

6 MONTHS REPORT 2016



CENIT Aktiengesellschaft, Stuttgart		
At a glance – January 1 until June, 30, 2016		
in EUR k	June 30, 2016	June 30, 2015
Sales	61,424	59,183
Gross profits	38,007	38,154
EBITDA	5,917	5,904
Operating returns (EBIT)	4,677	4,864
EBT	4,675	4,890
Netincome of the group	3,441	3,581
Earnings per share (basic) in EUR	0.41	0.43
Earnings per share (diluted) in EUR	0.41	0.43
Number of employees at end of period	625	629
EBIT-Margin	7.6%	8.2%
Profit-Margin	5.6%	6.1%
in EUR k	June 30, 2016	December 31, 2015
Equity in ratio	53.8%	59.6%
Equity	35,848	39,843
Liabilities	30,753	27,030
Balance sheet total	66,601	66,873

RESPONSIBILITY STATEMENT FOR THE 2nd QUARTER 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 2016

DEVELOPMENT OF RESULTS

In the first half of 2016, CENIT AG increased sales by 3.8%. Thus significantly involved was the distribution of own software which rose by around 5% as well as sales of third-party software which grew by more than 10%.

OVERVIEW OF 6 MONTHS FIGURES

During the first 6 months, CENIT group generated sales of EUR k 61,424 (prior year: EUR k 59,183/3.8%). EBITDA amounted to EUR k 5,917 (prior year: EUR k 5,904/0.2%) at EBIT of EUR k 4,677 (prior year: EUR k 4,864/-3.8%). Earnings per share were EUR 0.41 (prior year: EUR 0.43).

BREAKDOWN OF EARNINGS

In the PLM segment, CENIT achieved in the first 6 months earnings of EUR k 51,325 (prior year: EUR k 47,543/8.0%). The EIM segment attained a sales total of EUR k 10,099 against EUR k 11,640 during the same period of 2015 (-13.2%). Sales of third-party software totaled EUR k 28,722 (prior year: EUR k 25,984/10.5%), while sales of CENIT's proprietary software increased from EUR k 7,707 to EUR k 8,059/4.6%. Sales in the service and consulting segment amounted to EUR k 24,532 (prior year: EUR k 25,368/-3.3%). Other sales totaled EUR k 112 (prior year: EUR k 124/-9.9%).

COST DEVELOPMENT

Other operating expenses totaled EUR k 6,940 (prior year: EUR k 7,471).

INVESTMENTS

Investments expenditures in the first 6 months 2016 amounted to EUR k 586 (prior year: EUR k 1.163).

CHANGES IN MANAGING AND SUPERVISORY BODIES

None in the second 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 6 May 2016, the Managing Board and the Supervisory Board of CENIT proposed the payment of a dividend of EUR 1.00 for the 2015 business year. The General Meeting approved this proposal. A total amount of approx. EUR k 8,368 was paid out to the CENIT AG shareholders.

ORDERS SITUATION

The group-wide order intake totaled EUR k 62,887 (prior year: EUR k 66,601/13.2%). Orders in hand as at 30 June 2016 amounted to EUR k 33,293 (prior year: EUR k 39,216/-15.1%).

ORDERS OF SPECIAL SIGNIFICANCE

None.

LIQUID ASSETS AND SECURITIES

On the balance-sheet date, bank deposits totaled EUR k 30,402 (31 Dec. 2015: EUR k 33,941). The enterprise is free of debt.

ASSET, FINANCIAL AND EARNINGS SITUATION

The balance-sheet total is EUR k 66,601. Trade receivables totaled EUR k 17,860. On the balance-sheet date, equity capital amounted to approx. EUR k 35,848 (31 Dec. 2015: EUR k 39,843) at an equity ratio of 53.8% (31 Dec. 2015: 59.6%). Operative cash flow totaled EUR k 5,830 (prior year: EUR k 9,139).

EMPLOYEES

On 30 June 2016, CENIT employed 625 staff group-wide (prior year: 629).

SUPPLEMENTARY, OPPORTUNITIES AND FORECAST REPORTS

For the current year, the CENIT Group is still anticipating a sales growth by 5%. On the whole, CENIT is anticipating a high single-digit rise in earnings (EBIT).

CENIT Aktiengesellschaft, Stuttgart		
CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)		
in EUR k	June 30, 2016	December 31, 2015
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	5,412	3,381
Property, plant and equipment	2,426	2,656
Investment in Joint Venture	53	53
Income tax receivable	89	85
Deferred tax assets	400	400
NON-CURRENT ASSETS	8,380	6,575
CURRENT ASSETS		
Inventories	39	76
Trade receivables	17,860	17,947
Receivables from Joint Venture	2,615	3,112
Current income tax assets	1,009	611
Other receivables	83	164
Cash and cash equivalents	30,402	33,941
Prepaid expenses	6,213	4,447
CURRENT ASSETS	58,221	60,298
TOTAL ASSETS	66,601	66,873

CENIT Aktiengesellschaft, Stuttgart		
CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)		
in EUR k	June 30, 2016	December 31, 2015
EQUITY AND LIABILITIES		
EQUITY		
Issued capital	8,368	8,368
Capital reserve	1,058	1,058
Currency translation reserve	1,030	1,096
Statutory earnings reserve	418	418
Other earnings reserves	14,807	14,807
Unappropriated retained earnings	9,134	14,096
Equity attributable to shareholders of CENIT AG	34,815	39,843
Non-controlling interests	1,033	0
TOTAL EQUITY	35,848	39,843
NON-CURRENT LIABILITIES		
Other liabilities	2,280	2,512
Deferred tax liabilities	931	774
NON-CURRENT LIABILITIES	3,211	3,286
CURRENT LIABILITIES		
Trade liabilities	2,833	2,788
Liabilities due to Joint Venture	4	37
Other liabilities	11,173	12,148
Current income tax liabilities	333	403
Other provisions	200	360
Deferred income	12,999	8,008
CURRENT LIABILITIES	27,542	23,744
TOTAL EQUITY AND LIABILITIES	66,601	66,873

CENIT Aktiengesellschaft, Stuttgart			
CONSOLIDATED INCOME STATEMENT (in accordance with IFRSs) (unaudited)			
in EUR k		1 st Jan – 30 th June 2016	1 st Jan – 30 th June 2015
1. REVENUE		61,424	59,183
2. Increase/decrease in work of process		0	0
Total operating performance		61,424	59,183
3. Other operating income		663	1,284
Operating performance		62,087	60,467
4. Cost of materials	24,080		22,313
5. Personnel expenses	25,150		24,779
6. Amortization and depreciation of intangible assets and property, plant and equipment	1,240		1,040
7. Other operating expenses	6,940		7,471
		57,410	55,603
OPERATING RESULT		4,677	4,864
8. Other interest and similar income	2		32
9. Other interest and similar expenses	4		6
		-2	26
RESULT FROM ORDINARY ACTIVITIES		4,675	4,890
10. Income taxes		1,234	1,309
NET INCOME OF THE GROUP FOR THE YEAR		3,441	3,581
thereof attributable to the shareholders of CENIT AG		3,406	3,581
thereof attributable to non-controlling interests		35	0
Earnings per share in EUR			
Basic		0.41	0.43
diluted		0.41	0.43

CENIT Aktiengesellschaft, Stuttgart			
CONSOLIDATED INCOME STATEMENT (in accordance with IFRSs) (unaudited)			
in EUR k		2nd Quarter 2016	2nd Quarter 2015
1. REVENUE		31,796	28,757
2. Increase/decrease in work of process		0	0
Total operating performance		31,796	28,757
3. Other operating income		216	552
Operating performance		32,012	29,309
4. Cost of materials	12,531		10,949
5. Personnel expenses	12,660		12,029
6. Amortization and depreciation of intangible assets and property, plant and equipment	590		541
7. Other operating expenses	3,649		3,328
		29,430	26,847
OPERATING RESULT		2,582	2,462
8. Other interest and similar income	2		7
9. Other interest and similar expenses	2		4
		0	3
RESULT FROM ORDINARY ACTIVITIES		2,582	2,465
10. Income taxes		751	766
NET INCOME OF THE GROUP FOR THE YEAR		1,831	1,699
thereof attributable to the shareholders of CENIT AG		1,831	1,699
thereof attributable to non-controlling interests		29	0
Earnings per share in EUR			
Basic		0.22	0.20
diluted		0.22	0.20

CENIT Aktiengesellschaft, Stuttgart		
CONSOLIDATED STATEMENT OF CASH FLOWS (in accordance with IFRS) (unaudited)		
in EUR k	1 st Jan – 30 th June 2016	1 st Jan – 30 th June 2015
Cash flow from operating activities		
Earnings before tax and net interest	4,677	4,864
Adjustments for:		
Amortization/depreciation of intangible assets and property, plant and equipment	1,240	1,040
Gains (-) and losses (+) on disposals of non-current assets	-5	-6
Other non-cash income and expenses		
Increase/decrease in other non-current assets and liabilities and provisions	-228	-38
Interest paid	-4	-6
Interest received	2	32
Income tax paid	-1,985	-1,923
Net operating income before changes in net working capital	3,697	3,963
Increase/decrease in trade receivables and other current non-cash assets	-831	3,031
Increase/decrease in inventories	37	-20
Increase/decrease in current liabilities and provisions	2,927	2,165
Net cash flows from operating activities	5,830	9,139
Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets	-586	-1,163
Purchase of shares in fully consolidated entities (net cash outflow)	-351	0
Income from the sale of property, plant and equipment	5	21
Net cash paid for investing activities	-932	1,142
Cash flow from financing activities		
Dividends paid to shareholders	-8,368	-7,531
Net cash paid for financing activities	-8,368	-7,531
Net increase/decrease in cash and cash equivalents	-3,470	466
Change in cash and cash equivalents due to foreign exchange differences	-69	283
Cash and cash equivalents at the beginning of the reporting period	33,941	33,250
Cash and cash equivalents at the end of the reporting period	30,402	33,999

CENIT Aktiengesellschaft, Stuttgart CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (in accordance with IFRS) (unaudited)			
In EUR k		1 st Jan – 30 th June 2016	1 st Jan – 30 th June 2015
Net income for the year		3,441	3,581
Other comprehensive income			
Items that will be reclassified to the income statement in the future under certain circumstances			
Currency translation reserve of foreign subsidiaries	-66		467
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		-66	467
Total comprehensive income		3,375	4,048
Thereof attributable to the shareholders of CENIT AG		3,340	4,048
thereof attributable to non-controlling interests		35	

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	Revenue reserves		Retained earnings		
				Legal reserve	Other reserves			
As of 1st January 2015	8,368	1,058	549	418	14,648	14,311	0	39,353
Total comprehensive income			547		159	7,316	0	8,022
Dividend distribution						-7,531	0	-7,531
As of 31st December 2015	8,368	1,058	1,096	418	14,807	14,096	0	39,843
Total comprehensive income			-66		0	3,406	35	3,375
Acquisition of a subsidiary							998	998
Dividend distribution						-8,368	0	-8,368
As of 30 June 2016	8,368	1,058	1,030	418	14,807	9,134	1,033	35,848

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

		EIM	PLM	Reconciliation	Group
in EUR k					
External revenue	Q1-Q2 2016	10,099	51,325	0	61,424
	Q1-Q2 2015	11,640	47,543	0	59,183
EBIT	Q1-Q2 2016	112	4,565	0	4,677
	Q1-Q2 2015	449	4,415	0	4,864
Share of profit of joint ventures	Q1-Q2 2016	0	0	0	0
	Q1-Q2 2015	0	0	0	0
Other interest result and financial result	Q1-Q2 2016	0	0	-2	-2
	Q1-Q2 2015	0	0	26	26
Income taxes	Q1-Q2 2016	0	0	1,234	1,234
	Q1-Q2 2015	0	0	1,309	1,309
Net income of the Group	Q1-Q2 2016	112	4,566	-1,237	3,441
	Q1-Q2 2015	449	4,415	-1,283	3,581
Segment assets	Q1-Q2 2016	8,623	26,008	31,917	66,548
	Q1-Q2 2015	7,923	22,107	35,803	65,833
Investment in a joint venture	Q1-Q2 2016	0	53	0	53
	Q1-Q2 2015	0	54	0	54
Segment liabilities	Q1-Q2 2016	6,685	22,782	1,286	30,753
	Q1-Q2 2015	7,780	21,270	968	30,018
Investments in property, plant and equipment and intangible assets	Q1-Q2 2016	151	435	0	586
	Q1-Q2 2015	265	898	0	1,163
Amortization and depreciation	Q1-Q2 2016	262	978	0	1,240
	Q1-Q2 2015	280	760	0	1,040

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	Japan	Reconciliation	Consolidation	Group
External revenue	Q1-Q2 2016	44,281	6,460	8,519	1,050	281	833	0	0	61,424
	Q1-Q2 2015	44,447	5,997	7,083	816	198	642	0	0	59,183
Segment assets	Q1-Q2 2016	30,984	3,637	4,283	262	457	559	32,297	-5,931	66,548
	Q1-Q2 2015	26,755	3,131	3,684	353	261	552	35,807	-4,710	65,833
Investment in a joint venture	Q1-Q2 2016	53	0	0	0	0	0	0	0	53
	Q1-Q2 2015	54	0	0	0	0	0	0	0	54
Investments in property, plant and equipment and intangible assets	Q1-Q2 2016	530	13	14	25	4	0	0	0	586
	Q1-Q2 2015	1,039	4	17	13	90	0	0	0	1,163

DIRECTORS' HOLDING:

Number of shares as at June 30th, 2016

Total number of shares : 8,367,758

Management Board:

Kurt Bengel: 6,000

Matthias Schmidt: 1,670

Supervisory Board:

Andreas Schmidt: 108,792

Hubert Leypoldt: 1,600

Andreas Karrer: 1,000

Financial Calendar:

September 7th, 2016 Capital Market Conference, Zurich

November 3rd, 2016 9 Months Report

November 21st-23rd, 2016 German Equity Forum, Frankfurt



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