

6-Months Report 2010

**CENIT AG****Industriestraße 52-54****70565 Stuttgart****Tel. +49 7 11 78 25-30****Fax: +49 7 11 78 25-40 00****ISIN: DE0005407100****Internet: www.cenit.de****Investor Relations:****Fabian Rau****Tel. +49 7 11 78 25-31 85****Fax: +49 7 11 78 25 44-41 85****E-Mail: aktie@cenit.de**

CENIT AT A GLANCE (unaudited)		
At a glance - January 1 until June 30, 2010 (unaudited)		
in Mill. EUR	June 30, 2010	June 30, 2009
Sales	41,38	43,06
Gross profits	28,14	29,73
EBITDA	1,58	1,54
Operating returns (EBIT)	0,86	0,82
EBT	0,96	0,99
Netincome of the group	0,67	0,74
Result per share (basic) in EURO	0,08	0,09
Result per share (diluted) in EURO	0,08	0,09
Number of employees at end of period	670	705
EBIT - Margin	2,1%	1,9%
Profit - Margin	1,6%	1,7%
in Mill. EUR	June 30, 2010	Dec. 31, 2009
Equity in ratio	59%	64%
Equity	26,56	28,08
Liabilities	18,45	15,54
Balance sheet total	45,01	43,61

RESPONSIBILITY STATEMENT FOR THE 2nd QUARTER 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 2nd Quarter 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 2nd Quarter 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 2010

DEVELOPMENT OF RESULTS

The first 6 months of 2010 confirm CENIT AG's expectations for the full year and indicate sustained, stable business development. While the automotive industry has posted strong sales figures, it is still reluctant to invest. In addition, some car makers still have short-time work in effect, making it difficult for CENIT to work at full service capacity. A large-scale service contract for the auto industry expired at the end of March, but CENIT was able to compensate this shortfall by securing a series of new orders. More than that: CENIT was also able to achieve growth the product lifecycle management (PLM) segment, and posted stable business with aerospace customers. In the financial sector, however, the steady growth record of previous years was interrupted, as evidenced by delayed service contracts and lagging software sales in the enterprise information management (EIM) field. CENIT sees growth opportunities particularly for the second half of the year, traditionally the strongest period especially with respect to software sales. At the beginning of the 3rd Quarter, on 1 July 2010, CENIT announced the acquisition on conunit GmbH, a consulting provider primarily active in the field of business intelligence and analysis. These topics are top priority for many businesses making IT investments to increase competitiveness. The acquisition price for conunit was in the lower single-digit millions.

OVERVIEW OF 2nd QUARTERE FIGURES

At the end of the 2nd Quarter, CENIT Group posted sales revenue of 41.4 m EUR (2009: 43.1 m EUR/-4%). The gross profit amounted to 28.1 m EUR (2009: 29.7 m EUR/-5%). CENIT achieved EBITDA of 1.6 m EUR (2009: 1.5 m EUR/+3%) and EBIT of 0.9 m EUR (2009: 0.8 Mio. EUR/+4%). Earnings per share were 0.08 EUR (2009: 0.09 EUR).

BREAKDOWN OF EARNINGS

In the PLM segment, CENIT posted sales of 30.6 m EUR (2009: 30.2 m EUR/+1%). The EIM segment accounted for sales of 10.7 m EUR after 12.8 m EUR in 2009 (-16%). Sales of non-proprietary software totaled 12.5 m EUR (2009: 11.3 m /+10%). Turnover from sales of CENIT's proprietary software grew by 4% from 3.6 m EUR to 3.8 m EUR. Turnover from services and consulting totaled 24.6 m EUR (2009: 27.8 m EUR/-11%). Other turnover amounted to 0.5 m EUR (2009: 0.3 m EUR /+80%).

PARTICIPATIONS – FOREIGN HOLDINGS

CENIT (Switzerland) AG achieved sales proceeds of 1.4 m EUR (2009: 1.9 m EUR) and EBIT of 0.04 m EUR (2009: 0.6 m EUR).

CENIT North America Inc. Posted sales of 2.5 m EUR (2009: 2.5 m EUR), accounting for EBIT of -0.1 m EUR (2009: -0.4 m EUR).

CENIT SRL, Romania, attained sales of 0.2 m EUR (2009: 0.3 m EUR) and EBIT of -0.01 m EUR (2009: 0.1 m EUR).

CENIT France SARL achieved sales of 0.3 m EUR (2009: 0.2 m EUR) and EBIT of 0.01 m EUR (2009 0.03 m EUR).

DEVELOPMENT OF COSTS

Other business-related expenditures totaled 6.7 m EUR (reference period 2009: 6.9 m EUR).

INVESTMENTS

Total investments during the first 6 months of 2010 were 0.5 m EUR (reference period 2009: 0.4 m EUR).

CHANGES IN COMPOSITION OF MANAGING AND SUPERVISORY BOARDS

None

EVENTS OF SPECIAL SIGNIFICANCE WHICH COULD AFFECT THE BUSINESS RESULT

None

INTERIM DIVIDEND

No interim dividend was paid out.

DIVIDENDS APID OR PROPOSED FOR PAYMENT

The Managing and Supervisory Boards of CENIT proposed to the General Meeting on 28 May 2010 that a dividend of 0.30 EUR per share be paid out. The General Meeting approved this proposal. A total amount of approx. 2.5 m EUR was paid out to CENIT AG shareholders.

ORDERS SITUATION

During the past Quarter, incoming orders totaled 42.4 m EUR Group-wide (2009: 39.7 m EUR/+7%). On 30 June 2010, the order backlog amounted to 25.4 m EUR (2009: 24.0 m EUR/+6%).

ORDERS OF SPECIAL SIGNIFICANCE

None

LIQUID ASSETS AND SECURITIES

On the balance-sheet date, bank deposits and securities totaled 16.8 m EUR (31 Dec 2009: 19.5 m EUR). The enterprise remains debt-free.

ASSET, FINANCIAL AND EARNINGS SITUATION

The balance-sheet total is 45.01 m EUR. Trade debtors and other assets totaled 11.8 m EUR. On the declaration date, the Group's net worth was approx. 26.6 m EUR (31 Dec 2009: 28.1 m EUR), with an equity ratio of 59% (31 Dec 2009: 64%). The operative cash flow was 1.9 m EUR (06/2009: 1.3 m EUR).

STAFF

On 30 June 2010, the number of staff employed Group-wide was 670 (30 June 2009: 705).

SUPPLEMENTARY REPORT, OPPORTUNITIES AND OUTLOOK

An end to short-time work in the automotive industry can be expected for the second half of the year. During the same period a number of customers will finalize decisions of CENIT-relevant service contracts. Based on past experience, we also expect our software business to be especially strong during the last months of the year. For these reasons, we anticipate positive developments during the 2010 business year on the basis of the momentum of 2009. We thus continue to adhere to the statements made in the 2009 Annual Report.

CENIT Aktiengesellschaft		
CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)		
for the period from January 1 to June 30, 2010		
in EUR k	June 30, 2010	Dec. 31, 2009
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	1.226	1.221
Property, plant and equipment	2.095	2.285
Investment in an associate	54	50
Income tax receivable	531	520
Other financial assets at fair value through profit or loss	3.000	2.000
	6.906	6.076
DEFERRED TAX ASSETS		
	0	0
NON-CURRENT ASSETS		
	6.906	6.076
CURRENT ASSETS		
Inventories	1.620	925
Trade receivables	11.759	10.517
Receivables from associates	3.754	4.161
Current income tax assets	679	386
Other receivables	317	205
Other financial assets at fair value through profit or loss	910	910
Cash	15.840	18.599
Prepaid expenses	3.228	1.832
CURRENT ASSETS	38.107	37.535
TOTAL ASSETS		
	45.013	43.611

CENIT Aktiengesellschaft		
CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)		
for the period from January 1 to June 30, 2010		
in EUR k	June 30, 2010	Dec. 31, 2009
EQUITY AND LIABILITIES		
EQUITY		
Issued capital	8.368	8.368
Capital reserve	1.058	1.058
Currency translation reserve	17	-309
Legal reserve	418	418
Other revenue reserves	12.341	11.040
Net retained profit of the Group	4.363	7.500
TOTAL EQUITY	26.563	28.075
NON-CURRENT LIABILITIES		
Deferred tax liabilities	550	488
CURRENT LIABILITIES		
Current liabilities to banks	0	0
Trade payables	2.385	4.241
Liabilities due to associates	0	38
Other liabilities	11.081	8.429
Current income tax liabilities	412	422
Other provisions	225	322
Deferred income	3.797	1.596
	17.900	15.048
TOTAL EQUITY AND LIABILITIES	45.013	43.611

CENIT Aktiengesellschaft			
CONSOLIDATED INCOME STATEMENT (in accordance with IFRSs) (unaudited)			
for the period from January 1 to June 30, 2010			
in EUR k		June 30, 2010	June 30, 2009
1. REVENUE		41.377	43.060
2. Increase or decrease in work in process		434	-295
Total operating performance		41.811	42.765
3. Other operating income		360	581
Operating performance		42.171	43.346
4. Cost of materials	14.033		13.616
5. Personnel expenses	19.842		21.261
6. Amortization of intangible assets and depreciation on property, plant and equipment	723		713
7. Other operating expenses	6.716		6.932
		41.314	42.522
NET OPERATING INCOME		857	824
8. Other interest and similar income	106		167
9. Interest and similar expenses	5		4
10. Result from financial instruments at fair value through profit or loss	0		0
11. Share of profit of an associate	4		0
		105	163
RESULT FROM ORDINARY ACTIVITIES		962	987
12. Extraordinary profit/loss		0	0
13. Income taxes		291	243
14. NET INCOME OF THE GROUP FOR THE PERIOD		671	744
15. thereof attributable to the shareholders of CENIT AG		671	744
16. thereof attributable to minority interests		0	0
Earnings per share in EUR			
basic		0,08	0,09
diluted		0,08	0,09

CENIT Aktiengesellschaft			
CONSOLIDATED INCOME STATEMENT (in accordance with IFRSs) (unaudited)			
for the period from April 1 to June 30, 2010			
in EUR k		2nd Quarter, 2010	2nd Quarter, 2009
1. REVENUE		20.664	21.265
2. Increase of decrease in work of process		111	-561
Total operating performance		20.775	20.704
3. Other operating income		181	327
Operating performance		20.956	21.031
4. Cost of materials	7.185		7.047
5. Personnel expenses	9.712		10.121
6. Amortization of intangible assets and depreciation on property, plant and equipment	367		354
7. Other operating expenses	3.472		3.321
		20.736	20.843
NET OPERATING INCOME		220	188
8. Other interest and similar income	72		84
9. Interest and similar expenses	3		2
10. Result from financial instruments at fair value through profit or loss	0		40
11. Share of profit of an associate	0		0
		69	122
RESULT FROM ORDINARY ACTIVITIES		289	310
12. Extraordinary profit/loss		0	0
12. Income taxes		104	59
13. NET INCOME OF THE GROUP FOR THE PERIOD		185	251
14. thereof attributable to the shareholders of CENIT AG		185	251
15. thereof attributable to minority interests		0	0
Earnings per share in EUR			
basic		0,02	0,03
diluted		0,02	0,03

CENIT Aktiengesellschaft		
CONSOLIDATED STATEMENT OF CASH FLOWS (in accordance with IFRSs) (unaudited)		
for the period from January 1 to June 30, 2010		
in EUR k	June 30,2010	June 30,2009
Cash flow from operating activities		
Earnings before tax	962	987
Adjusted for:		
Amortization of intangible assets and depreciation of property, plan and equipment	723	713
Losses on disposals of non-current assets	1	13
Gains on disposals of non-current assets	0	0
Share of profit of associates	-4	0
Other non-cash income and expenses	292	-205
Change in other financial assets	0	0
Interest income	-106	-167
Interest expenses	5	4
Income before adjustments to current assets	1.873	1.345
Increase/decrease in trade receivables and other current, non-monetary assets	-2.636	222
Increase/decrease in inventories	-695	-227
Increase/decrease in current liabilities and provisions	3.086	3.559
Interest paid	-5	-4
Interest received	106	167
Income taxes paid	-462	-1.132
Change in net cash flow from operating activities	1.267	3.930
Cash flow from investing activities		
Acquisition of property, plant and equipment and intangible assets	-516	-402
Purchase of investments in an associate	0	0
Acquisition of shares in fully consolidated entities	0	0
Gain on disposal of property, plant and equipment	0	5
Change in other financial assets that are not allocable to cash and cash equivalents	-1.000	-2.000
Net cash paid for investing activities	-1.516	-2.397
Cash flow from financing activities		
Repayment of longterm bank loans	0	0
Dividends paid to shareholders	-2.510	0
Change in convertible bond	0	0
Net cash paid for financing activities	-2.510	0
Net increase/decrease in cash and cash equivalents	-2.759	1.532
Cash and cash equivalents at the beginning of the reporting period	18.599	12.265
Cash and cash equivalents at the end of the reporting period	15.840	13.797

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (in accordance with IFRSs) (unaudited)

as of June 30, 2010

in EUR k	Equity attributable to shareholders of the parent								Minority interests	Total
	Issued capital	Capital reserve	Currency translation reserve	Legal reserve	Other revenue reserves	net retained profit of the Group	Total			
As of January 1, 2009	8.368	1.058	-292	418	8.140	7.672	25.364	0	25.364	
Exchange differences			-17				-17		-17	
Net income of the Group for the year						2.728	2.728		2.728	
Total comprehensive income	0	0	-17	0	0	2.728	2.711	0	2.711	
Reversal of minority interests					0					
Acquisition of residual share					0					
Dividend distribution										
Allocations to the other revenue reserve					2.900	-2.900			0	
As of Dec. 31, 2009	8.368	1.058	-309	418	11.040	7.500	28.075	0	28.075	
Exchange differences			326				326		326	
Net income of the Group for the year						671	671	0	671	
Total comprehensive income	0	0	17	0	0	671	997	0	997	
Reversal of minority interests							0		0	
Acquisition of residual share							0		0	
Transfer from stock options		0					0		0	
Dividend distribution						-2.510	-2.510		-2.510	
Allocation to the other revenue reserve					1.300	-1.300	0		0	
Allocation to the legal revenue reserve										
Capital increase from company funds							0		0	
As of June 30, 2010	8.368	1.058	17	418	12.340	4.363	26.562	0	26.562	

CENIT Aktiengesellschaft
Segment Reporting by Business Unit (in accordance with IFRSs) (unaudited)
for the period from January 1 to June 30, 2010

		EIM	PLM	not allocated	Group
in EUR k					
External revenue	Q1-Q2 2010	10.735	30.641	0	41.377
	Q1-Q2 2009	12.826	30.234	0	43.060
EBIT	Q1-Q2 2010	237	620	0	857
	Q1-Q2 2009	820	4	0	824
Share of profit of an associate	Q1-Q2 2010	0	4	0	4
	Q1-Q2 2009	0	0	0	0
Other interest result and financial result	Q1-Q2 2010	0	0	102	102
	Q1-Q2 2009	0	0	163	163
Income taxes	Q1-Q2 2010	0	0	291	291
	Q1-Q2 2009	0	0	243	243
Net income of the Group	Q1-Q2 2010	236	620	-186	671
	Q1-Q2 2009	820	3	-80	743
Segment assets	Q1-Q2 2010	5.764	18.235	20.960	44.959
	Q1-Q2 2009	6.519	17.263	18.989	42.771
Investment in an associate	Q1-Q2 2010	0	54	0	54
	Q1-Q2 2009	0	51	0	51
Segment liabilities	Q1-Q2 2010	5.589	11.899	962	18.450
	Q1-Q2 2009	4.483	11.013	1.222	16.718
Investments in property, plant and equipment and intangible assets	Q1-Q2 2010	141	375	0	516
	Q1-Q2 2009	247	155	0	402
Amortization and depreciation	Q1-Q2 2010	169	554	0	723
	Q1-Q2 2009	144	569	0	713

EIM=Enterprise Information Management; PLM = Product Lifecycle Management

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Segment Report by Region (in accordance with IFRSs) for the period from January 1 to June 30, 2010 (unaudited)

in EUR k		Germany	Switzerland	North America	Romania	France	not allocated	Consolidation	Group
Internal revenue	Q1-Q2 2010	1.812	17	253	215	254	0	-2.552	0
	Q1-Q2 2009	2.140	519	123	272	229	0	-3.284	0
External revenue	Q1-Q2 2010	37.708	1.354	2.313	1	1	0	0	41.377
	Q1-Q2 2009	38.880	1.381	2.797	1	0	0	0	43.060
Segment assets	Q1-Q2 2010	22.510	851	1.354	74	29	20.960	-819	44.959
	Q1-Q2 2009	22.809	2.731	1.008	68	42	18.989	-2.876	42.771
Investment in an associate	Q1-Q2 2010	54	0	0	0	0	0	0	54
	Q1-Q2 2009	51	0	0	0	0	0	0	51
Investments in property, plant and equipment and intangible assets	Q1-Q2 2010	493	0	18	2	3	0	0	516
	Q1-Q2 2009	397	2	1	2	0	0	0	402

EXPLANATORY NOTES TO SHARES AND SUBSCRIPTION RIGHTS HELD BY DIRECTORS, COMPANY OFFICERS AND EMPLOYEES IN ACCORDANCE WITH Section § 160 Subsection 1 No. 2 AND 5 AktG

The Directors of the company have 39,000 share option rights. CENIT employees have also 160.000 share option rights.

Directors´ Holding:

Number of shares as at June, 30, 2010

Total Number of Shares: 8.367.758

Executive Board

Kurt Bengel: 0
Christian Pusch: 0

Supervisory Board

Andreas Schmidt: 191.792
Hubert Leypoldt: 1.600
Andreas Karrer: 0

Financial Calendar:

09.11.2010 3rd Quarter Report
22.-24.11.2010 German Equity Forum Frankfurt