

Our Second Quarter

Interim Report Second Quarter

December 2015 - May 2016

GERRESHEIMER

GROUP KEY FIGURES

Financial Year end November 30	Q2 2016	Q2 2015	Change in % ⁷⁾	Q1-Q2 2016	Q1-Q2 2015	Change in % ⁷⁾
Results of Operations during Reporting Period in EUR m						
Revenues	370.5	356.4	4.0	712.9	658.2	8.3
Adjusted EBITDA ¹⁾	84.7	72.1	17.5	150.7	123.0	22.5
in % of revenues	22.8	20.2	–	21.1	18.7	–
Adjusted EBITA ²⁾	62.8	50.4	24.7	107.3	79.0	35.8
in % of revenues	17.0	14.1	–	15.1	12.0	–
Result from operations	53.0	40.0	32.5	86.3	64.5	33.7
Net income	31.1	22.4	38.9	48.6	35.0	38.9
thereof attributable to shareholders of Gerresheimer AG	29.4	20.3	44.9	45.6	31.3	45.8
thereof attributable to non-controlling interests	1.7	2.1	-19.3	3.0	3.7	-19.2
Adjusted net income ³⁾	37.7	29.2	29.0	62.6	44.7	40.0
Net Assets as of Reporting Date in EUR m						
Total assets	2,359.4	1,700.7	38.7	2,359.4	1,700.7	38.7
Equity	687.8	615.2	11.8	687.8	615.2	11.8
Equity ratio in %	29.2	36.2	–	29.2	36.2	–
Net working capital	230.7	277.2	-16.7	230.7	277.2	-16.7
in % of revenues of the last twelve months	16.1	21.1	–	16.1	21.1	–
Capital expenditure	21.3	19.9	7.6	35.0	33.8	3.6
Net financial debt	900.0	465.6	93.3	900.0	465.6	93.3
Adjusted EBITDA leverage ⁴⁾	2.9	1.8	–	2.9	1.8	–
Financial and Liquidity Position during Reporting Period in EUR m						
Cash flow from operating activities	37.3	24.0	55.5	31.1	33.7	-7.7
Cash flow from investing activities	-21.2	-19.8	-7.0	-36.0	-33.7	-6.8
thereof cash paid for capital expenditure	-21.3	-19.9	-7.6	-35.0	-33.8	-3.6
Free cash flow before financing activities	16.1	4.2	>100.0	-4.9	–	<100.0
Employees						
Employees as of the reporting date (total)	10,689	11,036	-3.1	10,689	11,036	-3.1
Stock Data						
Number of shares at reporting date in million	31.4	31.4	–	31.4	31.4	–
Share price ⁵⁾ at reporting date in EUR	71.61	51.94	37.9	71.61	51.94	37.9
Market capitalization at reporting date in EUR m	2,248.6	1,630.9	37.9	2,248.6	1,630.9	37.9
Share price high ⁵⁾ during reporting period in EUR	75.02	57.20	–	75.02	57.20	–
Share price low ⁵⁾ during reporting period in EUR	57.10	49.46	–	57.10	41.99	–
Earnings per share in EUR	0.94	0.65	45.7	1.45	1.00	45.7
Adjusted earnings per share ⁶⁾ in EUR	1.13	0.84	34.5	1.88	1.27	48.0

¹⁾ Adjusted EBITDA: Earnings before income taxes, net finance expense, amortization of fair value adjustments, depreciation and amortization, impairments, restructuring expenses and one-off income and expenses.

²⁾ Adjusted EBITA: Earnings before income taxes, net finance expense, amortization of fair value adjustments, amortization, impairments, restructuring expenses and one-off income and expenses.

³⁾ Adjusted net income: Consolidated net income before non-cash amortization of fair value adjustments, non-recurring effects of restructuring expenses, impairments, the balance of one-off income and expenses (including significant non-cash expenses) and related tax effects.

⁴⁾ Adjusted EBITDA leverage: The ratio of net financial debt to adjusted EBITDA over the last twelve months, pursuant to the credit line agreement in force.

⁵⁾ Xetra closing price.

⁶⁾ Adjusted net income after non-controlling interests divided by 31.4m shares.

⁷⁾ The changes have been 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	Q2 2016	Q2 2015	Change in % ³⁾	Q1-Q2 2016	Q1-Q2 2015	Change in % ³⁾
Revenues ¹⁾	193.2	168.6	14.6	370.8	306.2	21.1
Adjusted EBITDA ²⁾	52.2	36.3	43.7	94.3	61.8	52.6
in % of revenues	27.0	21.5	–	25.4	20.2	–
Capital expenditure	6.0	5.2	14.7	14.7	9.4	57.0



› 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	Q2 2016	Q2 2015	Change in % ³⁾	Q1-Q2 2016	Q1-Q2 2015	Change in % ³⁾
Revenues ¹⁾	154.3	166.8	-7.5	297.0	313.2	-5.1
Adjusted EBITDA ²⁾	35.0	36.8	-4.9	61.2	64.7	-5.5
in % of revenues	22.7	22.1	–	20.6	20.7	–
Capital expenditure	14.5	14.4	0.2	19.2	23.8	-19.4



› Life Science Research

The Life Science Research Division produces reusable laboratory glassware for research, development and analytics, such as beakers, Erlenmeyer flasks and measuring cylinders as well as disposable laboratory products such as culture tubes, pipettes, chromatography vials and other specialty laboratory glassware.

in EUR m	Q2 2016	Q2 2015	Change in % ³⁾	Q1-Q2 2016	Q1-Q2 2015	Change in % ³⁾
Revenues ¹⁾	24.5	26.3	-6.8	47.8	49.1	-2.6
Adjusted EBITDA ²⁾	3.9	3.8	3.8	6.5	6.6	-0.4
in % of revenues	16.1	14.5	–	13.7	13.4	–
Capital expenditure	0.4	0.2	117.1	0.6	0.3	85.4

¹⁾ Revenues by segment include intercompany revenues.

²⁾ Adjusted EBITDA: Earnings before income taxes, net finance expense, amortization of fair value adjustments, depreciation and amortization, impairments, restructuring expenses and one-off income and expenses.

³⁾ The changes have been calculated on a EUR k basis.

KEY FACTS SECOND QUARTER 2016

- Revenues gain 4.0% to EUR 370.5m (organic growth: 0.0%) as particularly low-margin tooling revenues lower in Q2 2016 than in Q2 2015
- Adjusted EBITDA up by over 17.5% to EUR 84.7m (Q2 2015: EUR 72.1m)
- Adjusted net income improves substantially by 29.0% to EUR 37.7m (Q2 2015: EUR 29.2m)
- Adjusted earnings per share up over 34.5% on prior-year quarter, climbing to EUR 1.13 (Q2 2015: EUR 0.84)
- Operating cash flow significantly improves in first half of 2016, by EUR 38.0m to EUR 94.0m (first half of 2015: EUR 56.0m)
- Guidance for the financial year 2016 confirmed

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GERRESHEIMER ON THE CAPITAL MARKETS

STOCK MARKET RECOVERY THROUGH FIRST HALF OF 2016

After a weak start to the first half of 2016 (December 1, 2015 until May 31, 2016), the major indices in Europe and America picked up visibly from mid-February onward. Fears of a possible slowdown in Chinese and U.S. economic growth that had weighed down stock market sentiment mostly in the first two months of the financial year 2016 gradually receded. Investors regained confidence in the future prospects of the stocks in the MDAX index, which pulled back out of its early February trough. Overall, the index consequently narrowed its losses to 3.8% at the close of the first half of the financial year 2016 on May 31, 2016.

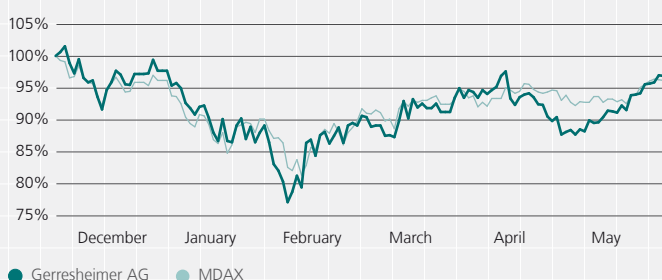
GERRESHEIMER SHARE PRICE SLIGHTLY AHEAD OF MARKET

After a very healthy performance in the financial year 2015, the Gerresheimer share price (ISIN: DE000A0LD6E6) largely moved in lockstep with the market during the first half of 2016. The share price gained a boost on publication of the results for the financial year 2015 on February 11, 2016, when Gerresheimer also presented its guidance for the financial year 2016. It subsequently made up most of the lost ground. At the end of the first half of 2016, the Gerresheimer share price stood at EUR 71.61. This represents a slight net decrease of 3.1% over the first half of 2016. Gerresheimer shares thus did slightly better over the period than the MDAX benchmark index. Overall, stock market experts see the market moving sideways in summer 2016, with the effects of a stronger euro, lower profit expectations and ongoing weak global economic growth roughly balancing out growth in the money supply and good dividend yields.

The Company's market capitalization at the end of the first half year on May 31, 2016 amounted to EUR 2,248.6m. According to the index ranking applied by the German Stock Exchange, Gerresheimer shares therefore advanced to 25th place in the MDAX (prior year: 29th place). In terms of stock exchange turnover, the Company's shares occupied 34th place at the reporting date, compared with 38th place at the end of the first half of 2015.

Gerresheimer AG Shares Versus MDAX (rebased)

Index: November 30, 2015 = 100%



BUY OR HOLD RECOMMENDATION FROM ALL ANALYSTS

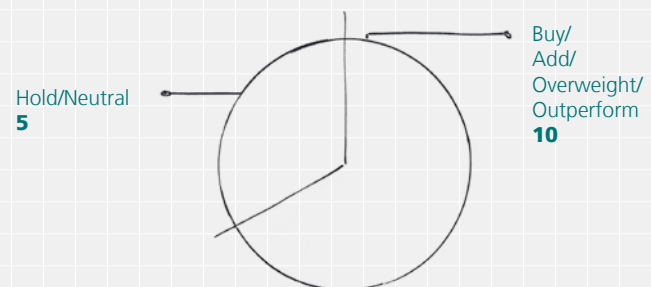
Gerresheimer shares were covered by 15 bank analysts as of the end of the first half of 2016 on May 31, 2016. Ten analysts recommended to buy and a further five analysts gave a hold recommendation. There were no sell recommendations as of the reporting date. The figures below provide an overview of the banks covering Gerresheimer as of May 31, 2016 and their recommendations:

Analyst Coverage

Bankhaus Lampe	DZ Bank	J.P. Morgan Cazenove
Berenberg Bank	Goldman Sachs	Kepler Cheuvreux
Commerzbank	Hauck & Aufhäuser	LBBW
Credit Suisse	HSBC	MainFirst
Deutsche Bank	Independent Research	Metzler

Overview of Analyst Recommendations (as of May 31, 2016)

Number



2016 ANNUAL GENERAL MEETING: ONCE AGAIN VERY STRONG SHAREHOLDER ATTENDANCE; DIVIDEND RAISED TO EUR 0.85 PER SHARE

Some 78.8% of the capital stock was represented at this year's Annual General Meeting in Duesseldorf on April 28, 2016. Attendance in 2015 was 78.5%. This is a remarkable attendance figure considering Gerresheimer shares have a 100% free float. A dividend of EUR 0.85 per share was agreed upon. The dividend was distributed to shareholders on April 29, 2016. This marked the fifth dividend increase in succession. The previous year's dividend was EUR 0.75 per share. All resolutions put forward were passed with a wide majority.

Gerresheimer Shares: Key Data

	Q2 2016	Q2 2015	Q1-Q2 2016	Q1-Q2 2015
Number of shares as of the reporting date in million	31.4	31.4	31.4	31.4
Share price ¹⁾ as of the reporting date in EUR	71.61	51.94	71.61	51.94
Market capitalization as of the reporting date in EUR m	2,248.6	1,630.9	2,248.6	1,630.9
Share price high ¹⁾ during the reporting period in EUR	75.02	57.20	75.02	57.20
Share price low ¹⁾ during the reporting period in EUR	57.10	49.46	57.10	41.99
Earnings per share in EUR	0.94	0.65	1.45	1.00
Adjusted earnings per share ²⁾ in EUR	1.13	0.84	1.88	1.27

¹⁾ Xetra closing price.

²⁾ Adjusted net income after non-controlling interests divided by 31.4m shares.

Reference Data for the Shares

ISIN	DE000A0LD6E6
WKN	A0LD6E
Bloomberg symbol	GXI
Reuters symbol	GXIG.DE
Stock index membership	MDAX, CDAX, HDAX, Prime All Share, Classic All Share, EURO STOXX TMI, Russell Global Small Cap Growth Index and further sector and size indexes
Listings	Berlin, Duesseldorf, Frankfurt (Xetra and floor trading), Hamburg, Hanover, Munich, Stuttgart

GERRESHEIMER BOND PRICE MAINTAINS HIGH LEVEL

The Gerresheimer bond price (ISIN: XS0626028566) maintained its high level through the first six months of the financial year 2016. While the bond price showed a slight net decrease to 109.0% at the end of the first half of 2016, its relatively high level meant that the effective interest rate (yield to maturity) on an investment in the bonds stayed low at some 0.4% p.a. as of the end of the quarter. This consistently very low effective interest rate shows that investors continue to view Gerresheimer bonds as a highly secure investment. The two major rating agencies Standard & Poor's and Moody's have retained the Gerresheimer bond at investment grade ratings BBB-, stable outlook and Baa3, negative outlook, respectively. Rating agency Standard & Poor's reaffirmed its BBB- rating as of April 28, 2016 and left the outlook at "stable". Standard & Poor's already came to the same conclusion almost precisely five years earlier (February 2011). The agency attributed the rating upgrade at that time from BB+ to BBB- to Gerresheimer AG's leading market position and the stability of its business model. Other reasons included improved financial ratios and strong cash flow generation. The rating agency once again highlighted the strong cash flow generation in its

most recent assessment. It additionally cited Gerresheimer's leading position in a stable pharmaceutical market environment, multinational footprint, very good margins and the high barriers of entry for potential rivals. The bonds can be traded in Frankfurt in floor trading as well as on regional exchanges in Germany.

Gerresheimer AG Corporate Bond: Price Performance

November 30, 2015 = 109.6%



● Gerresheimer AG

Bond Reference Data

ISIN	XS0626028566
WKN	A1H3VP
Issuer	Gerresheimer AG
Volume	EUR 300m
Coupon/coupon date	5% p.a./May 19
Maturity date	May 19, 2018
Bond price ¹⁾ as of the reporting date	109.0%
Effective annual interest rate (yield to maturity) ²⁾ at reporting date	0.4% p.a.
Bond rating as of the reporting date	Standard & Poor's: BBB-, stable outlook Moody's: Baa3, negative outlook
Corporate rating as of the reporting date	Standard & Poor's: BBB-, stable outlook Moody's: Baa3, negative outlook
Denomination	EUR 1,000.00 par value
Listings	Berlin, Duesseldorf, Frankfurt (floor trading), Hamburg, Hanover, Munich, Stuttgart

¹⁾ Closing price, Stuttgart Stock Exchange.

²⁾ Based on the closing price on Stuttgart Stock Exchange.

INTERIM GROUP MANAGEMENT REPORT DECEMBER 2015 – MAY 2016

BUSINESS ENVIRONMENT

The International Monetary Fund (IMF)¹⁾ has once again downgraded its global economic growth forecasts. This reflects weaker growth among industrialized economies and a gathering headwind for the relatively fast-growing emerging markets. As a result, the IMF is now projecting just 3.2% growth for 2016 (January update: 3.4%) and 3.5% (3.6%) for 2017. This still puts growth a little stronger than in 2015, when the global economy expanded by 3.1%. However, the IMF said there is a “significant” risk of the new forecasts again proving overoptimistic. “Global recovery continues, but at an ever-slowing and increasingly fragile pace,” the IMF notes in its most recent World Economic Outlook.

Growth in the world’s largest economy, the USA, fell short of expectations, at 0.5% in the first quarter relative to the preceding quarter.²⁾ Experts had been reckoning on 0.7% GDP growth, compared with 1.4% in the fourth quarter of 2015. The euro area economy, in contrast, showed unexpectedly strong growth. According to the statistical office of the European Union (Eurostat)³⁾, first-quarter GDP in the 19 states making up the European Monetary Union was up 0.5% on the year-end and 1.5% on the prior-year period. Going by initial data from the euro area member states, consumer spending gave a boost to the economy. Low inflation is a notable factor supporting private consumption. The French economy grew by 0.5% compared with the preceding quarter thanks to the strongest increase in consumer spending since 2004. Spain even attained growth of 0.8%, while the increase in Germany was 0.7%.

China, which the IMF now reports to be the world’s largest economy on a purchasing power basis, continues to grow at a fast rate (6.5%) but is in the throes of a complex transformation process aimed at more sustainable growth based to a greater extent on consumption and services. Difficulties on the way could quickly have severe impacts on emerging and developing countries. At present, the outlook for Brazil is especially bleak. The IMF reduced its forecast for 2016 by a further 0.3 percentage points to minus 3.8%, followed by an expected 0.0% for 2017.

The global pharma market remains robust. The sector has been growing faster than the economy as a whole for decades.⁴⁾ U.S. healthcare expenditure thus went up from 7% of GDP in 1970 to over 17% today. The global healthcare market likewise shows continuous growth unaffected by business cycles. Currently expanding by about 5% a year, the market is worth just under USD 8 trillion as of 2016. Medical drugs, with average annual sales currently exceeding USD 1 trillion, is one of the segments displaying above-average growth in this sector. In overall terms, the European healthcare

industry, too, is growing faster than the economy. Average annual growth in Germany over the last ten years, for example, stood at 3.5%, over 1% more than general economic growth.⁵⁾ The main drivers of the positive trend in the pharma industry as described by Deloitte in the 2016 Global Life Sciences Outlook are rising life expectancy, the growing prevalence of chronic diseases as well as the introduction of innovative and in many cases more expensive drugs.⁶⁾ However, many countries have taken action to curb healthcare costs. This includes price limits, mandatory discounts, as well as value-based pricing and reimbursement models. Pharma groups are responding with portfolio adjustments, cost cutting, and enhanced focus on highly specialized indication areas.

DEVELOPMENT OF THE BUSINESS

The Gerresheimer Group continued to lift revenues in the second quarter of 2016. The Group generated revenues of EUR 370.5m, up over 4.0% on the prior-year quarter, while taking into account that particularly low-margin tooling revenues in the Plastics & Devices Division were lower in the second quarter of 2016 than in the second quarter of 2015. On an organic basis, meaning adjusted for exchange rate effects, acquisitions and divestments, Gerresheimer Group revenues were consequently at the same level as in the second quarter of 2015. The financial year 2015 brought many changes that are material to an assessment of the business situation. In the Plastics & Devices Division, this included the acquisition of Centor in the fourth quarter of 2015 and its first-time inclusion in the full financial year 2016. In the Primary Packaging Glass Division, the financial year 2015 saw the sale of the glass tubing business and the implementation of portfolio optimization, notably the permanent closure of our plant in Millville, USA. Portfolio optimization in the Plastics & Devices Division was on a smaller scale. For in-depth background and explanatory information, please see our Annual Report 2015.

Adjusted EBITDA rose to EUR 84.7m in the second quarter of 2016, substantially exceeding the prior-year quarter’s figure of EUR 72.1m. The adjusted EBITDA margin consequently stood at 22.8%, a significant increase on the 20.2% in the prior-year quarter. Adjusted EBITDA was EUR 150.7m in the first half of 2016, compared with EUR 123.0m in the first half of 2015. At constant exchange rates, adjusted EBITDA amounted to EUR 86.2m in the second quarter of 2016 and EUR 152.2m in the first half of 2016.

Largely due to the higher operating income, results of operations went up to EUR 53.0m in the second quarter of 2016, versus EUR 40.0m in the comparative prior-year quarter. In the first half of 2016, results of operations rose to EUR 86.3m, compared with EUR 64.5m in the first half of the prior year. Net income amounted to EUR 31.1m in the second quarter of 2016, EUR 8.7m more than in the prior-year quarter (EUR 22.4m). At EUR 48.6m, net income for the first half year was likewise up on the EUR 13.6m generated in the first half of 2015.

¹⁾ International Monetary Fund: “Global Economy Faltering from Too Slow Growth for Too Long,” April 13, 2016.

²⁾ Handelsblatt Online, “US-Wirtschaft wächst langsamer,” April 28, 2016.

³⁾ Eurostat <http://ec.europa.eu/eurostat/web/national-accounts/publications/news-releases>, May 13, 2016.

⁴⁾ Börse Online: “Der Gesundheitssektor als Wachstumsmodell,” April 28, 2016.

⁵⁾ Federal Ministry for Economic Affairs and Energy (BMWi): Monatsbericht (Monthly Report) 06-2016.

⁶⁾ Deloitte, report: “2016 Global Life Sciences Outlook.”

Despite the Centor acquisition, the balance sheet remained very solid. The equity ratio of 29.2% was slightly up on its level as of November 30, 2015 (28.8%). Non-current assets as a percentage of total assets stood at 76.0%, a marginal decrease on the level as of November 30, 2015 (77.8%). 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 2.9, at the same level as November 30, 2015. A notable highlight in the first half of 2016 is our operating cash flow performance, which improved compared with the prior-year period – chiefly due to the inclusion of Centor – by a substantial EUR 38.0m to EUR 94.0m.

Our strong international presence exposes the Gerresheimer Group's results of operations to external factors such as currency movements. In light of this, we additionally state revenue growth on an exchange rate adjusted basis in the management report. For the financial year 2016, we have assumed a USD exchange rate for budgeting purposes of USD 1.12 per EUR 1.00. Given our production locations in the USA and financial debt in US dollars, fluctuations in the US dollar/euro exchange rate have no material effect on Group earnings performance and essentially only lead to translation effects. As in prior years, external factors such as the development of energy and commodity prices had little influence on the Gerresheimer Group's results of operations in the reporting period. Price fluctuations for raw materials and energy are largely offset by contractually agreed price escalation clauses, hedging transactions, productivity gains and price increases.

Overall, performance in the second quarter of the financial year 2016 met our expectations.

REVENUE PERFORMANCE

The Gerresheimer Group improved on revenues compared with the comparative prior-year quarter by a 4.0% or EUR 14.1m in the second quarter of 2016. In the first half of 2016, revenues increased to EUR 712.9m or 8.3% up on the same period of the prior year. On an organic basis, meaning adjusted for exchange rate effects, acquisitions and divestments, Gerresheimer Group revenues in the second quarter of 2016 showed no growth relative to the equivalent prior-year quarter. The Primary Packaging Glass Division achieved an organic revenue growth, while the organic revenue in the Plastics & Devices Division was slightly down. The main reason was due to the low-margin tooling revenues which were below the comparative prior-year quarter. Organic revenue growth in the first half of 2016 compared with the first half of 2015 stood at 2.0%.

in EUR m	Q2 2016	Q2 2015	Change in % ¹⁾	Q1-Q2 2016	Q1-Q2 2015	Change in % ¹⁾
Revenues						
Plastics & Devices	193.2	168.6	14.6	370.8	306.2	21.1
Primary Packaging Glass	154.3	166.8	-7.5	297.0	313.2	-5.1
Life Science Research	24.5	26.3	-6.8	47.8	49.1	-2.6
Subtotal	372.0	361.7	2.8	715.6	668.5	7.0
Intragroup revenues	-1.5	-5.3	-71.2	-2.7	-10.3	-72.6
Total revenues	370.5	356.4	4.0	712.9	658.2	8.3

¹⁾ The changes have been calculated on a EUR k basis.

Revenues in the Plastics & Devices Division climbed to EUR 193.2m in the second quarter of 2016, an increase of 14.6% or EUR 24.6m on the same period of the prior year. In the first half of 2016, revenues went up by EUR 64.6m to EUR 370.8m, marking an increase of 21.1%. This is mainly due to the revenue contribution in the reporting period from Centor, which was not included in the comparative prior-year period as the transaction was not closed until September 1, 2015. Organic revenue growth was a negative 2.2% in the second quarter of 2016 and a positive 0.8% in the first half of 2016. The negative revenue performance is mainly due to low-margin tooling revenues, which were down on the prior-year quarter. Fluctuations in the tooling business are normal and primarily track the billing of large-scale customer projects. For the year as a whole, we continue to expect tooling revenues of the same order as in the financial year 2015. Parts revenues grew very healthily in the second quarter of 2016 as in the preceding quarter.

The Primary Packaging Glass Division generated revenues of EUR 154.3m in the second quarter of 2016, compared with EUR 166.8m in the same period of the prior year. This corresponds to a 7.5% decrease in revenues. Divisional revenues were 5.1% down in the first six months of the financial year 2016 – mainly due to the sale of the glass tubing business on November 2, 2015, as revenues from this business were still included in the total for the first half of 2015. On an organic basis, however, we recorded 3.6% revenue growth in the second quarter of 2016 and 4.6% for the first half of 2016. This reflected healthy growth both in the Tubular Glass Converting segment, which especially in America sustained the positive revenue trend from the preceding quarters, as well as in the Moulded Glass segment (notably in cosmetics).

Revenues in the Life Science Research Division went down in the second quarter of 2016 by EUR 1.8m to EUR 24.5m and in the first half of the financial year 2016 by 2.6% to EUR 47.8m. This is notably a result of a temporarily weaker market compared with the prior-year period.

RESULTS OF OPERATIONS

The Gerresheimer Group generated adjusted EBITDA of EUR 84.7m in the second quarter of 2016, an improvement of 17.5% on the prior-year quarter. In the second quarter of 2016, the adjusted EBITDA margin stood at 22.8%, above the adjusted EBITDA margin of 20.2% in the comparative period. Adjusted EBITDA for the first half of 2016 came to EUR 150.7m. This marks an increase of EUR 27.7m, or 22.5%. The adjusted EBITDA margin for the first half of 2016 was 21.1%, which is likewise higher than the 18.7% adjusted EBITDA margin attained in the first half of 2015. All three divisions contributed to the improvements in the margin.

in EUR m	Q2 2016		Q2 2015		Q1-Q2 2016		Q1-Q2 2015	
	Q2 2016	Q2 2015	Q2 2016	Q2 2015	Q1-Q2 2016	Q1-Q2 2015	Q1-Q2 2016	Q1-Q2 2015
Adjusted EBITDA								
Plastics & Devices	52.2	36.3	27.0	21.5	94.3	61.8	25.4	20.2
Primary Packaging Glass	35.0	36.8	22.7	22.1	61.2	64.7	20.6	20.7
Life Science Research	3.9	3.8	16.1	14.5	6.5	6.6	13.7	13.4
Subtotal	91.1	76.9	-	-	162.0	133.1	-	-
Head office/consolidation	-6.4	-4.8	-	-	-11.3	-10.1	-	-
Total adjusted EBITDA	84.7	72.1	22.8	20.2	150.7	123.0	21.1	18.7

Adjusted EBITDA in the Plastics & Devices Division increased year on year by EUR 15.9m to EUR 52.2m in the second quarter of 2016. The adjusted EBITDA margin stood at 27.0% in the second quarter of 2016, significantly higher than in the prior-year quarter. In the first half of 2016, adjusted EBITDA went up by EUR 32.5m to EUR 94.3m, while the adjusted EBITDA margin came to 25.4%, compared with 20.2% in the first half of the prior year. This is attributable to the acquisition of Centor as of September 1, 2015 and to a lower share of revenues accounted for in the second quarter of 2016 by the tooling business, which has lower margins.

At EUR 35.0m, adjusted EBITDA in the Primary Packaging Glass Division was down 4.9% on the comparative prior-year quarter. The difference is chiefly due to the sale of the glass tubing business as of November 2, 2015. Total adjusted EBITDA in the first two quarters of 2016 came to EUR 61.2m. This was EUR 3.5m below the figure for the comparative prior-year period, likewise as a result of the sale of the glass tubing business as of November 2, 2015. The adjusted EBITDA margin stood at 22.7% in the second

quarter of 2016, slightly up on the 22.1% recorded in the prior-year quarter. In the first half of 2016, the margin came to 20.6%, on a par with the 20.7% recorded in the first half of 2015. Both the Moulded Glass segment and, to a greater extent, the Tubular Glass Converting segment pushed up EBITDA in the first six months of the financial year 2016 compared with the prior-year period. Despite the negative impact on the margin from the sale of the glass tubing business, the division succeeded in delivering a margin virtually on a par with the prior year due to revenue and productivity improvements, thus exceeding our expectations as of the beginning of the financial year.

In the Life Science Research Division, we outperformed the second quarter of 2015 with adjusted EBITDA of EUR 3.9m. The adjusted EBITDA margin reached 16.1%, above the adjusted EBITDA margin of 14.5% in the prior-year quarter. At EUR 6.5m, adjusted EBITDA for the first half of 2016 was slightly down on the first half of the prior year. Despite lower revenues year on year, rigorous cost management enabled the adjusted EBITDA margin to be increased in the first half of 2016 from 13.4% to 13.7%.

The following table shows the reconciliation of adjusted EBITDA to results of operations for the period:

in EUR m	Q2 2016	Q2 2015	Change	Q1-Q2 2016	Q1-Q2 2015	Change
Adjusted EBITDA	84.7	72.1	12.6	150.7	123.0	27.7
Depreciation	-21.9	-21.7	-0.2	-43.4	-44.0	0.6
Adjusted EBITA	62.8	50.4	12.4	107.3	79.0	28.3
Sale of the glass tubing business	-	-0.7	0.7	0.3	-1.0	1.3
Portfolio optimization	-0.1	-5.7	5.6	-1.2	-5.8	4.6
One-off income and expenses ¹⁾	-0.4	-0.3	-0.1	-0.6	-0.3	-0.3
Total of one-off effects	-0.5	-6.7	6.2	-1.5	-7.1	5.6
Amortization of fair value adjustments ²⁾	-9.3	-3.7	-5.6	-19.5	-7.4	-12.1
Results of operations	53.0	40.0	12.8	86.3	64.5	21.7

¹⁾ The one-off income and expenses item consists of one-off items that cannot be taken as an indicator of ongoing business. These comprise, for example, various reorganization and restructuring measures that are not included in restructuring expenses under IFRS.

²⁾ Amortization of fair value adjustments relates to the assets identified at fair value in connection with the acquisitions of Gerresheimer Vaerloese in December 2005; Gerresheimer Regensburg in January 2007; the pharma glass business of Comar Inc., USA, in March 2007; the establishment of the Kimble Chase joint venture in July 2007; the acquisitions of Gerresheimer Zaragoza and Gerresheimer Sao Paulo in January 2008; the acquisition of Vedat in March 2011; the acquisition of Neutral Glass in April 2012; the acquisition of Triveni in December 2012; and the acquisition of Centor in September 2015. Amortization of fair value adjustments relates to amortization of identified intangible assets.

Adjusted EBITA came to EUR 62.8m in the second quarter of 2016 (Q2 2015: EUR 50.4m) based on adjusted EBITDA of EUR 84.7m in the second quarter of 2016 (Q2 2015: EUR 72.1m) less depreciation and amortization of EUR 21.9m (Q2 2015: EUR 21.7m). This is reconciled to the EUR 53.0m results of operations for the second quarter of 2016 – above the EUR 40.0m figure for the comparative prior-year period – by deducting one-off items in the amount of EUR 0.5m in the reporting period (Q2 2015: EUR 6.7m) and amortization of fair value adjustments in the amount of EUR 9.3m (Q2 2015: EUR 3.7m). For both the second quarter of 2016 and the first half of 2016, the one-off items mainly relate to as-yet non-recognizable knock-on effects from the portfolio optimization agreed and implemented in the financial year 2015 as well as to a minor extent, purchase price adjustment in connection with the sale of the glass tubing business in the financial year 2015.

Amortization of fair value adjustments come to EUR 9.3m in the second quarter of 2016, compared with EUR 3.7m in the comparative prior-year period. The EUR 5.6m increase is mainly a result of the acquisition of Centor completed in September 2015. Amortization of fair value adjustments came to EUR 19.5m in the first half of 2016, compared with EUR 7.4m in the first half of 2015.

Net income for the second quarter of 2016 consequently totaled EUR 31.1m, EUR 8.7m higher than in the comparative prior-year quarter. In the first half of 2016, net income was EUR 48.6m, as against EUR 35.0m in the first half of 2015. Deducting net income attributable to non-controlling interests, net income attributable to equity holders of the parent for the period ending May 31, 2015 stood at EUR 45.6m (first half of 2015: EUR 31.3m).

The following table shows the reconciliation of net income to adjusted net income after non-controlling interests:

in EUR m	Q2 2016	Q2 2015	Change	Q1-Q2 2016	Q1-Q2 2015	Change
Net income	31.1	22.4	8.7	48.6	35.0	13.6
Sale of the glass tubing business	-	-0.7	0.7	0.3	-1.0	1.3
Related tax effect	-	0.2	-0.2	-0.1	0.3	-0.4
Portfolio optimization	-0.1	-5.7	5.6	-1.2	-5.8	4.6
Related tax effect	-	2.2	-2.2	0.4	2.2	-1.8
One-off income and expenses	-0.4	-0.3	-0.1	-0.6	-0.3	-0.3
Related tax effect	0.1	0.1	-	0.2	0.1	0.1
Amortization of fair value adjustments	-9.3	-3.7	-5.6	-19.5	-7.4	-12.1
Related tax effect	3.1	1.1	2.0	6.5	2.2	4.3
Adjusted net income	37.7	29.2	8.5	62.6	44.7	17.9
Attributable to non-controlling interests	1.7	2.1	-0.4	3.0	3.7	-0.7
Amortization of fair value adjustments	-0.4	-0.6	0.2	-0.8	-1.2	0.4
Related tax effect	-	0.1	-0.1	0.1	0.1	-
Adjusted net income attributable to non-controlling interests	2.1	2.6	-0.5	3.7	4.8	-1.1
Adjusted income after non-controlling interests	35.6	26.6	9.0	58.9	39.9	19.0
Adjusted net income per share in EUR after non-controlling interests	1.13	0.84	0.30	1.88	1.27	0.61

In the second quarter of 2016, adjusted net income (defined as net income, including net income attributable to non-controlling interests, before non-cash amortization of fair value adjustments, all one-off items and related tax effects) came to EUR 37.7m, compared with EUR 29.2m in the prior-year quarter. Adjusted net income for the first half of 2016 totaled EUR 62.6m, EUR 17.9m higher than the EUR 44.7m recorded in the first half of 2015. Adjusted net income after non-controlling interests for the second quarter of 2016 was EUR 35.6m (Q2 2015: EUR 26.6m), marking an increase of EUR 9.0m. In the first six months of the financial year 2016, we generated adjusted net income after non-controlling interests of EUR 58.9m, compared with EUR 39.9m in the comparative prior-year period. Adjusted earnings per share after non-controlling interests consequently amounted to EUR 1.13 in the second quarter of 2016 (Q2 2015: EUR 0.84). Adjusted earnings per share after non-controlling interests in the first half of 2016 came to EUR 1.88, compared with EUR 1.27 in the first half of 2015.

NET ASSETS

BALANCE SHEET

The Gerresheimer Group's net assets changed as follows in the first half of 2016:

Assets in EUR m	May 31, 2016	Nov. 30, 2015	Change in % ¹⁾
Intangible assets, property, plant, equipment and investment property	1,774.8	1,862.9	-4.7
Investment accounted for using the equity method	0.2	0.2	-
Other non-current assets	19.2	19.4	-0.8
Non-current assets	1,794.2	1,882.5	-4.7
Inventories	190.4	186.4	2.1
Trade receivables	229.6	219.0	4.8
Other current assets	145.2	132.0	10.0
Current assets	565.2	537.4	5.2
Total assets	2,359.4	2,419.9	-2.5
Equity and Liabilities in EUR m	May 31, 2016	Nov. 30, 2015	Change in % ¹⁾
Equity and non-controlling interests	687.8	698.1	-1.5
Non-current provisions	165.0	165.0	-
Financial liabilities	740.8	740.8	-
Other non-current liabilities	139.0	146.8	-5.3
Non-current liabilities	1,044.8	1,052.6	-0.7
Financial liabilities	279.7	249.6	12.0
Trade payables	148.6	160.9	-7.6
Other current provisions and liabilities	198.5	258.6	-23.3
Current liabilities	626.8	669.2	-6.3
Total equity and liabilities	2,359.4	2,419.9	-2.5

¹⁾ The changes have been calculated on a EUR k basis.

The Gerresheimer Group's total assets decreased by EUR 60.5m relative to November 30, 2015, to EUR 2,359.4m as of May 31, 2016. There were no significant changes in balance sheet structure.

At EUR 1,794.2m, non-current assets were EUR 88.3m below the figure as of November 30, 2015. The biggest change in absolute terms was in intangible assets, which were down EUR 64.6m compared with November 30, 2015. This relates to a EUR 17.6m reduction in goodwill due to exchange rate changes and a EUR 44.5m decrease in customer relationships, comprising EUR 25.9m that was again attributable to exchange rate changes and EUR 18.6m to amortization of fair value adjustments. Property, plant and equipment also decreased by EUR 23.5m. Non-current assets accounted for 76.0% of total assets as of May 31, 2016 and 77.8% as of November 30, 2015. Current assets were EUR 565.2m, up EUR 27.8m on the figure as of November 30, 2015. This mainly reflected higher trade receivables as well as an increase in cash and cash equivalents.

The Gerresheimer Group's consolidated equity, including non-controlling interests, fell from EUR 698.1m to EUR 687.8m as of May 31, 2016. This reflects two opposing factors: the positive effect of the net income of EUR 48.6m in the reporting period and the negative impact on equity of exchange rate changes along with the dividend distribution on April 29, 2016. The equity ratio increased slightly from 28.8% as of November 30, 2015 to 29.2% as of May 31, 2016.

Non-current liabilities were EUR 1,044.8m at the end of May 2016, marking a EUR 7.8m decrease on the figure of EUR 1,052.6m at the end of November 2015.

Current liabilities went down by EUR 42.4m to EUR 626.8m. This is mainly due to settlement of the tax payable in connection with the sale of the glass tubing business in the USA and to a large reduction in trade payables. There was a contrary increase in liabilities to banks.

NET WORKING CAPITAL

The Gerresheimer Group's net working capital stood at EUR 230.7m as of May 31, 2016, an increase of EUR 17.0m compared with November 30, 2015.

in EUR m	May 31, 2016	Nov. 30, 2015	May 31, 2015
Inventories	190.4	186.4	214.3
Trade receivables	229.6	219.0	216.4
Trade payables	148.6	160.9	115.1
Prepayments received	40.7	30.8	38.4
Net working capital	230.7	213.7	277.2

As expected, the rise in net working capital compared with November 30, 2015 is due to lower trade payables in combination with slightly higher inventories and trade receivables. These factors were countered by an increase in prepayments received. On a constant exchange rate basis, the increase in net working capital in the first half of 2016 came to just EUR 21.7m, compared with EUR 33.2m in the first half of 2015.

Expressed as a percentage of revenues in the past twelve months, average net working capital decreased from 20.0% in the prior year to 17.2% in the reporting period. This is already in line with the target of approximately 17% for the year as a whole.

NET FINANCIAL DEBT

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

in EUR m	May 31, 2016	Nov. 30, 2015	May 31, 2015
Financial debt			
Syndicated facilities			
Long-term loan (until June 15, 2015) ¹⁾	–	–	75.7
Revolving credit facility (until June 15, 2015) ¹⁾	–	–	149.5
Revolving credit facility (since June 15, 2015) ¹⁾	264.5	232.8	–
Total syndicated facilities	264.5	232.8	225.2
Senior notes – euro bond	300.0	300.0	300.0
Bonded loans	425.0	425.0	–
Local borrowings ¹⁾	11.1	7.6	7.5
Finance lease liabilities	4.8	5.8	6.3
Total financial debt	1,005.4	971.2	539.0
Cash and cash equivalents	105.4	93.7	73.4
Net financial debt	900.0	877.5	465.6

¹⁾ US dollar loans were translated into EUR using the following exchange rates:
at May 31, 2016: EUR 1.00/USD 1.1154; at November 30, 2015: EUR 1.00/USD 1.0579;
at May 31, 2015: EUR 1.00/USD 1.0970.

Net financial debt increased by EUR 22.5m to EUR 900.0m as of May 31, 2016 (November 30, 2015: EUR 877.5m). This relates to some EUR 35m in tax arising from the sale of the glass tubing business in the USA (communicated in the first quarter of 2016 as well as in connection with the annual financial statements, and since settled), the EUR 26.7m dividend payment made in the second quarter on April 29, 2016 and the EUR 15.0m annual coupon payment on the bond issue. 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 2.9.

Drawings on the EUR 450m revolving credit facility totaled EUR 264.5m as of May 31, 2016.

CAPITAL EXPENDITURE

Gerresheimer incurred capital expenditure on property, plant and equipment and intangible assets as follows in the first half of 2016:

in EUR m	Q2 2016	Q2 2015	Change in % ¹⁾	Q1-Q2 2016	Q1-Q2 2015	Change in % ¹⁾
Plastics & Devices	6.0	5.2	14.7	14.7	9.4	57.0
Primary Packaging Glass	14.5	14.4	0.2	19.2	23.8	-19.4
Life Science Research	0.4	0.2	117.1	0.6	0.3	85.4
Head office	0.4	0.1	>100.0	0.5	0.3	93.8
Total capital expenditure	21.3	19.9	7.6	35.0	33.8	3.6

¹⁾ The changes have been calculated on a EUR k basis.

In the second quarter of 2016, the Gerresheimer Group's capital expenditure stood at EUR 21.3m (Q2 2015: EUR 19.9m). Capital expenditure on property, plant and equipment and intangible assets in the first six months of the financial year 2016 came to EUR 35.0m (first half of 2015: EUR 33.8m). The lion's share of capital expenditure was in the Primary Packaging Glass Division. Most of this related to vial and cartridge machines as part of global standardization. Routine general furnace overhauls also accounted for substantial expenditure. Capital expenditure in the Plastics & Devices Division was mainly affected by the purchase of land for a new plastic packaging location in Brazil and residual activities in Peachtree City, USA.

CASH FLOW STATEMENT (CONDENSED)

in EUR m	Q1-Q2 2016	Q1-Q2 2015
Cash flow from operating activities	31.1	33.7
Cash flow from investing activities	-36.0	-33.7
Cash flow from financing activities	19.3	1.9
Changes in cash and cash equivalents	14.4	1.9
Effect of exchange rate changes on cash and cash equivalents	-2.7	3.6
Cash and cash equivalents at the beginning of the period	93.7	67.9
Cash and cash equivalents at the end of the period	105.4	73.4

Operating activities generated a cash inflow of EUR 31.1m in the first six months of 2016, slightly smaller than the EUR 33.7m cash inflow in the first half of the prior year. It should be noted here, however, that we settled a tax payment in the amount of some EUR 35m in the first quarter of 2016 due to the sale of the glass tubing business in the USA. Stripped of this one-off payment, cash flow from operating activities would have been around EUR 66m, well above the figure for the first half of the prior year. This is mainly a result of the significantly improved net working capital.

The net cash outflow in cash flow from investing activities, at EUR 36.0m, showed a marginal EUR 2.3m increase on the first six months of 2015. In both periods reported on, the cash outflow included capital expenditure on property, plant and equipment and intangible assets; in the period under review, it also included purchase price adjustments for the Centor acquisition and the sale of the glass tubing business. Proceeds from asset disposals played a subordinate role in each of the two periods.

Cash inflow from financing activities was EUR 19.3m in the first half of 2016, compared with EUR 1.9m in the first half of 2015. Cash and cash equivalents, at EUR 105.4m, were EUR 32.0m higher than as of May 31, 2015.

OPERATING CASH FLOW

in EUR m	Q1-Q2 2016	Q1-Q2 2015
Adjusted EBITDA	150.7	123.0
Change in net working capital	-21.7	-33.2
Capital expenditure	-35.0	-33.8
Operating cash flow	94.0	56.0
Net interest paid	-17.1	-17.8
Net taxes paid	-66.1	-18.1
Pension benefits paid	-6.0	-8.2
Other	-8.4	-11.9
Free cash flow before acquisitions	-3.6	–
Acquisitions	-1.3	–
Financing activity	19.3	1.9
Changes in cash and cash equivalents	14.4	1.9

Largely reflecting the EUR 27.7m increase in adjusted EBITDA, operating cash flow improved from EUR 56.0m in the first half of 2015 to EUR 94.0m in the period under review. All three divisions reported positive operating cash flows. More detailed information is provided in the segmental overview in the notes to this interim report.

EMPLOYEES

The Gerresheimer Group employed 10,689 people as of May 31, 2016 (November 30, 2015: 10,684).

	May 31, 2016	Nov. 30, 2015
Emerging markets	3,965	4,025
Germany	3,448	3,471
Europe (without Germany)	1,895	1,856
Americas	1,381	1,332
Total	10,689	10,684

As of May 31, 2016, the Gerresheimer Group employed 37% of the workforce in emerging markets, 32% in Germany, 18% in Europe (other than Germany) and 13% in the Americas.

REPORT ON OPPORTUNITIES AND RISKS

In the financial year 2016, 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 carry out regular reviews.

There are currently no risks 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 2015.

OUTLOOK

The forward-looking statements on the business performance of the Gerresheimer Group and Gerresheimer AG presented in the following and the assumptions deemed significant regarding the economic development of the market and industry are based on our own assessments, which we currently believe realistic according to the information we have available. However, such assessments entail uncertainty and the inevitable risk that projected developments may not correlate in direction or extent with actual developments.

DEVELOPMENT OF THE ECONOMIC ENVIRONMENT

Global and regional economic development

Assessments of the economic environment have not changed fundamentally compared with the information provided in our Annual Report. We therefore refer to the Outlook section in our Annual Report 2015.

MARKET AND BUSINESS OPPORTUNITIES FOR THE GERRESHEIMER GROUP

Prospects for the financial year 2016

Assessments of the prospects for the financial year 2016 have not changed fundamentally compared with the information provided in our Annual Report. We therefore refer to the Outlook section in our Annual Report 2015.

Overall Group

The Gerresheimer Group pursues a successful, clear-cut strategy geared to sustained and profitable growth. Our expectations for the financial year 2016, in each case assuming constant exchange rates and excluding acquisitions and divestments, remain as set out in the following. For the US dollar – which has the largest exchange rate impact on our Group currency, accounting for about a third of Group revenues in 2016 – we have assumed an exchange rate of approximately USD 1.12 to EUR 1.00.

We continue to anticipate Group revenues of around EUR 1.5bn (plus or minus EUR 25m) on a constant exchange rate basis in the financial year 2016. The Group revenues of around EUR 1.5bn correspond to revenue growth of about 9% at constant exchange rates compared with revenues in the financial year 2015 and organic revenue growth of between 4% and 5%.⁷⁾

Adjusted EBITDA is expected to increase to some EUR 320m (plus or minus EUR 10m) in the financial year 2016.

Capital expenditure in the financial year 2016 is expected to be roughly 8% of revenues at constant exchange rates, and thus at the lower end of our previous guidance for the financial years 2016 to 2018 of between 8.0% and 9.0% of revenues at constant exchange rates. That marks a major success as we continue to invest in our Company on the basis of our favorable growth prospects coupled with our productivity and quality initiatives. This was rendered possible by the many changes adopted in the financial year 2015 to make our business substantially less capital-intensive.

With the sale of the glass tubing business and the permanent closure of the moulded glass plant in Millville, for example, we significantly reduced the number of furnaces we operate by a total of eight to thirteen. As well as reducing the number and volume of overhauls, this also results in lower capital expenditure needs, as furnaces are highly capital-intensive. Another helpful factor is that our new acquisition Centor's annual capital expenditure requirement is merely between 3% and 4% of revenues, thus echoing the trend toward lower capital expenditure.

At the same time, we anticipate a decrease in the ratio of net working capital to revenues, among other things because buying finished glass tubes in line with requirements following the sale of the glass tubing business means that we hold less inventory overall. We envision the strong likelihood of average net working capital improving by about two percentage points in 2016 to around 17% of revenues at constant exchange rates. In the first half of 2016, we succeeded in significantly reducing the average figure over one year to 17.2%. This shows we are on the right track.

However, the positive impact on free cash flow of the lower capital expenditure and the expected decrease in net working capital will only be felt in full from the financial year 2017 because – as already communicated – the first quarter of 2016 saw us settle some EUR 35m in current tax on the sale proceeds from the glass tubing business in the USA.⁸⁾

In addition, we confirm our guidance for the financial years 2016 to 2018, in each case stated at constant exchange rates and once again assuming a US dollar exchange rate of USD 1.12 to EUR 1.00.

- ▶ For the stated period, we are aiming for average annual organic revenue growth of between 4% and 5%.⁹⁾
- ▶ For the adjusted EBITDA margin, we have a target of some 22% for the financial year 2018.⁹⁾

This means our operating cash flow margin in financial year 2018 should be around 13% (previously above 10%) and ROCE should be above the level of our 12% long-term target.

In order to meet these targets, we will in all probability require significantly lower annual capital expenditure of the order of only about 8% of revenues at constant exchange rates.

Average net working capital in 2018 is projected to amount to only around 17% (previously around 18%) of revenues at constant exchange rates.

⁷⁾ Measured at constant exchange rates, including pro forma revenues from Centor for twelve months in the financial year 2015, excluding the sold glass tubing business for the entirety of 2015 and assuming completion of portfolio optimization in 2015.

⁸⁾ Already recognized for accounting purposes as a consolidated income statement item in the 2015 consolidated financial statements. The figure concerned is thus solely a cash outflow in the first quarter of 2016.

⁹⁾ No change relative to the most recent revision announced on July 28, 2015 in connection with the Centor acquisition.

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DECEMBER 2015 – MAY 2016

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CONSOLIDATED INCOME STATEMENT

for the Period from December 1, 2015 to May 31, 2016

in EUR k	Note	Q2 2016	Q2 2015	Q1-Q2 2016	Q1-Q2 2015
Revenues		370,533	356,444	712,861	658,209
Cost of sales		-250,096	-250,418	-492,016	-474,833
Gross profit		120,437	106,026	220,845	183,376
Selling and administrative expenses		-69,288	-62,605	-137,216	-119,129
Other operating income	(4)	3,609	4,615	6,869	9,779
Restructuring expenses		-10	-4,779	-10	-4,896
Other operating expenses		-1,806	-3,287	-4,238	-4,638
Results of operations		52,942	39,970	86,250	64,492
Finance income		6,334	776	7,142	1,666
Finance expense		-15,094	-8,072	-24,291	-16,033
Net finance expense		-8,760	-7,296	-17,149	-14,367
Net income before income taxes		44,182	32,674	69,101	50,125
Income taxes	(6)	-13,114	-10,304	-20,471	-15,107
Net income		31,068	22,370	48,630	35,018
Attributable to equity holders of the parent		29,376	20,273	45,621	31,292
Attributable to non-controlling interests		1,692	2,097	3,009	3,726
Earnings per share (in EUR)¹⁾		0.94	0.65	1.45	1.00

¹⁾ The basic earnings per share figure stated here also corresponds in absence of potential diluted shares to diluted earnings per share.

Notes (1) to (14) are an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the Period from December 1, 2015 to May 31, 2016

in EUR k	Q2 2016	Q2 2015	Q1-Q2 2016	Q1-Q2 2015
Net income	31,068	22,370	48,630	35,018
Changes in the fair value of interest rate swaps and available for sale financial assets	-	139	-4	821
Amount recognized in profit or loss	-	-69	-	-413
Income taxes	-	-27	1	-158
Other comprehensive income from financial instruments	-	43	-3	250
Currency translation	-4,300	-3,539	-31,961	2,745
Other comprehensive income from currency translation reserve	-4,300	-3,539	-31,961	2,745
Other comprehensive income that will be reclassified to profit or loss when specific conditions are met	-4,300	-3,496	-31,964	2,995
Other comprehensive income	-4,300	-3,496	-31,964	2,995
Total comprehensive income	26,768	18,874	16,666	38,013
Attributable to equity holders of the parent	26,253	15,195	15,662	25,792
Attributable to non-controlling interests	515	3,679	1,004	12,221

Notes (1) to (14) are an integral part of these interim consolidated financial statements.

CONSOLIDATED BALANCE SHEET

as of May 31, 2016

ASSETS				
in EUR k	Note	May 31, 2016	Nov. 30, 2015	May 31, 2015
Non-current assets				
Intangible assets		1,187,936	1,252,508	553,294
Property, plant and equipment		581,062	604,605	587,275
Investment property		5,761	5,791	3,861
Investments accounted for using the equity method		237	237	86
Income tax receivables		545	732	444
Other financial assets		5,339	5,245	5,747
Other receivables		3,981	5,267	2,081
Deferred tax assets		9,316	8,085	9,156
		1,794,177	1,882,470	1,161,944
Current assets				
Inventories	(8)	190,364	186,392	214,334
Trade receivables		229,595	219,014	216,392
Income tax receivables		3,920	3,598	2,902
Other financial assets		6,883	10,882	3,427
Other receivables		29,000	23,903	28,327
Cash and cash equivalents		105,408	93,668	73,414
		565,170	537,457	538,796
Total assets		2,359,347	2,419,927	1,700,740
EQUITY AND LIABILITIES				
in EUR k	Note	May 31, 2016	Nov. 30, 2015	May 31, 2015
Equity				
Subscribed capital		31,400	31,400	31,400
Capital reserve		513,827	513,827	513,827
IAS 39 reserve		-39	-36	-35
Currency translation reserve		-61,894	-31,938	-37,879
Retained earnings		132,083	113,152	38,346
Equity attributable to equity holders of the parent		615,377	626,405	545,659
Non-controlling interests		72,445	71,726	69,509
		687,822	698,131	615,168
Non-current liabilities				
Deferred tax liabilities		139,006	146,509	31,059
Provisions for pensions and similar obligations		158,109	158,210	172,282
Other provisions		6,873	6,826	6,540
Other financial liabilities		740,820	740,782	303,178
Other liabilities		8	277	287
		1,044,816	1,052,604	513,346
Current liabilities				
Provisions for pensions and similar obligations		15,943	19,292	14,474
Other provisions		56,643	64,573	64,435
Trade payables		148,646	160,940	115,135
Other financial liabilities		279,688	249,611	249,128
Income tax liabilities		10,100	56,487	17,099
Other liabilities		115,689	118,289	111,955
		626,709	669,192	572,226
		1,671,525	1,721,796	1,085,572
Total equity and liabilities		2,359,347	2,419,927	1,700,740

Notes (1) to (14) are an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the Period from December 1, 2015 to May 31, 2016

in EUR k	Subscribed capital	Capital reserve	Other comprehensive income		Retained earnings	Equity holders of the parent	Non-controlling interests	Total equity
			IAS 39 reserve	Currency translation reserve				
As of November 30/December 1, 2014	31,400	513,827	-263	-31,655	30,108	543,417	60,955	604,372
Net income	-	-	-	-	31,292	31,292	3,726	35,018
Other comprehensive income	-	-	228	-6,224	496	-5,500	8,495	2,995
Total comprehensive income	-	-	228	-6,224	31,788	25,792	12,221	38,013
Distribution	-	-	-	-	-23,550	-23,550	-3,667	-27,217
As of May 31, 2015	31,400	513,827	-35	-37,879	38,346	545,659	69,509	615,168
As of November 30/December 1, 2015	31,400	513,827	-36	-31,938	113,152	626,405	71,726	698,131
Net income	-	-	-	-	45,621	45,621	3,009	48,630
Other comprehensive income	-	-	-3	-29,956	-	-29,959	-2,005	-31,964
Total comprehensive income	-	-	-3	-29,956	45,621	15,662	1,004	16,666
Distribution	-	-	-	-	-26,690	-26,690	-285	-26,975
As of May 31, 2016	31,400	513,827	-39	-61,894	132,083	615,377	72,445	687,822

Notes (1) to (14) are an integral part of these interim consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT

for the Period from December 1, 2015 to May 31, 2016

in EUR k	Note	Q1-Q2 2016	Q1-Q2 2015
Net income		48,630	35,018
Income taxes	(6)	20,471	15,107
Depreciation of property, plant and equipment		41,885	42,683
Amortization of intangible assets		21,026	8,799
Portfolio optimization		68	897
Change in other provisions		-4,536	-6,418
Change in provisions for pensions and similar obligations		-3,278	-4,542
Gain (-)/Loss (+) on the disposal of non-current assets		-46	81
Net finance expense		17,149	14,367
Interest paid		-17,818	-18,600
Interest received		714	757
Income taxes paid		-66,706	-19,721
Income taxes received		635	1,633
Change in inventories		-7,831	-11,954
Change in trade receivables and other assets		-16,332	-8,031
Change in trade payables and other liabilities		-12,707	-13,650
Other non-cash expenses/income		9,767	-2,739
Cash flow from operating activities		31,091	33,687
Cash received from disposals of non-current assets		332	94
Cash paid for capital expenditure			
in property, plant and equipment		-33,765	-32,981
in intangible assets		-1,257	-816
Cash received in connection with divestments	(2)	-2,275	-
Cash paid out for the acquisition of subsidiaries, net of cash received	(2)	1,013	-
Cash flow from investing activities		-35,952	-33,703
Distributions to third parties		-27,029	-25,380
Raising of loans		77,759	110,575
Repayment of loans		-30,621	-83,006
Repayment of finance lease liabilities		-825	-321
Cash flow from financing activities		19,284	1,868
Changes in cash and cash equivalents		14,423	1,852
Effect of exchange rate changes on cash and cash equivalents		-2,683	3,626
Cash and cash equivalents at the beginning of the period		93,668	67,936
Cash and cash equivalents at the end of the period		105,408	73,414

Notes (1) to (14) 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, 2015 to May 31, 2016

(1) General

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 (IFRSs), 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 315a 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, 2015. 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 2015.

The first time adoption of the following standards was mandatory:

- ▶ IAS 19, Defined Benefit Plans – Employee Contributions
- ▶ IFRS Annual Improvements

In December 2013, the IASB published the fifth set of annual improvements with a total of six amendments modifying seven different standards. The amendments are effective for entities registered in the EU for annual periods beginning on or after February 1, 2015.

The application of the above-mentioned standards has not had any material effect on these interim consolidated financial statements.

Preparation of the consolidated financial statements in compliance with the financial reporting principles applied requires estimates, assumptions and judgments that affect the recognition and measurement of assets and liabilities as of the balance sheet date, the disclosure of contingent liabilities and receivables as of the balance sheet date and the amounts of income and expenses reported in the reporting period. Although estimates are 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. Both individual and cumulative figures are values with the smallest rounding difference. There might be therefore slight

differences in the individual figures shown to the presented sum. Conversion of the major currencies in the Group was based on the following exchange rates:

		Closing rate		Average rate	
1 EUR		May 31, 2016	May 31, 2015	Q1-Q2 2016	Q1-Q2 2015
Argentina	ARS	15.5647	9.8720	14.9960	9.9885
Brazil	BRL	3.9850	3.4522	4.1678	3.2804
Switzerland	CHF	1.1044	1.0341	1.0962	1.0920
China	CNY	7.3363	6.7994	7.1797	7.1073
Czech Republic	CZK	27.0220	27.4010	27.0362	27.5684
Denmark	DKK	7.4376	7.4597	7.4541	7.4553
India	INR	74.9510	69.9893	73.9469	71.8271
Mexico	MXN	20.5185	16.8433	19.4165	17.0508
Poland	PLZ	4.3865	4.1298	4.3353	4.1563
Sweden	SEK	9.2910	9.3272	9.2500	9.3449
United States of America	USD	1.1154	1.0970	1.1036	1.1447

The consolidated financial statements of Gerresheimer AG as of November 30, 2015, are published in German in the Federal Law Gazette (Bundesanzeiger) and on the Internet at www.gerresheimer.com.

(2) Cash Flow Statement

The cash flow statement shows how the cash and cash equivalents of the Gerresheimer Group have changed due to cash inflows and outflows during the reporting period. The cash flow effects of the initial consolidation of acquisitions, divestments and other changes in the consolidated group are eliminated. The cash and cash equivalents in the cash flow statement comprise cash on hand, checks, bills of exchange and bank balances. The item "Cash received in connection with divestments" in the actual reporting period includes the sale of the tubing business and results from payments of prior year accounted liabilities from purchase price allocations. The item "Cash paid for the acquisition of subsidiaries, net of cash received" in the actual reporting period contains the partly return of the purchase price of the US group Centor, which was part of the sale and purchase agreement.

(3) 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

(4) Other Operating Income

Income from the reversal of provisions of EUR 1,580k (comparative prior-year period: EUR 2,618k) and insurance reimbursements amounting to EUR 179k (comparative prior-year period: EUR 1,957k) are included in other operating income.

(5) Amortization of Fair Value Adjustments

The amortization of fair value adjustments relates to the acquisitions of Gerresheimer Vaerloese (formerly Dudek Plast Group) at the end of December 2005, the Gerresheimer Regensburg Group (formerly Wilden Group) in early January 2007, the pharmaceutical glass business of Comar Inc., US, in March 2007, the joint venture Kimble Chase in July 2007, Gerresheimer Zaragoza and Gerresheimer Plasticos Sao Paulo in January 2008, Vedat Tampas Hermeticas Ltda. (merged with Gerresheimer Plasticos Sao Paulo) in March 2011, Neutral Glass in April 2012, Triveni in December 2012 and Centor in September 2015.

The amortization of the fair value adjustments is fully disclosed in the functional area selling expenses.

In the reporting period impairment losses on customer relationship in the Plastics & Devices Division of EUR 277k are included in the amortization of fair value adjustments.

(6) Income Taxes

The main components of income tax reported in the consolidated income statement are as follows:

in EUR k	Q1-Q2 2016	Q1-Q2 2015
Current income taxes	-22,735	-20,438
Deferred income taxes	2,264	5,331
	-20,471	-15,107

The Group's current tax ratio is 29.6% (comparative prior-year period: 30.1%).

(7) Distributions to Third Parties

In the reporting period a dividend to the non-controlling interests of Triveni Polymers Private Ltd., India, of EUR 339k was agreed and paid.

In the first half of the financial year 2015 distributions to non-controlling interest of EUR 1,830k relate to Chase Scientific Glass Inc., USA, which has a 49% shareholding in Kimble Chase Life Science and Research Products LLC, USA.

(8) Inventories

in EUR k	May 31, 2016	Nov. 30, 2015
Raw materials, consumables and supplies	53,350	50,776
Work in progress	24,571	24,231
Finished goods and merchandise	108,698	105,206
Prepayments made	3,745	6,179
Inventories	190,364	186,392

Expenses arising from write-downs on inventory amount to EUR 2,654k in the reporting period (comparative prior-year period: EUR 4,718k). If the reasons which led to a write-down cease to exist, write-downs previously set up are reversed. Such reversals amount to EUR 272k in the reporting period (comparative prior-year period: EUR 476k).

(9) Financial Liabilities

In connection with the refinancing of the previous syndicated loans, a new revolving loan agreement of EUR 450,000k was signed on June 9, 2015 with a five-year term to maturity. This was used to redeem the bank loan for an initial EUR 400,000k on June 15, 2015, that was otherwise due to expire in 2016. As of the balance sheet date EUR 264,487k of the revolving credit facility had been drawn.

The EUR 300,000k bond remains in place. It was issued on May 19, 2011 with an issue price of 99.4%, a coupon of 5.0% p.a. and a term to maturity ending in 2018.

On November 10, 2015 bonded loans for a total of EUR 425,000k were launched with maturities of five, seven and ten years.

(10) 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 May 31, 2016 amounts to EUR 899,945k (November 30, 2015: EUR 877,453k); net working capital is EUR 230,737k (November 30, 2015: EUR 213,698k).

The Gerresheimer Group's risk management system for credit risk, liquidity risk and individual market risks, including interest risks, currency risks and 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 Management Report of the consolidated financial statements as of November 30, 2015.

Information on financial instruments by category and class

By type of determination of the fair values of financial assets and financial liabilities, three hierarchy level 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 prices in observable current market transactions for similar assets or liabilities.

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

in EUR k	May 31, 2016				Nov. 30, 2015			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets designated "Available for sale"								
Securities	648	–	–	648	653	–	–	653
Financial assets designated "At fair value through profit and loss"								
Derivative financial assets	–	151	–	151	–	117	–	117
Measured at fair value	648	151	–	799	653	117	–	770
Financial liabilities designated "At fair value through profit and loss"								
Derivative financial liabilities	–	1,696	–	1,696	–	1,161	–	1,161
Put options	–	13,638	–	13,638	–	–	13,747	13,747
Measured at fair value	–	15,334	–	15,334	–	1,161	13,747	14,908

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

in EUR k	May 31, 2016			Balance sheet amount
	At amortized cost	At fair value	At fair value	
	Carrying amount	For information purposes: Fair value	Carrying amount	
Trade receivables	199,776	199,776	–	199,776 ¹⁾
Loans and receivables	199,776	199,776	–	–
Other financial assets	11,423	11,191	799	12,222
Available-for-sale financial assets	232 ²⁾	–	648	–
At fair value through profit or loss	–	–	151	–
Loans and receivables	11,191	11,191	–	–
Cash and cash equivalents	105,408	105,408	–	105,408
Financial assets	316,607	316,375	799	317,406
Other financial liabilities	1,005,174	1,035,341	15,334	1,020,508
At amortized cost	1,005,174	1,035,341	–	–
At fair value through profit or loss	–	–	15,334	–
Trade payables	148,646	148,646	–	148,646
At amortized cost	148,646	148,646	–	–
Financial liabilities	1,153,820	1,183,987	15,334	1,169,154

¹⁾ Receivables under construction contracts are additionally recognized in the balance sheet in the amount of EUR 29,819k.

²⁾ Due to the non-availability of a reliably estimable quoted price, the fair value of investments with a carrying amount of EUR 232k is not stated.

Nov. 30, 2015				
in EUR k	At amortized cost		At fair value	Balance sheet amount
	Carrying amount	<i>For information purposes: Fair value</i>	Carrying amount	
Trade receivables	200,130	200,130	–	200,130 ¹⁾
Loans and receivables	200,130	200,130	–	
Other financial assets	15,357	15,121	770	16,127
Available-for-sale financial assets	236 ²⁾	–	653	
At fair value through profit and loss	–	–	117	
Loans and receivables	15,121	15,121	–	
Cash and cash equivalents	93,668	93,668	–	93,668
Financial assets	309,155	308,919	770	309,925
Other financial liabilities	975,485	1,005,940	14,908	990,393
At amortized cost	975,485	1,005,940	–	
At fair value through profit or loss	–	–	14,908	
Trade payables	160,940	160,940	–	160,940
At amortized cost	160,940	160,940	–	
Financial liabilities	1,136,425	1,166,880	14,908	1,151,333

¹⁾ Receivables under construction contracts are additionally recognized in the balance sheet in the amount of EUR 18,884k.

²⁾ Due to the non-availability of a reliably estimable quoted price, the fair value of investments with a carrying amount of EUR 236k is not stated.

Liabilities measured at amortized cost include finance lease liabilities for which Group companies are the lessees. As of May 31, 2016, these liabilities amount to EUR 4,803k (November 30, 2015: EUR 5,708k).

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.

(11) Other Financial Obligations

Other financial obligations break down as follows:

in EUR k	May 31, 2016	Nov. 30, 2015
Obligations under rental and lease agreements	44,545	43,157
Capital expenditure commitments	18,356	17,135
Guarantees	154	210
Sundry other financial obligations	7,469	7,278
Other financial obligations	70,524	67,780

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

(12) 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 the economic characteristics of their businesses.

The Gerresheimer Group comprises the three divisions Plastics & Devices, Primary Packaging Glass and Life Science Research.

The **Plastics & Devices** Division encompasses complex customer-specific system solutions for easy and safe drug administration and diagnostic products and medical devices together with plastic containers for liquid and solid drugs with closure and safety systems.

The **Primary Packaging Glass** Division produces glass primary packaging products for drugs and cosmetics.

The **Life Science Research** Division produces reusable laboratory glassware, laboratory disposables and other specialized laboratory glassware for research, development and analytics.

Services of Gerresheimer AG, consolidation measures and inter-segment reconciliations are presented in the segment reporting as “Head office/consolidation”. The measurement principles for segment reporting are based on the IFRSs applied in the consolidated financial statements.

In the following the used key performance indicators to assess the performance of the divisions of Gerresheimer AG are shown:

in EUR k	Plastics & Devices		Primary Packaging Glass		Life Science Research		Head office/consolidation		Group	
	Q1-Q2 2016	Q1-Q2 2015	Q1-Q2 2016	Q1-Q2 2015	Q1-Q2 2016	Q1-Q2 2015	Q1-Q2 2016	Q1-Q2 2015	Q1-Q2 2016	Q1-Q2 2015
Segment revenues	370,813	306,188	297,041	313,237	47,828	49,080	–	–	715,682	668,505
Intragroup revenues	-305	-352	-2,516	-9,944	–	–	–	–	-2,821	-10,296
Revenues with third parties	370,508	305,836	294,525	303,293	47,828	49,080	–	–	712,861	658,209
Adjusted EBITDA	94,279	61,790	61,169	64,704	6,538	6,564	-11,287	-10,030	150,699	123,028
Depreciation and amortization	-21,040	-17,497	-21,394	-25,563	-747	-814	-202	-210	-43,383	-44,084
Adjusted EBITA	73,239	44,293	39,775	39,141	5,791	5,750	-11,489	-10,240	107,316	78,944
Net working capital	109,703	113,410	99,236	134,496	24,263	31,941	-2,465	-2,688	230,737	277,159
Operating cash flow ¹⁾	69,706	33,700	30,583	27,478	7,008	4,732	-13,252	-9,938	94,045	55,972
Capital expenditure	14,690	9,359	19,204	23,841	623	336	505	261	35,022	33,797
Employees (average)	4,676	4,445	5,180	5,685	747	807	96	106	10,699	11,043

¹⁾ Operating cash flow: Adjusted EBITDA plus or minus change in net working capital less capital expenditure.

Reconciliation from Adjusted EBITA of the divisions to net income before taxes of the Group is shown in the following table:

in EUR k	Q1-Q2 2016	Q1-Q2 2015
Adjusted segment EBITA	118,805	89,184
Head office/consolidation	-11,489	-10,240
Adjusted Group EBITA	107,316	78,944
Sale of the glass tubing business	322	-977
Portfolio optimization	-1,221	-5,793
One-off expenses and income	-640	-284
Amortization of fair value adjustments	-19,527	-7,398
Result of operations	86,250	64,492
Net finance expense	-17,149	-14,367
Net income before income taxes	69,101	50,125

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

OTHER NOTES

(13) 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-Q2 2016				Q1-Q2 2015			
	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
in EUR k								
Company in relation to a member of the Gerresheimer AG Supervisory Board	1,232	–	213	–	1,318	–	283	–
Associated companies	–	1,289	–	66	–	1,437	–	125
	1,232	1,289	213	66	1,318	1,437	283	125

The transactions carried out include the Vetter Pharma-Fertigungs GmbH & Co. KG, Ravensburg, Germany, which is related to a member of the supervisory board.

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

(14) Events after the Balance Sheet Date

There were no subsequent events after May 31, 2016, which had a significant effect on the net assets, financial position or results of operations of the Gerresheimer Group.

The Management Board approved the interim consolidated financial statements on July 6, 2016, after discussion with the Audit Committee of the Supervisory Board.

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Duesseldorf, Germany, July 6, 2016

The Management Board

Uwe Röhrhoff

Rainer Beaujean

Andreas Schütte

FINANCIAL CALENDAR

October 6, 2016 Interim Report 3rd Quarter 2016

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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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