



**UNAUDITED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER, 2016**

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

Julius Berger Nigeria Plc • RC No. 6852 • TIN 1002185880

Registered Office: 10 Shettima A. Munguno Crescent | Utako 900 108 | FCT Abuja | Nigeria
Website: www.julius-berger.com • Email: info@julius-berger.com • Phone: +234 803 906 7000

Directors: Mr. M. Sunmonu, CON, Chairman • Engr. H. Stockhausen, Vice Chairman (German) • Engr. W. Goetsch, Managing Director (Austrian)
Mr. W. Kolleremann, Financial Director (German) • Alh. Z. I. Bayi, Director Administration • HRH Igwe P.N. Anugwu, JP, OFR
Dr. E.N. Azudiala-Obiejesi • Engr. J. Damulak • Mr. G. Marks (German)

**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2016**

SUMMARY

	3rd Quarter	Year to date
	N'000	N'000
Turnover	46,485,500	94,321,500
(Loss)/profit before tax	(1,913,069)	(1,640,905)
Taxation	(1,544,928)	(1,681,010)
(Loss)/profit after tax	<u>(3,457,997)</u>	<u>(3,321,915)</u>

BY ORDER OF THE BOARD


MRS. CECILIA MADUEKE
COMPANY SECRETARY

October 11, 2016

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

**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2016**

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

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2016**

		2016		2015		AUDITED 31/12/2015
		3 months July - Sept	9 months Jan - Sept	3 months July - Sept	9 months Jan - Sept	
Note		N'000	N'000	N'000	N'000	N'000
Revenue		46,485,500	94,321,500	33,670,514	111,503,000	133,807,574
Cost of sales		(34,399,270)	(69,797,910)	(24,727,494)	(83,627,250)	(100,473,106)
Gross profit		12,086,230	24,523,590	8,943,020	27,875,750	33,334,468
Other gains and losses		(561,687)	754,473	600,156	1,232,356	835,151
Marketing expenses		11,524,543	25,278,063	9,543,176	29,108,106	34,169,619
Administrative expenses		(3,333)	(42,653)	(10,706)	(52,888)	(75,140)
		(7,913,405)	(14,285,746)	(5,997,913)	(20,656,862)	(21,445,734)
Operating profit		3,607,805	10,949,664	3,534,558	8,398,356	12,648,745
Net financing income/(cost)	4	(5,520,874)	(12,590,569)	(2,110,755)	(3,213,466)	(6,148,772)
Profit before tax		(1,913,069)	(1,640,905)	1,423,803	5,184,890	6,499,973
Income tax expenses		(1,544,928)	(1,681,010)	(673,219)	(2,177,654)	(4,059,833)
Profit after taxation		(3,457,997)	(3,321,915)	750,584	3,007,236	2,440,140
Profit for the year		(3,457,997)	(3,321,915)	750,584	3,007,236	2,440,140
Other comprehensive Income for the year net of taxes						
Actuarial gains on retirement benefits		-	-	-	-	(180,372)
Exchange difference on translation of foreign operations		(49,122)	-	(60,586)	60,500	(499,656)
Total comprehensive income		(3,507,119)	(3,321,915)	689,998	3,067,736	1,760,112
Attributable to:						
Owners of the Company		(3,507,344)	(3,322,590)	688,748	3,066,486	1,759,887
Non-controlling interests		225	675	1,250	1,250	225
		(3,507,119)	(3,321,915)	689,998	3,067,736	1,760,112
Earnings per share (Naira)		(2.66)	(2.52)	0.52	2.32	1.33
Diluted earnings per share		(2.66)	(2.52)	0.52	2.32	1.33

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.

**JULIUS BERGER****JULIUS BERGER**

STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2016

	Share capital	Share premium	Foreign currency translation reserve	Retained earnings	Attributable to owners of the Company	Attributable to non-controlling interest	Total equity
	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Balance at 1 January 2016	660,000	425,440	419,755	22,729,580	24,234,775	57,180	24,291,955
Profit for the year	-	-	-	(3,322,590)	(3,322,590)	675	(3,321,915)
Other comprehensive income(net of tax)	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(3,322,590)	(3,322,590)	675	(3,321,915)
Dividends to shareholders	-	-	-	(1,980,000)	(1,980,000)	-	(1,980,000)
Balance at 30 September 2016	660,000	425,440	419,755	17,426,990	18,932,185	57,855	18,990,040
Balance at 1 January 2015	660,000	425,440	919,411	23,420,332	25,425,183	670,660	26,095,843
Profit for the year	-	-	-	3,005,986	3,005,986	1,250	3,007,236
Other comprehensive income(net of tax)	-	-	(60,586)	-	(60,586)	-	(60,586)
Total comprehensive income for the year	-	-	(60,586)	3,005,986	2,945,400	1,250	2,946,650
Dividends to shareholders	-	-	-	(3,564,000)	(3,564,000)	-	(3,564,000)
Balance at 30 September 2015	660,000	425,440	858,825	22,862,318	24,806,583	671,910	25,478,493

Julius Berger Nigeria Plc • RC No. 6852 • TIN 1002185880


Registered Office: 10 Shellima A. Mungunc Crescent | Utako 900 108 | FCT Abuja | Nigeria
 Website: www.julius-berger.com • Email: info@julius-berger.com • Phone: +234 803 906 7000

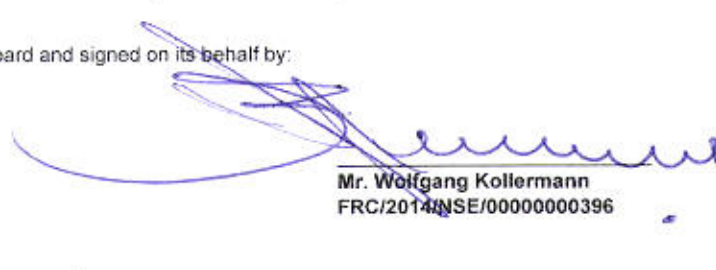
Directors: Mr. M. Summonu, CON, Chairman • Engr. H. Stockhausen, Vice Chairman (German) • Engr. W. Goetsch, Managing Director (Austrian)
 Mr. W. Kolleremann, Financial Director (German) • Alh. Z. I. Bayi, Director Administration • HRH Igwe P.N. Anugwu, JP, OFR
 Dr. E.N. Azudialu-Obijesiri • Engr. J. Damulak • Mr. G. Marks (German)

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2016**

				AUDITED
		2016	2015	2015
		N'000	N'000	N'000
NON-CURRENT ASSETS	Notes			
Property, plant and equipment		51,950,753	60,649,715	58,376,513
Goodwill		6,049,421	4,520,100	5,041,184
Other intangible assets		14,990	40,300	32,712
Investment property		2,508,251	2,574,438	2,546,436
Contract and trade receivables	5	422,061	1,460,546	844,122
Tax receivable	6	24,085,113	31,044,645	21,039,915
Deferred tax assets		10,087,301	8,041,407	10,087,301
Total noncurrent assets		95,117,890	108,331,151	97,968,183
CURRENT ASSETS				
Inventories		8,505,333	8,267,447	11,110,116
Gross amount due from customers		34,404,457	16,554,660	27,228,427
Trade and other receivables	5	91,601,153	88,271,897	88,634,246
Current tax receivable	6	2,413,950	4,177,654	5,292,205
Non-current assets classified as held for sale		1,519,987	1,331,274	1,493,055
Cash and bank balances		11,037,595	8,819,134	13,360,038
Total current assets		149,482,475	127,422,066	147,118,087
CURRENT LIABILITIES				
Trade and other payables	7	(27,717,587)	(39,169,366)	(34,598,825)
Borrowings		(39,163,123)	(27,030,333)	(24,807,938)
Current tax payable		(1,544,928)	(2,177,654)	(6,108,748)
Retirement benefit liabilities	8	(98,320)	(92,622)	(151,438)
Gross amount due to customers		(35,987,460)	(36,629,161)	(32,912,602)
Total current liabilities		(104,511,418)	(105,099,136)	(98,575,549)
Net current assets/(liabilities)		44,971,057	22,322,930	48,542,538
TOTAL ASSETS LESS CURRENT LIABILITIES		140,088,946	130,654,081	146,510,721
NON-CURRENT LIABILITIES				
Borrowings		-	-	-
Retirement benefit liabilities		(2,415,816)	(3,438,790)	(1,853,781)
Deferred tax liabilities		(12,989,322)	(13,220,121)	(12,989,322)
Gross amount due to customers		(105,393,768)	(88,516,677)	(106,971,355)
Provisions		(300,000)	-	(404,308)
NET ASSETS		18,990,040	25,478,493	24,291,955
EQUITY				
Share capital		660,000	660,000	660,000
Share premium		425,440	425,440	425,440
Foreign currency translation reserve		419,755	858,825	419,755
Retained earnings		17,426,990	22,862,318	22,729,580
Attributable to owners of the company		18,932,185	24,806,583	24,234,775
Non-controlling interest		57,855	671,910	57,180
		18,990,040	25,478,493	24,291,955

These interim financial statements were approved by the board and signed on its behalf by:


Engr. Wolfgang Goetsch
FRC/2014/NSE/00000006484


Mr. Wolfgang Kollermann
FRC/2014/NSE/00000000396

UNAUDITED CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2016

Cashflows from operating activities

Cash receipts from customers

Cash paid to suppliers and employees

Cash flows (used in)/provided by operating activities

Interest paid

Foreign exchange acquisition

Tax paid

Net cash used in operating activities

Cashflows from investing activities:

Interest received

Proceeds from sale of fixed assets

Purchase of fixed assets

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

Cashflows from financing activities:

Loan received

Loan repayment

Dividend paid

Net cash used in financing activities:

Net increase in cash and cash equivalents

Cash and cash equivalent at 1 January

Cash and cash equivalent at September 30

Cash and bank balances

Bank overdrafts

2016	2015
N'000	N'000
70,429,938	112,287,994
(68,809,045)	(110,579,763)
1,620,893	1,708,231
(3,413,902)	(4,162,662)
(10,157,000)	
(268,962)	(348,425)
(12,218,970)	(2,802,856)
63,153	60,462
754,473	1,232,356
-	(1,435,654)
817,626	(142,836)
-	-
(3,296,286)	(3,305,978)
(1,980,000)	(3,564,000)
(5,276,286)	(6,869,978)
(16,677,630)	(9,815,670)
(11,447,898)	(8,395,529)
(28,125,528)	(18,211,199)
11,037,595	8,819,134
(39,163,123)	(27,030,333)
(28,125,528)	(18,211,199)

1. GENERAL INFORMATION

Julius Berger Nigeria Plc (the Company) was incorporated as a private limited liability company in 1970 and was converted to a public liability company in 1979 and the company's shares are quoted on the Nigerian Stock Exchange. The principal activities of the Company cover planning, design and construction of civil engineering and building works. The subsidiaries, Abumet (Nigeria) Limited in which the Company owns 90%, is involved in the manufacturing and installation of building aluminium components while Julius Berger Services Nigeria Limited a wholly owned subsidiary, is involved in port management services. Other subsidiaries include Julius Berger Medical Services Nigeria limited which is wholly owned and is into the provision of medical services while PrimeTech Engineering and Design Nigeria limited also wholly owned is into architectural and engineering design. Julius Berger Investments Limited is a wholly owned subsidiary and was incorporated in September 2012 as an investment company to acquire securities and act as investment managers, while Julius Berger International GmbH Wiesbaden - Germany was acquired in May 2012 as Procurement and Supporting Unit of the JB Group. JBI is now a 100% owned subsidiary of Julius Berger Nigeria Plc. Julius Berger Free Zone Enterprise Calabar is a 100% owned subsidiary of the Company and has been granted licence to operate in Calabar free trade zone.

2. Basis of preparation of financial statements

These financial statements are the unaudited interim results (hereafter "the Interim Financial Statements") of Julius Berger Nigeria Plc for the Third Quarter ended September 30, 2016 (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, 2015 prepared under IFRS (hereafter "the Annual Financial Statements"), as they provide an update of previously reported information. The Interim Financial Statements have been prepared in accordance with the accounting policies set out in the Annual Financial Statements. The presentation of the Interim Financial Statements is consistent with the Annual Financial Statements. Where necessary, comparative information has been reclassified or expanded from the previously reported Interim Financial Statements to take into account any presentational changes made in the Annual Financial Statements or in these Interim Financial Statements.

3. Segmental Analysis of Continuing operations

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

Revenue and results	Revenue				Profit/(loss)			
	2016		2015		2016		2015	
	3 months July - Sept	9 months Jan - Sept	3 months July - Sept	9 months Jan - Sept	3 months July - Sept	9 months Jan - Sept	3 months July - Sept	9 months Jan - Sept
Class of business:	N'000	N'000	N'000	N'000	N'000	N'000	N'000	N'000
Civil works	26,496,735	53,763,255	19,192,193	63,556,710	2,056,449	6,241,308	2,014,698	4,787,063
Building works	15,805,070	32,089,310	11,447,975	37,911,020	1,226,654	3,722,886	1,201,750	2,855,441
Services	4,183,695	8,488,935	3,030,346	10,035,270	324,702	985,470	318,110	755,852
	46,485,500	94,321,500	33,670,514	111,503,000	3,607,805	10,949,664	3,534,558	8,398,356
Net financing costs					(5,520,874)	(12,590,569)	(2,110,755)	(3,213,466)
Profit before income tax					(1,913,069)	(1,640,905)	1,423,803	5,184,890

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

4. Financial income and financing costs

Financial income

Interest on deposits
Other interest income
Foreign exchange gains

Financing costs

Interest on overdraft
Interest on loan
Other finance charges
Foreign exchange acquisition
Foreign exchange losses

Net financing (income)/costs

2016		2015	
3 months July - Sept	9 months Jan - Sept	3 months July - Sept	9 months Jan - Sept
N'000	N'000	N'000	N'000
(27,955)	(63,153)	(42,453)	(60,462)
-	-	-	-
(2,525,008)	(4,115,786)	(50,515)	(1,965,834)
1,172,604	2,357,683	1,519,334	3,288,776
881,628	1,056,218	429,995	873,887
-	210,448	85,310	530,860
3,151,050	10,157,000	-	-
2,868,555	2,988,159	169,084	546,239
5,520,874	12,590,569	2,110,755	3,213,466

5. Contract and trade receivables

Included in contract receivables are amounts due from contracts receivable **N79.53 billion**, trade receivables **N10.98 billion**, advances to suppliers **N0.50 billion** and advance payment to sub-contractors of about **N13.24 billion**. All debts considered doubtful of recovery have been considered in stating the figures above.

6. Tax receivable

Amounts expected to be recovered within one year Julius Berger Nigeria Plc • RC No. 6852 • TIN 1002185880

Amounts expected to be recovered after more than one year

Registered Office: 10 Shetima A. Munguno Crescent | Utako 900 108 | FCT Abuja | Nigeria
Website: www.julius-berger.com • Email: info@julius-berger.com • Phone: +234 803 906 7000

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

Directors: Mr. M. Sunmola, COO, Chairman • Engr. R. Sockmaisen, Vice Chairman (German) • Engr. W. Goetsch, Managing Director (Austrian)

Mr. W. Kollermaier, Financial Director (German) • Alh. Z. I. Bayi, Director Administration • HRH Igwe P. N. Anugwu, JP, OFR

Dr. E.N. Azudialu-Obiyeji • Engr. J. Damulak • Mr. G. Marks (German)

2016	2015
N'000	N'000
2,413,950	4,177,654
24,085,113	31,044,645
26,499,063	35,222,299



7. Trade and other payables

Included in trade and other payables are amounts due to suppliers and subcontractors amounting to **N26.45 billion**

The remaining balance represents accruals, other deferred payments and provisions in the period under review.

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

8. Retirement benefit liabilities

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

9. Related party transactions

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

- Abumet (Nigeria) Limited: Subsidiary Company in which Julius Berger Nigeria PLC owns 90% stake.
- Julius Berger Services Nigeria Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger Medical Services Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger International GmbH: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger Investments: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- PrimeTech Design and Engineering Nigeria Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger Free Zone Enterprise: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.

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

10. Significant events

- The Company has completed the repayment of the secured term loan from HSBC bank London in the period. The loan was to finance supply of capital goods and related services. The repayment of the loan was completed in the period which comprise of both principal and interest payments. These have been incorporated in these financial statements.

- Due to the non availability of FOREX from the CBN and the interbank market, the Company had to source foreign currencies from the parallel markets. The weighted average of the different rates was used in converting FOREX transaction which results in significant exchange losses that is affecting profitability.

- During the quarter, the Company continued to have significant difficulties in converting receivables to cash or cash equivalent as result of delayed payments by some clients which invariably translated into slow performances on project sites.

11. Events after the reporting period

- The continuous unavailability of FOREX in the CBN and interbank market has negatively affected cashflows from operations and is affecting overall profitability of the Group.

- Except as disclosed above, there were no other material events after the reporting period which could have had material effect on the state of affairs of the Company as at September 30, 2016 and the profit for the year then ended date that has not been adequately provided for or recognised in the Financial Statements.

Registered Office: 10 Shetima A, Munguno Crescent | Utako 900 108 | FCT Abuja | Nigeria
Website: www.julius-berger.com • Email: info@julius-berger.com • Phone: +234 903 906 7000

Directors: Mr. M. Summonu, CON, Chairman • Engr. H. Stockhausen, Vice Chairman (German) • Engr. W. Goetsch, Managing Director (Austrian)
Mr. W. Kollermann, Financial Director (German) • Alh. Z. I. Bayi, Director Administration • HRH Igwe P.N. Arugwu, JP, OFR
Dr. E.N. Azudialu-Obijesji • Engr. J. Damulak • Mr. G. Marks (German)