

# 6 Months Report 2014



**cenit**

**CENIT Aktiengesellschaft, Stuttgart AT A GLANCE****At a glance – January 1 until June, 30, 2014**

in EUR k	June 30, 2014	June 30, 2013
Sales	59,700	60,389
Gross profits	36,960	36,590
EBITDA	5,481	4,800
Operating returns (EBIT)	4,264	3,645
EBT	4,345	3,683
Netincome of the group	3,046	2,630
Earnings per share (basic) in EUR	0.36	0.31
Earnings per share (diluted) in EUR	0.36	0.31
Number of employees at end of period	671	673
EBIT-Margin	7.1%	6.0%
Profit-Margin	5.1%	4.4%
in EUR k	June 30, 2014	December 31, 2013
Equity in ratio	54.7%	59.5%
Equity	36,094	35,930
Liabilities	29,897	24,429
Balance sheet total	65,991	60,359

## **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 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 2014

### **DEVELOPMENT OF RESULTS**

In the first six months of 2014, CENIT AG generated consistent sales compared to the same period last year. The PLM segment grew by around 3%, while the EIM segment faces a further decline due to the ongoing restructuring measures. EBIT however increased significantly by 17% to 4,264 EUR k. Sales of third-party software developed positively as well and could be increased by about 2%.

### **OVERVIEW OF 6 MONTHS FIGURES**

During the first 6 months, CENIT group generated sales of EUR k 59,700 (prior year: EUR k 60,389/-1.1%). EBITDA amounted to EUR k 5,481 (prior year: EUR k 4,800/14.2%) at EBIT of EUR k 4,264 (prior year: EUR k 3,645/17.0%). Earnings per share were EUR 0.36 (prior year: EUR 0.31).

### **BREAKDOWN OF EARNINGS**

In the PLM segment, CENIT achieved in the first 6 months earnings of EUR k 47,377 (prior year: EUR k 45,914/3.2%). The EIM segment attained a sales total of EUR k 12,323 against EUR k 14,475 during the same period of 2013 (-14,9%). Sales of third-party software totaled EUR k 26,361 (prior year: EUR k 25,793/2.2%), while sales of CENIT's proprietary software declined from EUR k 6,540 to EUR k 6,141/-6.1%. Sales in the service and consulting segment amounted to EUR k 26,932 (prior year: EUR k 27,937/-3.6%). Other sales totaled EUR k 266 (prior year: EUR k 119/> 100.0%).

### **COST DEVELOPMENT**

Other operating expenses totaled EUR k 6,890 (prior year: EUR k 7,274).

### **INVESTMENTS**

Investments expenditures in the first 6 months 2014 amounted to EUR k 1,194 (prior year: EUR k 666).

### **CHANGES IN MANAGING AND SUPERVISORY BODIES**

None in the second quarter.

### **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 16 May 2014, the Managing Board and the Supervisory Board of CENIT proposed the payment of a dividend of EUR 0.35 for the 2013 business year. The General Meeting approved this proposal. A total amount of approx. EUR k 2,929 was paid out to the CENIT AG shareholders.

## **ORDERS SITUATION**

The group-wide order intake totaled EUR k 58,821 (prior year: EUR k 56,208/-4.9%). Orders in hand as at 30 June 2014 amounted to EUR k 33,022 (prior year: EUR k 36,129/-8.6%).

## **ORDERS OF SPECIAL SIGNIFICANCE**

None.

## **LIQUID ASSETS AND SECURITIES**

On the balance-sheet date, bank deposits totaled EUR k 30,968 (31 Dec. 2013: EUR k 26,632). The enterprise is free of debt.

## **ASSET, FINANCIAL AND EARNINGS SITUATION**

The balance-sheet total is EUR k 65,991. Trade receivables totaled EUR k 15,260. On the balance-sheet date, equity capital amounted to approx. EUR k 36,094 (31 Dec. 2013: EUR k 35,930) at an equity ratio of 54.7% (31 Dec. 2013: 59.5%). Operative cash flow totaled EUR k 9,098 (prior year: EUR k 11,372).

## **EMPLOYEES**

On 30 June 2014, CENIT employed 671 staff group-wide (prior year: 673).

## **SUPPLEMENTARY, OPPORTUNITIES AND FORECAST REPORTS**

CENIT is maintaining its forecast and expects an increase in sales and EBIT of approximately 5%. In order to achieve this goal this years' focus is on the acquisition of new customers, the software development in particular and the growth in the market segments that are relevant for CENIT.

CENIT Aktiengesellschaft, Stuttgart CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited) For the period from January 1 to June 30, 2014		
in EUR k	June 30, 2014	December 31, 2013
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Intangible assets	4,821	3,619
Property, plant and equipment	2,489	2,567
Investment in associates	54	54
Income tax receivable	257	250
Other longterm receivables	157	157
Other financial assets measured and recognized at fair value through profit or loss	2,000	2,000
Deferred tax assets	122	89
<b>NON-CURRENT ASSETS</b>	<b>9,899</b>	<b>8,736</b>
<b>CURRENT ASSETS</b>		
Inventories	15	4
Trade receivables	15,113	14,811
Receivables from associates	3,047	3,455
Current income tax assets	1,151	745
Other receivables	175	138
Cash and cash equivalents	30,968	26,632
Prepaid expenses	5,623	5,838
<b>CURRENT ASSETS</b>	<b>56,092</b>	<b>51,623</b>
<b>TOTAL ASSETS</b>	<b>65,991</b>	<b>60,359</b>

<b>CENIT Aktiengesellschaft, Stuttgart</b>		
<b>CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)</b>		
<b>for the period from January 1 to June 30, 2014</b>		
in EUR k	June 30, 2014	December 31, 2013
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Issued capital	8,368	8,368
Capital reserve	1,058	1,058
Currency translation reserve	143	97
Statutory earnings reserve	418	418
Other earnings reserves	15,607	15,607
Unappropriated retained earnings	10,499	10,382
<b>TOTAL EQUITY</b>	<b>36,094</b>	<b>35,930</b>
<b>NON-CURRENT LIABILITIES</b>		
Other liabilities	1,329	1,417
Deferred tax liabilities	1,216	842
<b>NON-CURRENT LIABILITIES</b>	<b>2,545</b>	<b>2,259</b>
<b>CURRENT LIABILITIES</b>		
Trade liabilities	4,000	4,028
Liabilities due to associates	43	37
Other liabilities	11,186	11,430
Current income tax liabilities	812	621
Other provisions	132	113
Deferred income	11,179	5,941
<b>CURRENT LIABILITIES</b>	<b>27,352</b>	<b>22,170</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>65,991</b>	<b>60,359</b>

<b>CENIT Aktiengesellschaft, Stuttgart</b>			
<b>CONSOLIDATED INCOME STATEMENT (in accordance with IFRSs) (unaudited)</b>			
<b>for the period from January 1 to June 30, 2014</b>			
in EUR k		1 <sup>st</sup> Jan – 30 <sup>th</sup> June 2014	1 <sup>st</sup> Jan – 30 <sup>th</sup> June 2013
<b>1. REVENUE</b>		<b>59,700</b>	<b>60,389</b>
2. Increase/decrease in work of process		0	2
<b>Total operating performance</b>		<b>59,700</b>	<b>60,391</b>
3. Other operating income		426	305
<b>Operating performance</b>		<b>60,126</b>	<b>60,696</b>
4. Cost of materials	23,166		24,106
5. Personnel expenses	24,589		24,516
6. Amortization and depreciation of intangible assets and property, plant and equipment	1,216		1,155
7. Other operating expenses	6,890		7,274
		55,861	57,051
<b>OPERATING RESULT</b>		<b>4,264</b>	<b>3,645</b>
8. Other interest and similar income	88		45
9. Other interest and similar expenses	8		6
		80	39
<b>RESULT FROM ORDINARY ACTIVITIES</b>		<b>4,345</b>	<b>3,683</b>
10. Income taxes		1,298	1,054
<b>NET INCOME OF THE GROUP FOR THE YEAR</b>		<b>3,046</b>	<b>2,630</b>
thereof attributable to the shareholders of CENIT AG		3,046	2,630
Earnings per share in EUR			
Basic		0.36	0.31
diluted		0.36	0.31



<b>CENIT Aktiengesellschaft, Stuttgart</b>			
<b>CONSOLIDATED INCOME STATEMENT (in accordance with IFRSs) (unaudited)</b>			
<b>for the period from April 1 to June 30, 2014</b>			
in EUR k		2nd Quarter 2014	2nd Quarter 2013
<b>11. REVENUE</b>		<b>29,907</b>	<b>28,574</b>
12. Increase/decrease in work of process		0	2
<b>Total operating performance</b>		<b>29,907</b>	<b>28,575</b>
13. Other operating income		96	125
<b>Operating performance</b>		<b>30,003</b>	<b>28,700</b>
14. Cost of materials	11,825		11,348
15. Personnel expenses	11,998		11,467
16. Amortization and depreciation of intangible assets and property, plant and equipment	620		568
17. Other operating expenses	3,467		3,459
		27,909	26,842
<b>OPERATING RESULT</b>		<b>2,094</b>	<b>1,859</b>
18. Other interest and similar income	54		22
19. Other interest and similar expenses	4		3
		50	19
<b>RESULT FROM ORDINARY ACTIVITIES</b>		<b>2,144</b>	<b>1,877</b>
20. Income taxes		670	505
<b>NET INCOME OF THE GROUP FOR THE YEAR</b>		<b>1,474</b>	<b>1,373</b>
thereof attributable to the shareholders of CENIT AG		1,474	1,373
Earnings per share in EUR			
Basic		0.18	0.16
diluted		0.18	0.16

**CENIT Aktiengesellschaft, Stuttgart**  
**CONSOLIDATED STATEMENT OF CASH FLOWS (in accordance with IFRS) (unaudited)**  
**for the period from January 1 to June 30, 2014**

in EUR k	June 30, 2014	June 30, 2013
<b>Cash flow from operating activities</b>		
Earnings before tax and net interest	4,264	3,645
Adjustments for:		
Amortization/depreciation of intangible assets and property, plant and equipment	1,216	1,155
Gains (-) and losses (+) on disposals of non-current assets	5	30
Other non-cash income and expenses	-127	26
Increase/decrease in other non-current assets and liabilities and provisions	-94	29
Interest paid	-8	-6
Interest received	88	45
Income tax paid	-1,464	-552
<b>Net operating income before changes in net working capital</b>	<b>3,880</b>	<b>4,372</b>
Increase/decrease in trade receivables and other current non-cash assets	434	2,736
Increase/decrease in inventories	-11	-23
Increase/decrease in current liabilities and provisions	4,795	4,287
<b>Net cash flows from operating activities</b>	<b>9,098</b>	<b>11,372</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	-1,194	-666
Purchase of shares in fully consolidated entities (net cash outflow)	-686	0
Income from the sale of property, plant and equipment	3	0
<b>Net cash paid for investing activities</b>	<b>-1,877</b>	<b>-666</b>
<b>Cash flow from financing activities</b>		
Dividends paid to shareholders	-2,929	-4,602
<b>Net cash paid for financing activities</b>	<b>-2,929</b>	<b>-4,602</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>4,292</b>	<b>6,104</b>
Change in cash and cash equivalents due to foreign exchange differences	44	-45
Cash and cash equivalents at the beginning of the reporting period	26,632	23,779
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>30,968</b>	<b>29,838</b>

<b>CENIT Aktiengesellschaft, Stuttgart</b>			
<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (in accordance with IFRS)</b>			
<b>(unaudited)</b>			
In EUR k		1. Jan. 2014 - 30. Jun. 2014	1. Jan. 2013 - 31. Dec. 2013
<b>Net income for the year</b>		<b>3,046</b>	<b>5,879</b>
Other comprehensive income			
Items that will be reclassified to the income statement in the future under certain circumstances			
Currency translation reserve of foreign subsidiaries	46		-165
Items that will not be reclassified to the income statement in the future			
Actuarial gains/losses from defined benefit obligations and similar obligations	0		218
Deferred taxes recognised on other comprehensive income	0		-48
<b>Other comprehensive income after tax</b>		<b>46</b>	<b>5</b>
<b>Total comprehensive income</b>		<b>3,092</b>	<b>5,884</b>
Thereof attributable to the shareholders of CENIT AG		3,092	5,884

<b>CENIT Aktiengesellschaft, Stuttgart</b>							
<b>STATEMENT OF CHANGES IN EQUITY (in accordance with IFRS) (unaudited)</b>							
<b>As of 30 June 2014</b>							
in EUR k	Subscribed capital	Capital reserves	Currency translation reserve	Revenue reserves		Retained earnings	Total
				Legal reserve	Other reserves		
<b>As of 1<sup>st</sup> January 2013</b>	<b>8,368</b>	<b>1,058</b>	<b>262</b>	<b>418</b>	<b>13,537</b>	<b>11,005</b>	<b>34,648</b>
Total comprehensive income			-165		170	5,879	5,884
Allocation to other revenue reserves					1,900	-1,900	0
Dividend distribution						-4,602	-4,602
<b>As of 31<sup>st</sup> December 2013</b>	<b>8,368</b>	<b>1,058</b>	<b>97</b>	<b>418</b>	<b>15,607</b>	<b>10,382</b>	<b>35,930</b>
Total comprehensive income			46			3,046	3,092
Dividend distribution						-2,929	-2,929
<b>As of 30 June 2014</b>	<b>8,368</b>	<b>1,058</b>	<b>143</b>	<b>418</b>	<b>15,607</b>	<b>10,499</b>	<b>36,094</b>

**CENIT Aktiengesellschaft**  
**Segment Reporting by Business Unit (in accordance with IFRSs) unaudited**  
**for the period from January 1 to June 30, 2014**

		<b>EIM</b>	<b>PLM</b>	<b>Reconciliation</b>	<b>Group</b>
in EUR k					
<b>External revenue</b>	Q1-Q2 2014	12,323	47,377	0	<b>59,700</b>
	Q1-Q2 2013	14,475	45,914	0	<b>60,389</b>
<b>EBIT</b>	Q1-Q2 2014	323	3,942	0	<b>4,264</b>
	Q1-Q2 2013	159	3,486	0	<b>3,645</b>
<b>Share of profit of an associate</b>	Q1-Q2 2014	0	0	0	<b>0</b>
	Q1-Q2 2013	0	0	0	<b>0</b>
<b>Other interest result and financial result</b>	Q1-Q2 2014	0	0	80	<b>80</b>
	Q1-Q2 2013	0	0	39	<b>39</b>
<b>Income taxes</b>	Q1-Q2 2014	0	0	1,298	<b>1,298</b>
	Q1-Q2 2013	0	0	1,054	<b>1,054</b>
<b>Net income of the Group</b>	Q1-Q2 2014	323	3,942	-1,218	<b>3,046</b>
	Q1-Q2 2013	159	3,486	-1,015	<b>2,630</b>
<b>Segment assets</b>	Q1-Q2 2014	9,037	22,385	34,515	<b>65,937</b>
	Q1-Q2 2013	9,250	19,769	32,437	<b>61,456</b>
<b>Investment in an associate</b>	Q1-Q2 2014	0	54	0	<b>54</b>
	Q1-Q2 2013	0	54	0	<b>54</b>
<b>Segment liabilities</b>	Q1-Q2 2014	10,452	17,415	2,031	<b>29,897</b>
	Q1-Q2 2013	8,295	17,852	2,743	<b>28,890</b>
<b>Investments in property, plant and equipment and intangible assets</b>	Q1-Q2 2014	164	1,029	0	<b>1,194</b>
	Q1-Q2 2013	200	466	0	<b>666</b>
<b>Amortization and depreciation</b>	Q1-Q2 2014	328	889	0	<b>1,216</b>
	Q1-Q2 2013	360	795	0	<b>1,155</b>

**EIM = Enterprise Information Management; PLM = Product Lifecycle Management**

**CENT Aktiengesellschaft**  
**Group Segment Report by Region (in accordance with IFRSs) for the period from January 1 to June 30, 2014 unaudited**

in EUR k		Germany	Switzerland	North America	Romania	France	Japan	Reconciliation	Consolidation	Group
<b>External revenue</b>	Q1-Q2 2014	49,245	4,374	5,199	400	194	287	0	0	<b>59,700</b>
	Q1-Q2 2013	50,559	4,753	4,294	455	0	328	0	0	<b>60,389</b>
<b>Segment assets</b>	Q1-Q2 2014	27,730	2,283	3,166	212	2,192	270	34,498	-4,414	<b>65,937</b>
	Q1-Q2 2013	25,833	2,955	2,554	284	41	250	32,437	-2,898	<b>61,456</b>
<b>Investment in an associate</b>	Q1-Q2 2014	54	0	0	0	0	0	0	0	<b>54</b>
	Q1-Q2 2013	54	0	0	0	0	0	0	0	<b>54</b>
<b>Investments in property, plant and equipment and intangible assets</b>	Q1-Q2 2014	1,130	0	22	25	12	3	0	0	<b>1,194</b>
	Q1-Q2 2013	624	8	4	16	14	0	0	0	<b>666</b>

**DIRECTORS' HOLDING:**

**Number of shares as at June 30th, 2014**

Total number of shares : 8,367,758

**Management Board:**

Kurt Bengel: 6,000

Matthias Schmidt: 1,670

**Supervisory Board:**

Andreas Schmidt: 191,792

Hubert Leypoldt: 1,600

Andreas Karrer: 1,000

**Financial Calendar:**

September 10th, 2014 Capital Market Conference, Zürich

November 11th, 2014 9 Months Report

November 24th-26th, 2014 German Equity Forum, Frankfurt



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