

3 Months Report 2014



cenit

CENIT Aktiengesellschaft, Stuttgart AT A GLANCE		
At a glance – January 1 until March, 31, 2014		
in EUR k	March 31, 2014	March 31, 2013
Sales	29,793	31,816
Gross profits	18,781	19,238
EBITDA	2,767	2,374
Operating returns (EBIT)	2,171	1,786
EBT	2,201	1,806
Netincome of the group	1,572	1,257
Earnings per share (basic) in EUR	0.19	0.15
Earnings per share (diluted) in EUR	0.19	0.15
Number of employees at end of period	674	679
EBIT-Margin	7.3%	5.6%
Profit-Margin	5.3%	4.0%
in EUR k	March 31, 2014	December 31, 2013
Equity in ratio	55.1%	59.5%
Equity	37,519	35,930
Liabilities	30,543	24,429
Balance sheet total	68,061	60,359

DEVELOPMENT OF RESULTS

In the first three months of 2014, CENIT Group achieved a significantly higher EBIT and a decline in sales compared to the same period last year. The PLM segment achieved a slight increase in sales, while the EIM segment has experienced a temporary drop in sales by around 25% compared to the previous year due to ongoing restructuring measures.

CENIT AG is pleased to note the continuous rise in sales of proprietary software, which increased by around 5%.

OVERVIEW OF 1st QUARTER FIGURES

During the first 3 months, CENIT Group generated sales of EUR k 29,793 (prior year: EUR k 31,816/-6.4%). EBITDA amounted to EUR k 2,767 (prior year: EUR k 2,374/16.6%) at EBIT of EUR k 2,171 (prior year: EUR k 1,786/21.5%). Results per share were EUR 0.19 (prior year: EUR 0.15).

BREAKDOWN OF EARNINGS

In the PLM segment, CENIT achieved Q1 earnings of EUR k 23,599 (prior year: EUR k 2,533/0.3%). The EIM segment attained a sales total of EUR k 6,193 against EUR k 8,283 during the same period of 2013 (-25.2%). Sales of third-party software totaled EUR k 12,479 (prior year: EUR k 13,625/-8.4%), while sales of CENIT's proprietary software grew from EUR k 3,224 to EUR k 3,392/5.2%. Sales in the Service and Consulting segment amounted to EUR k 13,799 (prior year: EUR k 14,884/-7.3%). Other sales totaled EUR k 123 (prior year: EUR k 82/49.4%).

COST DEVELOPMENT

Other operating expenses totaled EUR k 3,423 (prior year: EUR k 3,815).

INVESTMENTS

Investments expenditures in Q1 2014 amounted to EUR k 930 (prior year: EUR k 313).

CHANGES IN MANAGING AND SUPERVISORY BODIES

None.

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 will propose payment of a dividend of EUR 0.35 for the 2013 business year per share.

ORDERS SITUATION

The Group-wide order intake in Q1 totaled EUR k 33,874 (prior year: EUR k 34,380/-1.5%). Orders in hand as at 31 March 2014 amounted to EUR k 32,418 (prior year: EUR k 39,525/-18.0%).

ORDERS OF SPECIAL SIGNIFICANCE

None.

LIQUID ASSETS AND SECURITIES

On the balance-sheet date, bank deposits totaled EUR k 34,879 (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 68,061. Trade receivables totaled EUR k 12,047. On the balance-sheet date, equity capital amounted to approx. EUR k 37,519 (31 Dec. 2013: EUR k 35,930) at an equity ratio of 55.1% (31 Dec. 2013: 59.5%). Operative cash flow totaled EUR k 9,846 (prior year: EUR k 8,980).

EMPLOYEES

On 31 March 2014, CENIT employed 674 staff Group-wide (prior year: 679).

SUPPLEMENTARY, OPPORTUNITIES AND FORECAST REPORTS

For the current year, CENIT Group targets sales growth of 5%. With respect to the overall development a proportional development of the segments is expected. Overall, CENIT is anticipating a rise of slightly more than 5% in earnings too (EBIT), which will be contributed to by both business divisions.

CENIT Aktiengesellschaft, Stuttgart CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited) For the period from January 1 to March 31, 2014		
in EUR k	March 31, 2014	December 31, 2013
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	4,965	3,619
Property, plant and equipment	2,701	2,567
Investment in associates	54	54
Income tax receivable	250	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	91	90
NON-CURRENT ASSETS	10,218	8,736
CURRENT ASSETS		
Inventories	15	4
Trade receivables	12,047	14,811
Receivables from associates	2,727	3,455
Current income tax assets	1,044	745
Other receivables	167	138
Cash and cash equivalents	34,879	26,632
Prepaid expenses	6,963	5,838
CURRENT ASSETS	57,843	51,623
TOTAL ASSETS	68,061	60,359

CENIT Aktiengesellschaft, Stuttgart		
CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)		
for the period from January 1 to March 31, 2014		
in EUR k	March 31, 2014	December 31, 2013
EQUITY AND LIABILITIES		
EQUITY		
Issued capital	8,368	8,368
Capital reserve	1,058	1,058
Currency translation reserve	114	97
Statutory earnings reserve	418	418
Other earnings reserves	15,607	15,607
Unappropriated retained earnings	11,954	10,382
TOTAL EQUITY	37,519	35,930
NON-CURRENT LIABILITIES		
Other liabilities	1,420	1,417
Deferred tax liabilities	1,216	842
NON-CURRENT LIABILITIES	2,638	2,259
CURRENT LIABILITIES		
Trade liabilities	2,571	4,028
Liabilities due to associates	0	37
Other liabilities	11,600	11,430
Current income tax liabilities	712	621
Other provisions	131	113
Deferred income	12,890	5,941
CURRENT LIABILITIES	27,904	22,170
TOTAL EQUITY AND LIABILITIES	68,061	60,359

CENIT Aktiengesellschaft, Stuttgart			
CONSOLIDATED INCOME STATEMENT (in accordance with IFRSs) (unaudited)			
for the period from January 1 to March 31, 2014			
in EUR k		1st Quarter 2014	1st Quarter 2013
1. REVENUE		29,793	31,816
2. Increase/decrease in work of process		0	0
Total operating performance		29,793	31,816
3. Other operating income		330	179
Operating performance		30,123	31,995
4. Cost of materials	11,341		12,758
5. Personnel expenses	12,592		13,049
6. Amortization and depreciation of intangible assets and property, plant and equipment	596		587
7. Other operating expenses	3,423		3,815
		27,952	30,209
OPERATING RESULT		2,171	1,786
8. Other interest and similar income	34		23
9. Other interest and similar expenses	4		3
		30	20
RESULT FROM ORDINARY ACTIVITIES		2,201	1,806
10. Income taxes		629	549
NET INCOME OF THE GROUP FOR THE YEAR		1,572	1,257
thereof attributable to the shareholders of CENIT AG		1,572	1,257
Earnings per share in EUR			
Basic		0.19	0.15
diluted		0.19	0.15

CENIT Aktiengesellschaft, Stuttgart
CONSOLIDATED STATEMENT OF CASH FLOWS (in accordance with IFRS) (unaudited)
for the period from January 1 to March 31, 2014

in EUR k	March 31, 2014	March 31, 2013
Cash flow from operating activities		
Earnings before tax and net interest	2,171	1,786
Adjustments for:		
Amortization/depreciation of intangible assets and property, plant and equipment	596	587
Gains (-) and losses (+) on disposals of non-current assets	1	12
Other income and expenses, not attributable to the operating activities	-129	-1
Increase/decrease in other non-current assets and liabilities and provisions	0	48
Interest paid	-4	-3
Interest received	33	23
Income tax paid	-749	-296
Net operating income before changes in net working capital	1,919	2,156
Increase/decrease in trade receivables and other current non-cash assets	2,449	-1,906
Increase/decrease in inventories	-12	-25
Increase/decrease in other financial assets held for trading that are not attributable to cash and cash equivalents	0	0
Increase/decrease in current liabilities and provisions	5,490	8,755
Net cash flows from operating activities	9,846	8,980
Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	-930	-313
Purchase of shares in fully consolidated entities (net cash outflow)	-686	0
Income from the sale of property, plant and equipment	1	0
Change in other financial assets that are not attributable to cash and cash equivalents	0	0
Net cash paid for investing activities	-1,615	-313
Cash flow from financing activities		
Dividends paid to shareholders	0	0
Net cash paid for financing activities	0	0
Net increase/decrease in cash and cash equivalents	8,231	8,667
Change in cash and cash equivalents due to foreign exchange differences	16	35
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	34,879	32,481

CENIT Aktiengesellschaft, Stuttgart			
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (in accordance with IFRS)			
(unaudited)			
In EUR k		1. Jan. 2014 - 31. Mar. 2014	1. Jan. 2013 - 31. Dec. 2013
Net income for the year		1,572	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	17		-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		17	5
Total comprehensive income		1,589	5,884
Thereof attributable to the shareholders of CENIT AG		1,589	5,884

CENIT Aktiengesellschaft, Stuttgart							
STATEMENT OF CHANGES IN EQUITY (in accordance with IFRS) (unaudited)							
As of 31st March 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			17			1,572	1,589
Allocation to other revenue reserves							
Dividend distribution							
As of 31st March 2014	8,368	1,058	114	418	15,607	11,954	37,519

CENIT Aktiengesellschaft
Segment Reporting by Business Unit (in accordance with IFRSs) unaudited
for the period from January 1 to March 31, 2014

		EIM	PLM	Reconciliation	Group
in EUR k					
External revenue	Q1-Q1 2014	6,193	23,599	0	29,793
	Q1-Q1 2013	8,283	23,533	0	31,816
EBIT	Q1-Q1 2014	30	2,141	0	2,171
	Q1-Q1 2013	261	1,525	0	1,786
Share of profit of an associate	Q1-Q1 2014	0	0	0	0
	Q1-Q1 2013	0	0	0	0
Other interest result and financial result	Q1-Q1 2014	0	0	30	30
	Q1-Q1 2013	0	0	20	20
Income taxes	Q1-Q1 2014	0	0	629	629
	Q1-Q1 2013	0	0	549	549
Net income of the Group	Q1-Q1 2014	30	2,141	-599	1,572
	Q1-Q1 2013	261	1,525	-529	1,257
Segment assets	Q1-Q1 2014	10,406	19,320	38,282	68,008
	Q1-Q1 2013	12,574	21,425	35,242	69,242
Investment in an associate	Q1-Q1 2014	0	54	0	54
	Q1-Q1 2013	0	54	0	54
Segment liabilities	Q1-Q1 2014	10,781	17,830	1,932	30,543
	Q1-Q1 2013	11,647	19,062	2,661	33,370
Investments in property, plant, equipment and intangible assets	Q1-Q1 2014	95	835	0	930
	Q1-Q1 2013	82	230	0	313
Amortization and depreciation	Q1-Q1 2014	167	429	0	596
	Q1-Q1 2013	184	404	0	587

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 March 31, 2014
unaudited

in EUR k		Germany	Switzerland	North America	Romania	France	Japan	Reconciliation	Consolidation	Group
Internal revenue	Q1-Q1 2014	1,778	24	274	183	270	0	0	-2,528	0
	Q1-Q1 2013	1,664	30	169	180	270	0	0	-2,313	0
External revenue	Q1-Q1 2014	24,413	2,277	2,646	199	36	222	0	0	29,793
	Q1-Q1 2013	26,837	2,476	1,989	202	0	312	0	0	31,816
Segment assets	Q1-Q1 2014	25,400	3,035	3,286	191	2,189	264	38,265	-4,623	68,008
	Q1-Q1 2013	30,143	3,875	2,599	243	96	377	35,242	-3,333	69,242
Investment in an associate	Q1-Q1 2014	54	0	0	0	0	0	0	0	54
	Q1-Q1 2013	54	0	0	0	0	0	0	0	54
Investments in property, plant equipment and intangible asse	Q1-Q1 2014	898	0	21	11	0	0	0	0	930
	Q1-Q1 2013	283	2	2	12	14	0	0	0	313

DIRECTORS' HOLDING:

Number of shares as at March 31st, 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:

May 16th, 2014	Annual General Meeting
August 12th, 2014	6 Months Report
September 10th, 2014	Capital Market Conference, Zürich
November 11th, 2014	9 Months Report
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