

3-Months Report 2011

cenit



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CENIT AT A GLANCE (unaudited)		
At a glance - January 1 until March 31, 2011		
in Mill. EUR	March 31, 2011	March 31, 2010
Sales	24,31	20,71
Gross profits	16,30	14,37
EBITDA	1,39	0,99
Operating returns (EBIT)	0,95	0,64
EBT	1,01	0,67
Netincome of the group	0,73	0,49
Result per share (basic) in EURO	0,09	0,06
Result per share (diluted) in EURO	0,09	0,06
Number of employees at end of period	636	632
EBIT - Margin	3,9%	3,1%
Profit - Margin	3,0%	2,4%
in Mill. EUR	March 31, 2011	Dec. 31, 2010
Equity in ratio	57%	58%
Equity	29,58	29,04
Liabilities	22,69	20,69
Balance sheet total	52,27	49,73

DEVELOPMENT OF RESULTS

CENIT is starting the business year with clear on-year growth in all segments and is thus continuing the positive trend set last year. Sales of CENIT's proprietary software as well as sales proceeds from non-CENIT software increased markedly. The consulting segment has also registered a slightly positive trend. Provided that economic recovery and positive industry sentiment continue to set the tone, we hope to be able to close the coming Quarters with solid growth as well.

OVERVIEW OF 3rd QUARTER FIGURES

At the end of the 1st Quarter, CENIT Group achieved total sales revenue of 24.31 m EUR (2010: 20.71 m EUR/+17%). The gross profit amounted to 16.30 m EUR (2010: 14.37 m EUR/+13%). CENIT attained EBITDA of 1.39 m EUR (2010: 0.99 m EUR/+40%) and EBIT of 0.95 m EUR (2010: 0.64 m EUR/+48%). Earnings per share were 0.09 EUR (2010: 0.06 EUR/+50%).

BREAKDOWN OF EARNINGS

In the PLM segment CENIT achieved a sales total of 17.37 m EUR (2010: 14,94 m EUR/+16%). The EIM segment posted sales of 6.94 m EUR after 5.78 m EUR in 2010 (+20%). Earnings from non-proprietary software attained 8.78 m EUR (2010: 6.04 m EUR/+45%). Sales of CENIT's proprietary software increased up to 39% from 1.75 m EUR to 2.43 m EUR. Turnover from services and consulting totaled 13.08 m EUR (2010: 12.52 m EUR/+4%). Other turnover amounted to 0.02 m EUR (2010: 0.41 m EUR /-95%).

HOLDINGS – FOREIGN SUBSIDIARIES

CENIT (Switzerland) AG achieved sales revenue of 1.0 m EUR (2010: 0.7 m EUR), accounting for EBIT of 0.1 m EUR (2010: 0.04 m EUR).

With sales of 2.3 m EUR (2010: 1.4 m EUR), CENIT North America Inc. attained EBIT of 0.3 m EUR (2010: 0.07 m EUR).

CENIT SRL achieved sales of 0.2 m EUR (2010: 0.1 m EUR), accounting for EBIT of 0.005 m EUR (2010: -0.04 m EUR).

CENIT France SARL posted sales 0.2 m EUR (2010: 0.1 m EUR) and EBIT of 0.06 m EUR (2010: 0 m EUR).

DEVELOPMENT OF COSTS

Other business-related expenditures totaled 3.6 m EUR (reference period 2010: 3.2 m EUR).

INVESTMENTS

Investments during the first 3 months of 2011 totaled 0.2 m EUR (reference period 2010: 0.3 m EUR).

CHANGES IN COMPOSITION OF MANAGING AND SUPERVISORY BOARDS

None

EVENTS OF SPECIAL SIGNIFICANCE WHICH COULD AFFECT THE BUSINESS RESULT

None

INTERIM DIVIDEND

No interim dividend was paid out.

DIVIDENDS PAID OR PROPOSED FOR PAYMENT

The Managing and Supervisory Boards will propose to the General Meeting on 26 May 2011 that a dividend of 0.15 EUR per share be paid out.

ORDERS SITUATION

Incoming orders Group-wide totaled 33.38 m EUR (2010: 26.84 m EUR/+24%). Orders in hand on 31st March 2011 amounted to 39,97 m EUR (2010: 27.13 m EUR/+47%).

ORDERS OF SPECIAL SIGNIFICANCE

None

LIQUID ASSETS AND SECURITIES

On the balance-sheet date, bank deposits totaled 18.2 m EUR (31 Dec. 2010: 13.3 m EUR). The enterprise remains debt-free.

ASSET, FINANCIAL AND EARNINGS SITUATION

The balance-sheet total was 52.27 m EUR. Trade debtors and other assets amounted to 16.35 m EUR. On the balance-sheet date, equity capital totaled approx. 29.58 m EUR (31 Dec. 2010: 29.04 m EUR), accounting for an equity ratio of 57% (31 Dec. 2010: 58%). The operative cash flow was 5.04 m EUR (03/2010: 2.6 m EUR).

STAFF

On 31st March 2011, CENIT employed a total of 636 staff Group-wide (31st March 2010: 632).

SUPPLEMENTARY REPORT, OPPORTUNITIES AND OUTLOOK

We have carried the positive impulses of Q4 2010 forward into Q1 2011. Our customers remain confident, and many are therefore making investments again and placing requests for our software and services. We expect the positive trend to continue in the months to come.

We depend on the extent to which our customers are willing to make investments, and on their confidence in the overall economic situation. Economic developments in Germany, political and economic developments in North Africa and also the evolution of the financial situation in a number of Euro-Zone countries may have short-term effects on consumer confidence which cannot be assessed at this time.

Based on the results achieved in 2010, we currently expect positive developments for the 2011 business year, and continue to adhere to the statements made in the Annual Report.

CENIT Aktiengesellschaft, Stuttgart		
CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)		
for the period from January 1 to March 31, 2011		
in EUR k	March 31, 2011	Dec. 31, 2010
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	4.170	4.320
Property, plant and equipment	1.848	1.953
Investment in an associate	54	54
Income tax receivable	482	478
Other financial assets at fair value through profit or loss	3.000	3.000
Trade receivables	0	194
Deferred tax assets	0	19
NON-CURRENT ASSETS	9.554	10.018
CURRENT ASSETS		
Inventories	355	634
Trade receivables	13.357	15.291
Receivables from associates	2.994	4.865
Current income tax assets	760	699
Other receivables	223	159
Other financial assets at fair value through profit or loss	966	966
Cash	18.151	13.306
Prepaid expenses	5.908	3.790
CURRENT ASSETS	42.714	39.710
TOTAL ASSETS	52.268	49.728

CENIT Aktiengesellschaft, Stuttgart		
CONSOLIDATED BALANCE SHEET (in accordance with IFRSs) (unaudited)		
for the period from January 1 to March 31, 2011		
in EUR k	March 31, 2011	Dec. 31, 2010
EQUITY AND LIABILITIES		
EQUITY		
Issued capital	8.368	8.368
Additional paid-in-capital	1.058	1.058
Currency translation reserve	-38	153
Legal revenue reserve	418	418
Other revenue reserves	11.740	11.741
Unappropriated retained earnings	8.030	7.299
	29.576	29.037
NON-CURRENT LIABILITIES		
Other liabilities	267	267
Deferred tax liabilities	1.305	1.267
	1.572	1.534
CURRENT LIABILITIES		
Trade payables	2.548	4.684
Liabilities to associated companies	0	0
Other liabilities	11.789	12.198
Current income tax liabilities	137	64
Other provisions	233	177
Deferred income	6.413	2.034
	21.120	19.157
TOTAL ASSETS	52.268	49.728

CENIT Aktiengesellschaft, Stuttgart			
CONSOLIDATED INCOME STATEMENT (in accordance with IFRS) (unaudited)			
for the period from January 1 to March 31, 2011			
in EUR k		1st Quarter, 2011	1st Quarter, 2010
1. SALES REVENUE		24.313	20.713
2. Increase/decrease in the work in progress		126	323
Gross performance		24.439	21.036
3. Other operating income		326	179
Operating performance		24.765	21.215
4. Cost of materials	8.468		6.849
5. Personnel expenses	11.296		10.130
6. Amortization of intangible assets and depreciation on property, plant and equipment	442		355
7. Other operating expenses	3.614		3.244
		23.820	20.578
OPERATING RESULT		945	637
8. Other interest and similar income	70		34
9. Interest and similar expenses	2		2
10. Result from financial instruments at fair value through profit or loss	0		0
11. Share of profit/loss of an associate companies	0		4
		68	36
RESULT FROM ORDINARY ACTIVITIES		1.013	673
12. Income taxes		282	186
13. NET INCOME OF THE GROUP FOR THE YEAR		731	487
14. thereof attributable to CENIT AG shareholders		731	487
15. thereof attributable to minority interests		0	0
Earnings per share in EUR			
basic		0,09	0,06
diluted		0,09	0,06

CENIT Aktiengesellschaft, Stuttgart		
CONSOLIDATED STATEMENT OF CASH FLOWS (in accordance with IFRSs) (unaudited)		
for the period from January 1 to March 31, 2011		
in EUR k	March 31,2011	March 31,2010
Cash flow from operating activities		
Earnings before tax and interest	945	637
Adjusted for:		
Amortization of intangible assets and depreciation of property, plan and equipment	442	355
Losses on disposals of non-current assets	0	1
Income from the disposal non-current assets	-7	0
Profit/loss from associated companies	0	-4
Other non-cash income and expenses	-16	-44
Change in other financial assets	0	0
Increase/decrease in other non-current assets and liabilities or provisions	190	5
Interest paid	-2	-2
Interest received	70	34
Income taxes paid	-270	-178
Operating result before changes in (net) working capital	1.352	804
Increase/decrease in trade receivables and other current, non-monetary assets	1.674	-1.679
Increase/decrease in inventories	279	-623
Increase/decrease in current liabilities and provisions	1.733	4.103
Net cash from operating activity	5.038	2.605
Cash flow from investing activities		
Acquisition of property, plant and equipment and intangible assets	-194	-284
Purchase of investments in an associate	0	0
Acquisition of shares in fully consolidated entities	0	0
Gain on disposal of property, plant and equipment	1	0
Change in other financial assets that are not allocable to cash and cash equivalents	0	-1.000
Net cash from operating activity	-193	-1.284
Cash flow from financing activities		
Repayment of longterm bank loans	0	0
Dividends paid to shareholders	0	-2.510
Change in convertible bond	0	0
Net cash used for financing activity	0	-2.510
Net increase/decrease in cash and cash equivalents	4.845	1.321
Cash and cash equivalents at the beginning of the reporting period	13.306	18.599
Cash and cash equivalents at the end of the reporting period	18.151	19.920

CENIT Aktiengesellschaft, Stuttgart

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (in accordance with IFRSs) (unaudited)
as of March 31, 2011

Equity attributable to shareholders of the parent

in EUR k

	Issued capital	Capital reserve	Currency translation reserve	Legal reserve	Other revenue reserves	net retained profit of the Group	Total
As of January 1, 2010	8.368	1.058	-309	418	11.040	7.500	28.075
Exchange differences			463				463
Net income of the Group for the year						3.009	3.009
Total comprehensive income	0	0	463	0	0	3.009	3.472
Reversal of minority interests							0
Acquisition of residual share							0
Dividenden pay-out						-2.510	-2.510
Allocations to the other revenue reserve					1.300	-1.300	0
Withdrawals form other revenue reserves					-600	600	0
As of Dec. 31, 2010	8.368	1.058	154	418	11.740	7.299	29.037
Exchange differences			-192				-192
Net income of the Group for the year						731	731
Total comprehensive income	0	0	-192	0	0	731	29.576
Reversal of minority interests							0
Acquisition of residual share							0
Transfer from stock options							0
Dividend distribution							0
Allocation to the other revenue reserve							0
Allocation to the other revenue reserve							0
Allocation to the legal revenue reserve							0
Capital increase from company funds							0
As of March 31, 2011	8.368	1.058	-38	418	11.740	8.030	58.613

CENIT Aktiengesellschaft, Stuttgart

Segment Reporting by Business Unit (in accordance with IFRSs) (unaudited)
for the period from January 1 to March 31, 2011

in EUR k		EIM	PLM	not allocated	Group
External revenue	2011	6.941	17.372		24.313
	2010	5.777	14.936	0	20.713
EBIT	2011	63	882		945
	2010	321	315	1	637
Share of profit of an associated entity	2011	0	0		0
	2010	0	4	0	4
Other interest result and financial result	2011	0	0	68	68
	2010	0	0	32	32
Income taxes	2011	0	0	282	282
	2010	0	0	186	186
Net income of the Group	2011	63	882	-214	731
	2010	321	311	-145	487
Segment assets	2011	11.358	17.497	23.359	52.214
	2010	7.047	16.075	25.006	48.128
Investment in an associate	2011	0	54	0	54
	2010	0	54	0	54
Segment liabilities	2011	7.667	13.558	1.467	22.692
	2010	7.048	11.461	961	19.469
Investments in property, plant and equipment and intangible assets	2011	65	129	0	194
	2010	86	198	0	284
Amortization and depreciation	2011	183	259	0	442
	2010	89	266	0	355

EIM = Enterprise Information Management; PLM = Product Lifecycle Management

CENIT Aktiengesellschaft, Stuttgart

Segment Report by Region (in accordance with IFRSs) for the period from January 1 to March 31, 2011 (unaudited)

in EUR k		Germany	Switzerland	North America	Romania	France	not allocated	Consolidation	Group
Internal revenue	2011	1.545	13	151	85	156	0	-1.950	0
	2010	1.236	13	183	104	138	0	-1.674	0
External revenue	2011	20.985	1.006	2.144	151	27	0	0	24.313
	2010	18.713	725	1.274	1	0	0	0	20.713
Segment assets	2011	25.270	2.057	2.047	237	53	23.360	-809	52.215
	2010	24.635	1.209	1.059	88	51	22.006	-921	48.128
Investment in an associate	2011	54	0	0	0	0	0	0	54
	2010	54	0	0	0	0	0	0	54
Investments in property, plant and equipment and intangible assets	2011	166	7	20	3	0	0	0	196
	2010	280	0	1	2	1	0	0	284

EXPLANATORY NOTES TO SHARES AND SUBSCRIPTION RIGHTS HELD BY DIRECTORS, COMPANY OFFICERS AND EMPLOYEES IN ACCORDANCE WITH Section § 160 Subsection 1 No. 2 AND 5 AktG

The Directors of the company have 39,000 share option rights. CENIT employees have also 150.000 share option rights.

Directors´ Holding:

Number of shares as at March 31, 2011

Total Number of Shares: 8.367.758

Executive Board

Kurt Bengel: 0

Christian Pusch: 0

Supervisory Board

Andreas Schmidt: 191.792

Hubert Leypoldt: 1.600

Andreas Karrer: 0

Financial Calendar:

May 26, 2011 Annual General Meeting, Leinfelden-Echterdingen

August 11, 2011 2nd Quarter Report

November 10, 2011 3rd Quarter Report

November 21.-23, 2011 German Equity Forum Frankfurt