

6 MONTHS REPORT 2020



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CENIT Aktiengesellschaft, Stuttgart		
At a glance – January 1 until June 30, 2020		
in EUR k	June 30 th , 2020	June 30 th , 2019
Sales	74,689	84,495
Gross profits	36,878	42,079
EBITDA	3,808	4,984
Operating returns (EBIT)	781	2,061
EBT	693	2,027
Net income of the group	312	1,397
Earnings per share (basic) in EUR	0.04	0.16
Earnings per share (diluted) in EUR	0.04	0.16
Number of employees at end of period	717	751
EBIT-Margin	1.0%	2.4%
Profit-Margin	0.4%	1.7%
in EUR k	June 30 th , 2020	December 31 st , 2019
Equity in ratio	45.3%	45.8%
Equity	40,873	40,940
Liabilities	49,334	48,408
Balance sheet total	90,207	89,348

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 2020

OVERVIEW OF 6 MONTHS FIGURES

During the first six months, CENIT group generated sales of EUR k 74,689 (prior year: EUR k 84,495/-11.6%). EBITDA amounted to EUR k 3,808 (prior year: EUR k 4,984/-23.6%) at EBIT of EUR k 781 (prior year: EUR k 2,061/-62.1%). Earnings per share were EUR 0.04 (prior year: EUR 0.16).

BREAKDOWN OF EARNINGS

In the PLM segment, CENIT achieved earnings of EUR k 67,561 (prior year: EUR k 76,720/-11.9%) in the first six months. The EIM segment attained a sales total of EUR k 7,128 against EUR k 7,775 during the same period of 2019 (-8.3%). Sales of third-party software totaled EUR k 46,701 (prior year: EUR k 52,601/-11.2%), while sales of CENIT's proprietary software decreased from EUR k 7,604 to EUR k 7,323/-3.7%. Sales in the service and consulting segment amounted to EUR k 20,378 (prior year: EUR k 24,229/-15.9%). Other sales totaled EUR k 287 (prior year: EUR k 62/> 100.0%).

COST DEVELOPMENT

Other expenses totaled EUR k 4,421 (prior year: EUR k 6,035).

INVESTMENTS

Investments expenditures in the first six months 2020 amounted to EUR k 621 (prior year: EUR k 709).

CHANGES IN MANAGING AND SUPERVISORY BODIES

None in the second quarter.

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

COVID 19 pandemic, see supplementary, opportunities and forecast reports.

INTERIM DIVIDEND

No interim dividend has been disbursed.

DIVIDENDS PAID OR PROPOSED FOR PAYMENT

The Management Board and the Supervisory Board of CENIT AG had proposed to the Annual General Meeting on July 2, 2020 that no dividend should be distributed to shareholders for the 2019 business year due to the economic crisis caused by the COVID 19 pandemic. This proposal was approved at the Annual General Meeting.

ORDERS SITUATION

The group-wide order intake totaled EUR k 80.087 (prior year: EUR k 87,853/-8.8%). Orders in hand as at June 30th, 2020 amounted to EUR k 52,620 (prior year: EUR k 56,748/-7.3%).

ORDERS OF SPECIAL SIGNIFICANCE

None.

LIQUID ASSETS AND SECURITIES

On the balance-sheet date, bank deposits totaled EUR k 25,304 (31 Dec. 2019: EUR k 18,461).

ASSET, FINANCIAL AND EARNINGS SITUATION

The balance-sheet total is EUR k 90,207. Trade receivables totaled EUR k 12,609. On the balance-sheet date, equity capital amounted to approx. EUR k 40,873 (31 Dec. 2019: EUR k 40,940) at an equity ratio of 45.3% (31 Dec. 2019: 45.8%). Operative cash flow totaled EUR k 9,414 (prior year: EUR k 12,636).

EMPLOYEES

On 30 June 2020, CENIT employed staff group-wide 717 (prior year: 751).

SUPPLEMENTARY, OPPORTUNITIES AND FORECAST REPORTS

The global economic environment continues to be characterized by great uncertainties due to the corona virus pandemic, especially in our main sectors of automotive, aerospace and mechanical engineering. It therefore remains difficult to predict the negative effects. For this reason, we continue to refrain from making reliable sales and earnings forecasts for the 2020 financial year.

CENIT Aktiengesellschaft, Stuttgart		
CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)		
in EUR k	June 30 th , 2020	December 31 st , 2019
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	11,679	12,223
Property, plant and equipment	14,617	16,476
Investment in Joint Venture	60	60
Other financial assets	2,500	2,615
Deferred tax assets	1,243	1,224
NON-CURRENT ASSETS	30,099	32,598
CURRENT ASSETS		
Inventories	33	258
Trade receivables	12,609	20,395
Receivables from investments recognized at equity	7,794	4,413
Contract assets	2,643	3,727
Current tax assets	2,218	1,514
Other receivables	729	408
Cash and cash equivalents	25,304	18,461
Prepaid expenses	8,778	7,574
CURRENT ASSETS	60,108	56,750
TOTAL ASSETS	90,207	89,348

CENIT Aktiengesellschaft, Stuttgart		
CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)		
in EUR k	June 30 th , 2020	December 31 st , 2019
EQUITY AND LIABILITIES		
EQUITY		
Issued capital	8,368	8,368
Capital reserve	1,058	1,058
Currency translation reserve	1,093	1,058
Statutory earnings reserve	418	418
Other earnings reserves	13,770	13,771
Profit carried forward	15,161	8,289
Net profit	310	6.872
Equity attributable to shareholders of CENIT AG	40,178	39,834
Non-controlling interests	695	1,106
TOTAL EQUITY	40,873	40,940
NON-CURRENT LIABILITIES		
Other liabilities	561	834
Pension obligation	1,545	1,480
Non-current lease liability	9,706	11,027
Deferred tax liabilities	43	142
NON-CURRENT LIABILITIES	11,855	13,483
CURRENT LIABILITIES		
Current bank liabilities	0	0
Trade liabilities	3,573	5,964
Liabilities to investments recognized at equity	11	34
Other liabilities	8,758	10,959
Current lease liability	2,816	3,102
Current income tax liabilities	377	309
Other provisions	196	132
Contract liabilities	21,748	14,425
CURRENT LIABILITIES	37,479	34,925
TOTAL EQUITY AND LIABILITIES	90,207	89,348

CENIT Aktiengesellschaft, Stuttgart			
CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)			
in EUR k		1 st Jan – 30 th Jun 2020	1 st Jan – 30 th Jun 2019
1. REVENUE		74,689	84,495
2. Increase/decrease in work of process		0	0
Total operating performance		74,689	84,495
3. Other income		700	545
Operating performance		75,389	85,040
4. Cost of materials	38,511		42,961
5. Personnel expenses	28,650		31,060
6. Amortization and depreciation of intangible assets and property, plant and equipment	3,026		2,923
7. Other expenses	4,421		6,035
		74,608	82,979
OPERATING RESULT (EBIT)		781	2,061
8. Other interest and similar income	0		0
9. Other interest and similar expenses	88		34
		-88	-34
RESULT BEFORE INCOME TAX (EBT)		693	2,027
10. Income taxes		381	630
NET INCOME OF THE GROUP FOR THE YEAR		312	1,397
thereof attributable to the shareholders of CENIT AG		310	1,359
thereof attributable to non-controlling interests		2	38
Earnings per share in EUR			
basic		0.04	0.16
diluted		0.04	0.16

CENIT Aktiengesellschaft, Stuttgart			
CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)			
in EUR k		2nd Quarter 2020	2nd Quarter 2019
1. REVENUE		35,461	43,257
2. Increase/decrease in work of process		0	0
Total operating performance		35,461	43,257
3. Other income		323	319
Operating performance		35,784	43,576
4. Cost of materials	18,969		22,311
5. Personnel expenses	13,338		15,573
6. Amortization and depreciation of intangible assets and property, plant and equipment	1,493		1,461
7. Other expenses	2,008		3,014
		35,808	42,359
OPERATING RESULT (EBIT)		-24	1,217
8. Other interest and similar income	0		0
9. Other interest and similar expenses	45		15
		-45	-15
RESULT BEFORE INCOME TAX (EBT)		-69	1,202
10. Income taxes		109	413
NET INCOME OF THE GROUP FOR THE YEAR		-178	789
thereof attributable to the shareholders of CENIT AG		-162	765
thereof attributable to non-controlling interests		15	24
Earnings per share in EUR			
basic		-0.02	0.09
diluted		-0.02	0.09

CENIT Aktiengesellschaft, Stuttgart		
CONSOLIDATED STATEMENT OF CASH FLOWS (in accordance with IFRS) (unaudited)		
in EUR k	1 st Jan – 30 th Jun 2020	1 st Jan – 30 th Jun 2019
Cash flow from operating activities		
Net income of the Group for the year	312	1,397
Adjusted for:		
Amortization/depreciation of intangible assets and property, plant and equipment	3,026	2,923
Gains (-) and losses (+) on disposals of assets	0	0
Finance cost	88	34
Tax expenses	381	630
Increase/decrease in other non-current assets	0	0
Increase/decrease in other non-current liabilities and long-term provisions	153	-283
Interest paid	-88	-34
Interest received	0	0
Income tax paid	-240	-2,273
Increase/decrease in trade receivables and other current non-cash assets	3,137	3,676
Increase/decrease in inventories	226	-1
Increase/decrease in current liabilities and provisions	2,419	6,567
Net cash flows from operating activities	9,414	12,636
Cash flow from investing activities		
Cash paid for purchase of property, plant and equipment and intangible assets	-621	-709
Cash paid for purchase of shares in fully consolidated entities (net cash outflow)	-103	-137
Cash paid for investments	0	0
Cash received from the sale of property, plant and equipment	0	0
Net cash paid for investing activities	-724	-846
Cash flow from financing activities		
Cash repayments of lease liability	-1,694	-1,678
Dividends paid to shareholders	0	-5,021
Dividends paid to non-controlling interests	-196	-196
Net cash paid for financing activities	-1,890	-6,895
Net increase/decrease in cash and cash equivalents	6,800	4,895
Change in cash and cash equivalents due to foreign exchange differences	43	31
Cash and cash equivalents at the beginning of the reporting period	18,461	18,038
Cash and cash equivalents at the end of the reporting period	25,304	22,964

CENIT Aktiengesellschaft, Stuttgart			
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (in accordance with IFRS)			
(unaudited)			
In EUR k		1 st Jan – 30 th Jun 2020	1 st Jan – 30 th Jun 2019
Net income for the year		312	1,397
Other comprehensive income			
Items that will be reclassified to the income statement in the future under certain circumstances			
Currency translation reserve of foreign subsidiaries	35	35	25
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		35	25
Total comprehensive income		347	1,422
Thereof attributable to the shareholders of CENIT AG		345	1,384
Thereof attributable to non-controlling interests		2	38

CENIT Aktiengesellschaft, Stuttgart									
STATEMENT OF CHANGES IN EQUITY (in accordance with IFRS) (unaudited)									
	Attributable to shareholders of CENIT AG								
in EUR k	Sub-scribed capital	Capital reserves	Currency translation reserve	Revenue reserves		Profit carried forward	Net income	Non-controlling interests	Total
				Legal reserve	Other reserves				
As of 1st January 2019	8,368	1,058	1,009	418	13,663	7,361	5,948	1,277	39,102
Net income prior year						5,948	-5,948	0	0
Total comprehensive income			49		180		6,872	90	7,191
Acquisition of minorities					-72			-64	-136
Dividend distribution						-5,021		-196	-5,217
As of 31st December 2019	8,368	1,058	1,058	418	13,771	8,289	6,872	1,106	40,940
Net income prior year						6,872	-6,872	0	0
Total comprehensive income			35		0		310	2	347
Acquisition of minorities					-1			-217	-218
Dividend distribution								-196	-196
As of 30th June 2020	8,368	1,058	1,093	418	13,770	15,161	310	695	40,873

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

		EIM	PLM	Reconciliation	Group
in EUR k					
External revenue	Q1-Q2 2020	7,128	67,561	0	74,689
	Q1-Q2 2019	7,775	76,720	0	84,495
EBIT	Q1-Q2 2020	762	19	0	781
	Q1-Q2 2019	750	1,311	0	2,061
Other interest result and financial result	Q1-Q2 2020	0	0	-88	-88
	Q1-Q2 2019	0	0	-34	-34
Income taxes	Q1-Q2 2020	0	0	381	381
	Q1-Q2 2019	0	0	630	630
Net income of the Group	Q1-Q2 2020	762	19	-469	312
	Q1-Q2 2019	750	1,311	-664	1,397
Segment assets	Q1-Q2 2020	5,055	56,387	28,765	90,207
	Q1-Q2 2019	5,265	62,236	27,893	95,394
Segment liabilities	Q1-Q2 2020	5,479	43,435	420	49,334
	Q1-Q2 2019	4,182	46,236	9,805	60,223
Investments in property, plant and equipment and intangible assets	Q1-Q2 2020	73	548	0	621
	Q1-Q2 2019	87	622	0	709
Amortization and depreciation	Q1-Q2 2020	347	2,679	0	3,026
	Q1-Q2 2019	346	2,577	0	2,923

EIM = Enterprise Information Management; PLM = Product Lifecycle Management
CENIT Aktiengesellschaft
Group Segment Report by Region (in accordance with IFRSs) unaudited

		Germany	Switzerland	North America	Romania	Frankreich	Belgium	Netherlands	Japan	Reconciliation	Consolidation	Group
in EUR k												
External revenue	Q1-Q2 2020	42,062	5,112	3,549	920	19,341	1,864	1,146	695	0	0	74,689
	Q1-Q2 2019	44,218	5,725	5,348	1,526	23,858	2,229	982	609	0	0	84,495
Longterm Segment assets	Q1-Q2 2020	23,005	184	289	168	7,834	115	60	69	1,243	-2,868	30,099
	Q1-Q2 2019	24,652	217	389	270	9,673	179	95	20	791	-2,858	33,428

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4th November 2020

Release of 9-Months Report 2020



CENIT AG

Industriestraße 52-54

D-70565 Stuttgart

P. +49 711 7825-30

F. +49 711 7825-4000

E. info@cenit.de

www.cenit.com