

A long-exposure photograph of a starry night sky, showing numerous bright stars as circular trails of light. The trails are concentrated in the center and spread out towards the edges, creating a sense of rotation. The colors range from deep blue to bright white. The bottom edge of the image shows the dark silhouettes of trees.

6 MONTHS REPORT 2018

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CENIT Aktiengesellschaft, Stuttgart		
At a glance – January 1 until June 30, 2018		
in EUR k	June 30, 2018	June 30, 2017
Sales	82,113	59,279
Gross profits	42,658	35,841
EBITDA	4,047	5,184
Operating returns (EBIT)	2,581	4,187
EBT	2,573	4,183
Netincome of the group	1,793	2,421
Earnings per share (basic) in EUR	0.21	0.29
Earnings per share (diluted) in EUR	0.21	0.29
Number of employees at end of period	748	606
EBIT-Margin	3.1%	7.1%
Profit-Margin	2.2%	4.1%
in EUR k	June 30, 2018	December 31, 2017
Equity in ratio	41.9%	46.8%
Equity	34,224	40,855
Liabilities	47,471	46,409
Balance sheet total	81,695	87,264

RESPONSIBILITY STATEMENT FOR THE 6 Months Report

Statement in accordance with § 37y No. 1 WpHG [Securities Trading Act] in conjunction with § 297 Para. 2 Sentence 3 and § 315 Para. 1 Sentence 6 HGB [Commercial Code]:

“To the best of our knowledge and in accordance with the applicable reporting principles, we assert that the 6 Months Report provides a true and fair impression of the actual assets and liabilities and the financial and earnings situation of the group, and that the 6 Months Report describes the course of business, including the business result and the financial situation of the group, in such a way as to impart a true and fair impression of actual circumstances, as well as to describe the principal risks and opportunities associated with the anticipated development of the group.”

The Managing Board

August 2018

DEVELOPMENT OF RESULTS

After six months, CENIT AG was able to significantly increase its total revenues and those of third-party software. However, EBIT declined, mainly due to declining sales figures for the sale of own software.

OVERVIEW OF 6 MONTHS FIGURES

During the first six months, CENIT group generated sales of EUR k 82,113 (prior year: EUR k 59,279/38.5%). EBITDA amounted to EUR k 4,047 (prior year: EUR k 5,184/-21.9%) at EBIT of EUR k 2,581 (prior year: EUR k 4,187/-38.4%). Earnings per share were EUR 0.21 (prior year: EUR 0.29).

BREAKDOWN OF EARNINGS

In the PLM segment, CENIT achieved in the first six months earnings of EUR k 75,190 (prior year: EUR k 51,272/46.6%). The EIM segment attained a sales total of EUR k 6,923 against EUR k 8,007 during the same period of 2017 (-13.5%). Sales of third-party software totaled EUR k 50,504 (prior year: EUR k 27,337/84.7%), while sales of CENIT's proprietary software decreased from EUR k 7,800 to EUR k 6,782/-13.0%. Sales in the service and consulting segment amounted to EUR k 24,695 (prior year: EUR k 23,975/3.0%). Other sales totaled EUR k 132 (prior year: EUR k 167/-21.0%).

COST DEVELOPMENT

Other expenses totaled EUR k 8,891 (prior year: EUR k 6,778).

INVESTMENTS

Investments expenditures in the first six months 2018 amounted to EUR k 894 (prior year: EUR k 746).

CHANGES IN MANAGING AND SUPERVISORY BODIES

At the Annual General Meeting on May 18, 2018, Prof. Dr. Oliver Riedel was elected as Chairman of the Supervisory Board and Stephan Gier as a member of the Supervisory Board. Ricardo Malta was elected as the new employee representative at the Supervisory Board.

EVENTS OF SPECIAL SIGNIFICANCE WHICH MAY AFFECT THE RESULT OF BUSINESS ACTIVITY

None.

INTERIM DIVIDEND

No interim dividend has been disbursed.

DIVIDENDS PAID OR PROPOSED FOR PAYMENT

At the General Meeting of Shareholders on 18 May 2018, the Managing Board and the Supervisory Board of CENIT proposed the payment of a dividend of EUR 1.00 for the 2017 business year. EUR k 8,368 were paid out to the CENIT AG shareholders.

ORDERS SITUATION

The group-wide order intake totaled EUR k 90.270 (prior year: EUR k 55,769/61.9%). Orders in hand as at June 30th 2018 amounted to EUR k 53,635 (prior year: EUR k 29,805/80.0%).

ORDERS OF SPECIAL SIGNIFICANCE

None.

LIQUID ASSETS AND SECURITIES

On the balance-sheet date, bank deposits totaled EUR k 19,926 (31 Dec. 2017: EUR k 23,692). On the other hand, there are current financial liabilities in amount of EUR k 25 (31 Dec. 2017: EUR k 3,152).

ASSET, FINANCIAL AND EARNINGS SITUATION

The balance-sheet total is EUR k 81,695. Trade receivables totaled EUR k 22,439. On the balance-sheet date, equity capital amounted to approx. EUR k 34,224 (31 Dec. 2017: EUR k 40,855) at an equity ratio of 41.9% (31 Dec. 2017: 46.8%). Operative cash flow totaled EUR k 10,375 (prior year: EUR k 3,388).

EMPLOYEES

On 30 June 2018, CENIT employed 748 staff group-wide (prior year: 606).

SUPPLEMENTARY, OPPORTUNITIES AND FORECAST REPORTS

For the current year, the CENIT Group expects sales of around EUR 175 to 180 million. Based on the course of business so far, CENIT AG expects EBIT of around EUR 10 million.

CENIT Aktiengesellschaft, Stuttgart		
CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)		
in EUR k	June 30th, 2018	December 31 st , 2017
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	14,249	14,839
Property, plant and equipment	2,712	2,711
Investment in Joint Venture	60	60
Other financial assets	1.500	0
Deferred tax assets	911	894
NON-CURRENT ASSETS	19,432	18,504
CURRENT ASSETS		
Inventories	63	87
Trade receivables	22,439	28,551
Receivables from Joint Venture	3,406	2,975
Current income tax assets	3,075	1,729
Other receivables	1,490	2,384
Cash and cash equivalents	19,926	23,692
Prepaid expenses	11,864	9,342
CURRENT ASSETS	62,263	68,760
TOTAL ASSETS	81,695	87,264

CENIT Aktiengesellschaft, Stuttgart		
CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)		
in EUR k	June 30th, 2018	December 31 st , 2017
EQUITY AND LIABILITIES		
EQUITY		
Issued capital	8,368	8,368
Capital reserve	1,058	1,058
Currency translation reserve	892	801
Statutory earnings reserve	418	418
Other earnings reserves	13,242	13,242
Profit carried forward	7,361	6,926
Net profit	1,672	8,803
Equity attributable to shareholders of CENIT AG	33,011	39,616
Non-controlling interests	1,213	1,239
TOTAL EQUITY	34,224	40,855
NON-CURRENT LIABILITIES		
Other liabilities	3,538	3,842
Deferred tax liabilities	559	588
NON-CURRENT LIABILITIES	4,097	4,430
CURRENT LIABILITIES		
Current bank liabilities	25	3.152
Trade liabilities	5,429	7,922
Liabilities due to Joint Venture	0	35
Other liabilities	15,363	17,059
Current income tax liabilities	233	460
Other provisions	137	192
Deferred income	22,187	13,159
CURRENT LIABILITIES	43,374	41,979
TOTAL EQUITY AND LIABILITIES	81,695	87,264

CENIT Aktiengesellschaft, Stuttgart			
CONSOLIDATED INCOME STATEMENT (in accordance with IFRSs) (unaudited)			
in EUR k		1 st Jan – 30 th June 2018	1 st Jan – 30 th June 2017
1. REVENUE		82,113	59,279
2. Increase/decrease in work of process		0	0
Total operating performance		82,113	59,279
3. Other income		743	330
Operating performance		82,856	59,609
4. Cost of materials	40,198		23,768
5. Personnel expenses	29,720		23,880
6. Amortization and depreciation of intangible assets and property, plant and equipment	1,466		996
7. Other expenses	8,891		6,778
		80,275	55,422
OPERATING RESULT (EBIT)		2,581	4,187
8. Other interest and similar income	0		0
9. Other interest and similar expenses	8		4
		-8	-4
RESULT BEFORE INCOME TAX (EBT)		2,573	4,183
10. Income taxes		780	1,762
NET INCOME OF THE GROUP FOR THE YEAR		1,793	2,421
thereof attributable to the shareholders of CENIT AG		1,672	2,368
thereof attributable to non-controlling interests		121	53
Earnings per share in EUR			
basic		0.21	0.29
diluted		0.21	0.29

CENIT Aktiengesellschaft, Stuttgart			
CONSOLIDATED INCOME STATEMENT (in accordance with IFRSs) (unaudited)			
in EUR k		2 nd Quarter 2018	2 nd Quarter 2017
1. REVENUE		41,179	29,324
2. Increase/decrease in work of process		0	0
Total operating performance		41,179	29,324
3. Other income		392	65
Operating performance		41,571	29,389
4. Cost of materials	20,422		12,132
5. Personnel expenses	14,511		11,231
6. Amortization and depreciation of intangible assets and property, plant and equipment	740		494
7. Other expenses	4,745		3,499
		40,418	27,355
OPERATING RESULT (EBIT)		1,153	2,034
8. Other interest and similar income	0		0
9. Other interest and similar expenses	4		2
		-4	-2
RESULT BEFORE INCOME TAX (EBT)		1,149	2,032
10. Income taxes		416	998
NET INCOME OF THE GROUP FOR THE YEAR		733	1,034
thereof attributable to the shareholders of CENIT AG		676	1,000
thereof attributable to non-controlling interests		57	34
Earnings per share in EUR			
basic		0.08	0.12
diluted		0.08	0.12

CENIT Aktiengesellschaft, Stuttgart		
CONSOLIDATED STATEMENT OF CASH FLOWS (in accordance with IFRS) (unaudited)		
in EUR k	1 st Jan – 30 th June 2018	1 st Jan – 30 th June 2017
Cash flow from operating activities		
Earnings before tax and net interest	2,581	4,187
Adjustments for:		
Amortization/depreciation of intangible assets and property, plant and equipment	1,466	996
Gains (-) and losses (+) on disposals of non-current assets	22	0
Increase/decrease in other non-current assets and liabilities and provisions	-321	-258
Interest paid	-8	-4
Interest received	0	0
Income tax paid	-2,302	-2,005
Cash flow before changes in net working capital	1,438	2,916
Increase/decrease in trade receivables and other current non-cash assets	4,144	-811
Increase/decrease in inventories	25	326
Increase/decrease in current liabilities and provisions	4,768	957
Net cash flows from operating activities	10,375	3,388
Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	-894	-746
Purchase of shares in fully consolidated entities (net cash outflow)	-200	0
Purchase of non-current financial assets	-1,500	0
Income from the sale of property, plant and equipment	0	6
Net cash paid for investing activities	-2,594	-740
Cash flow from financing activities		
Dividends paid to shareholders	-8,368	-8,368
Dividends paid to non-controlling interests	-147	-147
Net cash paid for financing activities	-8,515	-8,515
Net increase/decrease in cash and cash equivalents	-734	-5,867
Change in cash and cash equivalents due to foreign exchange differences	95	-492
Cash and cash equivalents at the beginning of the reporting period	20,540	33,606
Cash and cash equivalents at the end of the reporting period	19,901	27,247

CENIT Aktiengesellschaft, Stuttgart			
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (in accordance with IFRS)			
(unaudited)			
In EUR k		1 st Jan – 30 th June 2018	1 st Jan – 30 th June 2017
Net income for the year		1,793	2,421
Other comprehensive income			
Items that will be reclassified to the income statement in the future under certain circumstances			
Currency translation reserve of foreign subsidiaries	91		-378
Items that will not be reclassified to the income statement in the future			
Actuarial gains/losses from defined benefit obligations and similar obligations	0		0
Deferred taxes recognised on other comprehensive income	0		0
Other comprehensive income after tax		91	-378
Total comprehensive income		1,884	2,043
Thereof attributable to the shareholders of CENIT AG		1,763	1,990
thereof attributable to non-controlling interests		121	53

CENIT Aktiengesellschaft, Stuttgart
STATEMENT OF CHANGES IN EQUITY (in accordance with IFRS) (unaudited)

in EUR k	Attributable to shareholders of CENIT AG							Non-controlling interests	Total
	Subscribed capital	Capital reserves	Currency translation reserve	Revenue reserves		Profit carried forward	Net income		
				Legal reserve	Other reserves				
As of 1st January 2017	8,368	1,058	1,279	418	13,099	7,213	8,080	1,063	40,578
Net income prior year						8,080	-8,080		
Total comprehensive income			-478		153		8,803	185	8,663
Dividend distribution						-8,368		-147	-8,515
Acquisition of a subsidiary								128	128
Acquisition of minorities					-10			10	
As of 31st December 2017	8,368	1,058	801	418	13,242	6,926	8,803	1,239	40,855
Net income prior year						8,803	-8,803		
Total comprehensive income			91				1,672	121	1,884
Dividends paid to shareholders						-8,368			-8,368
Dividends paid to non-controlling interests								-147	-147
As of June 30th 2018	8,368	1,058	892	418	13,242	7,361	1,672	1,213	34,224

CENIT Aktiengesellschaft
Segment Reporting by Business Unit (in accordance with IFRSs) unaudited

		EIM	PLM	Reconciliation	Group
in EUR k					
External revenue	Q1-Q2 2018	6,923	75,190	0	82,113
	Q1-Q2 2017	8,007	51,272	0	59,279
EBIT	Q1-Q2 2018	979	1,602	0	2,581
	Q1-Q2 2017	410	3,777	0	4,187
Share of profit of joint ventures	Q1-Q2 2018	0	0	0	0
	Q1-Q2 2017	0	0	0	0
Other interest result and financial result	Q1-Q2 2018	0	0	-8	-8
	Q1-Q2 2017	0	0	-4	-4
Income taxes	Q1-Q2 2018	0	0	780	780
	Q1-Q2 2017	0	0	1,762	1,762
Net income of the Group	Q1-Q2 2018	979	1,602	-788	1,793
	Q1-Q2 2017	410	3,777	-1,766	2,421
Segment assets	Q1-Q2 2018	5,211	52,511	23,913	81,635
	Q1-Q2 2017	7,583	29,865	28,365	65,813
Investment in a joint venture	Q1-Q2 2018	0	60	0	60
	Q1-Q2 2017	0	61	0	61
Segment liabilities	Q1-Q2 2018	6,943	39,708	820	47,471
	Q1-Q2 2017	7,163	23,540	1,064	31,767
Investments in property, plant equipment and intangible assets	Q1-Q2 2018	122	772	0	894
	Q1-Q2 2017	79	667	0	746
Amortization and depreciation	Q1-Q2 2018	228	1,238	0	1,466
	Q1-Q2 2017	257	739	0	996

EIM = Enterprise Information Management; PLM = Product Lifecycle Management

CENIT Aktiengesellschaft
Group Segment Report by Region (in accordance with IFRSs) unaudited

in EUR k		Germany	Switzerland	North America	Romania	France	Belgium	Netherlands	Japan	Reconciliation	Consolidation	Group
External revenue	Q1-Q2 2018	44,475	4,741	5,491	908	23,042	1,769	1,055	632	0	0	82,113
	Q1-Q2 2017	43,467	6,321	7,194	1,012	200	0	0	1,085	0	0	59,279
Longterm Segment assets	Q1-Q2 2018	16,004	80	149	62	4,930	4	0	20	911	-2,728	19,432
	Q1-Q2 2017	8,898	33	176	58	42	0	0	13	367	-1,994	7,593
Investment in a joint venture	Q1-Q2 2018	60	0	0	0	0	0	0	0	0	0	60
	Q1-Q2 2017	61	0	0	0	0	0	0	0	0	0	61
Investments in property, plant and equipment and intangible assets	Q1-Q2 2018	667	52	11	16	138	0	0	10	0	0	894
	Q1-Q2 2017	684	20	8	29	3	0	0	2	0	0	746

DIRECTORS' HOLDING:

Number of shares as at June 30th 2018

Total number of shares : 8,367,758

Management Board:

Kurt Bengel: 6,000

Matthias Schmidt: 1,670

Supervisory Board:

Prof. Dr. Oliver Riedel: 80

Stephan Gier: 0

Ricardo Malta: 0

Financial Calendar:

6th November 2018

26th -28th November 2018

Release of 9-Months Report 2018

German Equity Forum, Frankfurt



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