

# 3 MONTHS REPORT 2020



GERMANY  
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<b>CENIT Aktiengesellschaft, Stuttgart</b>		
<b>At a glance – January 1 until March 31, 2020</b>		
in EUR k	March 31 <sup>st</sup> , 2020	March 31 <sup>st</sup> , 2019
Sales	39,228	41,238
Gross profits	20,064	20,814
EBITDA	2,338	2,306
Operating returns (EBIT)	805	844
EBT	762	825
Net income of the group	490	608
Earnings per share (basic) in EUR	0.06	0.07
Earnings per share (diluted) in EUR	0.06	0.07
Number of employees at end of period	738	747
EBIT-Margin	2.1%	2.0%
Profit-Margin	1.2%	1.5%
in EUR k	March 31 <sup>st</sup> , 2020	December 31 <sup>st</sup> , 2019
Equity in ratio	42.5%	45.8%
Equity	41,288	40,940
Liabilities	55,755	48,408
Balance sheet total	97,041	89,348



## **OVERVIEW OF 3 MONTHS FIGURES**

During the first three months, CENIT group generated sales of EUR k 39,228 (prior year: EUR k 41,238/-4.9%). EBITDA amounted to EUR k 2,338 (prior year: EUR k 2,306/1.4%) at EBIT of EUR k 805 (prior year: EUR k 844/-4.7%). Earnings per share were EUR 0.06 (prior year: EUR 0.07).

## **BREAKDOWN OF EARNINGS**

In the PLM segment, CENIT achieved earnings of EUR k 35,474 (prior year: EUR k 37,069/-4.3%) in the first three months. The EIM segment attained a sales total of EUR k 3,754 against EUR k 4,168 during the same period of 2019 (-9.9%). Sales of third-party software totaled EUR k 23,724 (prior year: EUR k 25,136/-5.6%), while sales of CENIT's proprietary software increased from EUR k 3,401 to EUR k 3,640/7.0%. Sales in the service and consulting segment amounted to EUR k 11,594 (prior year: EUR k 12,639/-8.3%). Other sales totaled EUR k 270 (prior year: EUR k 62/> 100.0%).

## **COST DEVELOPMENT**

Other expenses totaled EUR k 2,413 (prior year: EUR k 3,021).

## **INVESTMENTS**

Investments expenditures in the first three months 2020 amounted to EUR k 258 (prior year: EUR k 463).

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

None in the first 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**

Considering the effects of the coronavirus pandemic on the business activities and liquidity of CENIT AG, the Management Board and Supervisory Board have reviewed the original proposal for the appropriation of profits published in the Annual Report 2019 and the prospect of continuing the current dividend policy. After careful consideration, they have agreed that, in the interest of strengthening the company's stability in view of the economic and financial challenges that are expected in the current business year, a dividend payment is not appropriate at present.

## **ORDERS SITUATION**

The group-wide order intake totaled EUR k 53.872 (prior year: EUR k 48,940/10.1%). Orders in hand as at March 31<sup>st</sup>, 2020 amounted to EUR k 61,866 (prior year: EUR k 61,099/1.3%).

#### **ORDERS OF SPECIAL SIGNIFICANCE**

None.

#### **LIQUID ASSETS AND SECURITIES**

On the balance-sheet date, bank deposits totaled EUR k 26,960 (31 Dec. 2019: EUR k 18,461).

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

The balance-sheet total is EUR k 97,041. Trade receivables totaled EUR k 16,834. On the balance-sheet date, equity capital amounted to approx. EUR k 41,288 (31 Dec. 2019: EUR k 40,940) at an equity ratio of 42.5% (31 Dec. 2019: 45.8%). Operative cash flow totaled EUR k 9,653 (prior year: EUR k 10,828).

#### **EMPLOYEES**

On 31 March 2020, CENIT employed staff group-wide 738 (prior year: 747).

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

The COVID 19 pandemic has had a significant impact on the global economy and the countermeasures that have been taken have significantly restricted economic activity since mid-March.

This will also have a significant impact on the business development of CENIT AG in 2020, especially since the majority of our customers belong to the automotive and aerospace industries, which are currently suffering particularly from the shutdown and production downtimes.

As it is not possible to estimate neither the duration nor the further spread of the pandemic, we are unable to make a reliable sales and earnings forecast at present. We hope that the economic situation will recover by the middle of the second half-year 2020.

<b>CENIT Aktiengesellschaft, Stuttgart</b>		
<b>CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)</b>		
in EUR k	March 31 <sup>st</sup> , 2020	December 31 <sup>st</sup> , 2019
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Intangible assets	11,980	12,223
Property, plant and equipment	15,458	16,476
Investment in Joint Venture	60	60
Other financial assets	2,500	2,615
Deferred tax assets	1,228	1,224
<b>NON-CURRENT ASSETS</b>	<b>31,226</b>	<b>32,598</b>
<b>CURRENT ASSETS</b>		
Inventories	40	258
Trade receivables	16,834	20,395
Receivables from investments recognized at equity	5,487	4,413
Contract assets	2,877	3,727
Current tax assets	2,966	1,514
Other receivables	417	408
Cash and cash equivalents	26,960	18,461
Prepaid expenses	10,234	7,574
<b>CURRENT ASSETS</b>	<b>65,815</b>	<b>56,750</b>
<b>TOTAL ASSETS</b>	<b>97,041</b>	<b>89,348</b>

<b>CENIT Aktiengesellschaft, Stuttgart</b>		
<b>CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)</b>		
in EUR k	March 31 <sup>st</sup> , 2020	December 31 <sup>st</sup> , 2019
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Issued capital	8,368	8,368
Capital reserve	1,058	1,058
Currency translation reserve	1,134	1,058
Statutory earnings reserve	418	418
Other earnings reserves	13,770	13,771
Profit carried forward	15,161	8,289
Net profit	473	6.872
<b>Equity attributable to shareholders of CENIT AG</b>	<b>40,382</b>	<b>39,834</b>
Non-controlling interests	906	1,106
<b>TOTAL EQUITY</b>	<b>41,288</b>	<b>40,940</b>
<b>NON-CURRENT LIABILITIES</b>		
Other liabilities	833	834
Pension obligation	1,521	1,480
Non-current lease liability	10,376	11,027
Deferred tax liabilities	64	142
<b>NON-CURRENT LIABILITIES</b>	<b>12,794</b>	<b>13,483</b>
<b>CURRENT LIABILITIES</b>		
Current bank liabilities	0	0
Trade liabilities	3,967	5,964
Liabilities to investments recognized at equity	15	34
Other liabilities	10,319	10,959
Current lease liability	2,948	3,102
Current income tax liabilities	106	309
Other provisions	142	132
Contract liabilities	25,462	14,425
<b>CURRENT LIABILITIES</b>	<b>42,959</b>	<b>34,925</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>97,041</b>	<b>89,348</b>

<b>CENIT Aktiengesellschaft, Stuttgart</b>			
<b>CONSOLIDATED INCOME STATEMENT (in accordance with IFRSs) (unaudited)</b>			
in EUR k		1 <sup>st</sup> Jan – 31 <sup>st</sup> Mar 2020	1 <sup>st</sup> Jan – 31 <sup>st</sup> Mar 2019
<b>1. REVENUE</b>		<b>39,228</b>	<b>41,238</b>
2. Increase/decrease in work of process		0	0
<b>Total operating performance</b>		<b>39,228</b>	<b>41,238</b>
3. Other income		377	227
<b>Operating performance</b>		<b>39,605</b>	<b>41,464</b>
4. Cost of materials	19,542		20,650
5. Personnel expenses	15,312		15,487
6. Amortization and depreciation of intangible assets and property, plant and equipment	1,533		1,462
7. Other expenses	2,413		3,021
		38,800	40,620
<b>OPERATING RESULT (EBIT)</b>		<b>805</b>	<b>844</b>
8. Other interest and similar income	0		0
9. Other interest and similar expenses	43		19
		-43	-19
<b>RESULT BEFORE INCOME TAX (EBT)</b>		<b>762</b>	<b>825</b>
10. Income taxes		272	218
<b>NET INCOME OF THE GROUP FOR THE YEAR</b>		<b>490</b>	<b>608</b>
thereof attributable to the shareholders of CENIT AG		473	594
thereof attributable to non-controlling interests		17	14
Earnings per share in EUR			
basic		0.06	0.07
diluted		0.06	0.07

<b>CENIT Aktiengesellschaft, Stuttgart</b>		
<b>CONSOLIDATED STATEMENT OF CASH FLOWS (in accordance with IFRS) (unaudited)</b>		
in EUR k	1 <sup>st</sup> Jan – 31 <sup>st</sup> Mar 2020	1 <sup>st</sup> Jan – 31 <sup>st</sup> Mar 2019
<b>Cash flow from operating activities</b>		
Net income of the Group for the year	490	608
Adjusted for:		
Amortization/depreciation of intangible assets and property, plant and equipment	1,533	1,462
Gains (-) and losses (+) on disposals of assets	0	0
Finance cost	43	19
Tax expenses	272	217
Increase/decrease in other non-current assets	0	0
Increase/decrease in other non-current liabilities and long-term provisions	233	-322
Interest paid	-43	-19
Interest received	0	0
Income tax paid	-897	-881
Increase/decrease in trade receivables and other current non-cash assets	-281	2,225
Increase/decrease in inventories	219	7
Increase/decrease in current liabilities and provisions	8,084	7,512
<b>Net cash flows from operating activities</b>	<b>9,653</b>	<b>10,828</b>
<b>Cash flow from investing activities</b>		
Cash paid for purchase of property, plant and equipment and intangible assets	-258	-463
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
<b>Net cash paid for investing activities</b>	<b>-361</b>	<b>-600</b>
<b>Cash flow from financing activities</b>		
Cash repayments of lease liability	-863	-839
Dividends paid to shareholders	0	0
Dividends paid to non-controlling interests	0	-196
<b>Net cash paid for financing activities</b>	<b>-863</b>	<b>-1,035</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>8,429</b>	<b>9,193</b>
Change in cash and cash equivalents due to foreign exchange differences	70	37
Cash and cash equivalents at the beginning of the reporting period	18,461	18,038
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>26,960</b>	<b>27,268</b>



**CENIT Aktiengesellschaft, Stuttgart**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (in accordance with IFRS)**  
**(unaudited)**

In EUR k		1 <sup>st</sup> Jan – 31 <sup>st</sup> Mar 2020	1 <sup>st</sup> Jan – 31 <sup>st</sup> Mar 2019
<b>Net income for the year</b>		<b>490</b>	<b>608</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	76		33
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
<b>Other comprehensive income after tax</b>		<b>76</b>	<b>33</b>
<b>Total comprehensive income</b>		<b>566</b>	<b>641</b>
Thereof attributable to the shareholders of CENIT AG		549	627
Thereof attributable to non-controlling interests		17	14

**CENIT Aktiengesellschaft, Stuttgart**  
**STATEMENT OF CHANGES IN EQUITY (in accordance with IFRS) (unaudited)**

in EUR k	Attributable to shareholders of CENIT AG						Non-controlling interests	Total	
	Subscribed capital	Capital reserves	Currency translation reserve	Legal reserve	Other reserves	Profit carried forward			Net income
<b>As of 1<sup>st</sup> January 2019</b>	<b>8,368</b>	<b>1,058</b>	<b>1,009</b>	<b>418</b>	<b>13,663</b>	<b>7,361</b>	<b>5,948</b>	<b>1,277</b>	<b>39,102</b>
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
<b>As of 31<sup>st</sup> December 2019</b>	<b>8,368</b>	<b>1,058</b>	<b>1,058</b>	<b>418</b>	<b>13,771</b>	<b>8,289</b>	<b>6,872</b>	<b>1,106</b>	<b>40,940</b>
Net income prior year						6,872	-6,872	0	0
Total comprehensive income			76		0		473	17	566
Acquisition of minorities					-1			-217	-218
<b>As of 31<sup>st</sup> March 2020</b>	<b>8,368</b>	<b>1,058</b>	<b>1,134</b>	<b>418</b>	<b>13,770</b>	<b>15,161</b>	<b>473</b>	<b>906</b>	<b>41,288</b>

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

		<b>EIM</b>	<b>PLM</b>	<b>Reconciliation</b>	<b>Group</b>
in EUR k					
<b>External revenue</b>	Q1 2020	3,754	35,474	0	<b>39,228</b>
	Q1 2019	4,169	37,069	0	<b>41,238</b>
<b>EBIT</b>	Q1 2020	353	452	0	<b>805</b>
	Q1 2019	518	326	0	<b>844</b>
<b>Other interest result and financial result</b>	Q1 2020	0	0	-43	<b>-43</b>
	Q1 2019	0	0	-19	<b>-19</b>
<b>Income taxes</b>	Q1 2020	0	0	272	<b>272</b>
	Q1 2019	0	0	218	<b>218</b>
<b>Net income of the Group</b>	Q1 2020	353	452	-315	<b>490</b>
	Q1 2019	519	326	-237	<b>608</b>
<b>Segment assets</b>	Q1 2020	5,636	60,252	31,153	<b>97,041</b>
	Q1 2019	6,661	63,111	32,150	<b>101,923</b>
<b>Segment liabilities</b>	Q1 2020	6,555	49,028	170	<b>55,753</b>
	Q1 2019	5,365	46,261	10,886	<b>62,512</b>
<b>Investments in property, plant and equipment and intangible assets</b>	Q1 2020	28	230	0	<b>258</b>
	Q1 2019	65	398	0	<b>463</b>
<b>Amortization and depreciation</b>	Q1 2020	172	1,361	0	<b>1,533</b>
	Q1 2019	172	1,290	0	<b>1,462</b>

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

**CENIT Aktiengesellschaft**  
**Group Segment Report by Region (in accordance with IFRSs) unaudited**

		<b>Germany</b>	<b>Switzerland</b>	<b>North America</b>	<b>Romania</b>	<b>Frankreich</b>	<b>Belgium</b>	<b>Netherlands</b>	<b>Japan</b>	<b>Reconciliation</b>	<b>Consolidation</b>	<b>Group</b>
in EUR k												
<b>External revenue</b>	Q1 2020	22,397	2,476	1,914	497	10,089	967	486	402	0	0	<b>39,228</b>
	Q1 2019	21,876	2,398	2,894	840	11,311	1,113	488	318	0	0	<b>41,238</b>
<b>Longterm Segment assets</b>	Q1 2020	23,556	203	330	199	8,129	137	79	80	1,228	-2,715	<b>31,226</b>
	Q1 2019	25,458	230	432	296	9,968	199	110	21	877	-2,861	<b>34,729</b>

**Financial Calendar:**

30 June-2 July 2020	Equity Forum Spring Conference, Frankfurt
2 July.2020	Virtual Annual General Meeting, Stuttgart
4 August 2020	Release of 6-Months Report 2020
4 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](mailto:info@cenit.de)

[www.cenit.com](http://www.cenit.com)