meetings held	Number of meetings attended
AVM (Dr.) N. Imam (Rtd.), CFR	Chairman	1	1
Engr. H. Stockhausen	Member	1	1

Audit Committee of the Board

The Audit Committee of the Board has to ensure compliance with the rules and regulations of the Code of Corporate Governance in Nigeria, the Companies and Allied Matters Act, Cap. C20, LFN 2004, the Investments and Securities Act 2007 and any other legal requirements.

The Audit Committee of the Board met three times in 2009 with all members and the Company Secretary present. The meetings took place on:

Meetings of the Audit Committee of the Board			
19 February 2009	18 August 2009	07 December 2009	
Name	Designation	Number of meetings held	Number of meetings attended
G. Marks	Chairman	3	3
HRH I.P.N. Anugwu, J.P., OFR	Member	3	3
J. Damulak	Member	3	3

18. Audit Committee

Pursuant to section 359 (3) of the Companies and Allied Matters Act, Cap. C20, LFN 2004, the Company has an Audit Committee of the Shareholders comprising of three Directors and three Shareholders.

The objectives and functions of the Audit Committee of the Shareholders are as particularly described in the Companies and Allied Matters Act, Cap. C20, LFN 2004 and in the Code of Corporate Governance in Nigeria.

The Audit Committee of the Shareholders met three times in Abuja within 2009/2010 with all elected members and the Company Secretary in attendance. The meetings were held in Abuja and took place on:

Report of the Directors for the Year Ended 31 December 2009 (Continued)

Meetings of the Audit Committee			
18 August 2009	08 January 2010	24 March 2010	
Name	Designation	Number of meetings held	Number of meetings attended
Alhaji (Dr.) B.M. Tukur, Tafida Adamawa, CON	Chairman	3	3
Chief T. Adesiyen	Member	3	3
HRH I.P.N. Anugwu, J.P., OFR	Member	3	3
H.G. Christ	Member	3	3
G. Marks	Member	3	2
Sir S. Nwosu (KSS)	Member	3	3

19. Auditors

The Auditors, Akintola Williams Deloitte, have indicated their willingness to continue in office as the Company's Auditors in accordance with section 357(2) of the Companies and Allied Matters Act, Cap C20, LFN 2004. A resolution will be proposed authorizing the Directors to determine their remuneration.

By order of the Board,



Dr. O.A. Agbaje, ESQ. – Secretary

Abuja, 29 March 2010

Report of the Independent Auditors to the Members of Julius Berger Nigeria PLC

Deloitte.

Akintola Williams Deloitte
2nd Floor, Metro Plaza
Zakariya Maimai Street
Central Business District
P.O. Box 3710, Garki
Abuja, Nigeria
Tel: +234 9 451 4905
Fax: +234 9 451 4931
www.deloitte.com.ng

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF JULIUS BERGER NIGERIA PLC

We have audited the accompanying consolidated financial statements of **Julius Berger Nigeria Plc** and its subsidiaries, set out on pages 34 to 65 which comprise the consolidated balance sheet as at 31 December, 2009, the consolidated income statement, statement of cash flows and statement of value added for the year then ended, and a summary of significant accounting policies, financial summary and other explanatory information.

Directors' responsibility for the consolidated financial statements

The Directors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the Companies and Allied Matters Act, CAP C20, LFN 2004, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of **Julius Berger Nigeria Plc** and its subsidiaries as at 31 December, 2009, and of its financial performance and its cash flows for the year then ended; the Company and its subsidiaries have kept proper books of accounts which are in agreement with the consolidated balance sheet and income statement, in the manner required by the Companies and Allied Matters Act, CAP C20, LFN 2004, and, in accordance with the Statement of Accounting Standards issued by the Nigerian Accounting Standards Board.

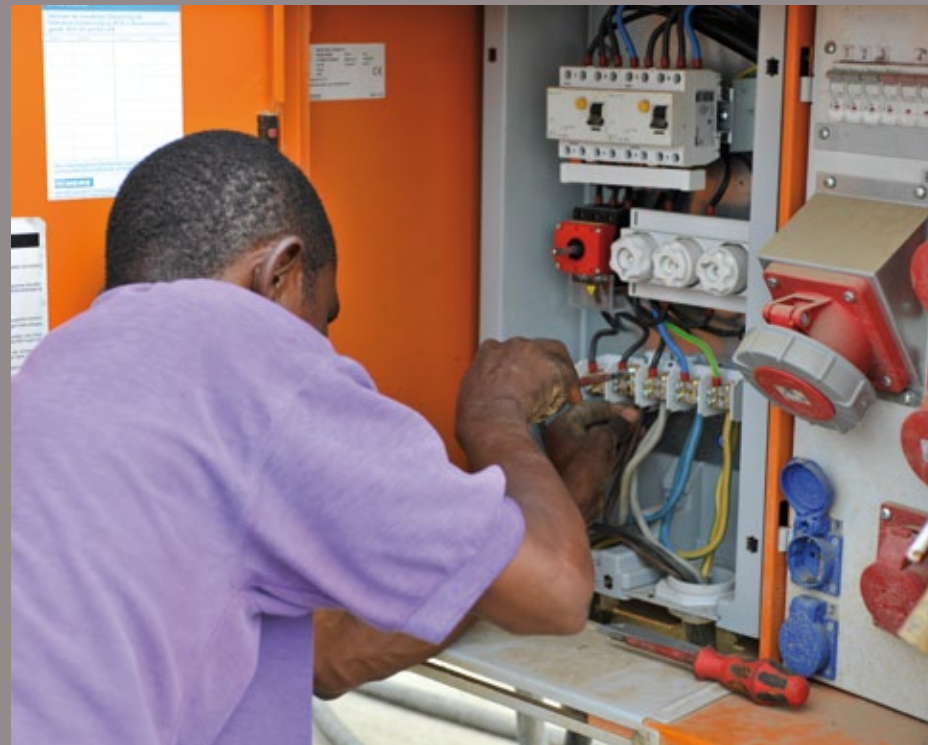

Chartered Accountants
Abuja, Nigeria
29 March, 2010

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Member of Deloitte Touche Tohmatsu



JBN – Facility Services Nigeria



The Facility Services Nigeria Division (FSN) stands for competent and reliable facility management customized to the specifications of a particular client. Services provided by FSN are computer-assisted facility management, corrective, preventive and predictive maintenance works, refurbishment of facilities, resource management and more available around the clock.

Left: FSN Maintenance works.

JBN – Complimentary Services



Left: JBN Engineering and Consulting Department (ECD); Right: JBN Abuja Furniture Production (AFP).

Report of the Audit Committee to the Members of Julius Berger Nigeria PLC

In accordance with Section 359 Sub-Sections (3) and (6) of the Companies and Allied Matters Act, Cap C20, LFN 2004, we confirm that we have received the Auditors' Report for the year ended 31 December 2009.

In our opinion, the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices.

We reviewed the scope and planning of audit requirements and of the external Auditors' Management Report for the year under review as well as Management responses thereon.

We are satisfied with Management responses to the Auditors' findings and are impressed with the Management and state of affairs at Julius Berger Nigeria PLC.

Members of the Audit Committee

- Alhaji (Dr.) B.M. Tukur, Tafida Adamawa, CON – Chairman
- H.G. Christ
- HRH I.P.N. Anugwu, J.P., OFR
- Chief T. Adesiyun
- G. Marks
- Sir S. Nwosu (KSS)

Secretary to the Committee

- Dr. O.A. Agbaje, ESQ.

Alhaji (Dr.) Bamanga M. Tukur,
Tafida Adamawa, CON – Chairman

Abuja, 24 March 2010

Statement of Significant Accounting Policies for the Year Ended 31 December 2009

The following are the Significant Accounting Policies adopted by the Group in the preparation of these Financial Statements:

1. Basis of Accounting

The Financial Statements are prepared under the historical cost convention.

2. Basis of Consolidation

The Group Financial Statements incorporate the Financial Statements of the Company, Julius Berger Services Nigeria Ltd. and Abumet (Nigeria) Ltd.. The Financial Statements are inclusive of all activity up to 31 December 2009.

Where necessary, adjustments are made to the Financial Statements of the subsidiaries to bring their accounting policies into line with those used by members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein.

3. Revenue Recognition

a. Revenue

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced with estimated customer returns, rebates and other similar allowances. Revenue is recognized when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity.

b. Construction Contracts

Revenue from construction contracts represents the value of engineers' certificates for all work done during the year less retention monies which are brought into the accounts only when collectable.

c. Goods and Services

Turnover represents the net invoice value of sales to third parties.

4. Fixed Assets

All fixed assets are stated at cost less accumulated depreciation.

5. Depreciation of Fixed Assets

Depreciation is provided to write off the cost of fixed assets at the following annual rates:

- Buildings
 - 10% in the year of acquisition and thereafter at
 - 10% per annum on the book written down value.
- Plant & machinery and other fixed assets
 - 32.5% in the year of acquisition and thereafter at
 - 12.5% per annum on the book written down value.

6. Stocks

Stocks are valued at the lower of cost or net realizable value. Cost comprises suppliers' invoice prices and, where appropriate, other charges incurred to bring the materials to their location and condition. Cost in the case of finished products includes a proportion of production overhead.

7. Work-in-Progress

Work-in-progress is valued on the basis of engineers' estimate of the quantum of work done but not yet certified. Claims receivable arising on contracts are normally taken to income when agreed. In the case of unprofitable contracts, full provision is made for anticipated future losses after taking into account a prudent estimate of claims arising in respect of such contracts.

8. Debtors

Debtors are stated after deduction of specific provision or any debt considered doubtful of collection.

9. Taxation

Taxation represents the sum of income tax payable and deferred tax.

a. Deferred Taxation

Provision for deferred taxation is made by the liability method and calculated at the current rate of taxation on the differences between the net book value of qualifying fixed assets and their corresponding tax written down values in accordance with the Statement of Accounting Standard on Taxes (SAS 19) issued by the Nigerian Accounting Standards Board.

b. Income Tax

Income tax is provided on taxable profit at the current statutory rate.

10. Foreign Currencies

All transactions in foreign currencies are recorded in Naira at the rate of exchange ruling at the dates of the transactions. Foreign currency balances are converted to Naira at the rates of exchange ruling at the balance sheet date. All differences arising there from are taken to the profit and loss account.

Statement of Significant Accounting Policies for the Year Ended 31 December 2009 (Continued)

11. Retirement Benefits

Retirement benefits for members of staff are structured through a defined contributory pension scheme, which is independent of the Company's finances and is managed by Pension Fund Administrators. The scheme, which is funded by contributions from both employees and employer at seven and one half percent (7.5%) each, is consistent with the Pension Reform Act 2004. In addition, full provision is being made in the Financial Statements for liabilities due at the balance sheet date in respect of employees' terminal gratuities based on qualifying years of service and applicable emoluments as per operating collective agreement. This is paid to employees as at when due.

12. Marketable Securities

Marketable securities include government bonds and other securities held for fixed redemption date. They are stated at cost and premiums or discounts arising on purchase are amortized on the yield to redemption.

13. Investments

Investments are classified as short term or long term investments.

a. Short-term Investments

Debts and equity securities held for a period not exceeding one year are classified as short term investments.

b. Long-term Investments

Investments intended to be held for over a period exceeding one year, which are either held to maturity or available for sale in response to needs for liquidity or changes in interest rates, exchange rates or equity prices are classified as long-term investments.

c. Valuation

- Quoted investments other than dated securities are stated
 - at the lower of cost and market value for short-term investments;
 - at cost for long-term investments.
 Provision is made for permanent diminution in the value of the investments.
- Unquoted investments are held as long-term and stated at cost less provision for diminution in values.
- Dated securities are stated at cost.
- Investments in subsidiaries are stated at cost and investment income is accounted for on accrual basis.

14. Provisions

Provision is recognized when the Company has a present obligation. This provision is predicated on the ability to make a reliable estimate of the amount of the obligation in accordance with Statement of Accounting Standard (SAS 23) on provisions, contingent liabilities and contingent assets.

15. Dividend

Proposed dividend for the year is recognized as a liability only when declared and approved by shareholders at the Annual General Meeting.

16. Earnings per Share

The Group presents basic earnings per share for its ordinary shares. Basic earnings per share (EPS) is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of shares outstanding during the year.

17. Segment Reporting

A segment is a distinguishable component of the Company and Group that is engaged in providing related products or services (business segment) or in providing products or services within a particular economic environment (geographical segment), which is subject to risk and rewards that are different from those of other segments.

Segment information is presented in respect of the Company's and Group's business and geographical segments. The business segments are determined by Management based on the Company's internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Nigerian Expertise Leads the Way

At Julius Berger Nigeria PLC, we strive for increased efficiency in our methodologies and resource utilisation. This includes the use of technologies new to Nigeria such as our micro-tunnelling in Akwa Ibom State and our purpose built bridge building equipment for the Admiralty Alexander Bridge in Lagos.

Through an established process of Technology Transfer, our Employees are achieving international standards of excellence. Staff discipline training remains a key focal point of Julius Berger Nigeria PLC.



We know how.

Profit and Loss Account for the Year Ended 31 December 2009

	Note	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Turnover	2	150,358,257	114,028,617	148,426,197	112,475,888
Cost of sales		(123,101,757)	(96,785,722)	(121,864,264)	(95,686,319)
Gross profit		27,256,500	17,242,895	26,561,933	16,789,569
Other income	3	2,349,574	1,103,621	2,337,703	1,049,108
		29,606,074	18,346,516	28,899,636	17,838,677
Administrative expenses		(19,414,202)	(12,532,416)	(18,783,029)	(12,098,415)
Interest payable and similar charges		(747,460)	(572,979)	(747,460)	(569,861)
Profit on ordinary activities before taxation	4	9,444,412	5,241,121	9,369,147	5,170,401
Taxation	5	(6,144,281)	(2,732,856)	(6,110,025)	(2,717,974)
Profit on ordinary activities after taxation		3,300,131	2,508,265	3,259,122	2,452,427
Retained profit for the year		3,300,131	2,508,265	3,259,122	2,452,427
Attributable to:					
Equity holders of the parent	19	3,289,169	2,499,700	3,259,122	2,452,427
Non-controllable interest	20	10,962	8,565	–	–
		3,300,131	2,508,265	3,259,122	2,452,427
Earnings per share (Kobo):					
Basic	6	274	208	272	204
Diluted / adjusted		274	208	272	204

The Accounting Policies on pages 34 to 37 and the Notes on pages 44 to 61 form part of these Financial Statements.

Balance Sheet for the Year Ended 31 December 2009

	Note	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Fixed assets	7	48,688,772	28,574,055	48,411,727	28,381,334
Investments	8	–	–	191,775	191,775
Government Bonds	9	2,000,000	–	2,000,000	–
Current Assets:					
Stocks	10	15,222,348	12,146,923	14,845,699	11,830,908
Contract debtors and retention	11	47,083,195	45,170,805	46,662,703	44,730,132
Amount due from related companies	26	–	–	788,628	552,543
Other debtors and prepayments	12	32,659,282	29,693,531	32,433,739	29,586,414
Bank and cash		9,047,980	22,844,092	8,968,812	22,683,908
		104,012,805	109,855,351	103,699,581	109,383,905
Creditors: amounts falling due within one year					
Trade creditors		(4,046,123)	(5,333,933)	(4,000,609)	(5,292,859)
Amount due to related companies	26	–	–	(220,441)	(264,529)
Bank loans and overdrafts	13	(8,093,575)	(4,289,598)	(8,093,575)	(4,289,598)
Taxation	5	(3,954,270)	(2,184,142)	(3,942,253)	(2,168,690)
Other creditors	14	(119,880,401)	(114,529,943)	(119,485,582)	(113,965,498)
Net current liabilities		(31,961,564)	(16,482,265)	(32,042,879)	(16,597,269)
Total assets less current liabilities		18,727,208	12,091,790	18,560,623	11,975,840
Deferred taxation	15	(1,024,613)	(866,450)	(996,837)	(858,269)
Creditors: amounts falling due after one year					
Term loan	17	(3,569,396)	–	(3,569,396)	–
Provision for liabilities and charges:					
Staff retirement benefits	16	(6,304,374)	(4,581,645)	(6,272,206)	(4,554,509)
Net assets		7,828,825	6,643,695	7,722,184	6,563,062
Capital and reserves:					
Share capital	18	600,000	600,000	600,000	600,000
Share premium		425,440	425,440	425,440	425,440
General reserve	19	6,762,689	5,588,520	6,696,744	5,537,622
Attributable to equity holders		7,788,129	6,613,960	7,722,184	6,563,062
Non-controllable interest	20	40,696	29,735	–	–
		7,828,825	6,643,695	7,722,184	6,563,062

These Financial Statements on pages 34 to 65 were approved by the Board of Directors on 29 March 2010 and signed on its behalf by:

Directors

The Accounting Policies on pages 34 to 37 and the Notes on pages 44 to 61 form part of the Financial Statements.

Statement of Cash Flows for the Year Ended 31 December 2009

	Note	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Cash flows from operating activities:					
Cash receipts from customers		142,558,285	87,914,454	140,206,875	86,207,173
Cash paid to suppliers and employees		(128,392,843)	(66,076,859)	(126,125,964)	(64,336,930)
Cash provided by operating activities		14,165,442	21,837,595	14,080,911	21,870,243
Taxes paid	5	(559,746)	(291,423)	(553,461)	(284,334)
Net cash provided by operating activities	21	13,605,696	21,546,172	13,527,450	21,585,909
Cash flows from investing activities:					
Purchase of Lagos state government bonds		(2,000,000)	–	(2,000,000)	–
Proceeds from disposal of FGN bonds		–	5,684,000	–	5,684,000
Investment income received		129,644	–	129,644	–
Interest received		401,286	–	401,286	–
Proceeds from sale of fixed assets		2,410,032	2,085,513	2,400,500	2,082,461
Purchase of fixed assets	7	(33,810,119)	(12,517,282)	(33,642,825)	(12,459,997)
Net cash used in investing activities		(32,869,157)	(4,747,769)	(32,711,395)	(4,693,536)
Cash flows from financing activities:					
Loan received		6,426,534	–	6,426,534	–
Dividend paid		(2,100,005)	(1,499,999)	(2,100,005)	(1,499,999)
Dividend paid to minority shareholders		(1,500)	–	–	–
Loan repayment		(1,914,197)	–	(1,914,197)	–
Interest paid		(747,460)	(572,279)	(747,460)	(569,861)
Net cash used in financing activities		1,663,372	(2,267,150)	1,664,872	(2,264,031)
Net (decrease) / increase in cash and cash equivalents		(17,600,089)	14,726,125	(17,519,073)	14,822,513
Cash and cash equivalents at 1 January		18,554,494	3,828,369	18,394,310	3,571,797
Cash and cash equivalents at 31 December	23	954,405	18,554,494	875,237	18,394,310



Safety

With reference to safety, any accident is one too many. Therefore, we target zero incidents as the only true measure of success. In this regard, our projects are still demonstrating “best performance” in safety with Bonny Island Projects achieving over 9 Million man hours without a single lost time injury and Escravos Gas to Liquids Project over 5 Million man hours LTI free.

Notes to the Financial Statements for the Year Ended 31 December 2009

1. The Company

The Company was incorporated as a private limited liability company in 1970 and was converted to a public limited company (PLC) in 1979. 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. While the principal activities of the subsidiaries include the manufacturing and installation of building aluminium components for Abumet (Nig) Ltd and port management services for Julius Berger Services Nigeria Limited.

2. Turnover

Turnover represents revenue from construction contracts executed on behalf of third parties and the net value of goods and services invoiced to external customers in Nigeria. An analysis of turnover is shown below:

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Revenue from construction contracts	148,426,197	112,475,888	148,426,197	112,475,888
Revenue from sale of goods and services	1,932,060	1,552,729	–	–
	150,358,257	114,028,617	148,426,197	112,475,888

Further analysis of sales on Company basis:

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Julius Berger Nigeria PLC	148,426,197	112,475,888	148,426,197	112,475,888
Abumet (Nigeria) Ltd.	1,184,214	1,115,713	–	–
Julius Berger Services Nigeria Ltd.	747,846	437,016	–	–
	150,358,257	114,028,617	148,426,197	112,475,888

3. Other Income

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Profit from sale of fixed assets	1,691,686	1,052,160	1,687,933	1,049,108
Interest received	401,286	–	401,286	–
Interest on government bonds	248,484	–	248,484	–
Sundry income	8,118	51,461	–	–
	2,349,574	1,103,621	2,337,703	1,049,108

4. Profit Before Taxation

The profit before tax is stated after charging/(crediting):

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Depreciation	12,977,056	6,922,204	12,899,866	6,882,274
Directors' emoluments:				
– Fees	8,450	8,848	8,450	8,288
– Others	77,423	36,788	76,863	36,788
Auditors' remuneration	32,000	23,000	24,000	17,000
Bank interests	747,460	572,979	747,460	569,861
Exchange loss	104,559	100,779	99,477	105,890
Interest on government bonds	(248,484)	–	(248,484)	–
Profit on disposal of fixed assets	(1,691,686)	(1,052,160)	(1,687,933)	(1,049,108)
Interest received	(401,286)	–	(401,286)	–
(Gain)/ loss on disposal of FGN bonds	–	–	–	–

Notes to the Financial Statements for the Year Ended 31 December 2009 (Continued)

5. Taxation

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Based on the profit for the year:				
– Income tax	3,284,159	1,878,920	3,275,314	1,868,192
– Education tax	515,076	259,227	511,884	254,504
– Capital gains tax	163,915	45,995	163,915	45,995
Under provision for prior years	2,025,279	549,283	2,020,344	549,283
	5,988,429	2,733,425	5,971,457	2,717,974
Deferred tax	155,852	(569)	138,568	–
Per profit and loss account	6,144,281	2,732,856	6,110,025	2,717,974
At 01 January	2,184,142	1,388,664	2,168,690	1,372,771
Under provision for prior years	2,025,279	549,283	2,020,344	549,283
Tax based on the profit for the year	3,963,150	2,184,142	3,951,113	2,168,690
	8,172,571	4,122,089	8,140,147	4,090,744
Payment in the year	(559,746)	(291,423)	(553,461)	(284,334)
Withholding tax utilised (Note 11.1)	(3,658,555)	(1,646,524)	(3,644,433)	(1,637,720)
At 31 December	3,954,270	2,184,142	3,942,253	2,168,690

The charge for taxation in these Financial Statements is based on the provisions of the Companies Income Tax Act (CAP C21, LFN 2004) as amended to date. Education tax is based on the provisions of the Education Tax Act (CAP E4, LFN 2004).

6. Earnings Per Share – Basic

Earnings per share (basic) are calculated based on the profit after tax and the number of ordinary shares issued and paid up at 31 December of every year.

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Profit for the year attributable to shareholders	3,289,169	2,499,700	3,259,122	2,452,427
Number of ordinary shares in issue	1,200,000	1,200,000	1,200,000	1,200,000
Earnings per share (50K) – Basic	274	208	272	204

7. Fixed Assets

Group	Buildings ₦000	Plant & Machinery ₦000	Other Fixed Assets ₦000	Total ₦000
Cost:				
At 01 January 2009	1,417,696	54,705,759	513,620	56,637,075
Additions	5,756,988	27,982,853	70,278	33,810,119
Disposals	–	(2,202,946)	(21,273)	(2,224,219)
At 31 December 2009	7,174,684	80,485,666	562,625	88,222,975
Depreciation:				
At 01 January 2009	757,018	27,019,681	286,321	28,063,020
Charge for the year	472,636	12,451,134	53,286	12,977,056
Eliminated on disposals	–	(1,490,208)	(15,665)	(1,505,873)
At 31 December 2009	1,229,654	37,980,607	323,942	39,534,203
Net book value:				
At 31 December 2009	5,945,030	42,505,059	238,683	48,688,772
At 31 December 2008	660,678	27,686,078	227,299	28,574,055

Company	Buildings ₦000	Plant & Machinery ₦000	Other Fixed Assets ₦000	Total ₦000
Cost:				
At 01 January 2009	1,361,948	54,400,112	417,276	56,179,336
Additions	5,756,988	27,885,836	1	33,642,825
Disposals	–	(2,181,690)	(18,090)	(2,199,780)
At 31 December 2009	7,118,936	80,104,258	399,187	87,622,381
Depreciation:				
At 01 January 2009	723,173	26,835,248	239,581	27,798,002
Charge for the year	470,446	12,407,822	21,598	12,899,866
Eliminated on disposals	–	(1,474,033)	(13,181)	(1,487,214)
At 31 December 2009	1,193,619	37,769,037	247,998	39,210,654
Net book value:				
At 31 December 2009	5,925,317	42,335,221	151,189	48,411,727
At 31 December 2008	638,775	27,564,864	177,695	28,381,334

Notes to the Financial Statements for the Year Ended 31 December 2009 (Continued)

8. Investments

In Subsidiaries (unquoted)	Percentage Holding %	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Julius Berger Services Nigeria Ltd.	100	–	–	177,775	177,775
Abumet (Nigeria) Ltd.	70	–	–	14,000	14,000
		–	–	191,775	191,775

All the above investments are unquoted. Directors are of the opinion that the values of the investments in the subsidiary companies are not lower than cost.

9. Government Bonds

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
At 01 January (FGN bonds)	–	5,684,000	–	5,684,000
Additions in the year (Lagos State government bonds)	2,000,000	–	2,000,000	–
Disposed during the year (FGN bonds)	–	(5,684,000)	–	(5,684,000)
At 31 December	2,000,000	–	2,000,000	–

This represents investment in Lagos State government bonds. The bonds were issued for ₦1,000 per unit at a fixed coupon rate of thirteen percent (13%) per annum, payable semi-annually in arrears. The market value of the bonds as at 31 December 2009 was ₦2 Billion.

10. Stocks

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Construction materials	4,160,391	3,245,619	3,808,911	2,933,901
Consumable materials	1,632,898	1,157,673	1,632,898	1,157,673
Spare parts and tools	3,274,062	2,612,241	3,271,881	2,610,046
Construction work in progress	5,832,880	4,933,127	5,813,743	4,931,040
Others	322,117	198,263	318,266	198,248
	15,222,348	12,146,923	14,845,699	11,830,908

11. Contract Debtors and Retention

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Contract debtors	45,287,693	41,931,811	44,833,940	41,454,026
Retentions	3,178,763	4,015,336	3,178,763	4,015,336
Provision for bad and doubtful debts	(1,383,261)	(776,342)	(1,350,000)	(739,230)
	47,083,195	45,170,805	46,662,703	44,730,132

12. Other Debtors and Prepayments

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Staff debtors	101,523	88,172	101,523	88,172
Prepayments	1,396,402	1,869,845	1,385,826	1,863,634
Suppliers	5,570,471	4,196,376	5,570,471	4,196,376
Withholding tax recoverable (Note 12.1)	15,214,106	9,025,590	15,003,479	8,941,124
Value added tax on contracts	8,511,365	6,029,178	8,511,365	6,029,178
Sundry debtors	1,865,415	8,484,370	1,861,075	8,467,930
	32,659,282	29,693,531	32,433,739	29,586,414

12.1 Withholding Tax Recoverable

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
At 01 January	9,025,590	5,222,754	8,941,124	5,202,623
Movement during the year	9,847,071	5,449,360	9,706,788	5,376,221
	18,872,661	10,672,114	18,647,912	10,578,844
Utilized as tax off-sets (Note 5)	(3,658,555)	(1,646,524)	(3,644,433)	(1,637,720)
At 31 December	15,214,106	9,025,590	15,003,479	8,941,124

Notes to the Financial Statements for the Year Ended 31 December 2009 (Continued)

13. Bank Loan and Overdrafts

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Bank overdrafts	6,214,189	4,289,598	6,214,189	4,289,598
Bank loan (Note 17)	1,879,386	–	1,879,386	–
	8,093,575	4,289,598	8,093,575	4,289,598

Bank overdraft comprises various facilities obtained by the Company to meet import financing and working capital requirements. There is a debenture over the floating assets stamped and registered for ₦700 Million and used as collateral for the bank overdraft facilities.

14. Other Creditors

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Advance receipts on contracts	105,543,530	105,788,829	105,239,660	105,367,479
Sundry creditors and accruals	14,187,144	8,510,653	14,121,226	8,368,902
Retentions from sub-contractors	119,464	84,957	111,850	84,957
Staff pension (Note 14.1)	8,904	137,640	4,987	136,296
Dividend (Note 22)	21,359	7,864	7,859	7,864
	119,880,401	114,529,943	119,485,582	113,965,498

14.1 Staff Pension

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
At 01 January	137,640	137,909	136,296	135,343
Provision during the year	535,017	609,244	524,648	600,730
Payment during the year	(663,753)	(609,513)	(655,957)	(599,777)
At 31 December	8,904	137,640	4,987	136,296

The balance of staff pension represents the amounts to be remitted to the Pension Fund Administrators for staff who are yet to complete the account opening procedures.

15. Deferred Taxation

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
At 01 January	866,450	867,019	858,269	858,269
Movement during the year	158,163	(569)	138,568	–
At 31 December	1,024,613	866,450	996,837	858,269

The Group has adopted the requirements of SAS 19 on accounting for taxes with respects to provision for deferred taxation.

16. Staff Retirement Benefits

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
At 01 January	4,581,645	3,837,129	4,554,509	3,803,980
Provision during the year	2,213,361	997,841	2,187,416	977,373
Payment during the year	(490,632)	(253,325)	(469,719)	(226,844)
At 31 December	6,304,374	4,581,645	6,272,206	4,554,509

Notes to the Financial Statements for the Year Ended 31 December 2009 (Continued)

17. Term Loan

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
At 01 January	–	–	–	–
Receiving during the year	6,426,534	–	6,426,534	–
Repayment during the year	(1,914,197)	–	(1,914,197)	–
Exchange difference on translation	936,445	–	936,445	–
At 31 December	5,448,782	–	5,448,782	–
Made up as follows:				
Due within one year (Note 13)	1,879,386	–	1,879,386	–
Due after one year	3,569,396	–	3,569,396	–
	5,448,782	–	5,448,782	–

This represents a term loan secured from HSBC Bank London. The loan is to finance supply of capital goods and related services with German exporters up to a maximum aggregate amount of €50,000,000. Total drawdown in the period was €34,287,428.53 (₦6.42 Billion). The loan is divided into five facility types with a tenure of three years. Interest is payable half yearly at six months above EURIBOR plus 1.2 margin. Eighty-five percent (85%) of the loan is secured by Hermes Euler Credit Recovery Insurance. Union Bank of Nigeria PLC serves as Guarantor.

18. Share Capital

18.1 Authorised

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
1,245 Million ordinary shares of 50K each	622,500	622,500	622,500	622,500

18.2 Issued and fully paid

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
1,200 Million ordinary shares of 50K each	600,000	600,000	600,000	600,000

18.3 Development of Company Share Capital

	Paid Share Capital ₦000	Authorized Share Capital ₦000		Paid Share Capital ₦000	Authorized Share Capital ₦000
1972	800	800	1997	60,000	90,000
1972	900	900	1998	90,000	90,000
1974	1,500	1,500	1999	90,000	90,000
1976	2,000	2,000	2000	112,500	112,500
1977	5,800	5,800	2001	112,500	135,000
1978	12,000	12,000	2002	112,500	135,000
1990	12,000	30,000	2003	112,500	135,000
1991	24,000	30,000	2004	112,500	135,000
1992	30,000	30,000	2005	150,000	172,500
1993	45,000	45,000	2006	150,000	135,000
1994	45,000	45,000	2007	150,000	135,000
1995	45,000	45,000	2008	600,000	622,500
1996	60,000	90,000	2009	600,000	622,500

19. General Reserve

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
At 01 January	5,588,520	5,038,820	5,537,622	5,035,195
Prior year dividend	(2,115,000)	(375,000)	(2,100,000)	(375,000)
Prior year special dividend	–	(1,125,000)	–	(1,125,000)
Bonus transferred to issued share capital	–	(450,000)	–	(450,000)
Retained profit for the year	3,289,169	2,499,700	3,259,122	2,452,427
At 31 December	6,762,689	5,588,520	6,696,744	5,537,622

20. Non-Controllable Interest

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Share capital	4,500	4,500	–	–
Retained profit brought forward	25,234	16,670	–	–
Share of current year profit	10,962	8,565	–	–
	40,696	29,735	–	–

Notes to the Financial Statements for the Year Ended 31 December 2009 (Continued)

21. Reconciliation of Profit After Tax to Net Cash Provided by Operating Activities

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Profit after tax	3,300,131	2,508,265	3,259,122	2,452,427
Adjustments:				
Depreciation of fixed assets	12,977,056	6,922,204	12,899,866	6,882,274
Profit on disposal of fixed assets	(1,691,686)	(1,052,160)	(1,687,933)	(1,049,108)
Bank interests	747,460	572,979	747,460	569,861
Changes in assets and liabilities:				
Increase in stocks	(3,075,425)	(2,246,022)	(3,014,791)	(2,168,448)
Increase in contract debtors	(1,912,390)	(14,309,227)	(1,932,571)	(14,137,072)
Increase in amount due from subsidiaries	–	(558,666)	(236,085)	(535,829)
Increase in sundry debtors and prepayment	(2,965,751)	(15,532,476)	(2,847,324)	(15,537,601)
(Decrease) / Increase in amount due to related parties	–	392,604	(44,088)	162,100
(Decrease) / Increase in trade creditors	(1,287,810)	3,568,724	(1,292,250)	3,491,616
Increase in staff gratuity and retirement benefit	1,722,728	744,515	1,717,697	750,529
Increase in other creditors	7,561,511	39,752,126	7,731,911	39,909,240
(Decrease) / Increase in taxation	(1,770,128)	783,306	(1,773,564)	795,920
	13,605,696	21,546,172	13,527,450	21,585,909

22. Dividend

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
At 01 January	7,864	7,863	7,864	7,863
Prior year dividend	2,115,000	375,000	2,100,000	375,000
Prior year special dividend	–	1,125,000	–	1,125,000
Payment during the year	(2,101,505)	(1,499,999)	(2,100,005)	(1,499,999)
At 31 December	21,359	7,864	7,859	7,864

The Directors propose that a dividend of 240K (2008:175K) per ordinary share will be paid to the Shareholders. The dividend is subject to approval at the Annual General Meeting and deduction of withholding tax at the appropriate rate. Consequently, it has not been included as a liability in these Financial Statements. The proposed dividend is payable to all shareholders on the Register of Members on 08 July 2010. The total estimated dividend to be paid is ₦2,880 Million (2008: ₦2,100 Million).

23. Cash and Cash Equivalents

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Cash and bank	9,047,980	22,844,092	8,968,812	22,683,908
Bank loan (Note 17)	(1,879,386)	–	(1,879,386)	–
Bank overdrafts	(6,214,189)	(4,289,598)	(6,214,189)	(4,289,598)
	954,405	18,554,494	875,237	18,394,310

Notes to the Financial Statements for the Year Ended 31 December 2009 (Continued)

24. Information Regarding Directors and Employees

24.1 Chairman's and Directors' Emoluments, Pension and Compensation for Loss of Office

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Emoluments:				
Chairman	2,240	1,707	2,000	1,467
Other Directors	83,633	43,929	83,313	43,609
	85,873	45,636	85,313	45,076
Fees	8,450	8,288	8,450	8,288
Other emoluments	77,423	37,348	76,863	36,788
	85,873	45,636	85,313	45,076
Highest paid Director	39,450	19,007	39,450	19,007

The number of Directors excluding the Chairman whose emoluments fell within the following ranges were:

	Group 2009 Number	Group 2008 Number	Company 2009 Number	Company 2008 Number
₦ 190,001–2,000,000	6	6	6	6
₦ 2,000,001 and above	2	2	2	2
Number of Directors who had no emoluments	–	1	–	1

No Directors emoluments, other than stated, were waived during the year. No payments were made to any Directors, past or present, in respect of pension and compensation for loss of office.

24.2 Employees Remunerated at Higher Rates, Staff Strength and Costs

a. The Number of Employees Whose Emoluments Were in Excess of ₦100,000 Excluding Allowances:

	Group 2009 Number	Group 2008 Number	Company 2009 Number	Company 2008 Number
100,001 – 250,000	3,290	1,706	3,069	1,692
250,001 – 400,000	4,404	3,467	4,271	3,407
400,001 – 500,000	2,905	2,374	2,900	2,262
500,001 – 600,000	1,766	2,063	1,752	2,061
600,001 and above	6,362	4,964	6,342	4,955

b. Staff:

Average number of persons in the employment of the group during the Financial Year and the staff costs:

	Group 2009 Number	Group 2008 Number	Company 2009 Number	Company 2008 Number
Managerial	109	101	96	93
Senior staff	648	637	619	599
Junior staff	17,970	16,837	17,619	16,499
	18,727	17,575	18,334	17,191

c. The Aggregate Payroll Costs Were as Follows:

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Wages and salaries, including staff bonus	30,666,973	18,148,031	30,175,581	17,826,979
Contribution to pension schemes	663,753	631,396	655,957	633,261
Industrial Training Fund	180,161	180,452	178,380	144,896
	31,510,887	18,959,879	31,009,918	18,605,136

Notes to the Financial Statements for the Year Ended 31 December 2009 (Continued)

25. Guarantees and Other Financial Commitments

a. The Company and its subsidiaries did not charge any of its assets to secure liabilities of third parties.

b. Contingent Liabilities:

There were contingent liabilities in the ordinary course of business arising from guarantees in respect of the following transactions:

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Bonds and guarantees	165,902,004	133,385,530	165,902,004	133,385,530
Staff car and housing loans	23,907	23,419	23,907	23,419
	165,925,911	133,408,949	165,925,911	133,408,949

The Directors consider that no material losses will arise from these guarantees.

c. Financial Commitments:

The Directors are of the opinion that all known liabilities and commitments have been taken into account in the preparation of these Financial Statements. These liabilities are relevant in assessing the state of the Company's affairs.

d. Security for Bank Facilities:

There is a debenture over the floating assets stamped and registered for ₦700 Million and used as collateral for the bank overdraft facilities. Also, eighty-five percent (85%) of the HSBC loan is secured by Hermes Euler Credit Recovery Insurance.

26. 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 follows:

Bilfinger Berger: The Company is an associated Company of Bilfinger Berger who retains a forty-nine point eighty-seven percent (49.87%) shareholding in Julius Berger Nigeria PLC.

Abumet (Nigeria) Limited: Subsidiary company in which Julius Berger Nigeria PLC owns seventy percent (70%) stake.

Julius Berger Services Nigeria Ltd.: This is a hundred percent (100%) fully owned subsidiary of Julius Berger Nigeria PLC.

26.1 Amount due From Related Companies

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Abumet (Nigeria) Ltd.	–	–	654,950	552,543
Julius Berger Services Nigeria Ltd.	–	–	133,678	–
	–	–	788,628	552,543

26.2 Amount due to Related Companies

	Group 2009 ₦000	Group 2008 ₦000	Company 2009 ₦000	Company 2008 ₦000
Abumet (Nigeria) Ltd.	–	–	168,754	147,087
Julius Berger Services Nigeria Ltd.	–	–	51,687	117,442
	–	–	220,441	264,529

Trading with related parties were on commercial terms and conditions similar to transactions entered into with third parties. Consequently, the Directors are of the opinion that there are no conflicts of interest.

Notes to the Financial Statements for the Year Ended 31 December 2009 (Continued)

27. Subsidiaries and Consolidated Financial Statements

Details of the Company's subsidiaries at 31 December 2009 are as follows:

Name of Subsidiary	Place of Incorporation	Percentage Holding %	Proportion of Voting Power	Principal Activity
Julius Berger Services Nigeria Ltd.	Nigeria	100	100	Port management services
Abumet (Nigeria) Ltd.	Nigeria	70	70	Manufacturing and installation of aluminium building components

The consolidated Financial Statements incorporate the Financial Statements of the Company and entities controlled by the Company (its subsidiaries). To ensure control and benefit from the activities of the subsidiaries, the Company maintains the power to govern their financial and operating policies. The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation. Minority interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Minority interests consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination.

28. Technical Service Agreement

The Company has a technical service agreement with Bilfinger Berger, which is renewable every three years subject to the approval of the National Office for Technology Acquisition and Promotion (NOTAP). The amount of technical service fee charged to the profit and loss was ₦3.1 Billion (2008 : ₦1.9 Billion)

29. Post Balance Sheet Events

There were no material post balance sheet events which could have had material effect on the state of affairs of the Company at 31 December 2009 and the profit for the year then ended that have not been adequately provided for or recognised in the Financial Statements.

30. Comparative Figures

Certain comparative figures have been restated in line with the presentation in the current year.

31. Approval of Financial Statements

The Financial Statements were approved by the Board of Directors and authorised for issue on 29 March 2010.

Statement of Value Added for the Year Ended 31 December 2009

	Group 2009 ₦000	%	Group 2008 ₦000	%	Company 2009 ₦000	%	Company 2008 ₦000	%
Turnover	150,358,257		114,028,617		148,426,197		112,475,888	
Bought materials and services:								
Foreign	(67,603,877)		(49,659,786)		(67,463,112)		(49,577,236)	
Local	(30,099,844)		(33,221,931)		(28,957,038)		(32,220,264)	
Value Added	52,654,536	100	31,146,900	100	52,006,047	100	30,678,388	100
Applied as follows:								
To pay employees:								
Salaries, wages, pensions and social benefits	31,510,887	60	18,959,879	61	31,009,918	60	18,605,136	61
To pay providers of capital:								
Interest on loan and bank overdrafts	747,460	1	572,979	2	747,460	1	569,861	2
To pay government:								
Income tax	3,963,150	8	2,184,142	7	3,951,113	8	2,168,690	7
Retained for future replacement of assets & expansion of business:								
Depreciation	12,977,056	25	6,922,204	22	12,899,866	25	6,882,274	22
Deferred tax	155,852	–	(569)	–	138,568	–	–	–
Retained profit	3,289,169	6	2,499,700	8	3,259,122	6	2,452,427	8
Non-controllable interest	10,962	–	8,565	–	–	–	–	–
	52,654,536	100	31,146,900	100	52,006,047	100	30,678,388	100

“Value added” represents the additional wealth which the Company and the Group have been able to create by its own and its employees’ efforts. The Statement shows the allocation of that wealth between the employees, shareholders, government and that retained for the future creation of more wealth.



Corporate Social Responsibility

We continually strive for excellence through innovation, leadership, motivation and fairness. Our commitment embraces our shareholders, our employees, our suppliers and those impacted by our operations.

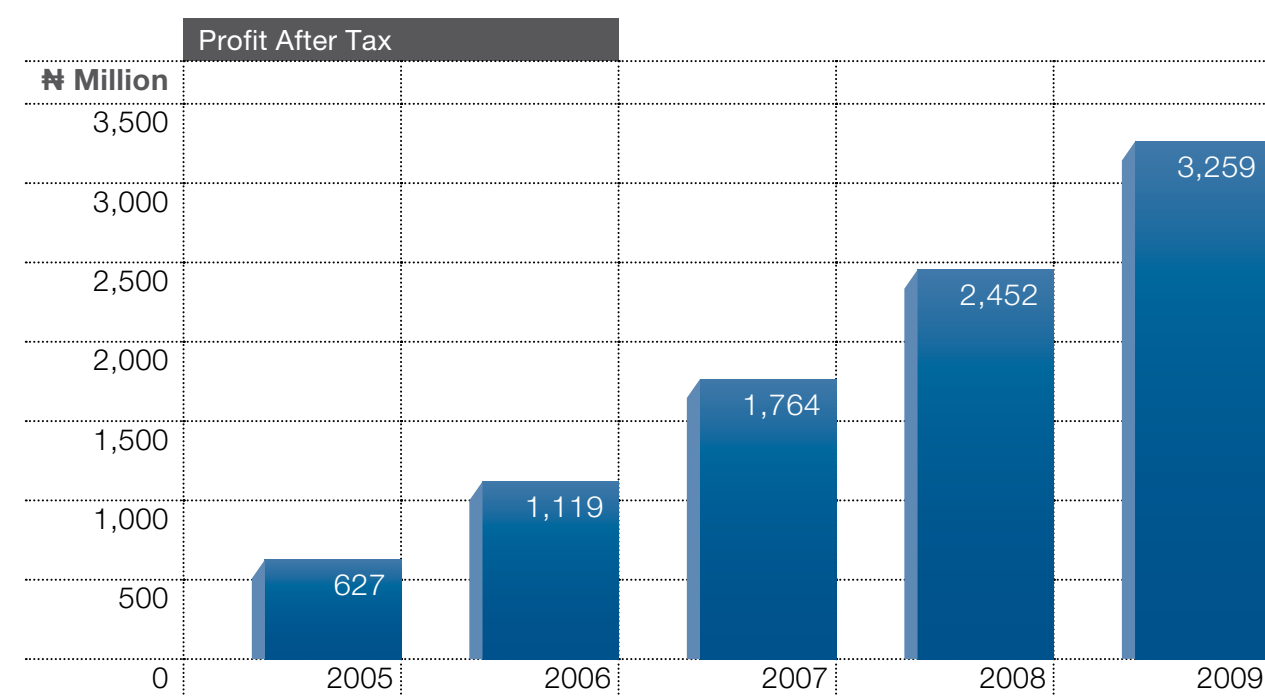
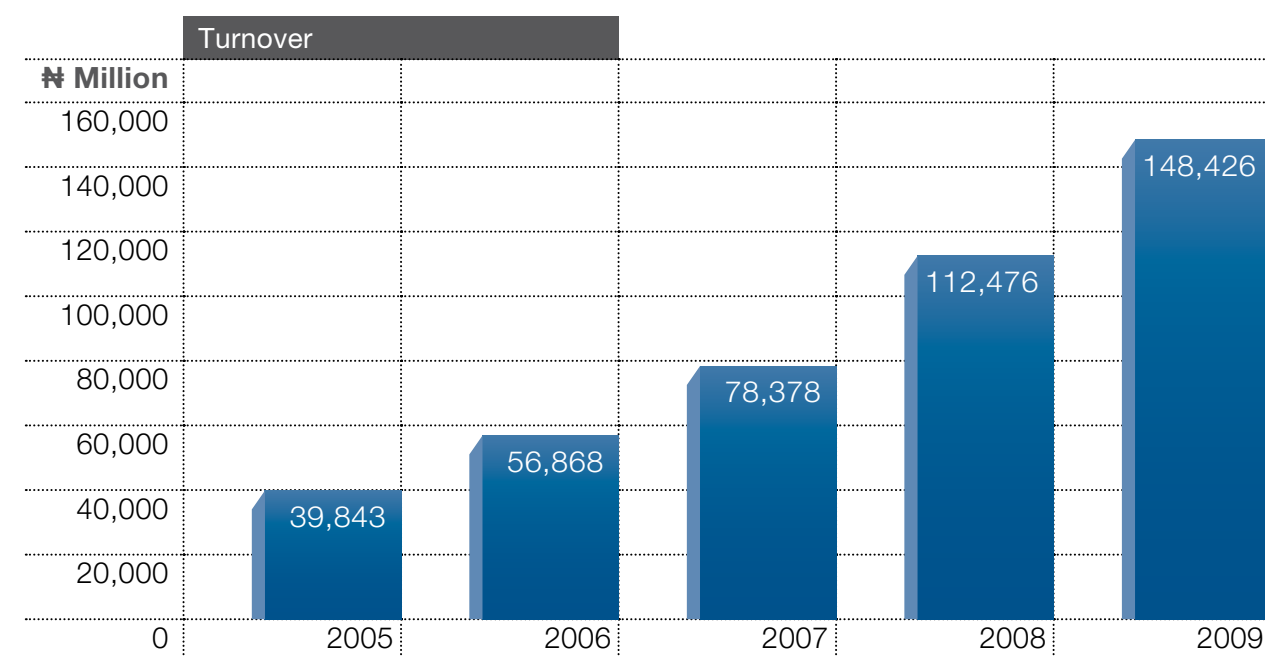
Financial Summary – Company for the Year Ended 31 December 2009

	Company 2009 ₦000	Company 2008 ₦000	Company 2007 ₦000	Company 2006 ₦000	Company 2005 ₦000
Balance sheet					
Assets:					
Fixed assets	48,411,727	28,381,334	23,824,562	19,931,970	13,443,111
Investment	191,775	191,775	191,775	500	500
Government Bonds	2,000,000	–	5,684,000	26,728,000	–
Net current liabilities	(32,042,879)	(16,597,269)	(19,427,453)	(38,364,335)	(6,644,133)
	18,560,622	11,975,840	10,272,884	8,296,135	6,799,478
Deferred taxation	(996,837)	(858,269)	(858,269)	(858,269)	(858,269)
Term loans (due after 1 year)	(3,569,396)	–	–	–	–
Staff retirement benefits	(6,272,206)	(4,554,509)	(3,803,980)	(3,320,937)	(2,943,327)
Net Assets	7,722,184	6,563,062	5,610,635	4,116,929	2,997,882
Capital and Reserves:					
Share capital	600,000	600,000	150,000	150,000	150,000
Share premium	425,440	425,440	425,440	425,440	425,440
General reserve	6,696,744	5,537,622	5,035,195	3,541,489	2,422,442
	7,722,184	6,563,062	5,610,635	4,116,929	2,997,882
Turnover and profit					
Turnover	148,426,197	112,475,888	78,377,640	56,868,100	39,842,586
Profit before taxation	9,369,147	5,170,401	3,132,048	2,204,766	1,116,120
Profit after taxation	3,259,122	2,452,427	1,763,706	1,119,047	626,865
Dividend	–	2,100,000	375,000	270,000	210,000
Special dividend	–	–	1,125,000	–	–
Earnings per ordinary share (Kobo):					
– Actual	272	204	588	373	209
– Adjusted	272	204	147	93	52
Net asset per share (Naira):					
– Actual	6.44	5.47	18.70	13.72	9.99
– Adjusted	6.44	5.47	4.68	3.43	2.50
Dividend per share (Kobo):					
– Actual	–	175	125	90	70
– Diluted / adjusted	–	175	31	23	18
Dividend cover (Times):					
	–	1.17	4.70	4.14	2.99

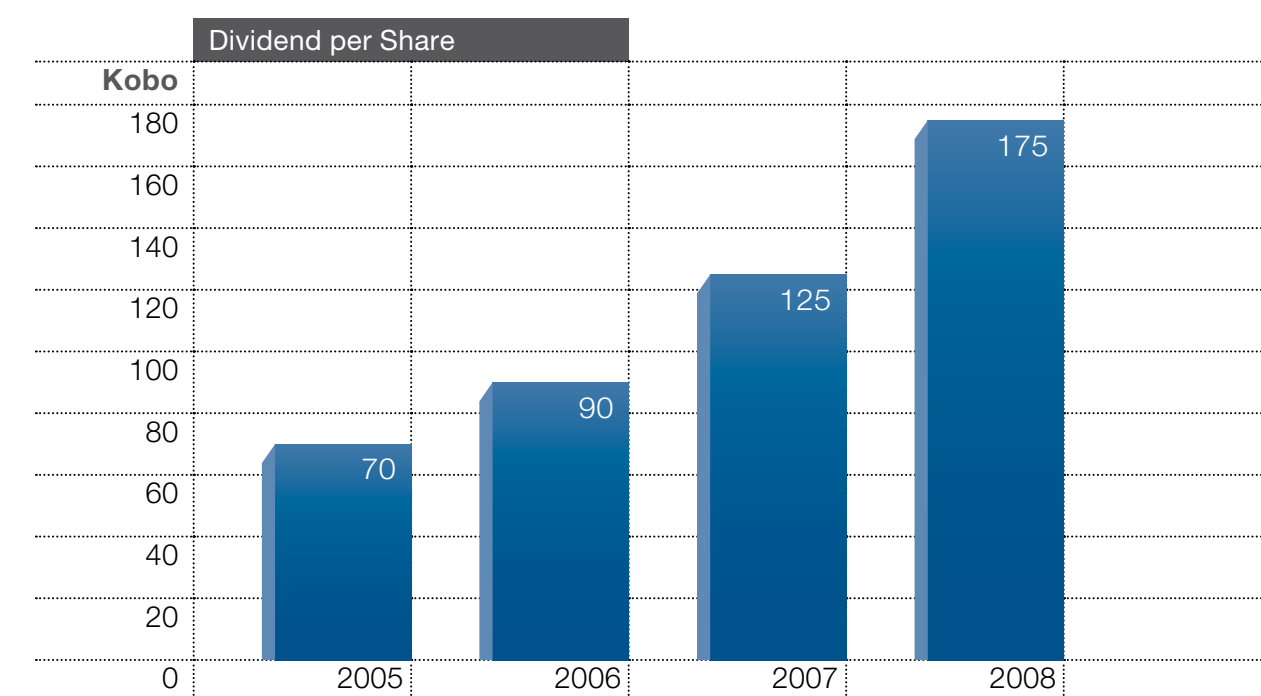
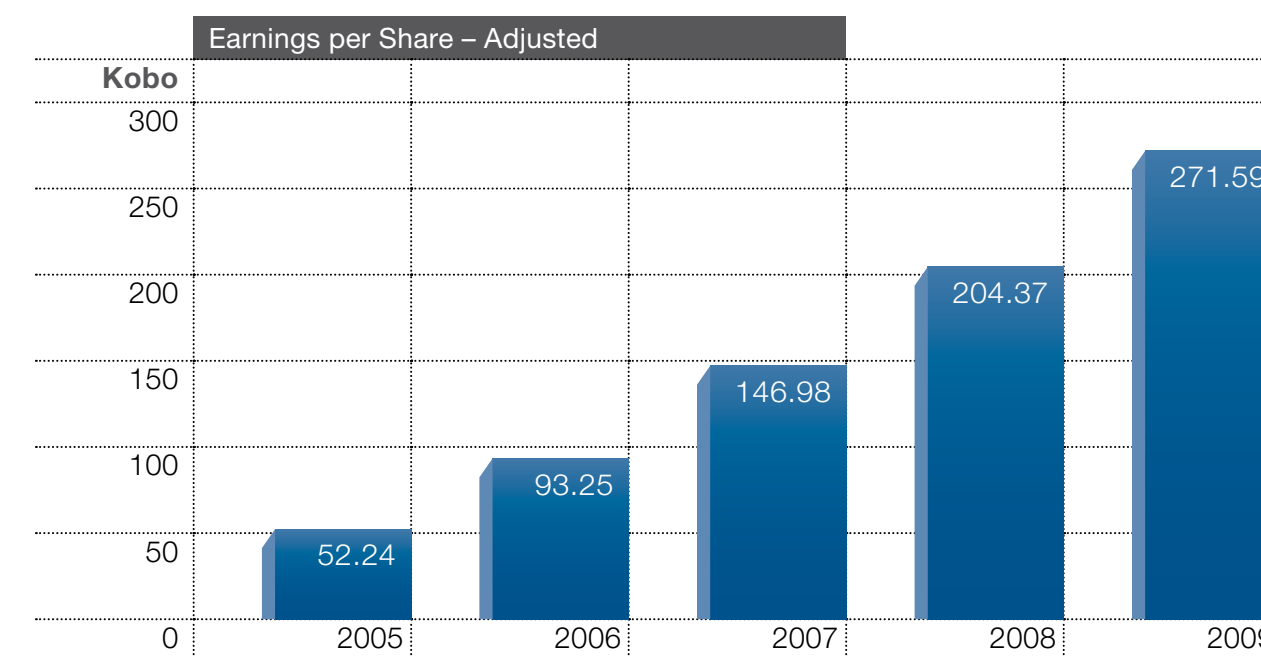
Earnings, dividend and net asset per share are based on profit after tax and the number of issued and fully paid ordinary shares at the end of each financial year.

The Company gained control of its subsidiaries in 2007 and consolidated Financial Statements were prepared for the first time in that year. Consequently, the five year financial summary for the Group has not been presented as it will not provide an instant comparison of vital information for the Group over the five year period.

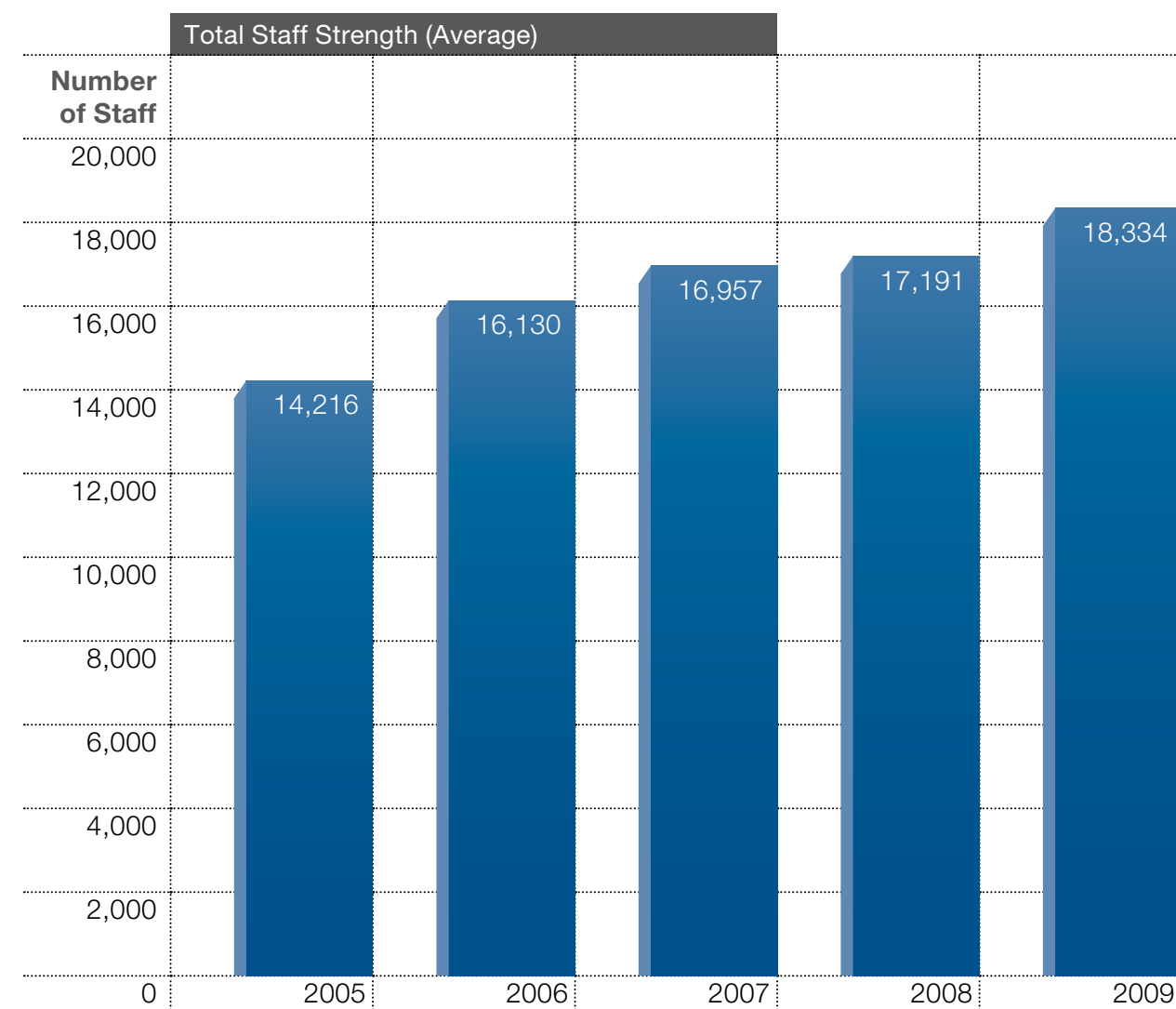
Turnover and Profit After Tax – Company for the year ended 31 December 2009



Earnings and Dividend per Share – Company for the year ended 31 December 2009



Total Staff Strength – Company for the year ended 31 December 2009



Please complete / append your signature & return to the registrar.

Application Form for E-Dividend *Re: Shareholders Data Update*

Dear Shareholder(s),

In our quest to update shareholders data with the current technology in the capital market (i.e) e-Dividend, we require you to fill in the following information:

Shareholder Name	Date
Individual Shareholder – GSM Number – Corporate Shareholder – Landline	

E-Dividend Payment Information

I/We hereby request that from now on, all my/our dividend warrant(s) due to me/us from our holding(s) in Julius Berger Nigeria PLC be mandated to my/our Bank named below.

Bank	Sort Code
Bank Branch Address	Authorised Signature & Stamp of Bankers
Bank Account No.	

Registrars Use

Code	Account	Signature or Thumbprint	Signature or Thumbprint
0	4	8	

Note: Please be informed that by filling this form to our Registrar, Union Registrars Limited for processing, you have applied for the e-Dividend; thereby, authorizing Julius Berger Nigeria PLC to credit your account (in respect of dividends) electronically.

Signature verified by

Ensure you notify the registrar of any subsequent change in the above information.

signed
Dr. O.A. Agbaje, ESQ.
Secretary Julius Berger Nigeria PLC

Return to:
The Registrar,
Union Registrars Ltd.
2, Burma Road, Apapa,
P.M.B. 12717,
Lagos

Think Excellence, Think Blue.





More Than a “Construction” Company!



Julius Berger Nigeria PLC
Proud Member of NIBUCAA

Julius Berger Nigeria PLC
Corporate Headquarters
Berger Junction
Utako District
P.O. Box 453
Abuja F.C.T.

Phone: +234 (0) 803 906 7000
Fax: +234 (9) 611 4444

E-Mail: jbn@julius-berger.com
www.julius-berger.com

Reg.-No.: RC 6852



**JULIUS BERGER
NIGERIA PLC**