OUR THIRD QUARTER

INTERIM REPORT THIRD QUARTER

DECEMBER 2018 – AUGUST 2019

Q3

GERRESHEIMER

GROUP KEY FIGURES

Financial Year ended November 30	**Q3 2019**	Q3 2018	Change in %[8]	**Q1-Q3 2019**	Q1-Q3 2018	Change in %[8]
Results of Operations during Reporting Period in EUR m						
Revenues at constant exchange rates[1]	**355.2**	355.4	–	**1,015.9**	982.5	3.4
Revenues	**358.6**	353.7	1.4	**1,023.6**	976.6	4.8
Adjusted EBITDA at constant exchange rates[1, 2]	**71.1**	74.0	-4.2	**316.0**	199.6	58.4
Adjusted EBITDA[2]	**72.2**	73.7	-2.3	**318.5**	197.6	61.2
in % of revenues	**20.1**	20.9	–	**31.1**	20.2	–
Adjusted EBITA[3]	**48.9**	50.6	-3.3	**248.6**	125.7	97.8
in % of revenues	**13.6**	14.3	–	**24.3**	12.9	–
Results of operations	**33.8**	33.3	1.5	**204.2**	87.6	>100.0
Adjusted net income[4]	**30.7**	32.5	-5.4	**199.7**	117.7	69.6
Net Assets as of Reporting Date in EUR m						
Total assets	**2,746.3**	2,651.1	3.6	**2,746.3**	2,651.1	3.6
Equity	**1,029.0**	824.6	24.8	**1,029.0**	824.6	24.8
Equity ratio in %	**37.5**	31.1	–	**37.5**	31.1	–
Net working capital	**281.9**	233.7	20.6	**281.9**	233.7	20.6
in % of revenues of the last twelve months	**19.9**	17.3	–	**19.9**	17.3	–
Capital expenditure	**45.5**	19.5	>100.0	**90.7**	45.1	>100.0
Net financial debt	**1,000.4**	905.8	10.4	**1,000.4**	905.8	10.4
Adjusted EBITDA leverage[5]	**2.4**	3.2	–	**2.4**	3.2	–
Financial and Liquidity Position during Reporting Period in EUR m						
Cash flow from operating activities	**40.1**	62.1	-35.5	**55.3**	67.8	-18.5
Cash flow from investing activities	**-61.6**	-192.0	-67.9	**-127.5**	-217.4	-41.4
thereof: Cash paid for capital expenditure	***-43.6***	*-19.5*	*>100.0*	***-89.2***	*-45.1*	*97.3*
Free cash flow before financing activities	**-21.5**	-129.9	-83.4	**-72.2**	-149.6	-51.7
Employees						
Employees as of the reporting date	**9,910**	9,947	-0.4	**9,910**	9,947	-0.4
Stock Data						
Number of shares at reporting date in million	**31.4**	31.4	–	**31.4**	31.4	–
Share price[6] at reporting date in EUR	**68.65**	72.00	-4.7	**68.65**	72.00	-4.7
Market capitalization at reporting date in EUR m	**2,155.6**	2,260.8	-4.7	**2,155.6**	2,260.8	-4.7
Share price high[6] during reporting period in EUR	**74.00**	75.80	-2.4	**74.00**	75.80	-2.4
Share price low[6] during reporting period in EUR	**63.10**	67.40	-6.4	**51.80**	60.90	-14.9
Earnings per share in EUR	**0.59**	0.59	–	**5.22**	2.73	91.2
Adjusted earnings per share[7] in EUR	**0.96**	1.02	-5.9	**6.31**	3.69	71.0

[1] Translated at budget rates 2019, which can be found in the outlook section of this Interim Group Management Report.
[2] Adjusted EBITDA: Net income before income taxes, net finance expense, amortization of fair value adjustments, depreciation and amortization, impairment losses, restructuring expenses, and one-off income and expenses.
[3] Adjusted EBITA: Net income before income taxes, net finance expense, amortization of fair value adjustments, impairment losses, restructuring expenses, and one-off income and expenses.
[4] Adjusted net income: Net income before non-cash amortization of fair value adjustments, non-recurring effects of restructuring expenses, portfolio adjustments, the balance of one-off income and expenses—including significant non-cash expenses—and the related tax effects.
[5] Adjusted EBITDA leverage: The relation of net financial debt to adjusted EBITDA of the last twelve months according to the credit agreement currently in place.
[6] Xetra closing price.
[7] Adjusted earnings per share after non-controlling interests divided by 31.4m shares.
[8] Change calculated on a EUR k basis.

DIVISIONS

› Plastics & Devices

The product portfolio of the Plastics & Devices Division includes complex, customer-specific products for the simple and safe administration of medicines, such as insulin pens, inhalers and prefillable syringes. Also included are diagnostics and medical technology products such as lancets and test systems as well as pharmaceutical plastic containers for liquid and solid medicines with closure and safety systems.

in EUR m	**Q3 2019**	Q3 2018	Change in %[4]	**Q1-Q3 2019**	Q1-Q3 2018	Change in %[4]
Revenues at constant exchange rates[1, 2]	**192.2**	190.6	0.8	**538.5**	528.7	1.8
Revenues[1]	**193.7**	189.7	2.1	**542.0**	526.6	2.9
Adjusted EBITDA at constant exchange rates[2, 3]	**45.1**	51.0	-11.6	**125.1**	134.1	-6.7
Adjusted EBITDA[3]	**45.7**	50.8	-10.0	**126.6**	132.9	-4.7
in % of revenues	**23.6**	26.8	–	**23.4**	25.2	–
Capital expenditure	**25.0**	11.6	>100.0	**48.6**	26.3	84.7

› Primary Packaging Glass

The Primary Packaging Glass Division produces glass primary packaging for medicines and cosmetics, such as pharma jars, ampoules, injection vials, cartridges, perfume flacons and cream jars.

in EUR m	**Q3 2019**	Q3 2018	Change in %[4]	**Q1-Q3 2019**	Q1-Q3 2018	Change in %[4]
Revenues at constant exchange rates[1, 2]	**157.3**	161.5	-2.6	**459.0**	450.6	1.9
Revenues[1]	**159.2**	160.7	-0.9	**463.2**	446.8	3.7
Adjusted EBITDA at constant exchange rates[2, 3]	**29.6**	30.3	-2.4	**86.6**	83.9	3.2
Adjusted EBITDA[3]	**30.1**	30.2	-0.3	**87.6**	83.1	5.4
in % of revenues	**18.9**	18.8	–	**18.9**	18.6	–
Capital expenditure	**16.7**	7.6	>100.0	**37.0**	17.7	>100.0

› Advanced Technologies (established as of June 30, 2018)

The Advanced Technologies Division develops and manufactures intelligent drug delivery systems. The Swiss tech company Sensile Medical forms the basis of this division, which offers pharmaceutical and biotech companies drug delivery systems with state-of-the-art digital and electronic capabilities. Its patented micro pumps can be used to self-administer medication for diabetes or Parkinson's disease, for example. Furthermore, smart inhalation measurement systems are developed in the Advanced Technologies Division.

in EUR m	**Q3 2019**	Q3 2018	Change in %[4]	**Q1-Q3 2019**	Q1-Q3 2018	Change in %[4]
Revenues at constant exchange rates[1, 2]	**6.3**	3.5	82.7	**20.1**	3.5	>100.0
Revenues[1]	**6.3**	3.5	82.7	**20.1**	3.5	>100.0
Adjusted EBITDA at constant exchange rates[2, 3]	**1.8**	-2.0	>100.0	**4.0**	-2.0	>100.0
Adjusted EBITDA[3]	**1.8**	-2.0	>100.0	**4.0**	-2.0	>100.0
in % of revenues	**27.9**	-58.7	–	**20.0**	-58.7	–
Capital expenditure	**1.3**	–	–	**2.1**	–	–

[1] Revenues by division include intercompany revenues.
[2] Translated at budget rates 2019, which can be found in the outlook section of this Interim Group Management Report.
[3] Adjusted EBITDA: Net income before income taxes, net finance expense, amortization of fair value adjustments, depreciation and amortization, impairment losses, restructuring expenses, and one-off income and expenses.
[4] Change calculated on a EUR k basis.

KEY FACTS THIRD QUARTER 2019

- The Gerresheimer Group increased reported revenues by 1.4%, from EUR 353.7m in the prior-year quarter to EUR 358.6m in the third quarter of 2019
- Plastics & Devices Division revenues were up 2.1% on the prior-year quarter; on a like-for-like basis—adjusted for the lost inhaler contract at our plant in Kuessnacht (Switzerland)—the revenue growth was no less than 4.2%
- Adjusted EBITDA came to EUR 72.2m in the third quarter of 2019 (Q3 2018: EUR 73.7m); excluding the two one-off effects in the prior-year quarter—the expenses relating to the exemption from electricity network charges and the positive contribution from the lost inhaler contract—there would have been an increase by EUR 2.7m from EUR 69.5m to EUR 72.2m
- Leverage temporarily decreased to 2.4 times net financial debt to adjusted EBITDA
- Successful refinancing by a EUR 550.0m revolving credit facility negotiated with improved conditions
- Confirmation of the guidance on revenues for the financial year 2019; guidance on adjusted EBITDA at constant exchange rates for the financial year 2019 in the amount of approximately EUR 295m (plus or minus EUR 5m), excluding EUR 118.5m from the derecognition of contingent purchase price components connected to the acquisition of Sensile Medical in the first half of 2019

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GERRESHEIMER ON THE CAPITAL MARKETS

GERRESHEIMER SHARES

The ongoing trade dispute between China and the USA and uncertainty about a possible no-deal Brexit continued to be significant negative factors affecting international equity markets in the third quarter of our financial year 2019. Capital market trends were also exacerbated by fears of a slowdown in global trade and the global economy.

Gerresheimer shares peaked for the first nine months of 2019 at EUR 74.00 on July 11, 2019 and closed the quarter at EUR 68.65.

ANNUAL GENERAL MEETING 2019 ONCE AGAIN WITH VERY STRONG CAPITAL ATTENDANCE; DIVIDEND RAISED TO EUR 1.15 PER SHARE

The Annual General Meeting on June 6, 2019 resolved to distribute a dividend of EUR 1.15 per share (2018: EUR 1.10 per share). Representing an increase of 4.5% per dividend-entitled share, this marks the eighth consecutive dividend rise. The dividend was paid out on June 12, 2019. A total of 81.0% of the capital stock was represented at the Annual General Meeting. All resolutions put forward were passed with a large majority.

OVERVIEW OF ANALYSTS' RECOMMENDATIONS

As of August 31, 2019, 16 bank analysts regularly published research studies on the development of Gerresheimer AG, combinded with investment recommendations. Of the 16 bank analysts, seven gave a buy recommendation and five a hold recommendation as of September 9, 2019. Only four analysts recommended selling. Positive recommendations thus continue to predominate by a large margin. The average price target was raised to EUR 71.60.

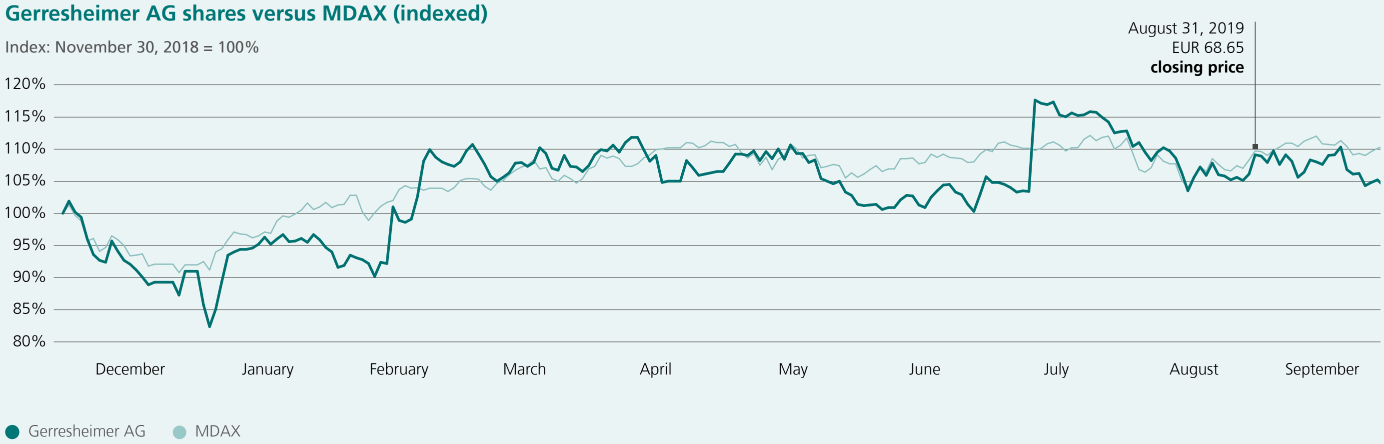
Gerresheimer Shares: Key Data

	Q3 2019	Q3 2018	**Q1-Q3 2019**	Q1-Q3 2018
Number of shares at reporting date	**31.4**	31.4	**31.4**	31.4
Share price[1] at reporting date in EUR	**68.65**	72.00	**68.65**	72.00
Market capitalization at reporting date in EUR m	**2,155.6**	2,260.8	**2,155.6**	2,260.8
Share price high[1] during reporting period in EUR	**74.00**	75.80	**74.00**	75.80
Share price low[1] during reporting period in EUR	**63.10**	67.40	**51.80**	60.90
Earnings per share in EUR	**0.59**	0.59	**5.22**	2.73

[1] Xetra closing price.

Gerresheimer AG shares versus MDAX (indexed)

Index: November 30, 2018 = 100%



INTERIM GROUP MANAGEMENT REPORT DEZEMBER 2018 – AUGUST 2019

DEVELOPMENT OF THE ECONOMIC ENVIRONMENT

In its July outlook, the International Monetary Fund (IMF)[1] projected global economic growth of 3.2% for 2019, following growth of 3.6% in 2018. In the IMF's view, the 0.1 percentage point downgrade on the April outlook reflected continued risks to macroeconomic development over the remainder of the year. Uncertainties surrounding trade disputes between the USA and China coupled with revised country estimates for emerging and developing economies—notably in South America—are cited as reasons for the more cautious forecasts. Additional downside risks include the ongoing possibility of a no-deal Brexit, which could adversely affect growth prospects in Europe. Leading central banks' monetary policy thus continues to be geared toward being able to offset any weaknesses in the real economy with suitable action.

The 2019 growth forecast for the USA was revised upward by 0.3 percentage points to 2.6%. A combination of robust export growth and inventory build-up by industry is cited by the IMF as the main driver. Falling imports due to higher tariffs, however, suggest that momentum will ease off over the rest of the year.

For the eurozone, the forecast for economic growth in 2019 remains unaltered relative to the April outlook, at 1.3%. The weaker growth rate in Germany due to lower export figures is reportedly offset here by stronger economic growth in Spain.

According to the Federal Ministry for Economic Affairs and Energy (BMWi)[2], the German economy continues to be robust, although with growth slowing due to increased uncertainties in the foreign trade environment. The gross domestic product fell slightly by 0.1 percentage points in real terms during the second quarter of 2019. In light of the uncertain macroeconomic environment, the IMF also reduced its 2019 growth forecast for Germany by 0.1 percentage points relative to the April forecast, to 0.7%. Following solid growth in the first quarter, the economy nevertheless generated the second-highest economic output in the history of the Federal Republic of Germany.

The current expectation of IMF for economic growth in emerging and developing economies is 4.1%. Compared to 4.5% growth in 2018, this marks a downgrade of 0.3 percentage points on the April outlook. This reduction in the growth estimates notably reflects difficulties affecting domestic growth in Brazil and Mexico. Conversely, the growth forecast for China was decreased only slightly by 0.1 percentage points to 6.2%. Negative impacts of trade disputes with the USA are expected to be offset by fiscal policy measures. The 2019 forecast for India was adjusted from 7.3% in April to 7.0% due to a fall in domestic demand.

IQVIA[3] forecasts average annual volume growth in the global pharma market of 2.2% for the years 2019 to 2023, compared to the 3.0% predicted for the years 2016 to 2021. The expectation for pharmerging markets[4] is for an average of 3.7% per year over the next five years. While zero growth is expected for the developed markets, other markets are projected to see average volume growth of 1.8% per year. For the generics subsegment, IQVIA expects volume growth at an average of 2.9% for the next five years, with 4.9% anticipated for the pharmerging markets. IQVIA projects zero growth for the developed markets in this subsegment, while other markets are expected to grow by 1.7%.

CURRENCY EFFECTS

The Gerresheimer Group's strong international presence exposes our revenue performance and results of operations to external factors such as currency movements. This is why we also state revenues, revenue growth and adjusted EBITDA on a constant exchange rate basis in the management report. The figures are calculated on the basis of budgeted exchange rates for the financial year 2019. For the US dollar—which is expected to have the largest currency impact on our Group currency, accounting for just under 30% of revenues in 2019 or just under 40% of adjusted EBITDA—Gerresheimer has assumed an exchange rate of approximately USD 1.15 to EUR 1.00. As before, a rise or fall in the US dollar by about one cent against the euro has an impact of around EUR 4m on revenues and EUR 1m on adjusted EBITDA.

1) International Monetary Fund: World Economic Outlook Update, July 2019.
2) BMWi, monthly report, September 2019.
3) IQVIA (formerly Quintiles IMS), January 2019.
4) For a definition of pharmerging markets (emerging markets), please see Note (5) of the Notes to the Interim Consolidated Financial Statements

REVENUE PERFORMANCE

Gerresheimer Group revenues at constant exchange rates stood at EUR 355.2m in the third quarter of 2019, compared to EUR 355.4m in the prior-year quarter. Excluding revenues at constant exchange rates from the lost inhaler contract with a customer at our plant in Kuessnacht (Switzerland) in the prior-year quarter, the growth rate at constant exchange rates would have been 1.0% in the third quarter of 2019. Revenues at constant exchange rates rose by EUR 33.4m or 3.4% from EUR 982.5m in the first nine months of the financial year 2018 to EUR 1,015.9m in the first nine months of the financial year 2019. Once again excluding revenues at constant exchange rates from the lost inhaler contract with a customer at our plant in Kuessnacht (Switzerland), the growth rate at constant exchange rates in the first nine months of the financial year 2019 was even 4.2%. Reported revenues went up by EUR 4.9m or 1.4% from EUR 353.7m to EUR 358.6m in the third quarter of 2019. This development was supported by the appreciation in the US dollar, which appreciated from USD 1.20 per EUR 1.00 to USD 1.13 per EUR 1.00 in the reporting period. In the first nine months of the financial year 2019 we generated revenues of EUR 1,023.6m—4.8% higher than the figure of EUR 976.6m for the first nine months of the financial year 2018.

	at constant exchange rates			at constant exchange rates		
in EUR m	**Q3 2019**	Q3 2018	Change in %[1]	**Q1-Q3 2019**	Q1-Q3 2018	Change in %[1]
Revenues						
Plastics & Devices	192.2	190.6	0.8	538.5	528.7	1.8
Primary Packaging Glass	157.3	161.5	-2.6	459.0	450.6	1.9
Advanced Technologies	6.3	3.5	82.7	20.1	3.5	>100.0
Subtotal	**355.8**	**355.6**	**0.1**	**1,017.6**	**982.8**	**3.5**
Intra-Group revenues	-0.6	-0.2	>100.0	-1.7	-0.3	>100.0
Total revenues	**355.2**	**355.4**	**–**	**1,015.9**	**982.5**	**3.4**

[1] Change calculated on a EUR k basis.

	as reported			as reported		
in EUR m	**Q3 2019**	Q3 2018	Change in %[1]	**Q1-Q3 2019**	Q1-Q3 2018	Change in %[1]
Revenues						
Plastics & Devices	193.7	189.7	2.1	542.0	526.6	2.9
Primary Packaging Glass	159.2	160.7	-0.9	463.2	446.8	3.7
Advanced Technologies	6.3	3.5	82.7	20.1	3.5	>100.0
Subtotal	**359.2**	**353.9**	**1.5**	**1,025.3**	**976.9**	**5.0**
Intra-Group revenues	-0.6	-0.2	>100.0	-1.7	-0.3	>100.0
Total revenues	**358.6**	**353.7**	**1.4**	**1,023.6**	**976.6**	**4.8**

[1] Change calculated on a EUR k basis.

In the Plastics & Devices Division, revenues at constant exchange rates went up by 0.8% from EUR 190.6m in the prior-year quarter to EUR 192.2m in the third quarter of 2019. Excluding the effects of the lost inhaler contract, with which we generated revenues at constant exchange rates of EUR 3.7m in the third quarter of 2018, revenues at constant exchange rates in the Plastics & Devices Division would have increased by 2.8% relative to the prior-year quarter. Alongside growth in the syringe business, which was substantially up on the prior-year quarter, the positive growth trend in the Plastic Packaging Business Unit was sustained in the third quarter of 2019, notably in the South America and Asia regions. The Medical Plastic Systems business likewise grew in the third quarter of 2019, mostly driven by the engineering and tooling business. However, temporary intra-year fluctuations continue to be normal here, and essentially track the billing of larger-scale customer projects. The third quarter of 2019 saw a slight temporary decrease in demand for plastic vials for prescription drugs in the USA. Reported revenues in the Plastics & Devices Division went up by EUR 4.0m or 2.1% from EUR 189.7m to EUR 193.7m in the third quarter of 2019. Revenues at constant exchange rates increased by 1.8% to EUR 538.5m in the first nine months of the financial year 2019, compared to EUR 528.7m in the same period of the prior year. Excluding the effect of the lost inhaler contract, with which we generated revenues at constant exchange rates of EUR 7.8m in the first nine months of the financial year 2018, revenues at constant exchange rates in the Plastics & Devices Division would have increased by 3.4% relative to the prior-year period. Reported revenues went up from EUR 526.6m in the prior year to EUR 542.0m in the first nine months of the financial year 2019.

Revenues at constant exchange rates in the Primary Packaging Glass Division decreased by EUR 4.2m or 2.6%, from EUR 161.5m in the very strong third quarter of 2018 to EUR 157.3m in the third quarter of 2019. The decrease was caused by our business in the North America region. Although the market in that region continues to grow, demand from one of our major customers temporarily decreased due to its operational problems. Business in the Europe region was stable, despite the scheduled major furnace overhaul at our Essen plant. The very healthy growth trend from the first half year in Asia continued in the third quarter of 2019. Reported revenues decreased by 0.9% in the Primary Packaging Glass Division, from EUR 160.7m in the third quarter of 2018 to EUR 159.2m in the reporting period. Revenues at constant exchange rates in the Primary Packaging Glass Division increased by 1.9% to EUR 459.0m in the first nine months of the financial year 2019, compared to EUR 450.6m in the same period of the prior year. Reported revenues for the same period went up from EUR 446.8m in the prior year to EUR 463.2m.

Revenues at constant exchange rates in the Advanced Technologies Division came to EUR 6.3m in the third quarter of 2019, compared to EUR 3.5m in the third quarter of 2018. We generated revenues at constant exchange rates of EUR 20.1m in the first nine months of the financial year 2019; the comparative figure for the prior-year period was EUR 3.5m due to the acquisition of Sensile Medical in July 2018. The revenues almost exclusively related to development services at Sensile Medical.

RESULTS OF OPERATIONS

Adjusted EBITDA at constant exchange rates decreased by 4.2% from EUR 74.0m in the prior-year quarter to EUR 71.1m in the third quarter of 2019. However, two one-off effects were contained in the prior-year quarter. Firstly, we recognized an expense of EUR 1.4m due to the European Commission decision on the exemption from network charges granted to large electricity-consuming enterprises in 2012 and 2013. Secondly, we still had adjusted EBITDA of EUR 5.6m, including partial compensation of EUR 4.2m, from the lost inhaler contract with a customer at our plant in Kuessnacht (Switzerland). Without these two one-off effects, adjusted EBITDA at constant exchange rates would have been EUR 1.3m higher in the third quarter of 2019 than in the prior-year quarter. Adjusted EBITDA after exchange rate effects came to EUR 72.2m, compared to EUR 73.7m in the third quarter of 2018. The adjusted EBITDA margin of 20.1% in the third quarter of 2019 is slightly below the 20.9% recorded in the prior-year quarter. In the first nine months of the financial year 2019, we generated adjusted EBITDA at constant exchange rates of EUR 316.0m, compared to EUR 199.6m in the equivalent prior-year period. Excluding positive effects in the amount of EUR 118.5m from the derecognition in the first half of 2019 of the contingent purchase price components in connection with the acquisition of Sensile Medical, adjusted EBITDA at constant exchange rates would have been EUR 197.5m in the first nine months of the financial year 2019. After exchange rate effects, adjusted EBITDA in the first nine months of the financial year 2019 stood at EUR 318.5m, as against EUR 197.6m in the same period of the prior year. This results in an adjusted EBITDA margin of 31.1% for the first nine months of the financial year 2019, compared to 20.2% in the same prior-year period.

	at constant exchange rates			at constant exchange rates		
in EUR m	**Q3 2019**	Q3 2018	Change in %[1]	**Q1-Q3 2019**	Q1-Q3 2018	Change in %[1]
Adjusted EBITDA						
Plastics & Devices	45.1	51.0	-11.6	125.1	134.1	-6.7
Primary Packaging Glass	29.6	30.3	-2.4	86.6	83.9	3.2
Advanced Technologies	1.8	-2.0	>100.0	4.0	-2.0	>100.0
Subtotal	**76.5**	**79.3**	**-3.6**	**215.7**	**216.0**	**-0.1**
Head office/consolidation	-5.4	-5.3	5.5	100.3	-16.4	>100.0
Total adjusted EBITDA	**71.1**	**74.0**	**-4.2**	**316.0**	**199.6**	**58.4**

	as reported					as reported				
				Margin in %					Margin in %	
in EUR m	**Q3 2019**	Q3 2018	Change in %[1]	**Q3 2019**	Q3 2018	**Q1-Q3 2019**	Q1-Q3 2018	Change in %[1]	**Q1-Q3 2019**	Q1-Q3 2018
Adjusted EBITDA										
Plastics & Devices	45.7	50.8	-10.0	23.6	26.8	126.6	132.9	-4.7	23.4	25.2
Primary Packaging Glass	30.1	30.2	-0.3	18.9	18.8	87.6	83.1	5.4	18.9	18.6
Advanced Technologies	1.8	-2.0	>100.0	27.9	-58.7	4.0	-2.0	>100.0	20.0	-58.7
Subtotal	**77.6**	**79.0**	**-1.7**	**–**	**–**	**218.2**	**214.0**	**2.0**	**–**	**–**
Head office/consolidation	-5.4	-5.3	5.5	–	–	100.3	-16.4	>100.0	–	–
Total adjusted EBITDA	**72.2**	**73.7**	**-2.3**	**20.1**	**20.9**	**318.5**	**197.6**	**61.2**	**31.1**	**20.2**

[1] Change calculated on a EUR k basis.

In the Plastics & Devices Division, we generated adjusted EBITDA at constant exchange rates of EUR 45.1m in the third quarter of 2019, compared to EUR 51.0m in the same quarter of the prior year. It must be borne in mind, however, that the prior-year quarter contained an additional EUR 5.6m —including a partial compensation payment—in adjusted EBITDA at constant exchange rates from the lost inhaler contract with a customer at our plant in Kuessnacht (Switzerland). Without this one-off effect, adjusted EBITDA in the Plastics & Devices Division would have been level with the prior-year quarter. Driven by the good revenue performance, adjusted EBITDA in the syringe business developed positively with an increase on the prior-year quarter. Aside from this, the higher revenues in the low-margin engineering and tooling business had only a minor effect on adjusted EBITDA. Adjusted EBITDA from the Medical Plastic Systems business was down on the prior-year quarter; taking into account the effect of the lost inhaler contract at our plant in Kuessnacht (Switzerland) in the third quarter of 2018, however, adjusted EBITDA showed an increase. Due to the slight decrease in demand for plastic vials for prescription drugs in the USA, adjusted EBITDA in this business was temporarily down on the prior-year quarter. Unadjusted for exchange rates, adjusted EBITDA in the Plastics & Devices Division went down from EUR 50.8m in the third quarter of 2018 to EUR 45.7m in the reporting period. Without the effects of the lost inhaler contract, however, there would have been an increase of EUR 0.5m. At 23.6%, the adjusted EBITDA margin was thus—as expected—below the 26.8% recorded in the prior-year quarter. In the first nine months of the financial year 2019, we generated adjusted EBITDA at constant exchange rates of EUR 125.1m, compared to EUR 134.1m in the equivalent prior-year period. Adjusted EBITDA after exchange rate effects decreased from EUR 132.9m in the first nine months of the financial year 2018 to EUR 126.6m. The adjusted EBITDA margin was consequently 23.4%, versus 25.2% in the first nine months of the financial year 2018.

Adjusted EBITDA at constant exchange rates in the Primary Packaging Glass Division fell by 2.4%, from EUR 30.3m in the prior-year quarter to EUR 29.6m in the third quarter of 2019. It is important to note in this regard, however, that an expense of EUR 1.4m was recognized in the prior-year quarter due to the European Commission decision on the exemption from network charges granted to large electricity-consuming enterprises in 2012 and 2013. In the cosmetics business, we still have capacity bottlenecks in decoration. We have outsourced this work, which had an impact on the adjusted EBITDA margin. In addition, adjusted EBITDA in the Moulded Glass Business Unit is reduced by the planned expansion of the furnace in Essen. Unadjusted for exchange rate effects, adjusted EBITDA in the Primary Packaging Glass Division went down marginally from EUR 30.2m to EUR 30.1m in the third quarter of 2019. As a result, the adjusted EBITDA margin was 18.9%, compared to 18.8% in the third quarter of 2018. In the first nine months of the financial year 2019, we generated adjusted EBITDA at constant exchange rates of EUR 86.6m, compared to EUR 83.9m in the equivalent prior-year period. Adjusted EBITDA after exchange rate effects increased from EUR 83.1m in the first nine months of the financial year 2018 to EUR 87.6m. The adjusted EBITDA margin was consequently 18.9%, versus 18.6% in the first nine months of the financial year 2018.

In the Advanced Technologies Division, we generated adjusted EBITDA at constant exchange rates of EUR 1.8m in the third quarter of 2019, which was in line with our expectations. Adjusted EBITDA at constant exchange rates for the first nine months of the financial year 2019 came to EUR 4.0m.

The head office expenses and consolidation item stood at EUR 5.4m at constant exchange rates in the third quarter of 2019 (Q3 2018: EUR 5.3m).

The following table shows the reconciliation of adjusted EBITDA to net income for the period:

in EUR m	Q3 2019	Q3 2018	Change	Q1-Q3 2019	Q1-Q3 2018	Change
Adjusted EBITDA	**72.2**	**73.7**	**-1.5**	**318.5**	**197.6**	**120.9**
Depreciation	-23.3	-23.1	-0.2	-69.9	-71.9[3]	2.0
Adjusted EBITA	**48.9**	**50.6**	**-1.7**	**248.6**	**125.7**	**122.9**
Acquisition of Sensile Mecial	–	-1.1	1.1	–	-1.7	1.7
Portfolio optimization	-0.9	-4.2	3.3	-1.8	-4.7	2.9
One-off income and expenses[1]	-0.2	-0.5	0.3	-0.9	-4.8	3.9
Total of one-off items	**-1.1**	**-5.8**	**4.7**	**-2.7**	**-11.2**	**8.5**
Amortization of fair value adjustments[2]	-14.0	-11.5	-2.5	-41.7	-26.9	-14.8
Results of operations	**33.8**	**33.3**	**0.5**	**204.2**	**87.6**	**116.6**
Net finance expense	-7.0	-6.9	-0.1	-20.3	-25.7	5.4
Income taxes	-7.8	-7.4	-0.4	-18.4	25.5	-43.9
Net income	**19.0**	**19.0**	**–**	**165.5**	**87.4**	**78.1**

[1] The one-off income/expenses item consists of one-off items that cannot be taken as an indicator of ongoing business. These include, for example, various reorganization and structure changes that are not reportable as restructuring expenses in accordance with IFRS.
[2] Amortization of fair value adjustments relates to the intangible assets identified at fair value in connection with the acquisitions of Gerresheimer Regensburg in January 2007; the pharma glass business of Comar Inc., USA, in March 2007; Gerresheimer Zaragoza in January 2008; Vedat in March 2011; Neutral Glass in April 2012; Triveni in December 2012; Centor in September 2015; and Sensile Medical in July 2018.
[3] Including EUR 1.8m impairment losses unrelated to portfolio optimization.

Adjusted EBITA came to EUR 48.9m in the third quarter of 2019 (Q3 2018: EUR 50.6m) based on adjusted EBITDA of EUR 72.2m in the third quarter of 2019 (Q3 2018: EUR 73.7m) less depreciation of EUR 23.3m (Q3 2018: EUR 23.1m). This is reconciled to the EUR 33.8m results of operations for the third quarter of 2019—compared to EUR 33.3m in the prior-year quarter—by deducting one-off items in the reporting period in the amount of EUR 1.1m (Q3 2018: EUR 5.8m) and amortization of fair value adjustments in the amount of EUR 14.0m (Q3 2018: EUR 11.5m).

Portfolio optimization amounted to EUR 0.9m in the third quarter of 2019, compared to EUR 4.2m in the prior-year quarter, and mainly relates to the reorganization in the Primary Packaging Glass Division announced in the Annual Report 2018.

One-off income and expenses amounted to a net negative EUR 0.2m in the third quarter of 2019, compared to a net negative EUR 0.5m in the prior-year quarter.

Amortization of fair value adjustments rose by EUR 2.5m from EUR 11.5m in the third quarter of 2018 to EUR 14.0m in the third quarter of 2019. The increase relates to the acquisition of Sensile Medical in July 2018.

Net finance expense, at EUR 7.0m in the third quarter of 2019, was a slight EUR 0.1m higher than the EUR 6.9m recorded in the prior-year quarter.

Interest income in the amount of EUR 0.6m (Q3 2018: EUR 0.5m) was countered by interest expenses of EUR 6.3m (Q3 2018: EUR 5.9m). The increase in interest expenses is mostly due to larger drawings on the revolving credit facility. Other financial expenses came to EUR 1.3m, down from EUR 1.5m in the prior-year quarter.

Income taxes in the first nine months of the financial year 2019 result in a tax expense of EUR 18.4m, compared to tax income of EUR 25.5m in the equivalent prior-year period. It should be noted here that the EUR 118.5m other operating income in the first half of the financial year 2019 due to the derecognition of contingent purchase price components from the Sensile Medical acquisition is not taxable. The tax income in the first nine months of the financial year 2018 primarily related to the remeasurement of deferred taxes of our US subsidiaries included in the consolidated financial statements due to the US tax reform signed on December 22, 2017 (an amount of EUR 44.2m). Excluding this, the tax rate would be 28.2% for the first nine months of the financial year 2019, compared to 30.2% in the prior-year period.

The Gerresheimer Group generated net income of EUR 165.5m in the period December 1, 2018 to August 31, 2019. This is a substantial EUR 78.1m higher than the comparative prior-year figure of EUR 87.4m, primarily as a result of the positive effect from the derecognition of contingent purchase price components from the acquisition of Sensile Medical in the amount of EUR 118.5m.

in EUR m	**Q3 2019**	Q3 2018	Change	**Q1-Q3 2019**	Q1-Q3 2018	Change
Net income	**19.0**	**19.0**	**–**	**165.5**	**87.4**	**78.1**
Acquisition of Sensile Medical	–	-1.1	1.1	–	-1.7	1.7
Related tax effect	–	0.3	-0.3	–	0.5	-0.5
Portfolio optimization	-0.9	-4.2	3.3	-1.8	-4.7	2.9
Related tax effect	0.3	0.7	-0.4	0.9	0.8	0.1
One-off income and expenses	-0.2	-0.5	0.3	-0.9	-4.8	3.9
Related tax effect	0.1	0.1	-	0.2	1.4	-1.2
Amortization of fair value adjustments	-14.0	-11.5	-2.5	-41.7	-26.9	-14.8
Related tax effect	3.0	2.7	0.3	9.1	6.4	2.7
One-off effects in the net finance expense	–	–	–	–	-1.8	1.8
Related tax effect	–	–	–	–	0.5	-0.5
Adjusted net income	**30.7**	**32.5**	**-1.8**	**199.7**	**117.7**	**82.0**
Attributable to non-controlling interests	**0.6**	**0.5**	**0.1**	**1.5**	**1.6**	**-0.1**
Amortization of fair value adjustments	–	–	–	–	-0.2	0.2
Related tax effect	–	–	–	–	0.1	-0.1
Adjusted net income attributable to non-controlling interests	**0.6**	**0.5**	**0.1**	**1.5**	**1.7**	**-0.2**
Adjusted net income after non-controlling interests	**30.1**	**32.0**	**-1.9**	**198.2**	**116.0**	**82.2**
Adjusted earnings per share in EUR after non-controlling interests	0.96	1.02	-0.06	6.31	3.69	2.62

Adjusted net income (defined as net income before non-cash amortization of fair value adjustments, non-recurring effects of restructuring expenses, portfolio adjustments, the balance of one-off income and expenses —including significant non-cash expenses—and related tax effects) came to EUR 30.7m in the third quarter of 2019, compared to EUR 32.5m in the prior-year quarter. Adjusted net income after non-controlling interests was EUR 30.1m (Q3 2018: EUR 32.0m), marking a decrease of EUR 1.9m. Accordingly, adjusted earnings per share after non-controlling interests came to EUR 0.96 in the third quarter of 2019 (Q3 2018: EUR 1.02).

NET ASSETS

BALANCE SHEET

The Gerresheimer Group's net assets changed as follows in the first nine months of the financial year 2019:

Assets in EUR m	**Aug. 31, 2019**	Nov. 30, 2018	Change in %[1]
Intangible assets, property, plant and equipment and investment property	2,127.3	2,131.0	-0.2
Investment accounted for using the equity method	0.3	0.3	–
Other non-current assets	28.2	27.8	1.7
Non-current assets	**2,155.8**	**2,159.1**	**-0.2**
Inventories	199.5	171.5	16.3
Trade receivables	259.1	273.5	-5.3
Other current assets	131.9	126.8	4.0
Current assets	**590.5**	**571.8**	**3.3**
Total assets	**2,746.3**	**2,730.9**	**0.6**

Equity and Liabilities in EUR m	**Aug. 31, 2019**	Nov. 30, 2018	Change in %[1]
Equity and non-controlling interests	**1,029.0**	**890.1**	**15.6**
Non-current provisions	147.4	152.5	-3.3
Financial liabilities	679.1	751.4	-9.6
Other non-current liabilities	164.1	168.5	-2.6
Non-current liabilities	**990.6**	**1,072.4**	**-7.6**
Financial liabilities	421.1	389.7	8.1
Trade payables	176.6	207.3	-14.8
Other current provisions and liabilities	129.0	171.4	-24.7
Current liabilities	**726.7**	**768.4**	**-5.4**
Total equity and liabilities	**2,746.3**	**2,730.9**	**0.6**

[1] Change calculated on a EUR k basis.

The Gerresheimer Group´s total assets increased relative to November 30, 2018 by EUR 15.4m to EUR 2,746.3m as of August 31, 2019. There were no significant changes in balance sheet structure.

At EUR 2,155.8m, non-current assets were EUR 3.3m down on November 30, 2018. This mainly reflects the decrease in intangible assets and conversely the increase in property, plant and equipment. Intangible assets went down by EUR 22.2m relative to the figure as of November 30, 2018. Within this figure, the goodwill item rose by EUR 5.8m due to exchange rate changes. Customer relationships decreased by EUR 12.8m, comprising EUR 22.7m in amortization of fair value adjustments versus a EUR 9.9m increase attributable to exchange rate changes. Technology assets went down by EUR 18.5m, all of which related to amortization of fair value adjustments. Our consolidated balance sheet as of August 31, 2019 consequently includes EUR 676.4m in goodwill and EUR 757.6m in customer relationships, brand names, technologies and similar assets. Property, plant and equipment increased mainly as a result of higher capital expenditure and a positive currency translation effect. Capital expenditure exceeded depreciation in this regard. Non-current assets accounted for 78.5% of total assets as of August 31, 2019 and 79.1% as of November 30, 2018.

The Gerresheimer Group's equity, including non-controlling interests, increased substantially from EUR 890.1m as of November 30, 2018 to EUR 1,029.0m as of August 31, 2019. This increase essentially reflects the positive net income of EUR 165.5m in the reporting period. The equity ratio increased from 32.6% as of November 30, 2018 to 37.5% as of August 31, 2019.

Non-current liabilities were EUR 990.6m at the end of August 2019, marking a substantial EUR 81.8m decrease on the figure of EUR 1,072.4m at the end of November 2018. The main factor here was the decrease in financial liabilities due to the derecognition of non-current contingent purchase price components in connection with the acquisition of Sensile Medical.

Current liabilities went down by EUR 41.7m to EUR 726.7m. This mainly reflects the fixed purchase price component paid in December 2018, the contingent purchase price component paid in July 2019 and the derecognition of current contingent purchase price components in connection with the acquisition of Sensile Medical. In addition, the transition to IFRS 15 (Revenue from Contracts with Customers)—a financial reporting standard which we are required to apply for the first time—resulted in a change in the presentation of prepayments received. These are now presented under trade receivables and trade payables. For a more detailed description of the transition effect, please see Note (1) of the Notes to the Interim Consolidated Financial Statements. In the opposite direction, there was an increase in current financial liabilities due to larger drawings on the revolving credit facility.

NET WORKING CAPITAL

The Gerresheimer Group's net working capital stood at EUR 281.9m as of August 31, 2019, a rise of EUR 79.2m compared to November 30, 2018.

in EUR m	Aug. 31, 2019	Nov. 30, 2018	Aug. 31, 2018
Inventories	199.5	171.5	176.3
Trade receivables	259.1	273.5	245.3
Trade payables[1)]	176.7	207.4	152.1
Prepayments received	–	34.9	35.8
Net working capital	**281.9**	**202.7**	**233.7**

1) As of August 31, 2019 this includes EUR 0.1m (November 30, 2018: EUR 0.1m) in non-current trade payables.

The increase in net working capital as of August 31, 2019 is partly due to the seasonal nature of the business, as the fourth quarter is typically the strongest and inventories have been built up in readiness. This effect was further amplified this year by advance production ahead of the furnace repair in Essen. Sensile Medical also contributed to a temporary increase in net working capital as customer payments are frequently not made until project completion.

In terms of line items, the rise in net working capital mainly results from an increase in inventories and a decrease in trade payables. In the opposite direction, we were able to reduce trade receivables. The transition to IFRS 15 (Revenue from Contracts with Customers), which we are required to apply for the first time, means that prepayments received, which have previously been presented in a separate line item, are now presented under trade receivables and trade payables. This change only affects individual components of net working capital and not net working capital as a whole. For a more detailed description of the transition effect, please see Note (1) of the Notes to the Interim Consolidated Financial Statements. At constant exchange rates, the increase in net working capital during the first nine months of the financial year 2019 was EUR 78.6m, compared to EUR 51.0m in the first nine months of the financial year 2018.

Relative to revenues in the last twelve months, average net working capital increased from 17.0% in the first nine months of the financial year 2018 to 19.3% in the first nine months of the financial year 2019.

FINANCIAL LIABILITIES AND CREDIT FACILITIES

The Gerresheimer Group's net financial debt developed as follows:

in EUR m	Aug. 31, 2019	Nov. 30, 2018	Aug. 31, 2018
Financial debt			
Syndicated facilities			
Revolving credit facility[1)]	368.5	264.4	291.0
Total syndicated facilities	**368.5**	**264.4**	**291.0**
Promissory loans – November 2015	425.0	425.0	425.0
Promissory loans – September 2017	250.0	250.0	250.0
Local borrowings incl. bank overdrafts[1)]	31.7	19.9	19.0
Finance lease and installment purchase liabilities	5.9	7.7	7.7
Total financial debt	**1,081.1**	**967.0**	**992.7**
Cash and cash equivalents	80.7	80.6	86.9
Net financial debt	**1,000.4**	**886.4**	**905.8**

1) For the translation of US dollar loans to EUR, the following exchange rates were used: at August 31, 2019: EUR 1.00/USD 1.1036; at November 30, 2018: EUR 1.00/USD 1.1359; at August 31, 2018: EUR 1.00/USD 1.1651.

Net financial debt increased by EUR 114.0m to EUR 1,000.4m as of August 31, 2019 (November 30, 2018: EUR 886.4m). The increase in net financial debt as of August 31, 2019 is mostly attributable to higher drawings on the revolving credit facility and on local borrowings. Calculated as the ratio of net financial debt to adjusted EBITDA over the last twelve months, adjusted EBITDA leverage, pursuant to the credit line agreement in force, stood at 2.4x. The marked decrease compared to November 30, 2018 is attributable to the higher adjusted EBITDA, which was notably affected in the first nine months of the financial year 2019 by EUR 118.5m in other operating income from the derecognition of contingent purchase price components.

The revolving credit facility (with a facility amount of EUR 450.0m) was drawn by EUR 368.5m as of August 31, 2019 (November 30, 2018: EUR 264.4m). Consequently, EUR 81.5m were available to us under the revolving credit facility as of August 31, 2019 for capital expenditure, acquisitions and other operational requirements.

CAPITAL EXPENDITURE

Gerresheimer incurred capital expenditure on property, plant and equipment and intangible assets as follows in the first nine months of the financial year 2019:

in EUR m	Q3 2019	Q3 2018	Change in %[2]	Q1-Q3 2019	Q1-Q3 2018	Change in %[2]
Plastics & Devices	25.0	11.6	>100.0	48.6	26.3	84.7
Primary Packaging Glass	16.7	7.6	>100.0	37.0	17.7	>100.0
Advanced Technologies	1.3	–	–	2.1	–	–
Head office	2.5	0.3	>100.0	3.0	1.1	>100.0
Total capital expenditure	**45.5**[1]	**19.5**	**>100.0**	**90.7**[1]	**45.1**	**>100.0**

[1] This includes in the third quarter of 2019 additions from installment purchases of EUR 1.9m and in the first nine months of 2019 additions due to finance leases amounting to EUR 0.2m. Both were not cash effective in the reporting period.
[2] Change calculated on a EUR k basis.

As already announced, we are incurring additional capital expenditure for immediate capacity expansion in the current financial year. Capital expenditure totaled EUR 90.7m in the first nine months of the financial year 2019 (December 1, 2017 to August 31, 2018: EUR 45.1m). This was mostly accounted for by the Plastics & Devices Division, where capital expenditure was chiefly focused on the expansion of our inhaler production in the Czech Republic. A further focus was on expanding the product portfolio and creating additional production capacity. Capital expenditure in the Primary Packaging Glass Division mainly related to the scheduled furnace overhaul in Germany—conducted in the third and fourth quarter of 2019—as well as to production plant modernization and automation. As in prior years, we also invested in molds and tools.

OPERATING CASH FLOW

in EUR m	Q1-Q3 2019	Q1-Q3 2018
Adjusted EBITDA	**318.5**	**197.6**
Change in net working capital	-78.6	-51.0
Capital expenditure	-88.6	-45.1
Operating cash flow	**151.3**	**101.5**
Net interest paid	-8.3	-18.3
Net taxes paid	-25.8	-25.7
Pension benefits paid	-8.3	-8.4
Other	-137.6	-26.2
Free cash flow before acquisitions/divestments	**-28.7**	**22.9**
Acquisitions/divestments	-43.5	-172.5
Financing activity	63.8	-49.2
Changes in financial resources	**-8.4**	**-198.8**

We generated operating cash flow of EUR 151.3m in the first nine months of the financial year 2019. This mainly related to the EUR 118.5m in other operating income from the derecognition of contingent purchase price components. As this income is non-cash, the offsetting adjustment is shown in the position "Other". The overall reduction in free cash flow before acquisitions/divestments on a prior-year comparison is mainly due to higher capital expenditure.

CASH FLOW STATEMENT

in EUR m	Q1-Q3 2019	Q1-Q3 2018
Cash flow from operating activities	55.3	67.8
Cash flow from investing activities	-127.5	-217.4
Cash flow from financing activities	63.8	-49.2
Changes in financial resources	**-8.4**	**-198.8**
Effect of exchange rate changes on financial resources	0.2	-3.2
Financial resources at the beginning of the period	61.9	271.6
Financial resources at the end of the period	53.7	69.6

Our operating activities generated a cash inflow of EUR 55.3m in the first nine months of the financial year 2019 (December 1, 2017 to August 31, 2018: EUR 67.8m). The decrease is mainly due to the business-related increase of net working capital and conversely to significantly lower interest payments in the first nine months of the financial year 2019.

At EUR 127.5m, the net cash outflow from investing activities was a significant EUR 89.9m lower than the figure in the corresponding prior-year period (December 1, 2017 to August 31, 2018: EUR 217.4m). The cash outflow in both reported periods includes purchases of property, plant and equipment and intangible assets. Proceeds from asset disposals totaled EUR 5.1m in the first nine months of the financial year 2019 and primarily related to the sale of a piece of land in Kuessnacht (Switzerland). There was also the payment of the fixed and of a contingent purchase price component in the amount of EUR 43.5m from the acquisition of Sensile Medical.

Cash flow from financing activities amounted to a cash inflow of EUR 63.8m in the first nine months of the financial year 2019, compared to a cash outflow of EUR 49.2m in the corresponding prior-year period. Financial resources consequently stood at EUR 53.7m, compared to EUR 69.6m as of August 31, 2018.

EMPLOYEES

The Gerresheimer Group employed 9,910 people as of August 31, 2019 (November 30, 2018: 9,890).

	Aug. 31, 2019	Nov. 30, 2018
Germany	3,633	3,519
Emerging markets	3,403	3,361
Europe	1,807	1,882
Americas	1,067	1,128
Total	**9,910**	**9,890**

As of the reporting date, 37% of the workforce were employed in Germany, 34% in emerging markets, 18% in Europe and 11% in the Americas.

REPORT ON OPPORTUNITIES AND RISKS

In the financial year 2019, Gerresheimer continues to focus on growth in pharmaceutical primary packaging and drug delivery devices. Global economic trends, exchange rate factors, rising commodity and energy prices as well as uncertainties about the future development of national healthcare systems and customer demand represent risks that may affect the course of business in the long term. We are conscious of these risks and carefully monitor their impact on our business.

No risks have currently been identified that raise doubt about the ability of the Gerresheimer Group to continue as a going concern. There has been no material change to the information provided in the Report on Opportunities and Risks section of our Annual Report 2018.

OUTLOOK

The following statements on the future business performance of the Gerresheimer Group, and the assumptions about the economic development of the market and industry deemed significant for this purpose, are based on our assessments, which we consider realistic at the present time based on the information we have available. Those assessments are subject to uncertainty, however, and entail the unavoidable risk that actual performance may vary in direction or magnitude from the projected performance.

DEVELOPMENT OF THE ECONOMIC ENVIRONMENT

Global and regional economic development

The assessment of the economic conditions has not materially changed compared to the disclosures in our Annual Report. Therefore, we refer to the Outlook section in our Annual Report 2018.

MARKET AND BUSINESS OPPORTUNITIES FOR THE GERRESHEIMER GROUP

Prospects for the financial year 2019

Our assessment of the prospects for the financial year 2019 has not fundamentally changed compared to the information provided in our Annual Report. Therefore, we refer to the Outlook section in our Annual Report 2018.

Overall Group

The Gerresheimer Group pursues a successful, clear-cut strategy geared to sustained and profitable growth. Our expectations for the financial year 2019, in each case assuming constant exchange rates and excluding acquisitions and divestments, are set out in the following. In the table below, we list our exchange rate assumptions for our key currencies as applied in all forecasts provided. All forecasts are stated on a neutral basis in relation to these currencies and excluding acquisitions and divestments.

1 EUR	Currency	
Argentina	ARS	43.0000
Brazil	BRL	4.3500
Switzerland	CHF	1.1400
China	CNY	7.9500
Czech Republic	CZK	25.5000
India	INR	85.0000
Mexico	MXN	21.8500
Poland	PLN	4.2500
United States of America	USD	1.1500

The most important currency after the euro continues to be the US dollar with a share of just under 30% of revenues and just below 40% of adjusted EBITDA in 2019. As before, a rise or fall in the US dollar by about one cent against the euro has an impact of around EUR 4m on revenues and EUR 1m on adjusted EBITDA.

Outlook for the financial year 2019

Based on our current visibility, we expect revenues for the financial year 2019 to be in a range of around EUR 1.4bn to EUR 1.45bn, against a comparative figure of EUR 1,359.7m for the financial year 2018.[5] Attainment of the upper end of our revenue forecast will also decisively depend on the performance of our new Advanced Technologies Division. For adjusted EBITDA, we expect approximately EUR 295m (plus or minus EUR 5m), versus a comparative figure for adjusted EBITDA of EUR 289.1m[6] in the financial year 2018. This excludes the other operating income of EUR 118.5m recognized in the first half of 2019 due to the derecognition of contingent purchase price components from the acquisition of Sensile Medical. Furthermore, we only expect low adjusted EBITDA contributions from our new Advanced Technologies Division, which is mainly due to low margins on development orders. In the financial year 2019, the Plastics & Devices Devision will—due to significantly higher revenues in the low-margin engineering and tooling business, newly awarded large orders and increased expenditure for relocation, employee training and production start-up/ramp-up—contribute to a temporary decrease in the Group's adjusted EBITDA margin.

Preliminary indication for subsequent years regarding revenues and adjusted EBITDA

In terms of base-level organic growth, we expect for the financial years 2019 and 2020 to initially grow with the market for products relevant to us. This growth is to be increased by an additional percentage point by means of further improvements in the product mix, to be achieved through a shift toward high-quality products such as syringes for biotech-based new drugs, innovative new developments such as Gx® Elite Glass, as well as glass cosmetics packaging finishing. The new Advanced Technologies Division—and within it, the Sensile Medical Business Unit—will also further add to revenues in 2020 to 2022. On the basis of revenues for the financial year 2019, we expect to be aiming for total average growth of between 4% and 7% p.a. at Group level by the end of 2022.

We secured a large inhaler contract for Europe from a major international pharma producer in 2018. The order was based on our good performance in production, at our plant in Peachtree City, Georgia (USA), of the same inhaler sold by this customer on the North American market. Following tooling revenues in 2019 and 2020, we expect to begin supplying the inhaler under the European contract from the fourth quarter of 2020. At full production—at the earliest from the financial year 2023—we anticipate revenues from the contract in a magnitude of up to EUR 30m a year. To fulfill the order, we are going to invest in our Horsovsky Tyn plant in the Czech Republic during the financial years 2019 and 2020.

Furthermore, we have succeeded for the first time in becoming the main supplier to one of the largest heparin producers and are to supply this customer with prefillable syringes under a multi-year contract. This is an outcome of systematically pursuing our syringes strategy and the resulting good performance together with our good cost position in the syringes business. We expect initial revenues from this contract in the financial year 2019 and, at full production in 2021, that they will reach up to EUR 20m a year. To generate growth in medical devices and syringes generally, we are going to build a new plant in the Republic of North Macedonia. At the same time, we will continue to accelerate automation across all our plants.

We expect that the financial year 2020 will see the adjusted EBITDA margin in the Plastics & Devices Division reduced as a consequence of the above-mentioned higher revenues in the low-margin engineering and tooling business, the large orders awarded and the increased expenditure for relocation, employee training and production start-up/ramp-up, as a result of which the consolidated adjusted EBITDA margin is expected to be around 21%. In consequence of the measures described above and of the large projects, the adjusted EBITDA margin for the Gerresheimer Group is then expected to increase in the financial years 2021 and 2022 by about two percentage points relative to the financial years 2019 and 2020, to approximately 23%.

The growth in the financial years 2021 and 2022 requires additional capital expenditure for immediate capacity expansion which, on our indicative estimates, will raise capital expenditure as a percentage of revenues at constant exchange rates by up to four percentage points in the financial years 2019 and 2020. Group capital expenditure will thus come to approximately 12%. This temporarily increased capital expenditure already includes all expenditure required for the plant to be built in the Republic of North Macedonia as well as for automation across all plants in the Group. From the financial year 2021, we then anticipate that capital expenditure will return to its normal level of approximately 8% of consolidated revenues at constant exchange rates.

Our long-term target for the entire Group remains as follows:

- Gx ROCE of approximately 15%.
- Net working capital should attain around 16% of revenues.
- We continue to consider a net financial debt to adjusted EBITDA ratio of about 2.5x to be right, with temporary variation above or below this permitted because M&A activity cannot be planned in exact detail.

[5] Based on the EUR 1,367.7m revenues for the financial year 2018 less revenues of approximately EUR 8m for the loss of the inhaler customer at our plant in Kuessnacht (Switzerland).
[6] Based on adjusted EBITDA for the financial year 2018 in the amount of EUR 298.6m, plus EUR 1.1m for the expense relating to the final fair value measurement of the Triveni put option, plus EUR 1.4m for the expense relating to the exemption from electricity network charges, less a total of approximately EUR 12m for the adjusted EBITDA from the revenues and non-recurring compensation payments relating to the loss of the inhaler customer at our plant in Kuessnacht (Switzerland).

INTERIM CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 2018 – AUGUST 2019

CONSOLIDATED INCOME STATEMENT

for the Period from December 1, 2018 to August 31, 2019

in EUR k	Notes	Q3 2019	Q3 2018	Q1-Q3 2019	Q1-Q3 2018
Revenues	(5)	358,591	353,604	1,023,640	976,614
Cost of sales		-260,350	-255,741	-738,218	-700,303
Gross profit		**98,241**	**97,863**	**285,422**	**276,311**
Selling and administrative expenses		-66,590	-63,395	-202,762	-189,306
Other operating income	(6)	4,480	7,088	132,713	19,862
Restructuring expenses		–	-3,634	102	-3,903
Other operating expenses	(7)	-2,348	-4,649	-11,278	-15,313
Results of operations		**33,783**	**33,273**	**204,197**	**87,651**
Interest income		622	520	1,841	1,760
Interest expense		-6,255	-5,868	-18,990	-23,125
Other financial expenses		-1,325	-1,563	-3,125	-4,310
Net finance expense		**-6,958**	**-6,911**	**-20,274**	**-25,675**
Net income before income taxes		26,825	26,362	183,923	61,976
Income taxes	(8)	-7,778	-7,405	-18,413	25,478
Net income		**19,047**	**18,957**	**165,510**	**87,454**
Attributable to equity holders of the parent		18,468	18,421	163,967	85,850
Attributable to non-controlling interests		579	536	1,543	1,604
Diluted and non-diluted earnings per share (in EUR)		**0.59**	**0.59**	**5.22**	**2.73**

Notes (1) to (19) are an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the Period from December 1, 2018 to August 31, 2019

in EUR k	**Q3 2019**	Q3 2018	**Q1-Q3 2019**	Q1-Q3 2018
Net income	**19,047**	**18,957**	**165,510**	**87,454**
Income taxes from the revaluation of defined benefit plans	–	–	–	-61 [1]
Other comprehensive income that will not be reclassified subsequently to profit or loss	**–**	**–**	**–**	**-61**
Changes in the fair value of available for sale financial assets	–	–	–	-1
Other comprehensive income from financial instruments	**–**	**–**	**–**	**-1**
Currency translation	-715	-17,632	9,645	-15,671
Other comprehensive income from currency translation	**-715**	**-17,632**	**9,645**	**-15,671**
Other comprehensive income that will be reclassified to profit or loss when specific conditions are met	**-715**	**-17,632**	**9,645**	**-15,672**
Other comprehensive income	**-715**	**-17,632**	**9,645**	**-15,733**
Total comprehensive income	**18,332**	**1,325**	**175,155**	**71,721**
Attributable to equity holders of the parent	18,151	1,743	173,617	70,692
Attributable to non-controlling interests	181	-418	1,538	1,029

[1] Effect of the revaluation of deferred tax assets on provisions for pensions and similar obligations under the US tax reform signed on December 22, 2017.

Notes (1) to (19) are an integral part of these interim consolidated financial statements.

CONSOLIDATED BALANCE SHEET

as of August 31, 2019

ASSETS

in EUR k	Notes	**Aug. 31, 2019**	Nov. 30, 2018	Aug. 31, 2018
Non-current assets				
Intangible assets	(10)	**1,483,432**	1,505,679	1,502,624
Property, plant and equipment		**639,246**	620,728	565,788
Investment property		**4,611**	4,611	5,565
Investments accounted for using the equity method		**297**	297	252
Income tax receivables		**1,039**	1,692	1,996
Other financial assets		**6,572**	3,683	3,573
Other receivables		**3,083**	2,871	1,320
Deferred tax assets		**17,516**	19,495	10,519
		2,155,796	**2,159,056**	**2,091,637**
Current assets				
Inventories	(11)	**199,501**	171,490	176,253
Trade receivables	(12)	**259,147**	273,531	245,310
Income tax receivables		**9,056**	5,462	4,445
Other financial assets		**16,663**	18,025	24,417
Other receivables		**25,440**	21,825	22,056
Cash and cash equivalents		**80,725**	80,570	86,941
Non-current assets and disposal groups held for sale		**–**	955	–
		590,532	**571,858**	**559,422**
Total assets		**2,746,328**	**2,730,914**	**2,651,059**

EQUITY AND LIABILITIES

in EUR k	Notes	**Aug. 31, 2019**	Nov. 30, 2018	Aug. 31, 2018
Equity				
Subscribed capital		**31,400**	31,400	31,400
Capital reserve		**513,827**	513,827	513,827
IFRS 9/IAS 39 reserve		**2,527**	-6	-6
Currency translation reserve		**-57,489**	-67,139	-86,117
Retained earnings		**522,956**	394,578	347,090
Equity attributable to equity holders of the parent		**1,013,221**	**872,660**	**806,194**
Non-controlling interests		**15,755**	17,473	18,410
		1,028,976	**890,133**	**824,604**
Non-current liabilities				
Deferred tax liabilities		**163,882**	167,862	162,851
Provisions for pensions and similar obligations		**136,990**	141,583	148,382
Other provisions		**10,435**	10,945	10,562
Trade payables	(12)	**145**	120	–
Other financial liabilities	(13) + (14)	**679,053**	751,417	751,133
Other liabilities		**55**	503	984
		990,560	**1,072,430**	**1,073,912**
Current liabilities				
Provisions for pensions and similar obligations		**14,611**	13,943	13,571
Other provisions		**37,252**	44,951	32,404
Trade payables	(12)	**176,626**	207,282	152,063
Other financial liabilities	(13) + (14)	**421,131**	389,683	437,822
Income tax liabilities		**4,539**	4,873	6,207
Other liabilities		**72,633**	107,619	110,476
		726,792	**768,351**	**752,543**
		1,717,352	**1,840,781**	**1,826,455**
Total equity and liabilities		**2,746,328**	**2,730,914**	**2,651,059**

Notes (1) to (19) are an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the Period from December 1, 2018 to August 31, 2019

			Other comprehensive income					
in EUR k	Subscribed capital	Capital reserve	IFRS 9/ IAS 39 reserve	Currency translation reserve	Retained earnings	Equity attributable to equity holders of the parent	Non-controlling interests	**Total equity**
As of November 30/December 1, 2017	**31,400**	**513,827**	**-5**	**-71,021**	**278,862**	**753,063**	**36,462**	**789,525**
Net income	–	–	–	–	85,850	85,850	1,604	87,454
Other comprehensive income	–	–	-1	-15,096	-61	-15,158	-575	-15,733
Total comprehensive income	**–**	**–**	**-1**	**-15,096**	**85,789**	**70,692**	**1,029**	**71,721**
Acquisition of non-controlling interests	–	–	–	–	16,979	16,979	-19,081	-2,102
Distribution	–	–	–	–	-34,540	-34,540	–	-34,540
As of August 31, 2018	**31,400**	**513,827**	**-6**	**-86,117**	**347,090**	**806,194**	**18,410**	**824,604**
As of November 30, 2018	**31,400**	**513,827**	**-6**	**-67,139**	**394,578**	**872,660**	**17,473**	**890,133**
Conversion effect first-time adoption IFRS 15	–	–	–	–	521	521	–	521
Conversion effect first-time adoption IFRS 9	–	–	2,533	–	–	2,533	–	2,533
Adjusted total as of December 1, 2018	**31,400**	**513,827**	**2,527**	**-67,139**	**395,099**	**875,714**	**17,473**	**893,187**
Net income	–	–	–	–	163,967	163,967	1,543	165,510
Other comprehensive income	–	–	–	9,650	–	9,650	-5	9,645
Total comprehensive income	**–**	**–**	**–**	**9,650**	**163,967**	**173,617**	**1,538**	**175,155**
Distribution	–	–	–	–	-36,110	-36,110	-3,256	-39,366
As of August 31, 2019	**31,400**	**513,827**	**2,527**	**-57,489**	**522,956**	**1,013,221**	**15,755**	**1,028,976**

Notes (1) to (19) are an integral part of these interim consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT

for the Period from December 1, 2018 to August 31, 2019

in EUR k	Notes	Q1-Q3 2019	Q1-Q3 2018
Net income		165,510	87,454
Income taxes	(8)	18,413	-25,478
Amortization/impairment losses of intangible assets		46,194	29,498
Depreciation/impairment losses of property, plant and equipment		65,405	69,212
Share of profit or loss of associated companies and other investment income		-217	–
Change in other provisions		-8,539	-3,225
Change in provisions for pensions and similar obligations		-6,908	-8,884
Gain (-)/Loss (+) on the disposal of non-current assets/liabilities	(6)	-2,804	108
Net finance expense		20,274	25,675
Interests paid		-8,924	-19,040
Interests received		596	764
Income taxes paid		-27,391	-29,303
Income taxes received		1,550	3,581
Change in inventories		-27,531	-29,979
Change in trade receivables and other assets		11,715	-8,350
Change in trade payables and other liabilities		-188,194	-27,905
Other non-cash expenses/income		-3,823	3,719
Cash flow from operating activities		**55,326**	**67,847**
Cash received from disposals of non-current assets		5,132	222
Cash paid for capital expenditure			
in intangible assets		-6,469	-4,146
in property, plant and equipment		-82,165	-41,041
in financial assets		-526	–
Cash paid for the acquisition of subsidiaries, net of cash received	(3)	-43,499	-172,489
Cash flow from investing activities		**-127,527**	**-217,454**
Distributions to third parties	(9)	-39,410	-34,540
Distributions from third parties		217	–
Raising of loans	(3)	346,319	346,880
Repayment of loans	(3)	-240,785	-361,033
Cash paid for finance lease and installment purchases	(3)	-2,532	-503
Cash flow from financing activities		**63,809**	**-49,196**
Changes in financial resources		**-8,392**	**-198,803**
Effect of exchange rate changes on financial resources		127	-3,235
Financial resources at the beginning of the period		61,936	271,596
Financial resources at the end of the period		**53,671**	**69,558**
Components of the financial resources			
Cash and cash equivalents		80,725	86,941
Bank overdrafts		-27,054	-17,383
Financial resources at the end of the period		**53,671**	**69,558**

Notes (1) to (19) are an integral part of these interim consolidated financial statements.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

of Gerresheimer AG for the Period from December 1, 2018 to August 31, 2019

(1) General Information

The Gerresheimer Group based in Duesseldorf, Germany, comprises Gerresheimer AG and its direct and indirect subsidiaries.

The present interim consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS), applicable as of the reporting date, issued by the International Accounting Standards Board (IASB) as adopted by the European Union as well as with regulations under commercial law as set forth in section 315e paragraph 1 of the German Commercial Code (Handelsgesetzbuch/HGB) and in accordance with IAS 34 “Interim Financial Reporting”. These notes to the interim consolidated financial statements therefore do not contain all the information and details required by IFRS for consolidated financial statements at the end of a financial year, and should be read in conjunction with the consolidated financial statements as of November 30, 2018. The present financial statements have not been reviewed by our auditors.

The consolidated income statement was drawn up using the function of expense method and is supplemented by a consolidated statement of comprehensive income. The same accounting principles generally apply as in the consolidated financial statements for 2018.

The following new or revised standards and interpretations were additionally adopted for the first time:

- IFRS 9, Financial Instruments
- IFRS 15, Revenue from Contracts with Customers
- Clarifications to IFRS 15, Revenue from Contracts with Customers
- Amendments to IFRS 2, Classification and Measurement of Share-based Payment Transactions
- Amendments to IFRS 4, Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts
- Amendments to IAS 40, Transfers of Investment Property
- IFRIC 22, Foreign Currency Transactions and Advance Consideration
- Annual Improvements to IFRSs, 2014 – 2016 Cycle: The amendments to IFRS 1 and IAS 28

IFRS 9 „Financial Instruments“ replaces the previous Standard IAS 39 „Financial Instruments: Recognition and Measurement“ and introduces a new classification model and new measurement requirements as well as a new impairment model for financial assets. Furthermore, the general hedge accounting requirements were revised. With regard to financial liabilities, on the other hand, IFRS 9 largely retains the previous requirements unaltered. As permitted under the transitional provisions in IFRS 9, Gerresheimer has opted not to restate prior-year figures. Transition effects from application of IFRS 9 as of December 1, 2018 are recognized cumulatively in other comprehensive income and the comparative period is presented in accordance with the previous rules. Furthermore, Gerresheimer has opted to continue to apply the requirements of IAS 39 to hedge accounting.

With the introduction of the new classification and measurement model, classification and measurements refer to the underlying business model and the contractual cash flows of the financial assets. Assessment of these conditions results in the following classification categories for financial assets: measured at amortized cost, at fair value through profit or loss (FVTPL), and at fair value through other comprehensive income (FVTOCI). The following table shows the reconciliation of the classification and measurement categories for financial assets and liabilities from IAS 39 to IFRS 9:

in EUR k	Measurement category in accordance with IAS 39	Carrying amount in accordance with IAS 39 as of Nov. 30, 2018	Measurement category in accordance with IFRS 9	Carrying amount in accordance with IFRS 9 as of Dec. 1, 2018
Fair value of derivative financial instruments	At fair value through profit or loss	204	At fair value through profit or loss	204
Investments	Available-for-sale financial assets	400	At fair value through other comprehensive income	2,933
Refund claims for pension benefits	Loans and receivables	3,474	At amortized cost	3,474
Refund claims from third parties	Loans and receivables	10,204	At amortized cost	10,204
Other loans	Loans and receivables	1,630	At amortized cost	1,630
Other	Loans and receivables	5,722	At amortized cost	5,722
	Available-for-sale financial assets	74	At fair value through other comprehensive income	74
Trade receivables[1]	Loans and receivables	273,531	At amortized cost	273,531
Cash and cash equivalents	Loans and receivables	80,570	At amortized cost	80,570
Financial assets		**375,809**		**378,342**
Promissory loans	At amortized cost	674,046	At amortized cost	674,046
Liabilities to banks	At amortized cost	283,270	At amortized cost	283,270
Fair value of derivative financial instruments	At fair value through profit or loss	1,346	At fair value through profit or loss	1,346
Other	At amortized cost	33,907	At amortized cost	33,907
	At fair value through profit or loss	148,531	At fair value through profit or loss	148,531
Trade payables	At amortized cost	207,402	At amortized cost	207,402
Financial liabilities		**1,348,502**		**1,348,502**

[1] Including receivables from construction contracts in the amount of EUR 55,611k.

From December 1, 2018 onwards, the investment in Securetec Detektions-Systeme AG, Neubiberg (Germany), that has previously been carried at cost, is measured at fair value on the basis of the discounted cash flow approach and designated to the category "measured at fair value through other comprehensive income". The effect from the increase of the carrying amount by EUR 2,533k was recognized in equity (other comprehensive income) as of December 1, 2018.

The new impairment model in IFRS 9 replaces the "incurred loss" model in IAS 39 with a forward looking "expected credit loss" (ECL) model. The new impairment model applies to financial assets measured at amortized cost or at fair value through other comprehensive income, except for investments in equity instruments, and to contract assets. There are exceptions for trade receivables and for contract assets recognized under IFRS 15. If such items do not have a material financing component, all expected losses must be taken into account on initial recognition. Where they do have a material financing component, the entity can elect to recognize full lifetime expected losses. Gerresheimer holds debt instruments almost exclusively in the form of current trade receivables. Transition to the expected credit loss model did not have a material impact here, in part due to existing credit insurance.

The new standard **IFRS 15** "Revenue from Contracts with Customers" combines the previous revenue recognition requirements and brings them under a uniform revenue recognition model. It notably replaces IAS 18 "Revenue", IAS 11 "Construction Contracts" and various revenue-related interpretations. IFRS 15 introduces a five-step model that determines the amount of revenue recognized and whether revenue is recognized at a point in time or over time. Under IFRS 15, amounts are to be recognized as revenue that the entity expects in consideration for transferring goods or services to a customer. Revenue is recognized when the entity transfers control of goods or services either over time or at a point in time. The standard also includes numerous other detailed requirements and additions to notes disclosures.

Gerresheimer has opted for modified retrospective first-time application of the requirements under IFRS 15, which means that the reporting period is presented in accordance with IFRS 15, while the comparative prior-year period is presented in accordance with IAS 11/IAS 18. The cumulative effects of first-time application of the new standard on contracts not yet fully completed as of December 1, 2018 are recognized in retained earnings as of December 1, 2018.

In consignment arrangements, where products and merchandise remain the property of the Gerresheimer Group until withdrawn by the customer, revenue was until now recognized when the customer withdraws the products and merchandise from the consignment store. Under some arrangements, however, customers now obtain control upon delivery of the products and merchandise to the consignment store. There are also agreements with various customers on molds used in the production process, where the customer obtains control on acceptance of each mold. Both of these situations result in revenue being recognized earlier than under the previous rules.

Advance payments in connection with product deliveries have been previously reported under prepayments received in other liabilities. With the introduction of IFRS 15, these are reported as contract liabilities. Up to now, advance payments and receivables in connection with customer-specific construction contracts have been reported on a gross basis under trade receivables and under other liabilities. Under IFRS 15, the prepayments received are to be included in the calculation of the respective contract balance; to this extent, there is a balanced presentation of a net contractual item under trade receivables or trade payables.

The effects of the adaptation of IFRS 9 and IFRS 15 to the opening balance sheet as of December 1, 2018 are as follows:

ASSETS

in EUR k	**Nov. 30, 2018**	Adjustments IFRS 9	Adjustments IFRS 15	**Dec. 1, 2018**
Non-current assets				
Deferred tax assets	19,495	–	13	19,508
Other non-current assets	2,139,561	2,533	–	2,142,094
	2,159,056	**2,533**	**13**	**2,161,602**
Current assets				
Inventories	171,490	–	-695	170,795
Trade receivables	273,531	–	-26,823	246,708
Other current assets	126,837	–	–	126,837
	571,858	**–**	**-27,518**	**544,340**
Total assets	**2,730,914**	**2,533**	**-27,505**	**2,705,942**

EQUITY AND LIABILITIES

in EUR k	**Nov. 30, 2018**	Adjustments IFRS 9	Adjustments IFRS 15	**Dec. 1, 2018**
Equity				
Retained earnings	394,578	–	521	395,099
Other equity	495,555	2,533	–	498,088
	890,133	**2,533**	**521**	**893,187**
Non-current liabilities				
Deferred tax liabilities	167,862	–	222	168,084
Other provisions	10,945	–	–	10,945
Trade payables	120	–	420	540
Other liabilities	503	–	-420	83
Other non-current liabilities	893,000	–	-	893,000
	1,072,430	**–**	**222**	**1,072,652**
Current liabilities				
Other provisions	44,951	–	–	44,951
Trade payables	207,282	–	6,259	213,541
Other liabilities	107,619	–	-34,507	73,112
Other current liabilities	408,499	–	–	408,499
	768,351	**–**	**-28,248**	**740,103**
	1,840,781	**–**	**-28,026**	**1,812,755**
Total equity and liabilities	**2,730,914**	**2,533**	**-27,505**	**2,705,942**

First-time adoption of the other above-mentioned standards and interpretations have not had any significant effect on these interim consolidated financial statements.

Preparation of the interim consolidated financial statements requires estimates, assumptions and judgments that affect the recognition and measurement of assets and liabilities, the amount of recognized income and expense and the disclosure of contingent liabilities and receivables. Although the estimates are subject to ongoing review and made to the best of management's knowledge of current events and transactions, actual future results may differ from the estimated amounts.

The interim consolidated financial statements are presented in euros, the functional currency of the parent company. Individual values as well as subtotal values reflect the value with the smallest rounding difference. Consequently, minor differences to subtotal values can occur when adding up reported individual values. The following exchange rates were used to translate the major currencies into reporting currency:

		Closing rate		Average rate	
1 EUR		**Aug. 31, 2019**	Aug. 31, 2018	**Q1-Q3 2019**	Q1-Q3 2018
Argentina	ARS	**63.9140**	45.1144	**48.2444**	28.1633
Brazil	BRL	**4.5879**	4.8591	**4.3695**	4.2065
Switzerland	CHF	**1.0909**	1.1281	**1.1220**	1.1625
China	CNY	**7.8908**	7.9664	**7.7281**	7.7777
Czech Republic	CZK	**25.9140**	25.7350	**25.7392**	25.5871
Denmark	DKK	**7.4562**	7.4558	**7.4641**	7.4480
India	INR	**78.8365**	82.7245	**78.9463**	79.3631
Republic of North Macedonia	MKD	**61.4669**	–	**61.5086**	–
Mexico	MXN	**22.1567**	22.3628	**21.9497**	22.6865
Poland	PLN	**4.3812**	4.2913	**4.2969**	4.2393
Singapore	SGD	**1.5312**	1.5965	**1.5390**	1.6006
United States of America	USD	**1.1036**	1.1651	**1.1289**	1.1959

The consolidated financial statements of Gerresheimer AG as of November 30, 2018 are published in German in the Federal Law Gazette (Bundesanzeiger) and on the internet at www.gerresheimer.com.

(2) Consolidated Group

With effective date March 20, 2019, Trade company for production, trade and services GERRESHEIMER SKOPJE DOOEL Skopje (Skopje/Republic of North Macedonia) was newly established. As of August 31, 2019 this company has no significant impact on the net assets, financial position and results of operations or cash flows of the Gerresheimer Group.

(3) Consolidated Cash Flow Statement

The consolidated cash flow statement shows how the financial resources of the Gerresheimer Group have changed due to cash inflows and outflows during the financial year. The cash flow effects of acquisitions, divestments and other changes in the consolidated group are presented separately. In the reporting period, the item "Cash paid for the acquisition of subsidiaries, net of cash received" includes the second fixed purchase price component paid as of December 17, 2018 and the payment of a contingent purchase price component on July 2, 2019 for the acquisition of Sensile Medical AG (Olten/Switzerland). Financial resources as reported in the consolidated cash flow statement comprise cash and cash equivalents, which is cash on hand, checks and bank balances, diminished by bank overdrafts.

The change in liabilities from financing activities is as follows:

in EUR k	Nov. 30, 2018	Cash flows: Cash inflow	Cash flows: Cash outflow	Non-cash changes: Disposals	Non-cash changes: Currency effects	Non-cash changes: New contracts	Non-cash changes: Fair value changes	Aug. 31, 2019
Promissory loans	674,046	–	–	–	–	–	186	674,232
Liabilities to banks	264,636	346,319	-240,785	–	2,112	–	795	373,077
Finance lease and installment purchase liabilities	7,747	–	-2,532	-1,675	175	2,143	–	5,858
	946,429	**346,319**	**-243,317**	**-1,675**	**2,287**	**2,143**	**981**	**1,053,167**

Other financial liabilities as reported in the consolidated balance sheet comprise liabilities, which are not reported in the cash flow from financing activities in the consolidated cash flow statement.

(4) Seasonal Effects on Business Activity

The business is subject to seasonal influences, as revenues and cash flows in Europe and North America are usually lowest in the holiday period in December/January and during the summer months.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(5) Revenues

Revenues break down as follows:

in EUR k	Q1-Q3 2019	Q1-Q3 2018
By Division		
Plastics & Devices	541,981	526,632
Primary Packaging Glass	463,209	446,791
Advanced Technologies	20,106	3,458
Segment revenues	**1,025,296**	**976,881**
Intra-Group revenues	-1,656	-267
Revenues	**1,023,640**	**976,614**

in EUR k	Q1-Q3 2019	Q1-Q3 2018
By Region[1)]		
Europe	340,506	325,705
Americas	274,669	264,279
Germany	231,183	218,128
Emerging markets	163,575	151,800
Other regions	13,707	16,702
Revenues	**1,023,640**	**976,614**

[1)] The revenues shown here for Europe exclude revenues in Germany, Poland, Russia and Turkey, and the revenues shown for the Americas exclude revenues in Argentina, Brazil, Chile, Colombia and Mexico.

IQVIA kept its definition of emerging markets unchanged since the prior financial year, therefore 22 countries are classified as emerging markets as before. According to the current definition employed by IQVIA, emerging market revenues comprise revenues in Algeria, Argentina, Bangladesh, Brazil, Chile, China, Colombia, Egypt, India, Indonesia, Kazakhstan, Mexico, Nigeria, Pakistan, Philippines, Poland, Russia, Saudi Arabia, South Africa, Thailand, Turkey and Vietnam.

Revenues include EUR 48,081k (comparative prior-year period: EUR 25,194k) of customer-specific contract revenue recognized. In this case, revenue is recognized over time. The increase is mainly attributable to Sensile Medical, which is part of the Gerresheimer Group since the date of acquisition on June 30, 2018. Other revenues mainly result from sales of goods, whereby revenue recognition is based on a point in time.

(6) Other Operating Income

Significant components of other operating income of EUR 132,713k (comparative prior-year period: EUR 19,862k) represent income from the derecognition of contingent purchase price components from the acquisition of Sensile Medical in the amount of EUR 118,563k. This results from a customer´s announcement that he will not continue a project to develop a micro pump for the treatment of heart diseases with Sensile Medical and from project postponements. Gerresheimer has hedged this risk economically by agreeing to a contingent purchase price. Furthermore one-off income amounts to EUR 2,941k (comparative prior-year period: EUR 742k). This is mainly attributable to a book gain from the sale of a piece of land in Switzerland, which was reported as a non-current asset held for sale in the consolidated balance sheet as of November 30, 2018. In addition, income from the reversal of provisions of EUR 3,122k (comparative prior-year period: EUR 2,799k) is included in other operating income. This income mainly results from provisions for guarantees, which have been accounted for in prior periods and are no longer needed.

(7) Other Operating Expenses

Other operating expenses in the amount of EUR 11,278k (comparative prior-year period: EUR 15,313k) are mainly related to one-off expenses of EUR 5,585k, which substantially result from the announced closure of our plant in Kuessnacht (Switzerland).

(8) Income Taxes

Income taxes break down as follows:

in EUR k	Q1-Q3 2019	Q1-Q3 2018
Current income taxes	-22,638	-21,609
Deferred income taxes	4,225	47,087
Income taxes	**-18,413**	**25,478**

Other operating income from the derecognition of contingent purchase price components in connection with the acquisition of Sensile Medical in the first half of 2019 is not taxable.

In the comparative prior-year period, income from income taxes of EUR 25,478k was significantly influenced by the revaluation of the recognized deferred taxes of our US subsidiaries included in the consolidated financial statements due to the US tax reform signed on December 22, 2017. Without this positive one-off effect of USD 52,851k, which corresponds to EUR 44,193k at exchange rates of the first nine months of the financial year 2018, there would have been an income tax expense of EUR 18,715k.

Excluding other operating income related to the derecognition of contingent purchase price components from the acquisition of Sensile Medical of EUR 118,563k in the first half of the financial year 2019 and the revaluation of deferred taxes due to the US tax reform in the comparative prior-year period, this would result in a tax rate of 28.2% for the first three quarters of 2019 and 30.2% for the same period in the prior year.

(9) Distributions to Third Parties

In addition to the dividend distribution of EUR 36,110k (prior year: EUR 34,540k) to the shareholders of Gerresheimer AG, there was a distribution to non-controlling interests of Kimble Chase Holding LLC, Vineland (New Jersey/USA) of EUR 3,300k in the reporting period.

(10) Intangible Assets

At the beginning of 2019, a customer of Sensile Medical cancelled a project to develop a micro pump for the treatment of heart diseases. Furthermore, there were postponements of customer projects in the second quarter of 2019. These lead to contractual milestones being achieved at a later point in time. In the first quarter 2019 and the second quarter 2019, this was an indication for a review of the goodwill and non-current assets of the cash-generating unit Sensile Medical for its recoverability (impairment test). As a result of the impairment tests as of February 28, 2019 and as of May 31, 2019, the recoverable amount of the cash-generating unit continues to exceed its carrying amount. Consequently, the recognition of an impairment loss was not necessary.

(11) Inventories

Inventories break down as follows:

in EUR k	Aug. 31, 2019	Nov. 30, 2018
Raw materials, consumables and supplies	64,241	52,944
Work in progress	22,540	16,078
Finished goods and merchandise	106,880	97,749
Prepayments made	5,840	4,719
Inventories	**199,501**	**171,490**

Write-downs of inventories totaling EUR 6,546k (comparative prior-year period: EUR 6,065k) were recognized as an expense in the reporting period. When the circumstances that caused a write-down no longer exist, the write-down is reversed. Reversals of write-downs amounted to EUR 643k (comparative prior-year period: EUR 320k) in the reporting period. Further information on the development of inventories is provided in the net working capital section of the Interim Group Management Report.

(12) Contract Assets and Contract Liabilities

With the introduction of IFRS 15, contract assets and contract liabilities have been introduced. They will be reported under trade receivables and under trade payables.

As of August 31, 2019 trade receivables include contract assets in the amount of EUR 33,235k (December 1, 2018: EUR 28,788k). Trade payables comprise contract liabilities of EUR 13,410k (December 1, 2018: EUR 6,679k), of which EUR 95k (December 1, 2018: EUR 420k) are classified as non-current.

(13) Financial Liabilities

In connection with the refinancing of the syndicated loans, a revolving loan agreement of EUR 450,000k was signed on June 9, 2015 with a five-year term to maturity. As of the balance sheet date, EUR 368,555k of the revolving credit facility had been drawn.

On November 10, 2015, promissory loans for a total of EUR 425,000k were launched with maturities of five, seven and ten years. In connection with the refinancing of the bond which was repaid in May 2018, promissory loans for a total of EUR 250,000k were issued on September 27, 2017 with maturities of five, seven and ten years.

(14) Reporting on Financial Instruments

The Group's capital management objectives primarily consist of maintaining and ensuring the best-possible capital structure to reduce cost of capital, ensuring a sufficient level of cash and cash equivalents as well as active management of net working capital. Net financial debt as of August 31, 2019 amounts to EUR 1,000,441k (November 30, 2018: EUR 886,409k); net working capital is EUR 281,876k (November 30, 2018: EUR 202,692k).

The Gerresheimer Group's risk management system for credit risk, liquidity risk and individual market risks, including interest risks, currency risks and other price risks, is described, including its objectives, policies and processes and their measures to monitor the covenants to be complied with, in the Opportunity and Risk Report section of the Group Management Report of the Annual Report as of November 30, 2018.

Information on financial instruments by category and class

By type of determination of the fair values of financial assets and financial liabilities, three hierarchy levels must be distinguished. Gerresheimer reviews the categorization of fair value measurements to levels in the fair value hierarchy at the end of each reporting period.

Level 1: Fair values are determined on the basis of quoted prices in an active market.

Level 2: If no active market for a financial asset or a financial liability exists, fair value is established by using valuation techniques. The fair value measurements categorized in Level 2 were determined on the basis of prices in the most recent transactions with willing and independent parties or using valuation techniques that only take into account directly or indirectly observable inputs.

Level 3: The fair value measurements are based on models incorporating unobservable inputs that are significant to the measurement.

The following table shows the allocation of financial assets and liabilities by classes and categories according to IFRS 9 (prior year: IAS 39) into the respective hierarchy level:

	Aug. 31, 2019			
in EUR k	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets designated "at fair value through other comprehensive income"				
Investments	–	2,812	–	2,812
Securities	74	–	–	74
Financial assets designated "at fair value through profit and loss"				
Investments	–	650	–	650
Derivative financial assets	–	584	–	584
Measured at fair value	**74**	**4,046**	**–**	**4,120**
Financial liabilities designated "at fair value through profit and loss"				
Contingent purchase price liabilities	–	–	11,238	11,238
Derivative financial liabilities	–	1,407	–	1,407
Measured at fair value	**–**	**1,407**	**11,238**	**12,645**

	Nov. 30, 2018			
in EUR k	Level 1	Level 2	Level 3	Total
Financial assets designated "available-for-sale financial assets"				
Securities	74	–	–	74
Financial assets designated "at fair value through profit and loss"				
Derivative financial assets	–	204	–	204
Measured at fair value	**74**	**204**	**–**	**278**
Financial liabilities designated "at fair value through profit and loss"				
Contingent purchase price liabilities	–	–	148,531	148,531
Derivative financial liabilities	–	1,346	–	1,346
Measured at fair value	**–**	**1,346**	**148,531**	**149,877**

The following table shows the carrying amounts and fair values of the individual financial assets and financial liabilities for each category of financial instruments and reconciles them to the corresponding balance sheet items:

	Aug. 31, 2019			
	At amortized cost		At fair value	
in EUR k	Carrying amount	*For information purposes: Fair value*	Carrying amount	**Balance sheet amount**
Trade receivables	259,147	*259,147*	–	259,147[1]
At amortized cost	259,147	*259,147*	–	
Other financial assets	19,115	*19,115*	4,120	23,235
At fair value through other comprehensive income	–	–	2,886	
At fair value through profit or loss	–	–	1,234	
At amortized cost	19,115	*19,115*	–	
Cash and cash equivalents	80,725	*80,725*	–	80,725
At amortized cost	80,725	*80,725*	–	
Financial assets	**358,987**	***358,987***	**4,120**	**363,107**
Other financial liabilities	1,087,539	–	12,645	1,100,184
At amortized cost	1,087,539	–	–	
At fair value through profit or loss	–	–	12,645	
Trade payables	176,771	*176,771*	–	176,771
At amortized cost	176,771	*176,771*	–	
Financial liabilities	**1,264,310**	***176,771***	**12,645**	**1,276,955**

	Nov. 30, 2018			
	At amortized cost		At fair value	
in EUR k	Carrying amount	*For information purposes: Fair value*	Carrying amount	**Balance sheet amount**
Trade receivables	217,920	*217,920*	–	217,920[2]
Loans and receivables	217,920	*217,920*	–	
Other financial assets	21,430	*21,030*	278	21,708
Available-for-sale financial assets	400[3]	–	74	
At fair value through profit or loss	–	–	204	
Loans and receivables	21,030	*21,030*	–	
Cash and cash equivalents	80,570	*80,570*	–	80,570
Financial assets	**319,920**	***319,520***	**278**	**320,198**
Other financial liabilities	991,223	*991,223*	149,877	1,141,100
At amortized cost	991,223	*991,223*	–	
At fair value through profit or loss	–	–	149,877	
Trade payables	207,402	*207,402*	–	207,402
At amortized cost	207,402	*207,402*	–	
Financial liabilities	**1,198,625**	***1,198,625***	**149,877**	**1,348,502**

[1] Including contract assets in the amount of EUR 33,235k.
[2] Receivables from construction contracts are additionally recognized in the consolidated balance sheet in the amount of EUR 55,611k as of November 30, 2018.
[3] Due to the non-availability of a reliably estimable quoted price, the fair value of investments with a carrying amount of EUR 400k is not stated. The valuation standard is the acquisition cost.

Liabilities measured at amortized cost include finance lease liabilities for which Group companies are the lessees, and liabilities from installment purchases. As of August 31, 2019, these liabilities amount to EUR 5,858k (November 30, 2018: EUR 7,747k).

The fair values of receivables, loans and liabilities are measured at the present value of future cash flows discounted at the current interest rate as of the balance sheet date. The fair values are discounted at an interest rate, taking into account the maturity of the asset or the remaining term of the liability and the counterparty's credit standing as of the balance sheet date.

Due to the predominantly short terms, the fair values of trade receivables, trade payables, other financial assets, other financial liabilities as well as cash and cash equivalents do not differ significantly from their carrying amounts.

OTHER NOTES

(15) Other Financial Obligations

Other financial obligations not recognized in the consolidated balance sheet break down as follows:

in EUR k	**Aug. 31, 2019**	Nov. 30, 2018
Obligations under rental and operating lease agreements	41,013	37,905
Capital expenditure commitments	49,648	26,943
Sundry other financial obligations	8,551	7,703
Other financial obligations	**99,212**	**72,551**

The obligations under rental and operating lease agreements mainly relate to plant as well as to land and buildings used for operating purposes.

(16) Contingent Assets

During scheduled maintenance at the end of August 2019, a damage to the furnace at one of our Primary Packaging Glass locations in the US occurred, which led among other things to glass seepage. Currently, we expect total damage to be in the high single-digit to low double-digit million euro range. The damage to the furnace and the resulting business interruption are expected to be covered by insurance compensation.

(17) Segment Reporting

Segment reporting follows internal reporting according to the management approach.

In the Gerresheimer Group, the Management Board of Gerresheimer AG, as the chief operating decision maker, allocates resources to the operating segments and assesses their performance. The reportable segments and regions as well as the performance data shown are consistent with the internal management and reporting system.

The Gerresheimer Group is managed through strategic business units organized as divisions. These are aggregated into reporting segments based on their specific production technologies and the materials we use in our products.

The Gerresheimer Group is divided into the three reportable divisions Plastics & Devices, Primary Packaging Glass and Advanced Technologies.

Our product portfolio in the **Plastics & Devices Division** encompasses complex, customer-specific products for simple and safe drug delivery. These include insulin pens, inhalers and pre-fillable syringes. The division also covers diagnostics and medical technology products such as skin-prick aids and test systems as well as pharmaceutical plastic containers for liquid and solid medicines with closure and safety systems.

In the **Primary Packaging Glass Division**, we produce glass primary packaging products for drugs and cosmetics. This includes pharma jars, ampoules, injection vials, cartridges, perfume flacons and cream jars, plus special glass containers for the food and beverage industry.

The **Advanced Technologies Division** develops and manufactures intelligent drug delivery systems. The Swiss tech company Sensile Medical forms the basis of this division, which offers pharmaceutical and biotech companies drug delivery systems with state-of-the-art digital and electronic capabilities. Its patented micro pumps can be used to self-administer medication for diabetes or Parkinson's disease, for example. Furthermore, smart inhalation measurement systems are developed in the Advanced Technologies Division.

The effects of services of Gerresheimer AG, consolidation measures and inter-segment reconciliations are presented in the segment reporting in the column "Head office/consolidation". The measurement principles for segment reporting are based on the IFRSs applied in the consolidated financial statements.

In the following, the key indicators used by Gerresheimer AG for assessing the performance of the divisions as well as additional indicators by region are shown:

Segment Data by Division

in EUR k	Plastics & Devices		Primary Packaging Glass		Advanced Technologies[1]		Head office/ consolidation		Group	
	Q1-Q3 2019	Q1-Q3 2018	**Q1-Q3 2019**	Q1-Q3 2018	**Q1-Q3 2019**	Q1-Q3 2018	**Q1-Q3 2019**	Q1-Q3 2018	**Q1-Q3 2019**	Q1-Q3 2018
Segment revenues at constant exchange rates[2]	538,477	528,705	459,019	450,556	20,106	3,458	–	–	1,017,602	982,719
Exchange rate effects	3,504	-2,073	4,190	-3,765	–	–	–	–	7,694	-5,838
Segment revenues	541,981	526,632	463,209	446,791	20,106	3,458	–	–	1,025,296	976,881
Intra-Group revenues	-1,656	-185	–	-82	–	–	–	–	-1,656	-267
Revenues with third parties	**540,325**	**526,447**	**463,209**	**446,709**	**20,106**	**3,458**	**–**	**–**	**1,023,640**	**976,614**
Adjusted EBITDA at constant exchange rates[2), 3)]	125,078	134,081	86,588	83,882	4,029	-2,030	100,252	-16,419	315,947	199,514
Exchange rate effects	1,479	-1,215	1,041	-781	–	–	–	-4	2,520	-2,000
Adjusted EBITDA[3]	126,557	132,866	87,629	83,101	4,029	-2,030	100,252	-16,423	318,467	197,514
Depreciation and amortization[4]	-31,585	-34,244	-34,803	-35,777	-1,962	-342	-1,573	-1,494	-69,923	-71,857
Adjusted EBITA[5]	94,972	98,622	52,826	47,324	2,067	-2,372	98,679	-17,917	248,544	125,657
Net Working Capital	127,478	118,360	124,841	114,721	31,533	1,565	-1,976	-877	281,876	233,769
Operating Cash Flow	36,411	75,446	33,911	49,670	-17,074	-2,855	98,033	-20,716	151,281	101,545
Capital expenditure[6]	48,616	26,324	37,050	17,730	2,151	45	2,956	1,088	90,773	45,187
Employees (average)	4,483	4,477	5,162	5,180	112	113	115	114	9,872	9,884

[1] The Advanced Technologies Division, established following the acquisition of Sensile Medical, consists of the Sensile Medical Business Unit. The acquisition date for the acquisition of Sensile Medical was June 30, 2018. For further information, please see Note (2) of the Notes to the Consolidated Financial Statements 2018.
[2] Translated at budget rates 2019, which can be found in the outlook section of this Interim Group Management Report.
[3] Adjusted EBITDA: Net income before income taxes, net finance expense, amortization of fair value adjustments, depreciation and amortization, impairment losses, restructuring expenses, and one-off income and expenses.
[4] In the prior-year, this included impairments of EUR 1,796k, thereof EUR 1,731k relating to the Plastics & Devices Division and EUR 65k relating to the Primary Packaging Glass Division.
[5] Adjusted EBITA: Net income before income taxes, net finance expense, amortization of fair value adjustments, impairment losses, restructuring expenses, and one-off income and expenses.
[6] This includes additions from finance leases and from installment purchases of EUR 2,143k (comparative prior-year period: EUR 0k), thereof EUR 1,903k relating to the head office and EUR 240k relating to the Plastics & Devices Division. Both were not cash effective in the reporting period.

Key Indicators by Region[1)]

in EUR k	Europe		Germany		Americas		Emerging markets		Other regions		Group	
	Q1-Q3 2019	Q1-Q3 2018	**Q1-Q3 2019**	Q1-Q3 2018	**Q1-Q3 2019**	Q1-Q3 2018	**Q1-Q3 2019**	Q1-Q3 2018	**Q1-Q3 2019**	Q1-Q3 2018	**Q1-Q3 2019**	Q1-Q3 2018
Revenues by target region[2)]	340,506	325,705	231,183	218,128	274,669	264,279	163,575	151,800	13,707	16,702	1,023,640	976,614
Revenues by region of origin[3)]	201,088	191,695	395,443	371,001	248,100	250,850	179,009	163,068	–	–	1,023,640	976,614
Non-current assets[4)]	544,223	556,667	674,914	626,327	730,194	723,059	182,379	171,492	–	–	2,131,710	2,077,545
Employees (average)	1,822	1,933	3,564	3,425	1,078	1,072	3,408	3,454	–	–	9,872	9,884

[1)] For further explanations on the regions we refer to Note (5).
[2)] Revenues by location of customer registered office.
[3)] Revenues by location of supplier registered office.
[4)] Non-current assets do not include financial instruments, deferred tax assets, post-employment benefits or rights arising from insurance contracts.

Reconciliation from adjusted segment EBITA to net income is shown in the following table:

in EUR k	**Q1-Q3 2019**	Q1-Q3 2018
Adjusted segment EBITA	149,865	143,574
Head office/consolidation	98,679	-17,917
Adjusted Group EBITA	**248,544**	**125,657**
Acquisition of Sensile Medical	–	-1,675
Portfolio optimization	-1,794	-4,697
One-off income and expenses	-876	-4,781
Amortization of fair value adjustments	-41,677	-26,853
Results of operations	**204,197**	**87,651**
Net finance expense	-20,274	-25,675
Income taxes	-18,413	25,478
Net income	**165,510**	**87,454**

Transfer prices between the divisions are based on customary market prices on arm's length terms.

(18) Related Party Disclosures

In the course of our operating activities, we conduct business with legal entities and individuals who are able to exert influence on Gerresheimer AG or its subsidiaries or are controlled or significantly influenced by Gerresheimer AG or its subsidiaries.

Related parties include companies that are related parties of members of the Supervisory Board of Gerresheimer AG, non-consolidated companies and associates, and members of the Gerresheimer AG Supervisory Board and Management Board.

The table below shows transactions with related parties:

	Q1-Q3 2019		**Aug. 31, 2019**		Q1-Q3 2018		Aug. 31, 2018	
in EUR k	**Sale of goods and services**	**Purchase of goods and services**	**Trade receivables**	**Trade payables**	Sale of goods and services	Purchase of goods and services	Trade receivables	Trade payables
Company in relation to a member of the Gerresheimer AG Supervisory Board	2,345	–	153	–	2,060	–	258	–
Associated companies	1	1,752	–	101	9	1,901	–	107
	2,346	**1,752**	**153**	**101**	**2,069**	**1,901**	**258**	**107**

The transactions carried out are attributable to the Vetter Pharma-Fertigung GmbH & Co. KG, Ravensburg (Germany), which is related to a member of the Gerresheimer AG Supervisory Board.

The transactions carried out with associated companies are fully attributable to the companies Gerresheimer Tooling LLC, Peachtree City (Georgia/USA) and PROFORM CNC Nastrojarna spol. s r.o., Horsovsky Tyn (Czech Republic).

All transactions are conducted at market prices and on arm’s length terms.

(19) Events after the Balance Sheet Date

On September 26, 2019, Gerresheimer AG signed a new framework loan agreement for a syndicated loan with a five-year term plus two one-year renewal options in the form of a revolving credit facility in the amount of EUR 550,000k. The new credit facility was drawn for the first time on October 8, 2019. The underlying commercial covenant of the revolving credit facility which has to be complied with is the ratio of net debt to adjusted EBITDA (adjusted EBITDA leverage). The revolving credit facility bears interest over a base interest rate for the respective drawing period plus a margin surcharge depending on the fulfillment of the adjusted EBITDA leverage plus a usage fee depending on the respective amount drawn.

Beyond that there were no further subsequent events after August 31, 2019 that are expected to have a material impact on the net assets, financial position or results of operations of the Gerresheimer Group.

The Management Board approved the interim consolidated financial statements on October 9, 2019, after discussion with the Audit Committee of the Supervisory Board.

FINANCIAL CALENDAR

February 19, 2020	Annual Report 2019
April 9, 2020	Interim Report 1st Quarter 2020
April 29, 2020	Annual General Meeting 2020
July 14, 2020	Interim Report 2nd Quarter 2020
October 13, 2020	Interim Report 3rd Quarter 2020

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Note to the Interim Report
This Interim Report is the English translation of the original German version; in case of deviations between these two, the German version prevails.

Note regarding the rounding of figures
Due to the commercial rounding of figures and percentages, small deviations may occur.

Disclaimer
This Interim Report contains certain future-oriented statements. Future-oriented statements include all statements which do not relate to historical facts and events and contain future-oriented expressions such as "believe", "estimate", "assume", "expect", "forecast", "intend", "could" or "should" or expressions of a similar kind. Such future-oriented statements are subject to risks and uncertainties since they relate to future events and are based on the Company's current assumptions, which may not in the future take place or be fulfilled as expected. The Company points out that such future-oriented statements provide no guarantee for the future and that actual events including the financial position and profitability of the Gerresheimer Group and developments in the economic and regulatory fundamentals may vary substantially (particularly on the down side) from those explicitly or implicitly assumed or described in these statements. Even if the actual results for the Gerresheimer Group, including its financial position and profitability and the economic and regulatory fundamentals, are in accordance with such future-oriented statements in this Interim Report, no guarantee can be given that this will continue to be the case in the future.

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