

9 Months Report 2014



cenit

CENIT Aktiengesellschaft, Stuttgart AT A GLANCE		
At a glance – January 1 until September, 30, 2014		
in EUR k	September 30, 2014	September 30, 2013
Sales	91,364	89,206
Gross profits	55,520	54,538
EBITDA	8,524	7,392
Operating returns (EBIT)	6,719	5,664
EBT	6,838	5,726
Netincome of the group	4,748	4,035
Earnings per share (basic) in EUR	0.57	0.48
Earnings per share (diluted) in EUR	0.57	0.48
Number of employees at end of period	657	673
EBIT-Margin	7.4%	6.3%
Profit-Margin	5.2%	4.5%
in EUR k	September 30, 2014	December 31, 2013
Equity in ratio	57.0%	59.5%
Equity	38,062	35,930
Liabilities	28,714	24,429
Balance sheet total	66,776	60,359

DEVELOPMENT OF RESULTS

In the first nine months of 2014, CENIT AG was able to increase sales over the same period last year by 2.4%. The PLM segment grew by about 5% on-year, while the EIM segment reports a sales decline. The result after nine months has increased significantly compared to the previous year. Also encouraging is the increase in sales of third-party software, which grew by 10.4% to EUR k 41,360.

OVERVIEW OF 9 MONTHS FIGURES

During the first 9 months, CENIT group generated sales of EUR k 91,364 (prior year: EUR k 89,206/2.4%). EBITDA amounted to EUR k 8,524 (prior year: EUR k 7,392/15.3%) at EBIT of EUR k 6,719 (prior year: EUR k 5,664/18.6%). Results per share were EUR 0.57 (prior year: EUR 0.48).

BREAKDOWN OF EARNINGS

In the PLM segment, CENIT achieved earnings of EUR k 71,603 (prior year: EUR k 68,033/5.2%). The EIM segment attained a sales total of EUR k 19,761 against EUR k 21,173 during the same period of 2013 (-6.7%). Sales of third-party software totaled EUR k 41,360 (prior year: EUR k 37,447/10.4%), while sales of CENIT's proprietary software declined from EUR k 10,007 to EUR k 9,220/-7.9%. Sales in the service and consulting segment amounted to EUR k 40,422 (prior year: EUR k 41,580/-2.8%). Other sales totaled EUR k 362 (prior year: EUR k 173/>100.0%).

COST DEVELOPMENT

Other operating expenses totaled EUR k 10,543 (prior year: EUR k 11,231).

INVESTMENTS

Investments expenditures in the first 9 months 2014 amounted to EUR k 1,449 (prior year: EUR k 953).

CHANGES IN MANAGING AND SUPERVISORY BODIES

None in the third quarter.

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

There were no reportable transactions.

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 per share. 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 90,261 (prior year: EUR k 79,258/13.9%). Orders in hand as at 30 September 2014 amounted to EUR k 34,458 (prior year: EUR k 33,660/2.4%).

ORDERS OF SPECIAL SIGNIFICANCE

None.

LIQUID ASSETS AND SECURITIES

On the balance-sheet date, bank deposits totaled EUR k 26,479 (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 66,776. Trade receivables totaled EUR k 20,909. On the balance-sheet date, equity capital amounted to approx. EUR k 38,062 (31 Dec. 2013: EUR k 35,930) at an equity ratio of 57.0% (31 Dec. 2013: 59.5%). Operative cash flow totaled EUR k 4,598 (prior year: EUR k 8,949).

EMPLOYEES

On 30 September 2014, CENIT employed 657 staff group-wide (prior year: 673).

SUPPLEMENTARY, OPPORTUNITIES AND FORECAST REPORTS

CENIT still adheres to its annual forecast for the fiscal year 2014 and expects an increase in sales of around 5% and a stable EBIT. The PLM reporting segment is highly dependent on developments in the automotive, aerospace and mechanical engineering industries. Due to the ongoing financial crisis, the EIM segment still faces a difficult market environment.

CENIT Aktiengesellschaft, Stuttgart CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited) For the period from January 1 to September 30, 2014		
in EUR k	September 30, 2014	December 31, 2013
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	4,367	3,619
Property, plant and equipment	2,625	2,567
Investment in associates	54	54
Income tax receivable	166	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	117	89
NON-CURRENT ASSETS	9,486	8,736
CURRENT ASSETS		
Inventories	75	4
Trade receivables	20,909	14,811
Receivables from associates	3,103	3,455
Current income tax assets	1,525	745
Other receivables	142	138
Cash and cash equivalents	26,479	26,632
Prepaid expenses	5,057	5,838
CURRENT ASSETS	57,290	51,623
TOTAL ASSETS	66,776	60,359

CENIT Aktiengesellschaft, Stuttgart		
CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)		
for the period from January 1 to September 30, 2014		
in EUR k	September 30, 2014	December 31, 2013
EQUITY AND LIABILITIES		
EQUITY		
Issued capital	8,368	8,368
Capital reserve	1,058	1,058
Currency translation reserve	409	97
Statutory earnings reserve	418	418
Other earnings reserves	15,607	15,607
Unappropriated retained earnings	12,201	10,382
TOTAL EQUITY	38,062	35,930
NON-CURRENT LIABILITIES		
Other liabilities	1,334	1,417
Deferred tax liabilities	1,149	842
NON-CURRENT LIABILITIES	2,483	2,259
CURRENT LIABILITIES		
Trade liabilities	3,205	4,028
Liabilities due to associates	27	37
Other liabilities	13,344	11,430
Current income tax liabilities	1,087	621
Other provisions	406	113
Deferred income	8,162	5,941
CURRENT LIABILITIES	26,231	22,170
TOTAL EQUITY AND LIABILITIES	66,776	60,359

CENIT Aktiengesellschaft, Stuttgart			
CONSOLIDATED INCOME STATEMENT (in accordance with IFRSs) (unaudited)			
for the period from January 1 to September 30, 2014			
in EUR k		1 st Jan – 30 th Sept. 2014	1 st Jan – 30 th Sept. 2013
1. REVENUE		91,364	89,206
2. Increase/decrease in work of process		0	0
Total operating performance		91,364	89,206
3. Other operating income		545	367
Operating performance		91,909	89,573
4. Cost of materials	36,389		35,035
5. Personnel expenses	36,453		35,915
6. Amortization and depreciation of intangible assets and property, plant and equipment	1,805		1,728
7. Other operating expenses	10,543		11,231
		85,190	83,909
OPERATING RESULT		6,719	5,664
8. Other interest and similar income	131		72
9. Other interest and similar expenses	12		10
		119	62
RESULT FROM ORDINARY ACTIVITIES		6,838	5,726
10. Income taxes		2,090	1,691
NET INCOME OF THE GROUP FOR THE YEAR		4,748	4,035
thereof attributable to the shareholders of CENIT AG		4,748	4,035
Earnings per share in EUR			
Basic		0.57	0.48
diluted		0.57	0.48

CENIT Aktiengesellschaft, Stuttgart			
CONSOLIDATED INCOME STATEMENT (in accordance with IFRSs) (unaudited)			
for the period from April 1 to September 30, 2014			
in EUR k		3rd Quarter 2014	3rd Quarter 2013
1. REVENUE		31,664	28,817
2. Increase/decrease in work of process		0	-1
Total operating performance		31,664	28,816
3. Other operating income		119	62
Operating performance		31,784	28,877
4. Cost of materials	13,223		10,929
5. Personnel expenses	11,864		11,399
6. Amortization and depreciation of intangible assets and property, plant and equipment	589		573
7. Other operating expenses	3,653		3,957
		29,329	26,858
OPERATING RESULT		2,455	2,019
8. Other interest and similar income	43		27
9. Other interest and similar expenses	4		4
		39	23
RESULT FROM ORDINARY ACTIVITIES		2,494	2,043
10. Income taxes		791	637
NET INCOME OF THE GROUP FOR THE YEAR		1,702	1,405
thereof attributable to the shareholders of CENIT AG		1,702	1,405
Earnings per share in EUR			
Basic		0.20	0.17
diluted		0.20	0.17

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

in EUR k	Sept. 30, 2014	Sept. 30, 2013
Cash flow from operating activities		
Earnings before tax and net interest	6,719	5,664
Adjustments for:		
Amortization/depreciation of intangible assets and property, plant and equipment	1,805	1,728
Gains (-) and losses (+) on disposals of non-current assets	1	6
Result from associates	0	0
Other non-cash income and expenses	-127	40
Increase/decrease in other non-current assets and liabilities and provisions	-93	-49
Interest paid	-12	-10
Interest received	131	72
Income tax paid	-2,327	-1,703
Net operating income before changes in net working capital	6,097	5,748
Increase/decrease in trade receivables and other current non-cash assets	-4,563	3,025
Increase/decrease in inventories	-70	-49
Increase/decrease in current liabilities and provisions	3,134	225
Net cash flows from operating activities	4,598	8,949
Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	-1,449	-953
Purchase of shares in fully consolidated entities (net cash outflow)	-686	0
Income from the sale of property, plant and equipment	9	7
Net cash paid for investing activities	-2,126	-946
Cash flow from financing activities		
Dividends paid to shareholders	-2,929	-4,602
Net cash paid for financing activities	-2,929	-4,602
Net increase/decrease in cash and cash equivalents	-457	3,401
Change in cash and cash equivalents due to foreign exchange differences	304	-97
Cash and cash equivalents at the beginning of the reporting period	26,632	23,779
Cash and cash equivalents at the end of the reporting period	26,479	27,083

CENIT Aktiengesellschaft, Stuttgart CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (in accordance with IFRS) (unaudited)			
In EUR k		1. Jan. 2014 - 30. Sep. 2014	1. Jan. 2013 - 31. Dec. 2013
Net income for the year		4,748	5,879
Other comprehensive income			
Items that will be reclassified to the income statement in the future under certain circumstances			
Currency translation reserve of foreign subsidiaries	312		-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
Other comprehensive income after tax		312	5
Total comprehensive income		5,060	5,884
Thereof attributable to the shareholders of CENIT AG		5,060	5,884

CENIT Aktiengesellschaft, Stuttgart STATEMENT OF CHANGES IN EQUITY (in accordance with IFRS) (unaudited) As of 30 September 2014							
in EUR k	Subscribed capital	Capital reserves	Currency translation reserve	Revenue reserves		Retained earnings	Total
				Legal reserve	Other reserves		
As of 1st January 2013	8,368	1,058	262	418	13,537	11,005	34,648
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
As of 31st December 2013	8,368	1,058	97	418	15,607	10,382	35,930
Total comprehensive income			312			4,748	5,060
Dividend distribution						-2,929	-2,929
As of 30th September 2014	8,368	1,058	409	418	15,607	12,201	38,062

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

		EIM	PLM	Reconciliation	Group
in EUR k					
External revenue	Q1-Q3 2014	19,761	71,603	0	91,364
	Q1-Q3 2013	21,173	68,033	0	89,206
EBIT	Q1-Q3 2014	990	5,729	0	6,719
	Q1-Q3 2013	363	5,301	0	5,664
Share of profit of an associate	Q1-Q3 2014	0	0	0	0
	Q1-Q3 2013	0	0	0	0
Other interest result and financial result	Q1-Q3 2014	0	0	119	119
	Q1-Q3 2013	0	0	63	63
Income taxes	Q1-Q3 2014	0	0	2,090	2,090
	Q1-Q3 2013	0	0	1,691	1,691
Net income of the Group	Q1-Q3 2014	990	5,729	-1,971	4,748
	Q1-Q3 2013	363	5,301	-1,629	4,035
Segment assets	Q1-Q3 2014	10,612	25,806	30,304	66,722
	Q1-Q3 2013	8,515	19,872	29,590	57,977
Investment in an associate	Q1-Q3 2014	0	54	0	54
	Q1-Q3 2013	0	54	0	54
Segment liabilities	Q1-Q3 2014	8,567	17,909	2,238	28,714
	Q1-Q3 2013	6,270	15,658	2,119	24,047
Investments in property, plant and equipment and intangible assets	Q1-Q3 2014	216	1,233	0	1,449
	Q1-Q3 2013	312	641	0	953
Amortization and depreciation	Q1-Q3 2014	476	1,329	0	1,805
	Q1-Q3 2013	635	1,272	0	1,907

EIM = Enterprise Information Management; PLM = Product Lifecycle Management

CENIT Aktiengesellschaft

Group Segment Report by Region (in accordance with IFRSs) for the period from January 1 to Sept. 30, 2014 unaudited

in EUR k		Germany	Switzerland	North America	Romania	France	Japan	Reconciliation	Consolidation	Group
External revenue	Q1-Q3 2014	73,935	8,386	7,644	626	286	487	0	0	91,364
	Q1-Q3 2013	74,296	7,109	6,655	680	0	466	0	0	89,206
Segment assets	Q1-Q3 2014	31,075	4,253	3,411	239	2,084	392	30,287	-5,018	66,722
	Q1-Q3 2013	26,614	1,180	2,799	253	31	164	29,574	-2,638	57,977
Investment in an associate	Q1-Q3 2014	54	0	0	0	0	0	0	0	54
	Q1-Q3 2013	54	0	0	0	0	0	0	0	54
Investments in property, plant and equipment and intangible assets	Q1-Q3 2014	1,337	25	39	32	12	3	0	0	1,449
	Q1-Q3 2013	892	9	6	29	15	2	0	0	953

DIRECTORS' HOLDING:

Number of shares as at September 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:

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



CENIT AG

Industriestraße 52-54

D-70565 Stuttgart

Phone: +49 711 7825-30

Fax: +49 711 7825-4000

E-Mail: info@cenit.de

www.cenit.com