Our Third Quarter

Interim Report Third Quarter

December 2015 - August 2016

GERRESHEIMER

GROUP KEY FIGURES

Financial Year end November 30	**Q3 2016**	Q3 2015	Change in %[7]	**Q1-Q3 2016**	Q1-Q3 2015	Change in %[7]
Results of Operations during Reporting Period in EUR m						
Revenues	373.1	344.0	8.4	1,085.9	1,002.2	8.4
Adjusted EBITDA[1]	84.4	68.0	24.2	235.1	191.0	23.1
in % of revenues	22.6	19.8	–	21.7	19.1	–
Adjusted EBITA[2]	62.4	48.2	29.3	169.7	127.2	33.4
in % of revenues	16.7	14.0	–	15.6	12.7	–
Result from operations	52.0	36.2	43.9	138.3	100.7	37.4
Net income	32.0	20.2	58.7	80.6	55.2	46.1
thereof attributable to shareholders of Gerresheimer AG	30.9	18.2	69.9	76.6	49.5	54.7
thereof attributable to non-controlling interests	1.1	2.0	-46.3	4.0	5.7	-28.5
Adjusted net income[3]	38.7	29.2	33.1	101.4	73.9	37.3
Net Assets as of Reporting Date in EUR m						
Total assets	2,398.9	1,668.8	43.7	2,398.9	1,668.8	43.7
Equity	725.1	612.8	18.3	725.1	612.8	18.3
Equity ratio in %	30.2	36.7	–	30.2	36.7	–
Net working capital	243.7	254.3	-4.1	243.7	254.3	-4.1
in % of revenues of the last twelve months	16.7	19.0	–	16.7	19.0	–
Capital expenditure	32.4	37.9	-14.4	67.4	71.7	-5.9
Net financial debt	871.2	437.4	99.2	871.2	437.4	99.2
Adjusted EBITDA leverage[4]	2.8	1.6	–	2.8	1.6	–
Financial and Liquidity Position during Reporting Period in EUR m						
Cash flow from operating activities	61.3	67.8	-9.6	92.4	101.5	-9.0
Cash flow from investing activities	-27.2	-38.5	24.2	-63.2	-72.2	12.5
thereof cash paid for capital expenditure	-27.4	-37.9	27.7	-62.4	-71.7	12.9
Free cash flow before financing activities	34.1	29.3	16.1	29.2	29.3	-0.5
Employees						
Employees as of the reporting date (total)	10,752	11,008	-2.3	10,752	11,008	-2.3
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	74.45	64.63	15.2	74.45	64.63	15.2
Market capitalization at reporting date in EUR m	2,337.7	2,029.4	15.2	2,337.7	2,029.4	15.2
Share price high[5] during reporting period in EUR	76.77	68.35	–	76.77	68.35	–
Share price low[5] during reporting period in EUR	65.35	50.78	–	57.10	41.99	–
Earnings per share in EUR	0.99	0.58	70.7	2.44	1.58	54.4
Adjusted earnings per share[6] in EUR	1.19	0.85	40.0	3.07	2.12	44.8

[1] Adjusted EBITDA: Earnings before income taxes, net finance expenses, 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 expenses, amortization of fair value adjustments, amortization, impairments, restructuring expenses and one-off income and expenses.
[3] Adjusted net income: Consolidated net income before 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] Change calculated on a EUR k basis.

DIVISIONS

› Plastics & Devices

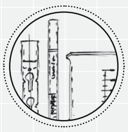
The product portfolio of the Plastics & Devices Division includes complex, customer-specific products for the simple and safe administration of medicines, such as insulin pens, inhalers and prefillable syringes. Also included are diagnostics and medical technology products such as lancets and test systems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

in EUR m	**Q3 2016**	Q3 2015	Change in %[3]	**Q1-Q3 2016**	Q1-Q3 2015	Change in %[3]
Revenues[1]	195.2	153.1	27.5	566.0	459.3	23.2
Adjusted EBITDA[2]	54.4	31.6	72.3	148.7	93.4	59.2
in % of revenues	27.9	20.6	–	26.3	20.3	–
Capital expenditure	8.2	6.4	29.3	22.9	15.7	45.8

› 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 2016**	Q3 2015	Change in %[3]	**Q1-Q3 2016**	Q1-Q3 2015	Change in %[3]
Revenues[1]	155.2	170.5	-8.9	452.3	483.7	-6.5
Adjusted EBITDA[2]	32.0	38.4	-16.8	93.1	103.1	-9.7
in % of revenues	20.6	22.5	–	20.6	21.3	–
Capital expenditure	23.3	31.1[4]	-25.1	42.5	55.0[4]	-22.6



› 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	**Q3 2016**	Q3 2015	Change in %[3]	**Q1-Q3 2016**	Q1-Q3 2015	Change in %[3]
Revenues[1]	24.1	25.8	-6.5	72.0	74.9	-3.9
Adjusted EBITDA[2]	3.3	3.7	-11.9	9.8	10.3	-4.5
in % of revenues	13.5	14.3	–	13.6	13.7	–
Capital expenditure	0.4	0.3	2.0	1.0	0.7	43.0

[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] Change calculated on a EUR k basis.
[4] This includes EUR 0.9m capital expeditures of the disposal group.

KEY FACTS THIRD QUARTER 2016

- Revenues gain 8.4% to EUR 373.1m (organic growth 1.4%)
- Adjusted EBITDA up a good 24.2% to EUR 84.4m (Q3 2015: EUR 68.0m)
- Adjusted net income improved substantially by 33.1% to EUR 38.7m (Q3 2015: EUR 29.2m)
- Adjusted earnings per share up by very strong 40.0% on prior-year quarter, climbing to EUR 1.19 (Q3 2015: EUR 0.85)
- Operating cash flow significantly improved in first nine months of 2016, by EUR 35.0m to EUR 139.5m (Q1-Q3 2015: EUR 104.5m)
- Guidance adjusted due to sale of Life Science Research Division and accounting treatment as discontinued operation

CONTENTS

GERRESHEIMER ON THE CAPITAL MARKETS

STOCK MARKETS ON MOSTLY STABLE OVERALL TREND DESPITE FLUCTUATIONS

International stock markets held a mostly stable overall trend in the first nine months of financial year 2016 despite large fluctuations. The share price trend was hit heavily in late June by the Brexit vote in the United Kingdom. After a tempo-rary collapse immediately following the referendum, share indices nonetheless surged back, though fluctuations continued. The DAX broadly regained its pre-referendum level within a few weeks. The U.S. stock market led the share index recovery, with the S&P 500 setting new all-time highs in July 2016. Expectations appear to be that the adverse impacts of Brexit on the global economy and hence also on corporate profits may remain limited. The MDAX has kept up its pronounced medium-term relative strength against the DAX for the last 17 months and narrowed its losses to 0.91% at the close of the third quarter of the financial year on August 31, 2016.

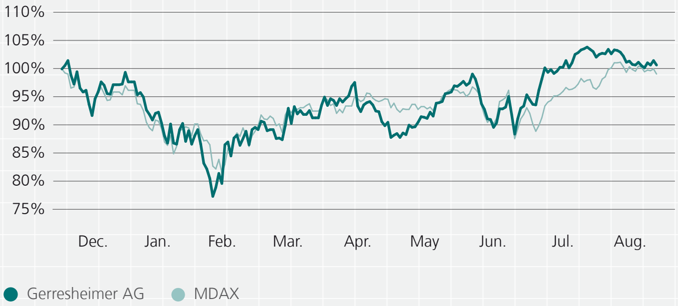
GERRESHEIMER SHARE PRICE DELIVERS VERY STRONG PERFORMANCE

The price of Gerresheimer shares (ISIN: DE000A0LD6E6) performed very strongly in the first nine months of financial year 2016. After continuing to track the market as a whole in the first quarter of the financial year, the share price settled down in the second quarter of the financial year to close at EUR 71.61 on May 31, 2016. The share price went on to recover strongly in the third quarter of the financial year following the Brexit decision. Gerresheimer shares hit a new all-time high of EUR 76.77 on July 29, 2016 and performed slightly better than the MDAX benchmark index toward the end of the third quarter of the financial year. Shares in Gerresheimer AG showed a net gain of 0.74% over the first nine months of financial year 2016, closing at EUR 74.45 on August 31, 2016.

The Company's market capitalization was EUR 2,337.7m as of the end of the third quarter on August 31, 2016. According to the German Stock Exchange index ranking, Gerresheimer shares advanced to 23rd place in MDAX (prior year: 26th place). In terms of stock exchange turnover, the Company's shares occupied 34th place as of the reporting date, compared with 38th place at the end of the third quarter of 2015.

Gerresheimer AG Shares Versus MDAX (rebased)

Index: November 30, 2015 = 100 %



ANALYST RECOMMENDATIONS: BUY OR HOLD

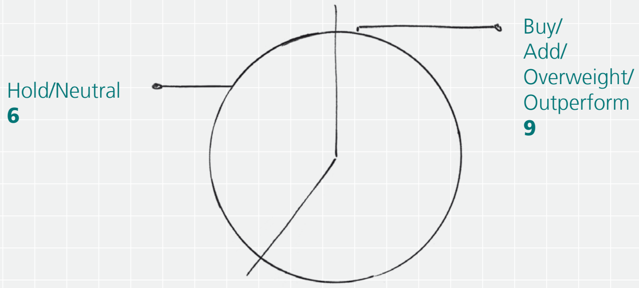
Gerresheimer shares were covered by 15 bank analysts as of the end of the third quarter on August 31, 2016. Nine analysts recommended to buy and a further six analysts gave a hold recommendation. There were no sell recommendations as of the reporting date. The figures below provide an overview of the banks covering Gerresheimer as of August 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 August 31, 2016)

Number



Gerresheimer Shares: Key Data

	Q3 2016	Q3 2015	**Q1-Q3 2016**	Q1-Q3 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	74.45	64.63	74.45	64.63
Market capitalization as of the reporting date in EUR m	2,337.7	2,029.4	2,337.7	2,029.4
Share price high[1] during the reporting period in EUR	76.77	68.35	76.77	68.35
Share price low[1] during the reporting period in EUR	65.35	50.78	57.10	41.99
Earnings per share in EUR	0.99	0.58	2.44	1.58
Adjusted earnings per share[2] in EUR	1.19	0.85	3.07	2.12

[1] Xetra-closing price.
[2] Adjusted net income after non-controlling interests divided by 31.4m shares.

Share Reference Data

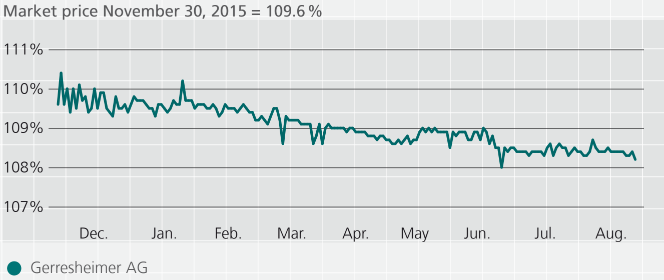
ISIN	DE000A0LD6E6
WKN	A0LD6E
Bloomberg symbol	GXI
Reuters symbol	GXIG.DE
Index membership	MDAX, CDAX, HDAX, Prime All Share, Classic All Share, EURO STOXX TMI, Russell Global Small Cap Growth Index and further sector and size indexes
Listings	Berlin, Duesseldorf, Frankfurt (Xetra and floor trading),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

GERRESHEIMER BOND PRICE STABLE AT HIGH LEVEL

The third quarter of the financial year saw the Gerresheimer bond price (ISIN: XS0626028566) sustain its high level from the first six months. In August, the bond price softened slightly to close at EUR 108.20 on the August 31, 2016 reporting date. The price thus remained strong as of the end of the third quarter of 2016, as reflected in an end-of-quarter effective interest rate (yield to maturity) of some 0.3% p.a. on an investment in the bonds. This consistently very low effective interest rate shows that investors continue to view Gerresheimer bonds as a highly secure investment. Standard & Poor's and Moody's, the two major rating agencies, have kept the Gerresheimer bond at investment grade ratings BBB-, stable outlook and Baa3, negative outlook, respectively. The Standard & Poor's rating has not changed since 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 reaffirmed its assessment in April 2016, once again highlighting the strong cash flow generation. 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

Market price November 30, 2015 = 109.6 %



Bond Reference Data

ISIN	XS0626028566
WKN	A1H3VP
Issuer	Gerresheimer AG
Principal amount	EUR 300m
Coupon/coupon date	5% p.a./May 19
Maturity date	May 19, 2018
Bond price[1] as of the reporting date	108.2%
Effective annual interest rate (yield to maturity)[2] as of the reporting date	0.3% 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 Exchange.
[2] Based on the closing price on Stuttgart Stock Exchange.

INTERIM GROUP MANAGEMENT REPORT DECEMBER 2015 – AUGUST 2016

BUSINESS ENVIRONMENT

The International Monetary Fund (IMF) revised its growth forecast slightly downward following the Brexit vote in the United Kingdom.[1] According to the economic experts, this will impact economic growth worldwide both this year and next. However, the correction to the IMF forecast for the world economy is relatively small, at a tenth of a percentage point each for 2016 and 2017. The forecast is now for 3.1% growth in 2016 and 3.4% in 2017. Generally speaking, the assessment is that the UK decision mainly affects the United Kingdom itself and Europe, but not the developing and emerging markets.

In their latest economic forecast[2], researchers at the Kiel Institute for the World Economy (IfW) arrive at almost identical conclusions as the IMF. They expect that the global economy will gradually pick up again in the next two years but say there are no signs of a major global upturn. The Kiel experts anticipate global output growth (PPP basis) of 3.1% this year—that is just as weak as in 2015—followed by 3.5% in 2017 and 3.7% in 2018. They see stimulus from ongoing, highly expansionary monetary policy in advanced economies as being countered by structural barriers and political uncertainties. The latter include geopolitical tensions as well as increasingly isolationist and protectionist tendencies, as seen in developments such as the Brexit vote.

Opinions of Brexit's economic implications for Europe in the weeks following the vote ranged from "disastrous" to "very modest." According to the IMF experts, the truth is likely to be somewhere in the middle. The researchers now expect that the euro area will continue to grow favorably in 2016 despite the vote and are even projecting higher growth (of 1.6%) than was forecast in April. They identified encouraging pointers notably in the first half year, with EU member states growing faster than expected. However, they project that increasing consumer and business uncertainty coupled with financial market turbulence will reduce growth by two-tenths of a percentage point to 1.4% in 2017.

Growth in the USA is on hold. According to the U.S. Department of Commerce, GDP grew at an annualized 1.2% between April and June.[3] Bank economists had anticipated growth of 2.5%. The revised figure for the preceding quarter stood at 0.8%. While investment activities virtually slumped, U.S. consumption was reportedly unabated. Consumer spending thus surged by 4.2% on an annualized basis. The expectation had been for an increase of 4.4%. Private consumption is the backbone of the U.S. economy, accounting for about 70% of GDP. Growth figures are stated on an annualized basis in the USA. They indicate how fast the economy would grow if the current rate were to be kept up for a whole year. Growth rates in Europe are not annualized. European growth rates are consequently smaller and cannot be directly compared with the American figures.

The International Monetary Fund has now revised its medium-term forecast for China and acknowledges that the country is making economic progress. Areas singled out by the IMF for radical reform are the liberalization of interest rates and urbanization. According to the IMF, the greatest cause for concern is the ongoing growth slowdown. Saying that the country's economic transformation remains complex, challenging and potentially bumpy, the IMF projects growth of 6.6%, compared with 6.9% a year earlier. Reasons given for the downward revision are lower private investment and weaker foreign demand.

Little has changed in the forecast for other major emerging markets. The Russian economy is thus set to shrink this year by 1.2% and the Brazilian economy by 3.3%. However, the IMF believes that both countries could come out of recession as early as 2017. It maintains that Russia is aided here by the higher oil price, which promises to ease matters. In Brazil, consumers and business are said to be regaining confidence, and GDP has not contracted as severely as expected. The recession in both countries may thus gradually lift, with a potential return to growth forecast for 2017. Nonetheless, political and economic uncertainties are reported to remain.

The global pharma market remains robust and is benefiting from sustained growth drivers. These include demographic change that goes hand in hand with the greater healthcare needs of an older populace, as well as advances in medical technology and growing numbers of out-of-patent and biotech drugs. According to IMS Health[4], new therapies can be expected in the fields of cancer, autoimmune and respiratory diseases, immunosuppressants

[1] World Economic Outlook Update, July 2016.
[2] Kiel Institute for the World Economy, September 8, 2016.
[3] Deutsche Presse-Agentur, July 29, 2016.
[4] IMS Health, www.pharma-fakten.de/news/details/79-die-billion-euro-grenze-faellt/

and antivirals. Another focus of pharmaceutical research is on therapies for diseases of the central nervous system. Generic drugs are the great worldwide growth driver. In Latin America, they account for over 60% of growth in spending on pharmaceuticals. In the European market, too, generics have strong market penetration and account for 46% of growth. IMS forecasts the strongest growth for China. Per capita expenditure there will go up by 70% in the next five years. At the same time, this per capita expenditure is only about one tenth of that in the United States. According to IMS, global expenditure for the treatment of diabetes is set to grow by 10%. Reasons include new therapies and higher diagnosis rates.

BUSINESS DEVELOPMENT

The Gerresheimer Group continued to boost revenues in the third quarter of 2016. The Group generated revenues of EUR 373.1m, up by 8.4% on the prior-year quarter. On an organic basis, meaning at constant exchange rates and adjusted for acquisitions and divestments, Gerresheimer Group revenues increased by 1.4% in the third quarter of 2016. The financial year 2015 saw 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 84.4m in the third quarter of 2016, substantially exceeding the prior-year quarter's figure of EUR 68.0m. The adjusted EBITDA margin consequently increased to 22.6%, 2.8 percentage points above the prior-year quarter's 19.8% figure. Adjusted EBITDA in the first three quarters of 2016 stood at EUR 235.1m, compared with EUR 191.0m in the same period of the prior year. At constant exchange rates, adjusted EBITDA amounted to EUR 81.2m in the third quarter of 2016 and EUR 238.0m in the first nine months of the financial year 2016.

Largely due to the higher operating income, results of operations went up to EUR 52.0m in the third quarter of 2016, versus EUR 36.2m in the comparative prior-year quarter. In the first three quarters of 2016, results of operations rose to EUR 138.3m, compared with EUR 100.7m in the prior-year period. Net income amounted to EUR 32.0m in the third quarter of 2016, EUR 11.8m more than the EUR 20.2m net income in the prior-year quarter. At EUR 80.6m, net income for the first three quarters of 2016 likewise exceeded the figure for the comparative prior-year period, by EUR 25.4m.

Despite the Centor acquisition, the balance sheet remained very solid. The equity ratio of 30.2% was slightly up on its November 30, 2015 level (28.8%). Non-current assets as a percentage of total assets came to 75.1%, a marginal decrease on the figure 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 2.8, almost at the same level as November 30, 2015. A notable highlight in the period December 1, 2015 to August 31, 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 35.0m to EUR 139.5m.

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 financial year 2016, we have assumed a USD exchange rate of USD 1.12 per EUR 1.00 for budgeting purposes. Given our production locations in the USA and financial debt in U.S. dollars, fluctuations in the U.S. 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 impact 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 third quarter of the financial year 2016 met our expectations.

REVENUE PERFORMANCE

The Gerresheimer Group improved on revenues for the comparative prior-year quarter by 8.4% or EUR 29.1m in the third quarter of 2016. In the first nine months of 2016, revenues increased to EUR 1,085.9m or 8.4% up on the same prior-year period. On an organic basis, meaning adjusted for exchange rate effects, acquisitions and divestments, Gerresheimer Group revenues in the third quarter of 2016 showed growth of 1.4% relative to the equivalent prior-year quarter, while revenues for the first nine months were 1.8% up on the prior-year period. Both the Plastics & Devices and the Primary Packaging Glass divisions generated positive organic revenue growth, while in the Life Science Research Division organic revenue growth was negative.

in EUR m	**Q3 2016**	Q3 2015	Change in %[1]	**Q1-Q3 2016**	Q1-Q3 2015	Change in %[1]
Revenues						
Plastics & Devices	195.2	153.1	27.5	566.0	459.3	23.2
Primary Packaging Glass	155.2	170.5	-8.9	452.3	483.7	-6.5
Life Science Research	24.1	25.8	-6.5	72.0	74.9	-3.9
Subtotal	**374.5**	**349.4**	**7.2**	**1,090.3**	**1,017.9**	**7.1**
Intragroup revenues	-1.4	-5.4	-73.2	-4.4	-15.7	-72.8
Total revenues	**373.1**	**344.0**	**8.4**	**1,085.9**	**1,002.2**	**8.4**

[1] Change calculated on a EUR k basis.

Revenues in the Plastics & Devices Division climbed to EUR 195.2m in the third quarter of 2016, an increase of 27.5% or EUR 42.1m on the same prior-year period. In the first nine months of the financial year 2016, revenues went up by EUR 106.7m to EUR 566.0m, an increase of 23.2%. This is mainly due to the revenue contribution from Centor in the reporting period, which was not included in the comparative prior-year period as the transaction was not closed until September 1, 2015. Organic revenue growth stood at 3.2% in the third quarter of 2016 and 1.6% in the period December 1, 2015 to August 31, 2016. On the one hand, the main driver for this positive revenue performance in the third quarter 2016 is the increase of revenue in the parts business that has been made in particular with inhalers. On the other hand, sales in the tooling business—unlike in the prior quarter—were higher than in the prior year, and such fluctuations in the tooling business are normal and primarily track the billing of large-scale customer projects. Thus, the tooling revenues remain at about last year's level..

The Primary Packaging Glass Division generated revenues of EUR 155.2m in the third quarter of 2016, compared with EUR 170.5m in the same prior-year period. This corresponds to a 8.9% decrease in revenues. Divisional revenues were 6.5% down in the first nine 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 three quarters of 2015. On an organic basis, however, we recorded 0.3% revenue growth in the third quarter of 2016 and 3.1% for the first nine months of the financial year 2016. The Tubular Glass Converting business kept up the positive revenue trend from the preceding quarters, especially in the USA. In the Moulded Glass business, the third quarter of 2016 brought a scheduled expansion to a major furnace in Tettau, Germany. This held back growth slightly, notably because only half of the effect of the 2015 Chicago Heights furnace overhaul was accounted for in the prior-year quarter.

Revenues in the Life Science Research Division went down by EUR 1.7m to EUR 24.1m in the third quarter of 2016 and by 3.9% to EUR 72.0m in the period December 1, 2015 to August 31, 2016. The main reason for this continues to be the weakness of the market in the USA.

RESULTS OF OPERATIONS

The Gerresheimer Group generated adjusted EBITDA of EUR 84.4m in the third quarter of 2016, an improvement of 24.2% on the equivalent prior-year figure. In the third quarter of 2016, the adjusted EBITDA margin stood at 22.6%, well above the adjusted EBITDA margin of 19.8% in the comparative period. In the first three quarters of the financial year 2016, adjusted EBITDA totaled EUR 235.1m, marking an increase of EUR 44.1m or 23.1% on the comparative prior-year period. The adjusted EBITDA margin for the period December 1, 2015 to August 31, 2016 came to 21.7%, higher than the prior-year figure of 19.1%.

			Margin in %				Margin in %	
in EUR m	**Q3 2016**	Q3 2015	**Q3 2016**	Q3 2015	**Q1-Q3 2016**	Q1-Q3 2015	**Q1-Q3 2016**	Q1-Q3 2015
Adjusted EBITDA								
Plastics & Devices	54.4	31.6	27.9	20.6	148.7	93.4	26.3	20.3
Primary Packaging Glass	32.0	38.4	20.6	22.5	93.1	103.1	20.6	21.3
Life Science Research	3.3	3.7	13.5	14.3	9.8	10.3	13.6	13.7
Subtotal	**89.7**	**73.7**	**–**	**–**	**251.6**	**206.8**	**–**	**–**
Head office/consolidation	-5.3	-5.7	–	–	-16.5	-15.8	–	–
Total adjusted EBITDA	**84.4**	**68.0**	**22.6**	**19.8**	**235.1**	**191.0**	**21.7**	**19.1**

Adjusted EBITDA in the Plastics & Devices Division increased year on year by EUR 22.8m to EUR 54.4m in the third quarter of 2016. The adjusted EBITDA margin stood at 27.9% in the third quarter of 2016, significantly higher than in the prior-year quarter. In the first nine months of 2016, adjusted EBITDA went up by EUR 55.3m to EUR 148.7m, while the adjusted EBITDA margin came to 26.3%, compared with 20.3% in the comparative prior-year period. This is attributable to the acquisition of Centor as of September 1, 2015, to a favorable cost and productivity trend in the syringe business, and to a good customer mix in the parts business.

At EUR 32.0m, adjusted EBITDA in the Primary Packaging Glass Division was down 16.8% 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 three quarters of 2016 came to EUR 93.1m. This was EUR 10.0m 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 20.6% in the third quarter of 2016, down on the 22.5% recorded in the prior-year quarter. In the first nine months of 2016, the margin came to 20.6%, slightly below the 21.3% recorded in the same period of 2015. The Tubular Glass Converting business sustained its positive margin trend here, with the margin in the third quarter of 2016 once again improving on the figure for the prior-year quarter. In the Moulded Glass business, the margin was slightly down on the prior-year quarter due to the scheduled furnace expansion in Tettau. Despite the negative margin impact resulting from the sale of the glass tubing business, revenue and productivity improvements enabled the division to return a margin in excess of our expectations as of the beginning of the financial year.

In the Life Science Research Division, adjusted EBITDA went down from EUR 3.7m in the third quarter of 2015 to EUR 3.3m in the reporting period. The adjusted EBITDA margin stood at 13.5%, slightly below the adjusted EBITDA margin of 14.3% in the prior-year quarter. At EUR 9.8m, adjusted EBITDA for the first three quarters of 2016 was slightly down on the figure for the prior-year period. The period December 1, 2015 to August 31, 2016 saw us generate an adjusted EBITDA margin of 13.6%, thus nearly equaling the level for the same period a year earlier.

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

in EUR m	Q3 2016	Q3 2015	Change	Q1–Q3 2016	Q1–Q3 2015	Change
Adjusted EBITDA	**84.4**	**68.0**	**16.4**	**235.1**	**191.0**	**44.1**
Depreciation	-22.0	-19.8	-2.2	-65.4	-63.8	-1.6
Adjusted EBITA	**62.4**	**48.2**	**14.2**	**169.7**	**127.2**	**42.5**
Sale of the glass tubing business	–	-1.1	1.1	0.3	-2.1	2.4
Sale of the Life Science Research Division	-1.0	–	-1.0	-1.4	–	-1.4
Portfolio optimization	0.4	-0.6	1.0	-0.8	-6.4	5.6
Acquisition Centor	-0.1	-6.6	6.5	-0.1	-6.6	6.5
One-off income and expenses[1)]	-0.2	-0.1	-0.1	-0.4	-0.4	–
Total of one-off effects	**-0.9**	**-8.4**	**7.5**	**-2.4**	**-15.5**	**13.1**
Amortization of fair value adjustments[2)]	-9.5	-3.6	-5.9	-29.0	-11.0	-18.0
Results of operations	**52.0**	**36.2**	**15.8**	**138.3**	**100.7**	**37.6**
Net finance expense	-8.8	-7.3	-1.5	-26.0	-21.7	-4.3
Income taxes	-11.2	-8.7	-2.5	-31.7	-23.8	-7.9
Net income	**32.0**	**20.2**	**11.8**	**80.6**	**55.2**	**25.4**

[1)] The one-off income and expenses item consists of one-off items that cannot be taken as an indicator of ongoing business. These include, for example, various expenses for reorganization and restructuring measures which, according to IFRS, are not reportable as "restructuring expenses."
[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 62.4m in the third quarter of 2016 (Q3 2015: EUR 48.2m), based on adjusted EBITDA of EUR 84.4m in the third quarter of 2016 (Q3 2015: EUR 68.0m) less depreciation and amortization of EUR 22.0m (Q3 2015: EUR 19.8m). This is reconciled to the EUR 52.0m results of operations for the third quarter of 2016—above the EUR 36.2m figure for the comparative prior-year period—by deducting one-off items in the amount of EUR 0.9m in the reporting period (Q3 2015: EUR 8.4m) and amortization of fair value adjustments in the amount of EUR 9.5m (Q3 2015: EUR 3.6m). One-off items in the third quarter of 2016 mainly related to the sale of the Life Science Research Division and notably to consulting fees for lawyers engaged in that connection.

Amortization of fair value adjustments amounted to EUR 9.5m in the third quarter of 2016, compared with EUR 3.6m in the comparative prior-year period. The EUR 5.9m increase is mainly a result of the acquisition of Centor completed in September 2015. Amortization of fair value adjustments in the first three quarters of 2016 came to EUR 29.0m, compared with EUR 11.0m in the comparative prior-year period.

Net finance expense was EUR 8.8m in the third quarter 2016 and thus was above the prior-year quarter with EUR 7.3m. Net finance expense in the first three quarters of 2016 was EUR 26.0m compared with EUR 21.7m in the comparative prior-year period.

In the third quarter of 2016, the tax ratio was 26.0% compared with 30.1% in the prior-year quarter, and 28.2% in the nine months of 2016 compared with 30.1% in the comparative prior-year period.

Net income for the third quarter of 2016 consequently totaled EUR 32.0m, EUR 11.8m higher than the equivalent prior-year figure. In the first nine months of 2016, net income came to EUR 80.6m, compared with EUR 55.2m in the first nine months of the financial year 2015. Deducting net income attributable to non-controlling interests, net income attributable to equity holders of the parent for the period ending August 31, 2016 stood at EUR 76.6m (prior year: EUR 49.5m).

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

in EUR m	Q3 2016	Q3 2015	Change	Q1–Q3 2016	Q1–Q3 2015	Change
Net income	**32.0**	**20.2**	**11.8**	**80.6**	**55.2**	**25.4**
Sale of the glass tubing business	–	-1.1	1.1	0.3	-2.1	2.4
Related tax effect	–	0.3	-0.3	-0.1	0.6	-0.7
Sale of the Life Science Research Division	-1.0	–	-1.0	-1.4	–	-1.4
Related tax effect	0.4	–	0.4	0.5	–	0.5
Acquisition Center	-0.1	-6.6	6.5	-0.1	-6.6	6.5
Related tax effect	–	2.0	-2.0	–	2.0	-2.0
Portfolio optimization	0.4	-0.6	1.0	-0.8	-6.4	5.6
Related tax effect	-0.1	0.1	-0.2	0.3	2.4	-2.1
One-off income and expenses	-0.2	-0.2	–	-0.4	-0.4	–
Related tax effect	–	–	–	0.1	0.1	–
Amortization of fair value adjustments	-9.5	-3.6	-5.9	-29.0	-11.0	-18.0
Related tax effect	3.2	1.0	2.2	9.7	3.2	6.5
Interest on the repayment of the financing	–	-0.5	0.5	–	-0.5	0.5
Related tax effect	–	0.2	-0.2	–	0.2	-0.2
One-off tax effects	–	-0.2	0.2	–	-0.2	0.2
Adjusted net income	**38.7**	**29.2**	**9.5**	**101.4**	**73.9**	**27.5**
Attributable to non-controlling interests	**1.1**	**2.0**	**-0.9**	**4.0**	**5.7**	**-1.7**
Amortization of fair value adjustments	-0.4	-0.7	0.3	-1.1	-1.9	0.7
Related tax effect	0.1	0.1	–	0.1	0.2	–
Adjusted net income attributable to non-controlling interests	**1.4**	**2.6**	**-1.2**	**5.0**	**7.4**	**-2.4**
Adjusted income after non-controlling interests	**37.3**	**26.6**	**10.7**	**96.4**	**66.5**	**29.9**
Adjusted net income per share in EUR after non-controlling interests	1.19	0.85	0.34	3.07	2.12	0.95

In the third quarter of 2016, adjusted net income (defined as net income, including net income attributable to non-controlling interests, before amortization of fair value adjustments, all one-off items and related tax items) came to EUR 38.7m, compared with EUR 29.2m in the prior-year quarter. Adjusted net income for the first nine months of 2016 totaled EUR 101.4m, EUR 27.5m higher than the EUR 73.9m recorded in the first nine months of the financial year 2015. Adjusted net income after non-controlling interests for the third quarter of 2016 was EUR 37.3m (Q3 2015: EUR 26.6m), marking an increase of EUR 10.7m. In the first nine months of the financial year 2016, we generated adjusted net income after non-controlling interests of EUR 96.4m, compared with EUR 66.5m in the comparative prior-year period. Adjusted earnings per share after non-controlling interests consequently amounted to EUR 1.19 in the third quarter of 2016 (Q3 2015: EUR 0.85). In the first three quarters of 2016, adjusted earnings per share after non-controlling interests came to EUR 3.07, compared with EUR 2.12 in the first three quarters of the financial year 2015.

NET ASSETS

BALANCE SHEET

The Gerresheimer Group's net assets changed as follows as of August 31, 2016:

Assets in EUR m	**Aug. 31, 2016**	Nov. 30, 2015	Change in %[1]
Intangible assets, property, plant, equipment and investment property	1,781.4	1,862.9	-4.4
Investment accounted for using the equity method	0.2	0.2	–
Other non-current assets	20.5	19.4	5.8
Non-current assets	**1,802.1**	**1,882.5**	**-4.3**
Inventories	188.0	186.4	0.9
Trade receivables	238.4	219.0	8.8
Other current assets	170.4	132.0	29.0
Current assets	**596.8**	**537.4**	**11.0**
Total assets	**2,398.9**	**2,419.9**	**-0.9**

Equity and Liabilities in EUR m	**Aug. 31, 2016**	Nov. 30, 2015	Change in %[1]
Equity and non-controlling interests	**725.1**	**698.1**	**3.9**
Non-current provisions	163.8	165.0	-0.7
Financial liabilities	746.2	740.8	0.7
Other non-current liabilities	146.2	146.8	-0.4
Non-current liabilities	**1,056.2**	**1,052.6**	**0.3**
Financial liabilities	269.8	249.6	8.1
Trade payables	136.3	160.9	-15.3
Other current provisions and liabilities	211.5	258.6	-18.2
Current liabilities	**617.6**	**669.2**	**-7.7**
Total equity and liabilities	**2,398.9**	**2,419.9**	**-0.9**

[1] Change calculated on a EUR k basis.

The Gerresheimer Group's total assets decreased by EUR 21.0m relative to November 30, 2015, to EUR 2,398.9m as of August 31, 2016. There were no significant changes in balance sheet structure.

At EUR 1,802.1m, non-current assets were EUR 80.4m below the November 30, 2015 figure. The biggest change in absolute terms was in intangible assets, which were down EUR 69.0m compared with November 30, 2015. This related to a EUR 14.0m reduction in goodwill, primarily due to exchange rate changes, as well as a EUR 52.3m decrease in customer relationships, comprising EUR 24.6m that was similarly attributable to exchange rate changes and EUR 27.7m to amortization of fair value adjustments. In addition, property, plant and equipment decreased by EUR 12.4m. Non-current assets accounted for 75.1% of total assets as of August 31, 2016 and 77.8% as of November 30, 2015. Current assets stood at EUR 596.8m, up EUR 59.4m on the November 30, 2015 figure. This mainly reflected higher cash and cash equivalents as well as an increase in trade receivables.

The Gerresheimer Group's consolidated equity, including non-controlling interests, increased from EUR 698.1m as of November 30, 2015 to EUR 725.1m as of August 31, 2016. This reflects two opposing factors: the positive effect of the net income of EUR 80.6m 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 marginally from 28.8% as of November 30, 2015 to 30.2% as of August 31, 2016.

Non-current liabilities were EUR 1,056.2m at the end of August 2016, marking a slight EUR 3.6m increase on the figure of EUR 1,052.6m at the end of November 2015.

Current liabilities went down by EUR 51.6m to EUR 617.6m, 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 243.7m as of August 31, 2016, an increase of EUR 30.0m compared with the November 30, 2015 figure.

in EUR m	**Aug. 31, 2016**	Nov. 30, 2015	Aug. 31, 2015[1]
Inventories	188.0	186.4	202.5
Trade receivables	238.4	219.0	202.1
Trade payables	136.3	160.9	114.6
Prepayments received	46.4	30.8	35.7
Net working capital	**243.7**	**213.7**	**254.3**

[1] Net working capital includes the net working capital position of the disposal group.

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 a substantial increase in prepayments received. On a constant exchange rate basis, the increase in net working capital as of August 31, 2016 came to EUR 33.2m, compared with EUR 14.8m at the end of the first three quarters of 2015.

Expressed as a percentage of revenues in the past twelve months, average net working capital decreased from 19.9% in the prior year to 16.6% in the reporting period. This is already slightly below 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	**Aug. 31, 2016**	Nov. 30, 2015	Aug. 31, 2015
Financial debt			
Syndicated facilities			
Revolving credit facility (since June 15, 2015)[1]	250.6	232.8	192.8
Total syndicated facilities	**250.6**	**232.8**	**192.8**
Senior notes – euro bond	300.0	300.0	300.0
Debt Issue	425.0	425.0	–
Local borrowings[1]	10.9	7.6	11.4
Finance lease liabilities	9.8	5.8	5.9
Total financial debt	**996.3**	**971.2**	**510.1**
Cash and cash equivalents	125.1	93.7	72.7[2]
Net financial debt	**871.2**	**877.5**	**437.4**

[1] U.S. dollar loans were translated into euros using the following exchange rates: as of August 31, 2016: EUR 1.00/USD 1.1132; as of November 30, 2015: EUR 1.00/USD 1.0579; as of August 31, 2015: EUR 1.00/USD 1.1215.
[2] This includes EUR 0.8m cash and cash equivalents of the disposal group.

Net financial debt decreased by EUR 6.3m to EUR 871.2m as of August 31, 2016 (November 30, 2015: EUR 877.5m). This change 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 2.8. This was slightly better than was expected at the beginning of the financial year.

Drawings on the EUR 450m revolving credit facility totaled EUR 250.6m as of August 31, 2016.

CAPITAL EXPENDITURE

In the first nine months of financial year 2016, Gerresheimer undertook capital expenditure on property, plant and equipment and intangible assets across the three divisions as follows:

in EUR m	**Q3 2016**	Q3 2015	Change in %[1]	**Q1-Q3 2016**	Q1-Q3 2015	Change in %[1]
Plastics & Devices	8.2	6.4	29.3	22.9	15.7	45.8
Primary Packaging Glass	23.3	31.1[2]	-25.1	42.5	55.0[2]	-22.6
Life Science Research	0.4	0.3	2.0	1.0	0.7	43.0
Head office	0.5	0.1	>100.0	1.0	0.3	>100.0
Total capital expenditure	**32.4**	**37.9**	**-14.4**	**67.4**	**71.7**	**-5.9**

[1] Change calculated on a EUR k basis.
[2] This includes EUR 0.9m capital expeditures of the disposal group.

In the third quarter of 2016, the Gerresheimer Group's capital expenditure stood at EUR 32.4m (Q3 2015: EUR 37.9m). Capital expenditure on property, plant and equipment and intangible assets in the first nine months of financial year 2016 came to EUR 67.4m (Q1–Q3 2015: EUR 71.7m). The lion's share of capital expenditure was in the Primary Packaging Glass Division. In the third quarter of 2016, the largest single capital expenditure item in this division was a scheduled furnace expansion in Tettau. Additional capital expenditure related to a new distribution center in Chicago under a finance lease as well as to vial and cartridge machines as part of global standardization. Capital expenditure in the Plastics & Devices Division was mainly affected by residual activities in Peachtree City, USA, and expenditure on inspection technology for syringe production.

CASH FLOW STATEMENT (CONDENSED)

in EUR m	Q1-Q3 2016	Q1-Q3 2015
Cash flow from operating activities	92.4	101.5
Cash flow from investing activities	-63.2	-72.2[1]
Cash flow from financing activities	4.0	-26.5
Changes in cash and cash equivalents	**33.2**	**2.8**
Effect of exchange rate changes on cash and cash equivalents	-1.8	1.2
Cash and cash equivalents at the beginning of the period	93.7	67.9
Cash and cash equivalents at the end of the period	125.1	71.9

[1] This includes EUR 0.8m cash and cash equivalents of the disposal group.

Operating activities generated a cash inflow of EUR 92.4m in the first nine months of 2016, slightly smaller than the EUR 101.5m cash inflow in the prior-year period. 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 127m, well above the figure for the prior-year period. This is mainly a result of the improved net working capital.

The net cash outflow shown in cash flow from investing activities, at EUR 63.2m, showed a EUR 9.0m decrease on the first nine months of 2015. The cash outflow in the three quarters under review 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.

Financing activities accounted for a cash inflow of EUR 4.0m in the three quarters ending August 31, 2016, compared with a cash outflow of EUR 26.5m in the same period of 2015. Cash and cash equivalents, at EUR 125.1m, were EUR 31.4m higher than as of November 30, 2015.

OPERATING CASH FLOW

in EUR m	Q1-Q3 2016	Q1-Q3 2015
Adjusted EBITDA	**235.1**	**191.0**
Change in net working capital	-33.2	-14.8
Cash paid for capital expenditure	-62.4	-71.7
Operating cash flow	**139.5**	**104.5**
Net interest paid	-18.3	-21.6
Net taxes paid	-79.5	-29.2
Pension benefits paid	-9.3	-8.9
Other	-1.9	-14.7
Free cash flow before acquisitions/ divestments	**30.5**	**30.1**
Acquisitions/divestments	-1.3	-0.8
Financing activity	4.0	-26.5
Changes in cash and cash equivalents	**33.2**	**2.8**

Largely reflecting the EUR 44.1m increase in adjusted EBITDA, operating cash flow improved from EUR 191.0 for the period December 1, 2014 to August 31, 2015 to EUR 235.1m 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 10,752 people as of August 31, 2016 (November 30, 2015: 10,684).

	Aug. 31, 2016	Nov. 30, 2015
Emerging markets	3,930	4,025
Germany	3,505	3,471
Europe (without Germany)	1,911	1,856
Americas	1,406	1,332
Total	**10,752**	**10,684**

As of August 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.

Gerresheimer's strategic focus is on the manufacture of primary packaging products and drug delivery solutions for the pharmaceutical, healthcare and cosmetics industry. In line with this strategy, Gerresheimer announced on September 12, 2016 that it is to sell its Life Science Research Division to Duran group, a portfolio company of One Equity Partners. We do not expect that the transaction will be closed before the financial year-end on November 30, 2016.

In view of the division being accounted for as a discontinued operation in accordance with IFRS 5, the guidance for financial year 2016 must be revised accordingly. In simple terms, from the time of classification as a discontinued operation, all income and expense items in the consolidated income statement are adjusted for the current year and retrospectively for all comparative periods to be reported upon and are shown in a separate item. The assets and liabilities of the discontinued operation are each shown from the time of classification as a discontinued operation in separate items on the assets and liabilities sides of the consolidated balance sheet. For our guidance in relation to revenues and adjusted EBITDA, this means that the revenues and adjusted EBITDA for the current year and the prior year have to be deducted from the expected figures. As the basis for comparison, we have therefore adjusted the figures for the financial year 2015 for the results of the Life Science Research Division (2015 revenues EUR 100.7m and 2015 adjusted EBITDA EUR 15.3m) and taken this into account in our guidance for the financial year 2016. The table below shows the resulting changes:

in EUR m	Actual FY 2015	Life Science Research	Actual FY 2015 Pro Forma	Guidance 2016[1]	Range
Revenues	1,377.2	-100.7	1,276.5	EUR 1.4bn	+/- EUR 25m
Adjusted EBITDA	277.9	-15.3	262.6	EUR 305m	+/- EUR 10m

[1] The guidance for 2016 is based on the original figure less adjustments for the Life Science Research Division, which is to be accounted for as a discontinued operation. Previous guidance: revenues approx. EUR 1.5bn (plus or minus EUR 25m); adjusted EBITDA approx. EUR 320m (plus or minus EUR 10m).

The Group revenues of around EUR 1.4bn (plus or minus EUR 25m) correspond to revenue growth of some 10% at constant exchange rates compared with the financial year 2015 (adjusted for the Life Science Research Division) and organic revenue growth of between 4% and 5% as before.[5]

Adjusted EBITDA is expected to increase to some EUR 305m (plus or minus EUR 10m) in the financial year 2016, compared with EUR 262.6m in financial year 2015. This is likewise excluding the Life Science Research Division in each of the two financial years.

Capital expenditure in financial year 2016 will, as before, account for around 8% of revenues at constant exchange rates. As has already been communicated, average net working capital is expected to improve by about two percentage points in financial year 2016 to around 17% of revenues at constant exchange rates.

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%.[6]
- We are raising our target for the adjusted EBITDA margin from previously about 22% to above 22% for the financial year 2018, as the adjusted EBITDA margin in the Plastics & Devices and the Primary Packaging Glass Divisions is significantly higher than that of the Life Science Research Division now to be sold.[6]

The operating cash flow margin is set to be around 13% in financial year 2018, and ROCE is, as before, expected to remain above the level of our 12% long-term target.

To achieve these targets, we continue to assume a capital expenditure goal of approximately 8% of revenues at constant exchange rates through to 2018.

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

[5] Measured at constant exchange rates, including pro forma revenues from Centor for twelve months in financial year 2015, excluding the sold glass tubing business for the entirety of 2015, excluding the Life Science Research Division, and assuming completion of portfolio streamlining in 2015.

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

INTERIM CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 2015 – AUGUST 2016

CONSOLIDATED INCOME STATEMENT

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

in EUR k	Note	Q3 2016	Q3 2015	Q1-Q3 2016	Q1-Q3 2015
Revenues		373,059	344,016	1,085,921	1,002,225
Cost of sales		-252,556	-240,980	-744,572	-715,813
Gross profit		**120,503**	**103,036**	**341,349**	**286,412**
Selling and administrative expenses		-68,004	-60,182	-205,220	-179,311
Other operating income	(4)	3,021	3,279	9,890	13,058
Restructuring expenses		–	-290	-10	-5,186
Other operating expenses		-3,478	-9,680	-7,717	-14,318
Results of operations		**52,042**	**36,163**	**138,292**	**100,655**
Interest income		925	824	2,502	2,490
Interest expenses		-8,716	-7,626	-25,393	-22,566
Other finance expenses		-1,011	-540	-3,060	-1,633
Net finance expense		**-8,802**	**-7,342**	**-25,951**	**-21,709**
Net income before income taxes		43,240	28,821	112,341	78,946
Income taxes	(6)	-11,260	-8,673	-31,730	-23,780
Net income		**31,980**	**20,148**	**80,611**	**55,166**
Attributable to equity holders of the parent		30,939	18,206	76,560	49,498
Attributable to non-controlling interests		1,041	1,942	4,051	5,668
Earnings per share (in EUR)[1]		**0.99**	**0.58**	**2.44**	**1.58**

[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 August 31, 2016

in EUR k	Q3 2016	Q3 2015	Q1-Q3 2016	Q1-Q3 2015
Net income	**31,980**	**20,148**	**80,611**	**55,166**
Changes in the fair value of interest rate swaps and available for sale financial assets	-2	10	-6	831
Amount recognized in profit or loss	–	-4	–	-417
Income taxes	–	-1	1	-159
Other comprehensive income from financial instruments	**-2**	**5**	**-5**	**255**
Currency translation	7,557	-19,684	-24,404	-16,939
Other comprehensive income from currency translation reserve	**7,557**	**-19,684**	**-24,404**	**-16,939**
Other comprehensive income that will be reclassified to profit or loss when specific conditions are met	**7,555**	**-19,679**	**-24,409**	**-16,684**
Other comprehensive income	**7,555**	**-19,679**	**-24,409**	**-16,684**
Total comprehensive income	**39,535**	**469**	**56,202**	**38,482**
Attributable to equity holders of the parent	38,174	-800	53,837	24,992
Attributable to non-controlling interests	1,361	1,269	2,365	13,490

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

CONSOLIDATED BALANCE SHEET

as of August 31, 2016

ASSETS

in EUR k	Note	Aug. 31, 2016	Nov. 30, 2015	Aug. 31, 2015
Non-current assets				
Intangible assets		1,183,463	1,252,508	501,697
Property, plant and equipment		592,202	604,605	532,345
Investment property		5,756	5,791	3,861
Investments accounted for using the equity method		237	237	86
Income tax receivables		681	732	497
Other financial assets		5,344	5,245	5,042
Other receivables		2,924	5,267	1,925
Deferred tax assets		11,500	8,085	10,901
		1,802,107	**1,882,470**	**1,056,354**
Current assets				
Inventories	(8)	188,028	186,392	184,885
Trade receivables		238,384	219,014	194,405
Income tax receivables		11,232	3,598	3,474
Other financial assets		8,682	10,882	2,584
Other receivables		25,306	23,903	24,493
Cash and cash equivalents		125,111	93,668	71,909
Assets and disposal group held for sale		–	–	130,664
		596,743	**537,457**	**612,414**
Total assets		**2,398,850**	**2,419,927**	**1,668,768**

EQUITY AND LIABILITIES

in EUR k	Note	Aug. 31, 2016	Nov. 30, 2015	Aug. 31, 2015
Equity				
Subscribed capital		31,400	31,400	31,400
Capital reserve		513,827	513,827	513,827
IAS 39 reserve		-40	-36	-35
Currency translation reserve		-54,657	-31,938	-57,221
Retained earnings		163,022	113,152	56,882
Equity attributable to equity holders of the parent		**653,552**	**626,405**	**544,853**
Non-controlling interests		71,507	71,726	67,945
		725,059	**698,131**	**612,798**
Non-current liabilities				
Deferred tax liabilities		146,137	146,509	30,014
Provisions for pensions and similar obligations		156,822	158,210	167,292
Other provisions		7,018	6,826	7,311
Other financial liabilities		746,199	740,782	303,720
Other liabilities		7	277	297
		1,056,183	**1,052,604**	**508,634**
Current liabilities				
Provisions for pensions and similar obligations		15,738	19,292	13,028
Other provisions		57,453	64,573	67,015
Trade payables		136,250	160,940	105,020
Other financial liabilities		269,840	249,611	226,326
Income tax liabilities		10,675	56,487	12,220
Other liabilities		127,652	118,289	108,057
Liabilities attributable to assets and disposal group held for sale		–	–	15,670
		617,608	**669,192**	**547,336**
		1,673,791	**1,721,796**	**1,055,970**
Total equity and liabilities		**2,398,850**	**2,419,927**	**1,668,768**

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 August 31, 2016

in EUR k	Subscribed capital	Capital reserve	Other comprehensive income: IAS 39 reserve	Other comprehensive income: Currency translation reserve	Retained earnings	Equity holders of the parent	Non-controlling interests	**Total equity**
As of November 30/December 1, 2014	**31,400**	**513,827**	**-263**	**-31,655**	**30,108**	**543,417**	**60,955**	**604,372**
Change in the consolidated group	–	–	–	–	-6	-6	–	-6
Net income	–	–	–	–	49,498	49,498	5,668	55,166
Other comprehensive income	–	–	228	-25,566	832	-24,506	7,822	-16,684
Total comprehensive income	–	–	**228**	**-25,566**	**50,330**	**24,992**	**13,490**	**38,482**
Distribution	–	–	–	–	-23,550	-23,550	-6,500	-30,050
As of August 31, 2015	**31,400**	**513,827**	**-35**	**-57,221**	**56,882**	**544,853**	**67,945**	**612,798**
As of November 30/December 1, 2015	**31,400**	**513,827**	**-36**	**-31,938**	**113,152**	**626,405**	**71,726**	**698,131**
Net income	–	–	–	–	76,560	76,560	4,051	80,611
Other comprehensive income	–	–	-4	-22,719	–	-22,723	-1,686	-24,409
Total comprehensive income	–	–	**-4**	**-22,719**	**76,560**	**53,837**	**2,365**	**56,202**
Distribution	–	–	–	–	-26,690	-26,690	-2,584	-29,274
As of August 31, 2016	**31,400**	**513,827**	**-40**	**-54,657**	**163,022**	**653,552**	**71,507**	**725,059**

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 August 31, 2016

in EUR k	Note	Q1-Q3 2016	Q1-Q3 2015
Net income		80,611	55,166
Income taxes	(6)	31,730	23,780
Depreciation of property, plant and equipment		63,182	61,709
Amortization of intangible assets		31,257	13,155
Portfolio adjustments		629	1,262
Change in other provisions		-3,580	150
Change in provisions for pensions and similar obligations		-5,788	-7,294
Gain (-)/Loss (+) on the disposal of non-current assets		-31	37
Net finance expense		25,951	21,709
Interest paid		-19,445	-22,664
Interest received		1,193	1,079
Income taxes paid		-80,225	-31,142
Income taxes received		740	1,963
Change in inventories		-5,329	-2,978
Change in trade receivables and other assets		-21,618	5,429
Change in trade payables and other liabilities		-18,169	-14,839
Other non-cash expenses/income		11,286	-4,988
Cash flow from operating activities		**92,394**	**101,534**
Cash received from disposals of non-current assets		477	275
Cash paid for capital expenditure			
in property, plant and equipment		-60,060	-70,447
in intangible assets		-2,352	-1,230
Cash received in connection with divestments	(2)	-2,275	-801
Cash paid out for the acquisition of subsidiaries, net of cash received	(2)	1,013	–
Cash flow from investing activities		**-63,197**	**-72,203**
Distributions to third parties		-27,510	-28,704
Raising of loans		79,352	181,808
Repayment of loans		-46,996	-179,174
Repayment of finance lease liabilities		-884	-434
Cash flow from financing activities		**3,962**	**-26,504**
Changes in cash and cash equivalents		**33,159**	**2,827**
Effect of exchange rate changes on cash and cash equivalents		-1,716	1,146
Cash and cash equivalents at the beginning of the period		93,668	67,936
Cash and cash equivalents at the end of the period		**125,111**	**71,909**

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 August 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 fourth 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		**Aug. 31, 2016**	Aug. 31, 2015	**Q1-Q3 2016**	Q1-Q3 2015
Argentina	ARS	16.6117	10.4434	15.4979	10.0628
Brazil	BRL	3.6016	4.0671	4.0014	3.4197
Switzerland	CHF	1.0957	1.0826	1.0939	1.0824
China	CNY	7.4311	7.1579	7.2455	7.0656
Czech Republic	CZK	27.0260	27.0210	27.0441	27.4284
Denmark	DKK	7.4432	7.4629	7.4499	7.4572
India	INR	74.5562	74.4698	74.1552	71.8785
Mexico	MXN	20.9424	18.9130	19.8521	17.3549
Poland	PLZ	4.3533	4.2289	4.3499	4.1658
Sweden	SEK	9.5159	9.5032	9.3258	9.3595
United States of America	USD	1.1132	1.1215	1.1060	1.1350

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. This position includes in the comparative prior-year period cash and cash equivalents of the disposal group. 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 2,065k (comparative prior-year period: EUR 4,740k) and insurance reimbursements amounting to EUR 329k (comparative prior-year period: EUR 2,089k) 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-Q3 2016**	Q1-Q3 2015
Current income taxes	-31,080	-32,654
Deferred income taxes	-650	8,874
	-31,730	**-23,780**

The Group's current tax ratio is 28.2% (comparative prior-year period: 30.1%).

(7) Distributions to non-controlling interests

In the reporting period dividends to the non-controlling interests of Gerresheimer Shuangfeng Pharmaceutical Glass (Zhenjiang) Co. Ltd., China, of EUR 1,277k (comparative prior-year period: EUR 1,198k) were agreed. As of August 31, 2016, EUR 538k (August 31, 2015: EUR 556k) had been distributed to the non-controlling interests of Gerresheimer Shuangfeng Pharmaceutical Glass (Zhenjiang) Co. Ltd., China. Moreover dividends to the non-controlling interests of Gerresheimer Shuangfeng Pharmaceutical Glass (Danyang) Co. Ltd., China, of EUR 965k (August 31, 2015: EUR 744k) were agreed, but not paid. The outstanding balances were included in liabilities as of the balance sheet date.

Furthermore, in the reporting period a dividend to the non-controlling interests of Triveni Polymers Private Ltd., India, of EUR 282k was agreed and paid.

In the comparative prior-year period the distributions to non-controlling interests of EUR 4,598k 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	**Aug. 31, 2016**	Nov. 30, 2015
Raw materials, consumables and supplies	56,158	50,776
Work in progress	22,797	24,231
Finished goods and merchandise	104,518	105,206
Prepayments made	4,555	6,179
Inventories	**188,028**	**186,392**

Expenses arising from write-downs on inventory amount to EUR 5,312k in the reporting period (comparative prior-year period: EUR 5,622k). If the reasons which led to a write-down cease to exist, write-downs previously set up are reversed. Such reversals amount to EUR 621k in the reporting period (comparative prior-year period: EUR 660k).

(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 250,637k 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 August 31, 2016 amounts to EUR 871,228k (November 30, 2015: EUR 877,453k); net working capital is EUR 243,748k (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.

	Aug. 31, 2016				Nov. 30, 2015			
in EUR k	**Level 1**	**Level 2**	**Level 3**	**Total**	Level 1	Level 2	Level 3	Total
Financial assets designated "Available for sale"								
Securities	647	–	–	647	653	–	–	653
Financial assets designated "At fair value through profit and loss"								
Derivative financial assets	–	351	–	351	–	117	–	117
Measured at fair value	**647**	**351**	**–**	**998**	**653**	**117**	**–**	**770**
Financial liabilities designated "At fair value through profit and loss"								
Derivative financial liabilities	–	466	–	466	–	1,161	–	1,161
Put options	–	–	14,063	14,063	–	–	13,747	13,747
Measured at fair value	**–**	**466**	**14,063**	**14,529**	**–**	**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:

	Aug. 31, 2016			
	At amortized cost		At fair value	
in EUR k	Carrying amount	*For information purposes: Fair value*	Carrying amount	**Balance sheet amount**
Trade receivables	203,184	*203,184*	–	203,184[1]
Loans and receivables	203,184	*203,184*	–	
Other financial assets	13,028	*12,796*	998	14,026
Available-for-sale financial assets	232[2]	–	647	
At fair value through profit or loss	–	–	351	
Loans and receivables	12,796	*12,796*	–	
Cash and cash equivalents	125,111	*125,111*	–	125,111
Financial assets	**341,323**	***341,091***	**998**	**342,321**
Other financial liabilities	1,001,510	*1,027,247*	*14,529*	1,016,039
At amortized cost	1,001,510	*1,027,247*	–	
At fair value through profit or loss	–	–	*14,529*	
Trade payables	136,250	*136,250*	–	136,250
At amortized cost	136,250	*136,250*	–	
Financial liabilities	**1,137,760**	***1,163,497***	**14,529**	**1,152,289**

	Nov. 30, 2015			
	At amortized cost		At fair value	
in EUR k	Carrying amount	*For information purposes: Fair value*	Carrying amount	**Balance sheet amount**
Trade receivables	200,130	*200,130*	–	200,130[3]
Loans and receivables	200,130	*200,130*	–	
Other financial assets	15,357	*15,121*	770	16,127
Available-for-sale financial assets	236[4]	–	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 35,200k.
[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.
[3] Receivables under construction contracts are additionally recognized in the balance sheet in the amount of EUR 18,884k.
[4] 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 August 31, 2016, these liabilities amount to EUR 9,761k (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	**Aug. 31, 2016**	Nov. 30, 2015
Obligations under rental and lease agreements	44,383	43,157
Capital expenditure commitments	17,933	17,135
Guarantees	127	210
Sundry other financial obligations	7,193	7,278
Other financial obligations	**69,636**	**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-Q3 2016	Q1-Q3 2015	**Q1-Q3 2016**	Q1-Q3 2015	**Q1-Q3 2016**	Q1-Q3 2015	**Q1-Q3 2016**	Q1-Q3 2015	**Q1-Q3 2016**	Q1-Q3 2015
Segment revenues	565,963	459,251	452,254	483,706	71,950	74,884	–	–	1,090,167	1,017,841
Intragroup revenues	-305	-550	-3,941	-15,066	–	–	–	–	-4,246	-15,616
Revenues with third parties	**565,658**	**458,701**	**448,313**	**468,640**	**71,950**	**74,884**	**–**	**–**	**1,085,921**	**1,002,225**
Adjusted EBITDA	148,676	93,364	93,141	103,135	9,794	10,260	-16,473	-15,740	235,138	191,019
Depreciation and amortization	-31,678	-26,369	-32,248	-35,901	-1,111	-1,228	-412	-331	-65,449	-63,829
Adjusted EBITA	116,998	66,995	60,893	67,234	8,683	9,032	-16,885	-16,071	169,689	127,190
Net working capital	115,447	99,511	104,797	127,930	26,175	29,020	-2,671	-2,179	243,748	254,282
Operating cash flow[1]	110,712	70,941	38,714	39,495	8,048	10,336	-17,935	-16,293	139,539	104,479
Capital expenditure on property plant and equipment and intangible assets[2]	22,922	15,724	42,513	54,961	978	684	1,021	311	67,434	71,680
Employees (average)	4,675	4,455	5,200	5,675	745	798	96	103	10,716	11,031

[1] Operating cash flow: Adjusted EBITDA plus or minus change in net working capital less capital expenditure.
[2] The position capital expenditure includes capital expenditure in connection with finance leases of EUR 5,022k, which has not been cash effective in the reporting period.

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-Q3 2016**	Q1-Q3 2015
Adjusted segment EBITA	186,574	143,261
Head office/consolidation	-16,885	-16,071
Adjusted Group EBITA	**169,689**	**127,190**
Sale of the glass tubing business	322	-2,124
Sale of the Life Science Research Division	-1,434	–
Portfolio optimization	-821	-6,444
Acquisition Centor	-83	-6,596
One-off expenses and income	-390	-336
Amortization of fair value adjustments	-28,991	-11,035
Result of operations	**138,292**	**100,655**
Net finance expense	-25,951	-21,709
Net income before income taxes	**112,341**	**78,946**

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-Q3 2016				Q1-Q3 2015			
in EUR k	**Sale of goods and services**	**Purchase of goods and services**	**Trade receiva-bles**	**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	1,676	–	280	–	2,091	–	195	–
Associated companies	–	1,909	–	42	–	1,867	–	75
	1,676	**1,909**	**280**	**42**	**2,091**	**1,867**	**195**	**75**

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

In line with our strategy of focussing on packaging and device solutions for our pharmaceutical customers, Gerresheimer signed an agreement on September 10, 2016 to sell the Life Science Research Division to Duran group, a portfolio company of One Equity Partners.

Life Science Research is a leading producer of laboratory and scientific glassware. The product portfolio includes 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. The Life Science Research Division had approximately 760 employees worldwide as of November 30, 2015. Manufacturing facilities are located in Rockwood, Tennessee, USA, Rochester, New York, USA, Queretaro, Mexico, Meiningen, Germany, and Beijing, China. The annual revenues in financial year 2015 of the Life Science Research Division amounted to EUR 100.7m with the majority of sales in North America.

The Life Science Research Division consists of the company Kimble Chase Life Science and Research Products LLC, NJ/USA, and its direct and indirect subsidiaries. Kimble Chase Holding LLC, NJ/USA, holds 100% of capital shares in the company Kimble Chase Life Science and Research Products LLC, USA. Gerresheimer AG, Germany, holds indirect 51% of capital shares of Kimble Chase Holding LLC, USA. The remaining 49% shareholding in Kimble Chase Holding LLC, USA, is held by Chase Scientific Glass Inc., USA, a subsidiary of Thermo Fisher group. The total enterprise value for company Kimble Chase Life Science and Research Products LLC, and its direct and indirect subsidiaries is USD 131m. The transaction will be an all-cash acquisition. The closing of the transaction is subject to regulatory approvals. The transaction is expected not to be closed before end of the financial year, i.e. not before end of November 2016.

There were no additional subsequent events after August 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 October 5, 2016, after discussion with the Audit Committee of the Supervisory Board.

FINANCIAL CALENDAR

February 15, 2017	Annual Report 2016
April 6, 2017	Interim Report 1st Quarter 2017
April 26, 2017	Annual General Meeting 2017
July 13, 2017	Interim Report 2nd Quarter 2017
October 11, 2017	Interim Report 3rd Quarter 2017

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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.

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