



**UNAUDITED FINANCIAL STATEMENTS  
FOR SIX MONTHS ENDED JUNE 30, 2013**

Julius Berger Nigeria Plc  
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RC No. 6852



**UNAUDITED FINANCIAL STATEMENTS FOR SIX MONTHS  
ENDED JUNE 30, 2013**

**SUMMARY**

**N'000**

Turnover	96,567,763
Profit before tax	5,298,070
Taxation	(2,594,173)
Profit after tax	<b>2,703,897</b>

**BY ORDER OF THE BOARD**

**MRS. CECILIA MADUEKE  
COMPANY SECRETARY**

July 10, 2013

*For more information please visit [www.julius-berger.com](http://www.julius-berger.com).*



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ENDED JUNE 30, 2013**

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**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR SIX MONTHS ENDED JUNE 30**

	<b>Note</b>	<b>2013</b>	<b>2012</b>	<b>AUDITED 31/12/2012</b>
		<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Revenue		96,567,763	83,964,563	196,954,713
Cost of sales		(78,884,659)	(68,957,568)	(157,423,249)
<b>Gross profit</b>		<b>17,683,104</b>	<b>15,006,995</b>	39,531,464
Other gains and losses		1,081,716	433,705	1,293,546
		18,764,820	15,440,700	40,825,010
Marketing expenses		(35,932)	(82,492)	(152,155)
Administrative expenses		(12,510,512)	(10,621,226)	(27,066,902)
<i>Operating profit</i>		6,218,376	4,736,982	13,605,953
Net financing income/(cost)	<b>4</b>	(920,306)	(422,044)	(2,060,973)
<b>Profit before tax</b>		<b>5,298,070</b>	<b>4,314,938</b>	11,544,980
Income tax expenses		(2,594,173)	(1,931,185)	(3,772,925)
<b>Profit after taxation</b>		<b>2,703,897</b>	<b>2,383,753</b>	<b>7,772,055</b>
Retained profit for the year		2,703,897	2,383,753	7,772,055
Earnings per share		<b>2.25</b>	<b>1.99</b>	<b>6.48</b>

*The tax rate applied above is assumed based on the corporate tax rate of 30% payable by corporate entities in Nigeria on taxable profits under the Companies Income Tax Act, and 2% education tax based on the assessable profit of companies.*

**UNAUDITED STATEMENT OF FINANCIAL POSITION  
FOR SIX MONTHS ENDED JUNE 30**

		<b>2013 N'000</b>	<b>2012 N'000</b>	<b>AUDITED 31/12/2012 N'000</b>
<b>NON- CURRENT ASSETS</b>	<b>Notes</b>			
Property, plant and equipment		57,965,634	58,987,909	56,172,990
Investment in subsidiaries		11,375,207	7,321,951	11,375,207
Contract and trade receivables	<b>5</b>	20,709,056	19,216,157	1,706,063
Other financial assets		-	-	4,125,734
Deferred tax assets		2,899,471	3,372,160	2,899,471
<b>Total noncurrent assets</b>		<b>92,949,367</b>	<b>88,898,177</b>	<b>76,279,465</b>
<b>CURRENT ASSETS</b>				
Inventories & work in progress		9,513,564	9,503,959	9,837,796
Contract and trade receivables	<b>5</b>	29,422,831	32,231,802	39,814,653
Current tax receivable	<b>6</b>	38,084,671	36,754,858	38,451,730
Other receivables & prepayments		361,441	6,031,577	5,544,984
Cash and cash equivalents		18,453,043	10,016,316	4,821,084
Non- current assets classified as held for sale		875,698	334,112	728,473
<b>Total current assets</b>		<b>96,711,247</b>	<b>94,872,624</b>	<b>98,470,247</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables	<b>7</b>	(46,461,444)	(47,461,444)	(31,481,698)
Amount due to related party		(711,703)	(474,095)	-
Borrowings		(25,152,969)	(22,445,204)	(8,208,260)
Current tax payable		(3,454,250)	(3,156,465)	(3,047,502)
Retirement benefit liabilities	<b>8</b>	-	(5,067,000)	(4,596,445)
Dividend and other taxes payables		(1,439,683)	(756,322)	(18,740,904)
<b>Total current liabilities</b>		<b>(77,220,049)</b>	<b>(79,360,530)</b>	<b>(66,074,809)</b>
Net current assets/(liabilities)		<b>19,491,198</b>	<b>15,512,094</b>	<b>32,395,438</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>112,440,566</b>	<b>104,410,271</b>	<b>108,674,903</b>
<b>NON- CURRENT LIABILITIES</b>				
Trade and other payables	<b>7</b>	(84,511,955)	(86,941,078)	(86,071,448)
Borrowings/Provisions		(5,960,793)	-	(1,668,007)
Retirement benefit liabilities		(2,049,205)	(2,433,000)	(1,449,205)
Deferred tax liabilities		(5,693,035)	(5,440,299)	(5,693,035)
<b>NET ASSETS</b>		<b>14,225,578</b>	<b>9,595,894</b>	<b>13,793,208</b>
<b>CAPITAL AND RESERVES</b>				
Share capital		600,000	600,000	600,000
Share premium		425,440	425,440	425,440
Retained earnings		13,200,138	8,570,454	13,496,241
		<b>14,225,578</b>	<b>9,595,894</b>	<b>14,521,681</b>
At 1 January		13,496,241	9,066,701	8,604,186
Dividend		(3,000,000)	(2,880,000)	(2,880,000)
Retained profit for the year		2,703,897	2,383,753	7,772,055
At 30 June		<b>13,200,138</b>	<b>8,570,454</b>	<b>13,496,241</b>

**UNAUDITED STATEMENT OF CASHFLOWS  
FOR SIX MONTHS ENDED JUNE 30**

**Cashflows from operating activities**

Cash receipts from customers

Cash paid to suppliers and employees

**Cash flows (used in)/provided by operating activities**

Interest paid

Tax paid

**Net cash (used in)/provided by operating activities**

**Cashflows from investing activities:**

Investment in subsidiary

Interest received

Proceeds from sale of fixed assets

Purchase of fixed assets

**Net cash (used in)/provided by investing activities:**

**Cashflows from financing activities:**

Loan received

Loan repayment

Dividend paid

**Net cash used in financing activities:**

Net increase in cash and cash equivalents

Cash and cash equivalent at 1 January

Cash and cash equivalent at June 30

Cash and bank balances

Bank overdrafts

Bank loans

	<b>2013 N'000</b>	<b>2012 N'000</b>
Cash receipts from customers	96,712,310	80,931,014
Cash paid to suppliers and employees	(109,404,010)	(74,425,251)
<b>Cash flows (used in)/provided by operating activities</b>	<b>(12,691,700)</b>	<b>6,505,763</b>
Interest paid	(1,050,495)	(1,439,912)
Tax paid	(405,469)	(301,844)
<b>Net cash (used in)/provided by operating activities</b>	<b>(14,147,664)</b>	<b>4,764,007</b>
<b>Cashflows from investing activities:</b>		
Investment in subsidiary	-	(7,107,961)
Interest received	16,956	35,062
Proceeds from sale of fixed assets	1,081,716	433,705
Purchase of fixed assets	(4,185,345)	(2,442,857)
<b>Net cash (used in)/provided by investing activities:</b>	<b>(3,086,673)</b>	<b>(9,082,051)</b>
<b>Cashflows from financing activities:</b>		
Loan received	12,526,621	-
Loan repayment	(1,565,828)	(851,223)
Dividend paid	(3,000,000)	(2,880,000)
<b>Net cash used in financing activities:</b>	<b>7,960,793</b>	<b>(3,731,223)</b>
Net increase in cash and cash equivalents	(9,273,544)	(8,049,267)
Cash and cash equivalent at 1 January	(3,387,176)	(4,379,621)
<b>Cash and cash equivalent at June 30</b>	<b>(12,660,720)</b>	<b>(12,428,888)</b>
<b>Cash and bank balances</b>	<b>18,453,043</b>	<b>10,016,316</b>
<b>Bank overdrafts</b>	<b>(25,152,969)</b>	<b>(22,445,204)</b>
<b>Bank loans</b>	<b>(5,960,793)</b>	<b>-</b>
<b>(12,660,720)</b>	<b>(12,428,888)</b>	

## 1. GENERAL INFORMATION

Julius Berger Nigeria Plc (the Company) was incorporated as a private limited liability company in 1970 and was converted to a public liability company in 1979 and the company's shares are quoted on the Nigerian Stock Exchange. The principal activities of the Company cover planning, design and construction of civil engineering and building works. The subsidiaries, Abumet (Nigeria) Limited in which the Company owns 70%, is involved in the manufacturing and installation of building aluminium components while Julius Berger Services Nigeria Limited a wholly owned subsidiary, is involved in port management services. Other subsidiaries include Julius Berger Medical Services Limited which is wholly owned and is into the provision of medical services while Primetech Engineering and Design Nigeria Limited also wholly owned is into architectural and engineering design. Julius Berger International GmbH a 90% owned subsidiary is into the provision of logistic and technical support while Julius Berger Investments Limited a 100% owned subsidiary is into investments management.

## 2. Basis of preparation of financial statements

These financial statements are the unaudited interim financial statement (hereafter "the Interim Financial Statements") of Julius Berger Nigeria Plc for the three-month period ended June 30, 2013 (hereafter "the interim period"). They are prepared in accordance with International Accounting Standard 34 (IAS 34), Interim Financial Reporting. These Interim Financial Statements should be read in conjunction with the audited Financial Statements for the year ended December 31, 2012 prepared under IFRS (hereafter "the Annual Financial Statements"), as they provide an update of previously reported information. The FRCN requires all publically quoted companies to prepare their financial statements under the IFRS from 2012. The Interim Financial Statements have been prepared in accordance with the accounting policies set out in the Annual Financial Statements. The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. Where necessary, comparative information has been reclassified or expanded from the previously reported Interim Financial Statements to take into account any presentational changes made in the Annual Financial Statements or in these Interim Financial Statements. The same accounting policies and methods of computation are followed in the interim financial statements as compared with the most recent annual financial statements.

## 3. Segmental Analysis of Continuing operations

Julius Berger Nigeria Plc has three divisions which offer construction, civil engineering, building and facility management services to third parties across Nigeria. Julius Berger Nigeria Plc is organised by division, each of which is managed separately and considered to be a reportable segment. The Managing Director together with senior executive management constitute the chief operating decision maker and they regularly review the performance of these divisions. Details of the services offered by these divisions are provided in the business and financial review in the Annual financial statement.

Revenue and results	Six months ended June 30			
	Revenue		Profit/(loss)	
	2013 =N=	2012 =N=	2013 =N=	2012 =N=
<b>Class of business:</b>				
Civil works	64,700,401	56,256,257	8,828,228	6,725,093
Building works	30,901,684	26,868,660	1,859,916	1,416,831
Services	965,678	839,646	(4,469,769)	(3,404,943)
	<b>96,567,763</b>	<b>83,964,563</b>	<b>6,218,376</b>	<b>4,736,982</b>
Net financing costs			(920,306)	(422,044)
<b>Profit before income tax</b>			<b>5,298,070</b>	<b>4,314,938</b>

## 4. Financial income and financing costs

### Financial income

Interest on deposits	(16,956)	(34,372)
Other interest income	-	(690)
Foreign exchange gains	(1,516,265)	(1,730,942)

### Financing costs

Interest on overdraft	854,303	1,030,858
Interest on loan	196,192	409,054
Other finance charges	853,290	212,466
Foreign exchange losses	549,743	535,670

### Net financing (income)/costs

## 5. Contract and trade receivables

Included in contract receivables are gross amounts due from contracts (**N28.4 billion**), trade receivables (**N9.0 billion**), advances to suppliers & sub-contractors (**N5.1 billion**) and retentions amounting to **N1.6 billion** expected to be recovered within one year. Contract receivables expected to be recovered after more than one year amount to **N22.6 billion**.

## 6. Current tax receivable

Amounts expected to be recovered within one year	11,046,852	21,680,714
Amounts expected to be recovered after more than one year	27,037,819	15,074,144

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

**7. Trade and other payables**

Included in trade and other payables are advance payments received from contracts **(N96 billion)**, third party advances **(N1.9billion)** and trade payables amounting to **N15.9 billion**

Trade payables, amounts owed to joint ventures, other taxation and social security costs, other payables and dividends are classified as other financial liabilities.

**8. Retirement benefit liabilities**

Obligations under defined benefit plans are calculated separately for each plan by estimating the benefit amount that employees have earned in return for their service in the current and prior periods which represent employees' terminal gratuities based on qualifying years of service and applicable emoluments as per operating collective agreement. Management has decided to settle the obligations and it is probable that the amounts due will be paid. Consequently this had been incorporated in the preparation of these interim financial statements.

**9. Related party transactions**

The Company entered into various transactions with related parties ranging from purchase of goods or services, to expenses incurred by the related party on behalf of the Company. Related parties to the Company are as listed:

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

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

**10. Significant events**

The Company secured a term loan from HSBC bank london in the period. The loan is to finance supply of capital goods and related services. The repayment of the loan has commenced in the same period and interest is payable half yearly at six months above euribor plus 1.65 margin.

**11. Post balance sheet events**

Except as disclosed above, there were no other material events after the reporting period which could have had material effect on the state of affairs of the Company as at June 30, 2013 and the profit for the year then ended date that has not been adequately provided for or recognised in the Financial Statements.