

9 MONTHS REPORT 2019



cenit

CENIT Aktiengesellschaft, Stuttgart		
At a glance – January 1 until September 30, 2019		
in EUR k	September 30 th , 2019	September 30 th , 2018
Sales	126,156	123,306
Gross profits	63,119	63,655
EBITDA	8,901	6,927
Operating returns (EBIT)	4,546	4,731
EBT	4,443	4,719
Net income of the group	3,089	3,403
Earnings per share (basic) in EUR	0.36	0.39
Earnings per share (diluted) in EUR	0.36	0.39
Number of employees at end of period	734	739
EBIT-Margin	3.6%	3.8%
Profit-Margin	2.4%	2.8%
in EUR k	September 30 th , 2019	December 31 st , 2018
Equity in ratio	42.0%	49.4%
Equity	36,930	39,102
Liabilities	51,078	39,973
Balance sheet total	88,008	79,075

OVERVIEW OF 9 MONTHS FIGURES

During the first nine months, CENIT group generated sales of EUR k 126,156 (prior year: EUR k 123,306/2.3%). EBITDA amounted to EUR k 8,901 (prior year: EUR k 6,927/28.5%) at EBIT of EUR k 4,546 (prior year: EUR k 4,731/-3.9%). Earnings per share were EUR 0.36 (prior year: EUR 0.39).

BREAKDOWN OF EARNINGS

In the PLM segment, CENIT achieved earnings of EUR k 114,845 (prior year: EUR k 112,363/2.2%) in the first nine months. The EIM segment attained a sales total of EUR k 11,311 against EUR k 10,943 during the same period of 2018 (3.4%). Sales of third-party software totaled EUR k 78,231 (prior year: EUR k 75,620/3.5%), while sales of CENIT's proprietary software increased from EUR k 10,461 to EUR k 11,364/8.6%. Sales in the service and consulting segment amounted to EUR k 36,474 (prior year: EUR k 36,852/-1.0%). Other sales totaled EUR k 87 (prior year: EUR k 373/-76.7%).

INVESTMENTS

Investments expenditures in the first nine months 2019 amounted to EUR k 900 (prior year: EUR k 1,255).

CHANGES IN MANAGING AND SUPERVISORY BODIES

None in the third 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 24th May 2019, the Management Board and the Supervisory Board of CENIT proposed the payment of a dividend of EUR 0.60 for the 2018 business year. EUR k 5,021 were paid out to the CENIT AG shareholders.

ORDERS SITUATION

The group-wide order intake totaled EUR k 124,939 (prior year: EUR k 125,130/-0.2%). Orders in hand as at September 30th, 2019 amounted to EUR k 52,172 (prior year: EUR k 47,285/10.3%).

ORDERS OF SPECIAL SIGNIFICANCE

None.

LIQUID ASSETS AND SECURITIES

On the balance-sheet date, bank deposits totaled EUR k 21,885 (31 Dec. 2018: EUR k 18,041). On the other hand, there are current financial liabilities in amount of EUR k 0 (31 Dec. 2018: EUR k 3).

ASSET, FINANCIAL AND EARNINGS SITUATION

The balance-sheet total is EUR k 88,008. Trade receivables totaled EUR k 17,975. On the balance-sheet date, equity capital amounted to approx. EUR k 36,930 (31 Dec. 2018: EUR k 39,102) at an equity ratio of 42.0% (31 Dec. 2018: 49.4%). Operative cash flow totaled EUR k 10,000 (prior year: EUR k 9,565).

EMPLOYEES

On 30 September 2019, CENIT employed staff group-wide 734 (prior year: 739).

SUPPLEMENTARY, OPPORTUNITIES AND FORECAST REPORTS

For the current year, the CENIT Group expects sales of around EUR 170 million at the previous year's level and earnings (EBIT) of around EUR 8 to 10 million.

CENIT Aktiengesellschaft, Stuttgart		
CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)		
in EUR k	September 30 th , 2019	December 31 st , 2018
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	12,539	13,518
Property, plant and equipment	2,433	2,653
Investment in Joint Venture	60	60
Right of Use related to leasing contracts	13,886	0
Other financial assets	2,500	2,500
Deferred tax assets	693	853
NON-CURRENT ASSETS	32,111	19,584
CURRENT ASSETS		
Inventories	14	30
Trade receivables	17,975	24,989
Receivables from Joint Venture	4,426	5,026
Current income tax assets	3,195	2,315
Other receivables	429	891
Cash and cash equivalents	21,885	18,041
Prepaid expenses	7,973	8,199
CURRENT ASSETS	55,897	59,491
TOTAL ASSETS	88,008	79,075

CENIT Aktiengesellschaft, Stuttgart		
CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)		
in EUR k	September 30 th , 2019	December 31 st , 2018
EQUITY AND LIABILITIES		
EQUITY		
Issued capital	8,368	8,368
Capital reserve	1,058	1,058
Currency translation reserve	1,101	1,009
Statutory earnings reserve	418	418
Other earnings reserves	13,590	13,663
Profit carried forward	8,289	7,361
Net profit	3,044	5,948
Equity attributable to shareholders of CENIT AG	35,868	37,825
Non-controlling interests	1,062	1,277
TOTAL EQUITY	36,930	39,102
NON-CURRENT LIABILITIES		
Other liabilities	2,401	2,950
Deferred tax liabilities	248	277
NON-CURRENT LIABILITIES	2,649	3,227
CURRENT LIABILITIES		
Current bank liabilities	0	3
Trade liabilities	4,159	7,922
Liabilities due to Joint Venture	16	44
Other liabilities	26,069	14,058
Current income tax liabilities	498	789
Other provisions	187	137
Deferred income	17,500	13,793
CURRENT LIABILITIES	48,429	36,746
TOTAL EQUITY AND LIABILITIES	88,008	79,075

CENIT Aktiengesellschaft, Stuttgart			
CONSOLIDATED INCOME STATEMENT (in accordance with IFRSs) (unaudited)			
in EUR k		1 st Jan – 30 th Sept 2019	1 st Jan – 30 th Sept 2018
1. REVENUE		126,156	123,306
2. Increase/decrease in work of process		0	16
Total operating performance		126,156	123,322
3. Other income		859	1.178
Operating performance		127,015	124,500
4. Cost of materials	63,896		60,845
5. Personnel expenses	45,520		43,825
6. Amortization and depreciation of intangible assets and property, plant and equipment	4,355		2,196
7. Other expenses	8,698		12,903
		122,469	119,769
OPERATING RESULT (EBIT)		4,546	4,731
8. Other interest and similar income	0		0
9. Other interest and similar expenses	103		12
		-103	-12
RESULT BEFORE INCOME TAX (EBT)		4,443	4,719
10. Income taxes		1,354	1,316
NET INCOME OF THE GROUP FOR THE YEAR		3,089	3,403
thereof attributable to the shareholders of CENIT AG		3,044	3,235
thereof attributable to non-controlling interests		45	168
Earnings per share in EUR			
basic		0.36	0.39
diluted		0.36	0.39

CENIT Aktiengesellschaft, Stuttgart CONSOLIDATED INCOME STATEMENT (in accordance with IFRSs) (unaudited)			
in EUR k		3 rd Quarter 2019	3 rd Quarter 2018
1. REVENUE		41,661	41,193
2. Increase/decrease in work of process		0	16
Total operating performance		41,661	41,209
3. Other income		314	435
Operating performance		41,975	41,644
4. Cost of materials	20,934		20,647
5. Personnel expenses	14,461		14,105
6. Amortization and depreciation of intangible assets and property, plant and equipment	1,432		730
7. Other expenses	2,663		4,012
		39,490	39,494
OPERATING RESULT (EBIT)		2,485	2,150
8. Other interest and similar income	0		0
9. Other interest and similar expenses	69		4
		-69	-4
RESULT BEFORE INCOME TAX (EBT)		2,416	2,146
10. Income taxes		724	536
NET INCOME OF THE GROUP FOR THE YEAR		1,692	1,610
thereof attributable to the shareholders of CENIT AG		1,685	1,563
thereof attributable to non-controlling interests		7	47
Earnings per share in EUR			
basic		0.20	0.19
diluted		0.20	0.19

CENIT Aktiengesellschaft, Stuttgart		
CONSOLIDATED STATEMENT OF CASH FLOWS (in accordance with IFRS) (unaudited)		
in EUR k	1 st Jan – 30 th Sept 2019	1 st Jan – 30 th Sept 2018
Cash flow from operating activities		
Earnings before tax and net interest	4,546	4,731
Adjustments for:		
Amortization/depreciation of intangible assets and property, plant and equipment	4,355	2,196
Gains (-) and losses (+) on disposals of non-current assets		32
Increase/decrease in other non-current assets and liabilities and provisions	-577	-321
Interest paid	-103	-12
Interest received		0
Income tax paid	-2,478	-3,083
Cash flow before changes in net working capital	5,743	3,543
Increase/decrease in trade receivables and other current non-cash assets	8,707	8,662
Increase/decrease in inventories	16	0
Increase/decrease in current liabilities and provisions	-4,466	-2,640
Net cash flows from operating activities	10,000	9,565
Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	-900	-1,255
Purchase of shares in fully consolidated entities (net cash outflow)	-137	-2,000
Purchase of shareholdings		-200
Income from the sale of property, plant and equipment		0
Net cash paid for investing activities	-1,037	-3,455
Cash flow from financing activities		
Dividends paid to shareholders	-5,021	-8,368
Dividends paid to non-controlling interests	-196	-147
Net cash paid for financing activities	-5,217	-8,515
Net increase/decrease in cash and cash equivalents	3,746	-2,405
Change in cash and cash equivalents due to foreign exchange differences	101	140
Cash and cash equivalents at the beginning of the reporting period	18,038	20,540
Cash and cash equivalents at the end of the reporting period	21,885	18,275

CENIT Aktiengesellschaft, Stuttgart			
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (in accordance with IFRS)			
(unaudited)			
In EUR k		1 st Jan – 30 th Sept 2019	1 st Jan – 30 th Sept 2018
Net income for the year		3,089	3,403
Other comprehensive income			
Items that will be reclassified to the income statement in the future under certain circumstances			
Currency translation reserve of foreign subsidiaries	92		118
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		92	118
Total comprehensive income		3,181	3,522
Thereof attributable to the shareholders of CENIT AG		3,136	3,354
Thereof attributable to non-controlling interests		45	168

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 2018	8,368	1,058	801	418	13,242	6,926	8,803	1,239	40,855
Net income prior year						8,803	-8,803	0	0
Total comprehensive income			208		421		5,948	185	6,762
Dividend distribution						-8,368		-147	-8,515
As of 31st December 2018	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		
Total comprehensive income			92		0		3,044	45	3,181
Dividends paid to non-controlling interests						-5,021		-196	-5,217
Acquisition of minorities					-72			-64	-136
As of 30th September 2019	8,368	1,058	1,101	418	13,590	8,289	3,044	1,062	36,930

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

in EUR k		EIM	PLM	Reconciliation	Group
External revenue	Q1-Q3 2019	11,311	114,845	0	126,156
	Q1-Q3 2018	10,943	112,363	0	123,306
EBIT	Q1-Q3 2019	993	3,553	0	4,546
	Q1-Q3 2018	1,485	3,246	0	4,731
Share of profit of joint ventures	Q1-Q3 2019	0	0	0	0
	Q1-Q3 2018	0	0	0	0
Other interest result and financial result	Q1-Q3 2019	0	0	-103	-103
	Q1-Q3 2018	0	0	-12	-12
Income taxes	Q1-Q3 2019	0	0	1,354	1,354
	Q1-Q3 2018	0	0	1,316	1,316
Net income of the Group	Q1-Q3 2019	1,514	2,285	-710	3,089
	Q1-Q3 2018	1,485	3,246	-1,328	3,403
Segment assets	Q1-Q3 2019	4,857	60,513	22,578	87,948
	Q1-Q3 2018	4,740	48,783	22,453	75,976
Investment in a joint venture	Q1-Q3 2019	0	60	0	60
	Q1-Q3 2018	0	60	0	60
Segment liabilities	Q1-Q3 2019	4,088	46,244	746	51,078
	Q1-Q3 2018	5,511	33,823	840	40,174
Investments in property, plant and equipment and intangible assets	Q1-Q3 2019	98	802	0	900
	Q1-Q3 2018	147	1,108	0	1,255
Amortization and depreciation	Q1-Q3 2019	533	3,822	0	4,355
	Q1-Q3 2018	344	1,852	0	2,196

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 2019	66,700	8,469	8,235	2,228	34,837	3,169	1,503	1,015	0	0	126,156
	Q1-Q2 2018	66,640	7,423	8,470	1,487	33,730	3,104	1,515	937	0	0	123,306
Longterm Segment assets	Q1-Q2 2019	23,802	206	392	242	9,369	161	84	20	693	-2,858	32,111
	Q1-Q2 2018	16,158	76	137	97	4,859	16	10	19	869	-2,727	19,514
Investment in a joint venture	Q1-Q2 2019	60	0	0	0	0	0	0	0	0	0	60
	Q1-Q2 2018	60	0	0	0	0	0	0	0	0	0	60
Investments in property, plant and equipment and intangible assets	Q1-Q2 2019	587	14	24	57	205	6	5	2	0	0	900
	Q1-Q2 2018	840	54	17	65	246	13	10	10	0	0	1,255

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