



**UNAUDITED CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE FIRST QUARTER  
ENDED MARCH 31, 2017**

Julius Berger Nigeria Plc  
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RC No. 6852



**UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDING MARCH 31, 2017**

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UNAUDITEDTED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE FIRST QUARTER ENDING MARCH 31, 2017

SUMMARY

	1st Quarter	Year to date
	N'000	N'000
Turnover	<u>34,153,222</u>	<u>34,153,222</u>
Profit before tax	(17,109)	(17,109)
Taxation	<u>(409,839)</u>	<u>(409,839)</u>
Loss after tax	<u>(426,948)</u>	<u>(426,948)</u>

BY ORDER OF THE BOARD

MRS. CECILIA MADUEKE  
COMPANY SECRETARY

April 10, 2017

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

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED MARCH 31**

					<b>AUDITED</b>
					<b>31/12/2016</b>
		<b>2017</b>	<b>2016</b>		
		<b>3 months Jan - Mar</b>	<b>3 months Jan - Mar</b>	<b>3 months Jan - Mar</b>	<b>3 months Jan - Mar</b>
		<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Revenue	Note	34,153,222	34,153,222	33,240,000	33,240,000
Cost of sales		(25,614,917)	(25,614,917)	(25,067,128)	(25,067,128)
<b>Gross profit</b>		<b>8,538,306</b>	<b>8,538,306</b>	<b>8,172,872</b>	<b>8,172,872</b>
Other gains and losses	4	660,110	660,110	353,696	353,696
Marketing expenses		9,198,416	9,198,416	8,526,568	8,526,568
Administrative expenses		(6,462)	(6,462)	(16,061)	(16,061)
Operating profit		1,752,203	1,752,203	2,744,697	2,744,697
Investment income	4	10,052	10,052	-	-
Foreign exchange acquisition loss	4	(2,102,001)	(2,102,001)	-	-
Net financing income/(cost)	4	322,637	322,637	(1,105,295)	(1,105,295)
<b>Profit before tax</b>		<b>(17,109)</b>	<b>(17,109)</b>	<b>1,639,402</b>	<b>1,639,402</b>
Income tax expenses		(409,839)	(409,839)	(688,549)	(688,549)
<b>(Loss)/Profit after taxation</b>		<b>(426,948)</b>	<b>(426,948)</b>	<b>950,853</b>	<b>950,853</b>
(Loss)/profit for the year		(426,948)	(426,948)	950,853	950,853
<b>Other comprehensive Income for the year net of taxes</b>					
Actuarial gains on retirement benefits		-	-	-	-
Exchange difference on translation of foreign operations		327,871	327,871	(20,160)	(20,160)
<b>Total comprehensive income</b>		<b>(99,077)</b>	<b>(99,077)</b>	<b>930,693</b>	<b>930,693</b>
<b>Attributable to:</b>					
Owners of the Company		(98,488)	(98,488)	930,318	930,318
Non-controlling interests		(589)	(589)	375	375
		<b>(99,077)</b>	<b>(99,077)</b>	<b>930,693</b>	<b>930,693</b>
Earnings per share (Naira)		<b>(0.07)</b>	<b>(0.07)</b>	<b>0.70</b>	<b>0.70</b>
Diluted earnings per share		<b>(0.07)</b>	<b>(0.07)</b>	<b>0.70</b>	<b>0.70</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.



				AUDITED
		2017	2016	31/12/2016
		N'000	N'000	N'000
<b>NON- CURRENT ASSETS</b>	Notes			
Property, plant and equipment		47,433,458	61,209,888	49,712,834
Goodwill		8,348,748	4,520,100	8,348,748
Other intangible assets		2,755	29,026	2,766
Investment property		2,432,882	2,552,395	2,444,460
Contract and trade receivables		512,657	3,186,630	569,619
Current tax receivable	6	28,467,835	30,237,117	26,026,032
Deferred tax assets		5,453,858	8,041,407	5,453,858
<b>Total noncurrent assets</b>		<b>92,652,193</b>	<b>109,776,563</b>	<b>92,558,317</b>
<b>CURRENT ASSETS</b>				
Inventories		10,463,129	8,347,638	11,699,526
Gross amount due from customers		30,582,455	7,840,069	33,082,455
Trade and other receivables	5	101,298,286	80,724,141	108,291,146
Current tax receivable	6	1,827,684	4,161,902	1,417,845
Non- current assets classified as held for sale		1,296,177	1,354,637	1,545,121
Cash and bank balances		6,948,812	10,073,594	10,584,522
<b>Total current assets</b>		<b>152,416,542</b>	<b>112,501,981</b>	<b>166,620,615</b>
<b>CURRENT LIABILITIES</b>				
Trade and other payables		(35,427,919)	(29,810,257)	(44,015,318)
Borrowings		(32,049,246)	(27,428,184)	(33,172,798)
Current tax payable		(409,839)	(688,549)	(1,423,923)
Retirement benefit liabilities		(139,716)	(90,765)	(39,133)
Gross amount due to customers		(25,509,265)	(25,906,313)	(24,009,265)
<b>Total current liabilities</b>		<b>(93,535,985)</b>	<b>(83,924,068)</b>	<b>(102,660,437)</b>
Net current assets/(liabilities)		58,880,558	28,577,913	63,960,178
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>151,532,751</b>	<b>138,354,476</b>	<b>156,518,495</b>
<b>NON- CURRENT LIABILITIES</b>				
Borrowings		-	-	-
Retirement benefit liabilities		(2,456,297)	(2,080,067)	(2,463,491)
Deferred tax liabilities		(9,185,562)	(13,220,121)	(9,185,562)
Gross amount due to customers		(114,673,654)	(95,401,761)	(119,098,895)
Provisions		-	-	(454,232)
<b>NET ASSETS</b>		<b>25,217,238</b>	<b>27,652,527</b>	<b>25,316,315</b>
<b>CAPITAL AND RESERVES</b>				
Share capital		660,000	660,000	660,000
Share premium		425,440	425,440	425,440
Foreign currency translation reserve		7,446,933	985,861	7,119,062
Retained earnings		16,638,928	25,510,851	17,065,287
Attributable to owners of the company		25,171,301	27,582,152	25,269,789
Non-controlling interest		45,937	70,375	46,526
		<b>25,217,238</b>	<b>27,652,527</b>	<b>25,316,315</b>

These Interim financial statements were approved by the Board on April 27, 2017 and signed on its behalf by:



WOLFGANG GOETSCH  
FRC/2014/ NSE/00000006484  
MANAGING DIRECTOR



WOLFGANG KOLLERMANN  
FRC/2012/ANAN/00000000396  
FINANCIAL DIRECTOR

# STATEMENT OF CHANGES IN EQUITY

	Share capital N'000	Share premium N'000	Foreign currency translation reserve N'000	Retained earnings N'000	Attributable to owners of the Company N'000	Attributable to non - controlling interest N'000	Total equity N'000
<b>Balance at 1 January 2017</b>	660,000	425,440	7,119,062	17,065,287	25,269,789	46,526	25,316,315
Loss for the year	-	-	-	(426,359)	(426,359)	(589)	(426,948)
Other comprehensive income( net of tax)	-	-	327,871	-	327,871	-	327,871
<b>Total comprehensive income for the year</b>	-	-	327,871	(426,359)	(98,488)	(589)	(99,077)
Dividends to shareholders	-	-	-	-	-	-	-
<b>Balance at 31 March 2017</b>	<b>660,000</b>	<b>425,440</b>	<b>7,446,933</b>	<b>16,638,928</b>	<b>25,171,301</b>	<b>45,937</b>	<b>25,217,238</b>

	Share capital N'000	Share premium N'000	Foreign currency translation reserve N'000	Retained earnings N'000	Attributable to owners of the Company N'000	Attributable to non - controlling interest N'000	Total equity N'000
<b>Balance at 1 January 2016</b>	660,000	425,440	1,006,021	24,560,373	26,651,834	70,000	26,721,834
Profit for the year	-	-	-	950,478	950,478	375	950,853
Other comprehensive income( net of tax)	-	-	(20,160)	-	(20,160)	-	(20,160)
<b>Total comprehensive income for the year</b>	-	-	(20,160)	950,478	930,318	375	930,693
Dividends to shareholders	-	-	-	-	-	-	-
<b>Balance at 31 March 2016</b>	<b>660,000</b>	<b>425,440</b>	<b>985,861</b>	<b>25,510,851</b>	<b>27,582,152</b>	<b>70,375</b>	<b>27,652,527</b>



**UNAUDITED CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE PERIOD ENDED  
MARCH 31**

**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 loss  
Tax paid

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

**Cashflows from investing activities:**

Interest received  
Purchase of investment  
Investment income  
Proceeds from sale of fixed assets  
Purchase of fixed assets

**Net cash 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 March 31

Cash and bank balances  
Bank overdrafts

<b>2017</b>	<b>2016</b>
<b>N'000</b>	<b>N'000</b>
34,389,700	36,601,183
(41,168,761)	(31,998,008)
(6,779,061)	4,603,175
(985,360)	(1,244,132)
(2,102,001)	-
(65,574)	(110,168)
<b>(9,931,995)</b>	<b>3,248,875</b>
10,052	20,103
-	-
-	-
2,176,100	353,696
-	(200,000)
<b>2,186,151</b>	<b>173,799</b>
-	-
-	(1,773,640)
-	-
<b>-</b>	<b>(1,773,640)</b>
(7,745,844)	1,649,034
(17,354,590)	(19,003,624)
<b>(25,100,434)</b>	<b>(17,354,590)</b>
6,948,812	10,073,594
(32,049,246)	(27,428,184)
<b>(25,100,434)</b>	<b>(17,354,590)</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 90%, is involved in the manufacturing and installation of building aluminium components while Julius Berger Services Nigeria Limited a wholly owned subsidiary, is involved in port management services. Other subsidiaries include Julius Berger Medical Services Nigeria limited which is wholly owned and is into the provision of medical services while Primetech Engineering and Design Nigeria limited also wholly owned is into architectural and engineering design. Julius Berger Investments Limited is a wholly owned subsidiary and was incorporated in June 2012 as an investment company to acquire securities and act as investment managers. 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 First Quarter ended March 31, 2017 (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, 2016 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 divisions which offer construction, civil engineering, building and facility management services to third parties. 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 statements.

Revenue and results	Revenue				Profit/(loss)			
	2017		2016		2017		2016	
Class of business:	3 months Jan - Mar N'000	3 months Jan - Mar N'000	3 months Jan - Mar N'000	3 months Jan - Mar N'000	3 months Jan - Mar N'000	3 months Jan - Mar N'000	3 months Jan - Mar N'000	3 months Jan - Mar N'000
Civil works	19,470,752	19,470,752	18,950,124	18,950,124	998,931	998,931	1,564,752	1,564,752
Building works	9,798,559	9,798,559	9,536,556	9,536,556	502,707	537,751	787,454	787,454
Services	4,883,911	4,883,911	4,753,320	4,753,320	250,565	215,521	392,492	392,492
	<b>34,153,222</b>	<b>34,153,222</b>	<b>33,240,000</b>	<b>33,240,000</b>	<b>1,752,203</b>	<b>1,752,203</b>	<b>2,744,697</b>	<b>2,744,697</b>
Net financing costs					(1,769,313)	(1,769,313)	(1,105,295)	(1,105,295)
Profit before income tax					<b>(17,109)</b>	<b>(17,109)</b>	<b>1,639,402</b>	<b>1,639,402</b>

# 4. Financial income and financing costs

## Financial income

Interest on deposits  
Other interest income  
Profit from sale of PPE  
Foreign exchange gains

## Financing costs

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

## Net financing (income)/costs

2017		2016	
3 months Jan - Mar N'000	3 months Jan - Mar N'000	3 months Jan - Mar N'000	3 months Jan - Mar N'000
(10,052)	(10,052)	(20,103)	(20,103)
-	-	-	-
(660,110)	(660,110)	-	-
(1,433,602)	(1,433,602)	(531,471)	(531,471)
-	-	-	-
953,174	953,174	999,037	999,037
12,958	12,958	245,095	245,095
19,228	19,228	132,715	132,715
2,102,001	2,102,001	-	-
125,606	125,606	280,022	280,022
<b>1,109,203</b>	<b>1,109,203</b>	<b>1,105,295</b>	<b>1,105,295</b>

# 5. Contract and trade receivables

Included in contract receivables are amounts due from contracts receivable **N82.7 billion**, trade receivables **N14.11 billion**, advances to suppliers **N0.76 billion** and advance payment to sub-contractors of about **N6.21 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  
Amounts expected to be recovered after more than one year

2017	2016
N'000	N'000
1,827,684	4,161,902
28,467,835	30,237,117
<b>30,295,519</b>	<b>34,399,019</b>

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 amounts due to suppliers and subcontractors amounting to N30.41 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 information

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 Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- PrimeTech Design and Engineering Nigeria Limited: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.
- Julius Berger Free Zone Enterprise: This is a 100% owned subsidiary of Julius Berger Nigeria PLC.

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

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

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

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

## 10. Significant events

- Due to scarcity of FOREX provided by the CBN, the Company had to source foreign currencies from the inter bank or 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.

- In the current financial year, the Company continued to face difficulties in converting receivables to cash or their equivalent as result of delayed payments by some clients which invariably translated into slow performances on project sites. Management is focused on project execution for clients who fulfil their payment obligations. This is in addition to proper cost management in the same magnitude to ensure that a relatively similar profitability index is achieved.

## 11. Events after the reporting period

Except as disclosed above, there were no other material events after the reporting period which could have had material effect on the state of affairs of the Company as at March 31, 2017 and the profit for the year then ended date that has not been adequately provided for or recognised in the Financial Statements.