OUR THIRD QUARTER

INTERIM REPORT THIRD QUARTER

DECEMBER 2017 – AUGUST 2018

Q3

GERRESHEIMER

GROUP KEY FIGURES

Financial Year ended November 30	**Q3 2018**	Q3 2017	Change in %[12]	**Q1-Q3 2018**	Q1-Q3 2017	Change in %[12]
Results of Operations during Reporting Period in EUR m						
Revenues at constant exchange rates[1]	**364.4**[2]	335.0	8.8	**1,006.4**[2]	968.8	3.9
Revenues	**353.7**[2]	331.5	6.7	**976.6**[2]	973.8	0.3
Adjusted EBITDA at constant exchange rates[3]	**76.1**[4]	78.2	-2.6	**205.0**[5]	212.1	-3.4
Adjusted EBITDA[6]	**73.7**[4]	77.6	-4.9	**197.6**[5]	213.2	-7.3
in % of revenues	**20.9**	23.4	–	**20.2**	21.9	–
Adjusted EBITA[7]	**50.6**	55.2	-8.3	**125.7**	145.4	-13.5
in % of revenues	**14.3**	16.6	–	**12.9**	14.9	–
Results of operations	**33.3**	46.3	-28.1	**87.6**	118.5	-26.0
Adjusted net income[8]	**32.5**	32.1	1.2	**117.7**	82.2	43.1
Net Assets as of Reporting Date in EUR m						
Total assets	**2,651.1**	2,255.9	17.5	**2,651.1**	2,255.9	17.5
Equity	**824.6**	750.7	9.8	**824.6**	750.7	9.8
Equity ratio in %	**31.1**	33.3	–	**31.1**	33.3	–
Net working capital	**233.7**	223.9	4.4	**233.7**	223.9	4.4
in % of revenues of the last twelve months	**17.3**	16.8	–	**17.3**	16.8	–
Capital expenditure	**19.5**	28.9	-32.5	**45.1**	64.3	-29.7
Net financial debt	**905.8**	765.8	18.3	**905.8**	765.8	18.3
Adjusted EBITDA leverage[9]	**3.2**	2.6	–	**3.2**	2.6	–
Financial and Liquidity Position during Reporting Period in EUR m						
Cash flow from operating activities	**62.1**	69.7	-10.9	**67.8**	103.0	-34.1
Cash flow from investing activities	**-192.0**	-28.3	>100.0	**-217.4**	-60.3	>100.0
thereof cash paid for capital expenditure	***-19.5***	*-28.9*	*-32.5*	***-45.1***	*-64.3*	*-29.7*
Free cash flow before financing activities	**-129.9**	41.4	>-100.0	**-149.6**	42.7	>-100.0
Employees						
Employees as of the reporting date (total)	**9,947**	9,808	1.4	**9,947**	9,808	1.4
Stock Data						
Number of shares at reporting date in million	**31.4**	31.4	–	**31.4**	31.4	–
Share price[10] at reporting date in EUR	**72.00**	66.08	9.0	**72.00**	66.08	9.0
Market capitalization at reporting date in EUR m	**2,260.8**	2,074.9	9.0	**2,260.8**	2,074.9	9.0
Share price high[10] during reporting period in EUR	**75.80**	78.01	–	**75.80**	78.01	–
Share price low[10] during reporting period in EUR	**67.40**	65.82	–	**60.90**	65.82	–
Earnings per share in EUR	**0.59**	0.82	-28.0	**2.73**	2.01	35.8
Adjusted earnings per share[11] in EUR	**1.02**	1.00	2.0	**3.69**	2.56	44.1

[1] Revenues at constant exchange rates for the third quarter 2017 and for the first three quarters of 2017 were, for a better comparability, translated at the budget rates 2018, which are equivalent to the average rates of the financial year 2017 and can be found in Note (1) of the interim consolidated financial statements.
[2] Including revenues of EUR 3.5m from the Advanced Technologies Division.
[3] Adjusted EBITDA at constant exchange rates: Earnings before income taxes, net finance expense, amortization of fair value adjustments, depreciation and amortization, impairment losses, restructuring expenses, and one-off income and expenses. For a better comparability, adjusted EBITDA of the third quarter of 2017 and the first three quarters of 2017 at constant exchange rates were translated at the budget rates 2018, which are equivalent to the average rates of the financial year 2017 and can be found in Note (1) of the interim consolidated financial statements.
[4] Including EUR -2.0m attributable to the Advanced Technologies Division and the negative effect from the exemption from electricity network charges in the amount of EUR 1.4m. Without these two effects the adjusted EBITDA at constant exchange rates would have been EUR 79.5m and the adjusted EBITDA EUR 77.1m.
[5] Including EUR -2.0m attributable to the Advanced Technologies Division and the negative effects from the exemption from electricity network charges in the amount of EUR 1.4m and the final fair value measurement of the Triveni put option in the amount of EUR 1.1m. Without these three effects the adjusted EBITDA at constant exchange rates would have been EUR 209.5m and the adjusted EBITDA EUR 202.1m.
[6] Adjusted EBITDA: Earnings before income taxes, net finance expense, amortization of fair value adjustments, depreciation and amortization, impairment losses, restructuring expenses, and one-off income and expenses.
[7] Adjusted EBITA: Earnings before income taxes, net finance expense, amortization of fair value adjustments, impairment losses, restructuring expenses, and one-off income and expenses.
[8] Adjusted net income: Consolidated net income before non-cash amortization of fair value adjustments, restructuring expenses, impairment losses, one-off income and expenses (including significant non-cash expenses), and the related tax effects.
[9] Adjusted EBITDA leverage: The relation of net financial debt to adjusted EBITDA of the last twelve months according to the credit agreement currently in place.
[10] Xetra closing price.
[11] Adjusted earnings per share after non-controlling interests divided by 31.4m shares.
[12] 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 2018**	Q3 2017	Change in %[8]	**Q1-Q3 2018**	Q1-Q3 2017	Change in %[8]
Revenues at constant exchange rates[1]	**197.2**	186.0	6.1	**546.1**	531.7	2.7
Revenues[2]	**189.7**	184.1	3.0	**526.6**	534.5	-1.5
Adjusted EBITDA at constant exchange rates[3]	**52.7**	53.3	-1.3	**138.7**[4]	142.6	-2.7
Adjusted EBITDA[5]	**50.8**	52.8	-3.9	**132.9**[4]	143.3	-7.3
in % of revenues	**26.8**	28.7	–	**25.2**	26.8	–
Capital expenditure	**11.6**	22.1	-47.6	**26.3**	42.8	-38.5

› 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 2018**	Q3 2017	Change in %[8]	**Q1-Q3 2018**	Q1-Q3 2017	Change in %[8]
Revenues at constant exchange rates[1]	**163.9**	149.4	9.7	**457.1**	437.9	4.4
Revenues[2]	**160.7**	147.8	8.7	**446.8**	440.1	1.5
Adjusted EBITDA at constant exchange rates[3]	**30.6**[6]	29.9	2.6	**84.7**[6]	85.2	-0.7
Adjusted EBITDA[5]	**30.2**[6]	29.8	1.2	**83.1**[6]	85.5	-2.8
in % of revenues	**18.8**	20.1	–	**18.6**	19.4	–
Capital expenditure	**7.6**	6.8	10.3	**17.7**	19.0	-6.5

› Advanced Technologies[7]

The Advanced Technologies Division is dedicated to developing and producing intelligent drug delivery systems. Groundwork for the division is the 2018 acquired Swiss technology company Sensile Medical. Drug delivery systems with state-of-the-art digital and electronic technologies are offered to pharmaceutical and biotech companies. The current portfolio encompasses patented micro pumps for self-treating diabetes or heart disease, for example.

in EUR m	**Q3 2018**	Q3 2017	Change in %[8]	**Q1-Q3 2018**	Q1-Q3 2017	Change in %[8]
Revenues at constant exchange rates[1]	**3.5**	–	–	**3.5**	–	–
Revenues[2]	**3.5**	–	–	**3.5**	–	–
Adjusted EBITDA at constant exchange rates[3]	**-2.0**	–	–	**-2.0**	–	–
Adjusted EBITDA[5]	**-2.0**	–	–	**-2.0**	–	–
in % of revenues	**-58.7**	–	–	**-58.7**	–	–
Capital expenditure	**–**	–	–	**–**	–	–

[1] Revenues at constant exchange rates by division include intercompany revenues and were for the third quarter 2017 and for the first three quarters of 2017, for a better comparability, translated at the budget rates 2018, which are equivalent to the average rates of the financial year 2017 and can be found in Note (1) of the interim consolidated financial statements.
[2] Revenues by division include intercompany revenues.
[3] Adjusted EBITDA at constant exchange rates: Earnings before income taxes, net finance expense, amortization of fair value adjustments, depreciation and amortization, impairment losses, restructuring expenses, and one-off income and expenses. Adjusted EBITDA at constant exchange rates for the third quarter 2017 and for the first three quarters of 2017 were, for a better comparability, translated at the budget rates 2018, which are equivalent to the average rates of the financial year 2017 and can be found in Note (1) of the interim consolidated financial statements.
[4] Including the negative effect from the final fair value measurement of the Triveni put option in the amount of EUR 1.1m. Without this effect the adjusted EBITDA at constant exchange rates would have been EUR 139.8m and the adjusted EBITDA EUR 134.0m.
[5] Adjusted EBITDA: Earnings before income taxes, net finance expense, amortization of fair value adjustments, depreciation and amortization, impairment losses, restructuring expenses, and one-off income and expenses.
[6] Including the negative effect from the exemption from electricity network charges in the amount of EUR 1.4m. Without this effect the adjusted EBITDA at constant exchange rates for Q3 2018 would have been EUR 32.0m and Q1-Q3 2018 EUR 86.1m as well as the adjusted EBITDA for Q3 2018 would have been EUR 31.6m and Q1-Q3 2018 EUR 84.5m.
[7] The Advanced Technologies Division, established following the acquisition of Sensile Medical, consists of the Sensile Medical Business Unit. The acquisition date for the acquisition of Sensile Medical was June 30, 2018. For further information, please see Note (2) of the Notes to the interim consolidated financial statements.
[8] Change calculated on a EUR k basis.

KEY FACTS THIRD QUARTER 2018

- The Gerresheimer Group increased revenues at constant exchange rates by a substantial 8.8% from EUR 335.0m in the third quarter of 2017 to EUR 364.4m in the third quarter of 2018. Revenues at constant exchange rates in the reporting period include EUR 3.5m from Sensile Medical, which was acquired in the third quarter of 2018

- Strong organic revenue growth of 7.8% in the third quarter of 2018, resulting in 3.5% organic revenue growth in the first nine months

- Adjusted EBITDA at constant exchange rates—excluding Sensile Medical and negative effects relating to the exemption from electricity network charges—went up by EUR 1.3m in the third quarter of 2018 compared with the same quarter of the prior year

- Higher cost of plastic granules and increased energy prices temporarily impact adjusted EBITDA margin

- Integration of Sensile Medical proceeding to plan; first product gains CE declaration; new Advanced Technologies Division established

- Excluding the Advanced Technologies Division, guidance for revenues at constant exchange rates remains at between approximately EUR 1.38bn and EUR 1.4bn and for adjusted EBITDA at constant exchange rates in a range from approximately EUR 305m to EUR 315m for the financial year 2018, tending toward approximately EUR 305m according to implementation and progress of necessary development work for newly gained large projects

- The statements made in the second quarter of 2018 regarding the long-term future of the Company continue to apply as an indication of developments going forward

- Dietmar Siemssen will take over the position of the CEO as of November 1, 2018

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GERRESHEIMER ON THE CAPITAL MARKETS

GERRESHEIMER SHARES

The ongoing trade conflict between the US, China, Europe and Canada poses threats to global economic growth and continued to affect international stock markets in the third quarter of our financial year 2018. Share prices were also held back by political challenges in Italy and Turkey. The US Federal Reserve (Fed) interest rate hike in mid-June 2018 had a further slight negative impact on stock markets. A decision by the European Central Bank (ECB), shortly thereafter, to hold base rates at their current level until at least the summer of 2019 failed to provide any support for stock prices.

These developments also affected the performance of the Gerresheimer share price and its benchmark index, the MDAX. The Gerresheimer share price was driven by the mid-July 2018 publication of our half-year results featuring an upgraded growth forecast and the acquisition of Sensile Medical AG. Thus, Gerresheimer shares outperformed the MDAX by 14.4% over the period December 1, 2017 to October 2, 2018.

The Gerresheimer share price peaked for the first nine months of 2018 at EUR 75.80 on July 16, 2018 and closed the quarter at EUR 72.00. From the beginning of our financial year on December 1, 2017 through to October 2, 2018, Gerresheimer shares gained 10.4%.

BANK ANALYSTS RAISE AVERAGE PRICE TARGET FOR GERRESHEIMER SHARES

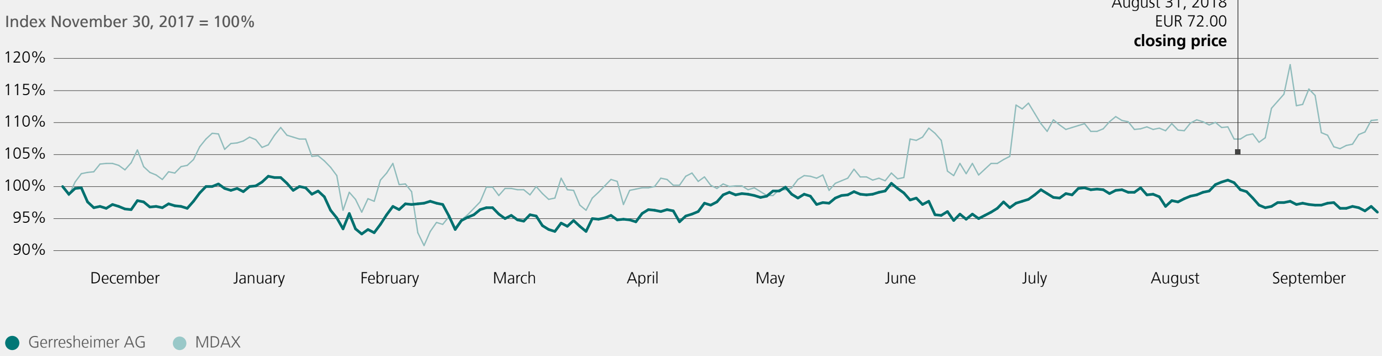
Of the 16 bank analysts, six gave a buy recommendation and eight a hold recommendation as of September 6, 2018. Only two analysts recommended selling. Positive recommendations thus continue to predominate by far. Starting at EUR 70.79 as of June 8, 2018, the average price target was revised upward by 5.9% to EUR 74.97.

Gerresheimer Shares: Key Data

	Q3 2018	Q3 2017	**Q1-Q3 2018**	Q1-Q3 2017
Number of shares at reporting date in million	**31.4**	31.4	**31.4**	31.4
Share price[1] at reporting date in EUR	**72.00**	66.08	**72.00**	66.08
Market capitalization at reporting date in EUR m	**2,260.8**	2,074.9	**2,260.8**	2,074.9
Share price high[1] during reporting period in EUR	**75.80**	78.01	**75.80**	78.01
Share price low[1] during reporting period in EUR	**67.40**	65.82	**60.90**	65.82
Earnings per share in EUR	**0.59**	0.82	**2.73**	2.01

[1] Xetra closing price.

Gerresheimer AG shares versus MDAX (indexed)



GERRESHEIMER RATING

At the request of Gerresheimer AG, Standard & Poor's and Moody's discontinued their corporate ratings in June and July 2018 respectively. Following the redemption of the Gerresheimer bond in May 2018, there is no need for further ratings.

Rating	
Corporate rating at time of withdrawal	Standard & Poor's: BBB-, stable outlook Moody's: Baa3, negative outlook

INTERIM GROUP MANAGEMENT REPORT DECEMBER 2017 – AUGUST 2018

DEVELOPMENT OF THE ECONOMIC ENVIRONMENT

In its July outlook, the International Monetary Fund (IMF)[1] projected global economic growth of 3.9% for 2018, following growth of 3.8% in 2017. While the global estimate is the same as in April, there is substantial variance across the IMF's outlook for individual economies. With regard to the recent trade restrictions, the IMF believes that their impact on global economic growth will be minor as they affect only a small proportion of global trade.

For the USA, the IMF continues to expect a temporary strengthening of the economy's near-term momentum. The growth projection for 2018 remains unaltered at 2.9%. Substantial fiscal stimulus combined with already robust private demand are highlighted by the IMF as the main growth drivers.

For the eurozone, the 2018 estimates assume a slight slowdown in economic growth from 2.4% in 2017 to 2.2% in 2018. This corresponds to a 0.2 percentage point downgrade for 2018 compared with the April forecast. The IMF bases the reduced growth projection on activity having softened more than expected in Germany and France as well as on higher interest rates and tighter financial conditions holding down domestic demand in Italy.

According to the Federal Ministry for Economic Affairs and Energy (BMWi), the upturn in the German economy continues at a momentum that, despite increased uncertainties on the foreign trade front, is only slightly reduced relative to 2017. Nevertheless, the heightened level of uncertainty globally is currently having a negative impact on demand for German exports and on the domestic propensity to invest.[2] With recent growth weaker than expected, the IMF revised its estimate for German economic growth downward from April. It currently anticipates growth of 2.2% in 2018, which is on a par with last year. This corresponds to a 0.3 percentage point downgrade from the April forecast.

The current IMF expectation for economic growth in emerging and developing economies is 4.9%, compared with 4.8% in 2017; this remains in line with the April forecast. Specifically, growth in China is expected to decrease from 6.9% in 2017 to 6.6% in 2018 due to regulatory tightening in the financial sector and softening external demand. For India, despite the fading transitory effects of the currency exchange initiative and the goods and services tax reform, the growth forecast for 2018 was downgraded from 7.4% in April to 7.3%, following 6.7% growth in 2017. The growth projection for Brazil was reduced relative to the April outlook by 0.5 percentage points to 1.8% due to the lingering effects of strikes and political uncertainty.

As noted on pages 38-39 of the Annual Report 2017, global pharma market growth weakened significantly in 2017. Besides the price erosion reported by various pharma groups, this also became evident in volume growth, which is the indicator relevant to Gerresheimer and which, according to IQVIA[3], came to only 0.1% in 2017.

The generics subsegment, which was subject to very strong price pressure notably in the North American market, also recorded volume growth of just 1.0% at global level in 2017.

Based on this trend, IQVIA projects average annual volume growth in the global pharma market of 2.0% for the years 2017 to 2022, compared with the 3.0% expected in 2016 for the years 2016 to 2021. The expectation for pharmerging markets[4] is for an average of 3.0% per year in the next five years, whereas average volume growth of 1.7% is projected for other markets. This expectation underscores IQVIA's opinion that the current weakness in other pharma markets is likely to be temporary in nature. For the generics subsegment, IQVIA expects volume growth at an average of 2.7% for the next five years, with 3.1% anticipated for the pharmerging markets and 1.7% for other markets.

CURRENCY EFFECTS

The Gerresheimer Group's strong international presence exposes our revenue performance and results of operations to external factors such as currency movements. This is why we additionally state revenues, revenue growth and adjusted EBITDA at constant exchange rates in the management report. The exchange rates used for 2018 for the purpose of determining the constant exchange rates are set out in Note (1) of the Notes to the interim consolidated financial statements. They are calculated on the basis of actual average exchange rates in the financial year 2017. For the US dollar—which is expected to have the largest currency impact on our Group currency, accounting for about a third of Group revenues budgeted for the financial year 2018 or about 40% of adjusted EBITDA—we have assumed an exchange rate of approximately USD 1.12 to EUR 1.00. As before, our rule of thumb is that a rise or fall in the US dollar against the euro by about one cent has an impact of around EUR 4m on revenues and EUR 1m on adjusted EBITDA. Given our production locations in the USA and financial debt in US dollars, fluctuations in the US dollar/euro exchange rate have no material impact on Group earnings performance and essentially only result in translation effects. As our business continues to develop in additional regions, other currencies such as those of Brazil and India also play an increasing role. About 50% of our revenues and adjusted EBITDA are generated outside the eurozone and are therefore subject to corresponding currency fluctuations.

[1] International Monetary Fund: World Economic Outlook Update, July 2018.
[2] Federal Ministry for Economic Affairs and Energy: Monthly report, September 2018.
[3] IQVIA (formerly Quintiles IMS), January 10, 2018.
[4] For a definition of pharmerging markets (emerging markets), please see Note (8) of the Notes to the consolidated financial statements 2017.

REVENUE PERFORMANCE

The Gerresheimer Group increased revenues at constant exchange rates by a substantial 8.8% from EUR 335.0m in the prior-year quarter to EUR 364.4m in the third quarter of 2018. Revenues at constant exchange rates for the current reporting period include EUR 3.5m from Sensile Medical AG, which was acquired in the third quarter of 2018. On an organic basis—meaning adjusted for exchange rate effects and Sensile Medical AG—revenues went up by 7.8% on the prior-year quarter. In the first nine months of 2018 relative to the first nine months of 2017, revenues at constant exchange rates rose from EUR 968.8m to EUR 1,006.4m, corresponding to an organic revenue growth of 3.5%. This represents a strong performance considering our organic revenue growth of 0.4% in the first quarter of 2018 and 2.1% in the second quarter of 2018. Due to exchange rate movements, mainly the US dollar exchange rate, which, on average fell from USD 1.10 per EUR 1.00 in the prior period to USD 1.20 per EUR 1.00 in the reporting period—and also due to the development of the Brazilian real and the Indian rupee, reported revenues both for the third quarter of 2018 and for the first nine months of the financial year 2018 did not increase as substantially as revenues at constant exchange rates. Revenues thus increased from EUR 331.5m in the third quarter of the prior year to EUR 353.7m in the third quarter of 2018 and from EUR 973.8m in the first nine months of the prior year to EUR 976.6m in the first nine months of the financial year 2018.

	at constant exchange rates			at constant exchange rates		
in EUR m	**Q3 2018**	Q3 2017	Change in %[2]	**Q1-Q3 2018**	Q1-Q3 2017	Change in %[2]
Revenues						
Plastics & Devices	197.2	186.0	6.1	546.1	531.7	2.7
Primary Packaging Glass	163.9	149.4	9.7	457.1	437.9	4.4
Advanced Technologies[1]	3.5	–	–	3.5	–	–
Subtotal	**364.6**	**335.4**	**8.7**	**1,006.7**	**969.6**	**3.8**
Intra-Group revenues	-0.2	-0.4	-60.9	-0.3	-0.8	-67.4
Total revenues	**364.4**	**335.0**	**8.8**	**1,006.4**	**968.8**	**3.9**

[1] The Advanced Technologies Division, established following the acquisition of Sensile Medical, consists of the Sensile Medical Business Unit. The acquisition date for the acquisition of Sensile Medical was June 30, 2018. For further information, please see Note (2) of the Notes to the interim consolidated financial statements.
[2] Change calculated on a EUR k basis.

	as reported			as reported		
in EUR m	**Q3 2018**	Q3 2017	Change in %[2]	**Q1-Q3 2018**	Q1-Q3 2017	Change in %[2]
Revenues						
Plastics & Devices	189.7	184.1	3.0	526.6	534.5	-1.5
Primary Packaging Glass	160.7	147.8	8.7	446.8	440.1	1.5
Advanced Technologies[1]	3.5	–	–	3.5	–	–
Subtotal	**353.9**	**331.9**	**6.6**	**976.9**	**974.6**	**0.2**
Intra-Group revenues	-0.2	-0.4	-60.9	-0.3	-0.8	-67.4
Total revenues	**353.7**	**331.5**	**6.7**	**976.6**	**973.8**	**0.3**

[1] The Advanced Technologies Division, established following the acquisition of Sensile Medical, consists of the Sensile Medical Business Unit. The acquisition date for the acquisition of Sensile Medical was June 30, 2018. For further information, please see Note (2) of the Notes to the interim consolidated financial statements.
[2] Change calculated on a EUR k basis.

In the Plastics & Devices Division, revenues at constant exchange rates rose by 6.1% from EUR 186.0m in the third quarter of 2017 to EUR 197.2m in the third quarter of 2018. Demand for plastic vials for prescription drugs in the USA was stable. In the Plastic Packaging Business Unit, we recorded very strong revenue growth in Europe as well as notably in India and South America. Syringe sales were slightly down in the third quarter of 2018 due to the timing of customer call-offs, but demand remains very good. A further driver of the positive revenue performance was the Medical Plastic Systems Business Unit, although this continues to be impacted by lower demand from customers for whom we are the sole supplier. We recorded revenue growth here both in the engineering and tooling business as well as in the parts business. The ongoing positive performance of our inhaler project in Peachtree City (Georgia/USA) was a notable contributing factor. However, mainly due to the move in the USD exchange rate, the Brazilian real and the Indian rupee—which fell significantly on average in the current reporting period—reported revenues did not increase as substantially as revenues at constant exchange rates. Revenues thus increased by 3.0% from EUR 184.1m in the third quarter of 2017 to EUR 189.7m in the reporting period. In the first nine months of the financial year 2018, revenues at constant exchange rates increased organically by 2.7% to EUR 546.1m, compared with EUR 531.7m in the same period of the prior year. Mainly as a result of the move in the USD exchange rate as well as in that of the Brazilian real and the Indian rupee, reported revenues went down from EUR 534.5m in the first nine months of the prior year to EUR 526.6m in the first nine months of the reporting year.

Revenues at constant exchange rates in the Primary Packaging Glass Division were EUR 163.9m in the third quarter of 2018, up 9.7% on the EUR 149.4m recorded in the prior-year quarter. The positive growth trend relative to the prior year was sustained in the third quarter of 2018. Within this, the Moulded Glass Business Unit recorded very positive growth rates, which continued to be driven by the strong demand in our cosmetics business. In the Tubular Glass Business Unit the recovery of the US business continued. In addition, our Europe business grew significantly year on year. Reported revenues—after exchange rate changes—increased by 8.7% in the Primary Packaging Glass Division from EUR 147.8m in the third quarter of 2017 to EUR 160.7m in the reporting period. Revenues at constant exchange rates in the Primary Packaging Glass Division increased organically by 4.4% to EUR 457.1m in the first nine months of 2018, compared with EUR 437.9m in the same period of the prior year. Reported revenues went up from EUR 440.1m in the prior year to EUR 446.8m in the first nine months of the financial year 2018.

Revenues at constant exchange rates in the Advanced Technologies Division amounted to EUR 3.5m in the third quarter of 2018 and exclusively related to development revenues at the newly acquired Sensile Medical AG. At the end of September 2018, a wearable micro pump from Sensile Medical received EU certification for the European market. A European pharma company obtained a CE declaration of conformity for the pump, which is specially designed for the treatment of Parkinson's disease, and is now bringing it to market.

RESULTS OF OPERATIONS

At constant exchange rates, adjusted EBITDA decreased from EUR 78.2m in the prior-year quarter to EUR 76.1m in the third quarter of 2018. However, two negative effects compared with the prior-year quarter have to be taken into account here. Firstly, we recognized an expense of EUR 1.4m in the reporting period due to the European Commission decision on the exemption from network charges granted to large electricity-consuming enterprises in 2012 and 2013. Secondly, adjusted EBITDA at constant exchange rates for the Advanced Technologies Division is a negative EUR 2.0m. Without these two effects, adjusted EBITDA at constant exchange rates would have been EUR 79.5m and thus EUR 1.3m higher than in the prior-year quarter. Adjusted EBITDA after exchange rate effects came to EUR 73.7m in the reporting period, compared with EUR 77.6m in the third quarter of 2017. The adjusted EBITDA margin in the third quarter of 2018 was thus 20.9%. Excluding the expense relating to the exemption from electricity network charges (for further information, please see Note (7) of the Notes to the interim consolidated financial statements) and the Advanced Technologies Division, adjusted EBITDA would have been EUR 77.1m and adjusted EBITDA margin 22.0%, marking—as we expected—a decrease on the 23.4% in the prior-year quarter. In the first nine months of the financial year 2018, we generated adjusted EBITDA at constant exchange rates of EUR 205.0m, compared with EUR 212.1m in the comparative prior-year period. Without these two above mentioned negative effects as well as without the negative effect from the final fair value measurement of the Triveni put option in the amount of EUR 1.1m the adjusted EBITDA at constant exchange rates would have been EUR 209.5m. After exchange rate effects, our adjusted EBITDA for the same period was EUR 197.6m, compared with EUR 213.2m in the first nine months of the financial year 2017. Without these three above mentioned negative effects the adjusted EBITDA would have been EUR 202.1m.

	at constant exchange rates			at constant exchange rates		
in EUR m	**Q3 2018**	Q3 2017	Change in %[4]	**Q1-Q3 2018**	Q1-Q3 2017	Change in %[4]
Adjusted EBITDA						
Plastics & Devices	52.7	53.3	-1.3	138.7[1]	142.6	-2.7
Primary Packaging Glass	30.6[2]	29.9	2.6	84.7[2]	85.2	-0.7
Advanced Technologies[3]	-2.0	–	–	-2.0	–	–
Subtotal	**81.3**	**83.2**	**-2.3**	**221.4**	**227.8**	**-2.8**
Head office/consolidation	-5.2	-5.0	2.4	-16.4	-15.7	5.0
Total adjusted EBITDA	**76.1**	**78.2**	**-2.6**	**205.0**	**212.1**	**-3.4**

	as reported					as reported				
				Margin in %					Margin in %	
in EUR m	**Q3 2018**	Q3 2017	Change in %[4]	**Q3 2018**	Q3 2017	**Q1-Q3 2018**	Q1-Q3 2017	Change in %[4]	**Q1-Q3 2018**	Q1-Q3 2017
Adjusted EBITDA										
Plastics & Devices	50.8	52.8	-3.9	26.8	28.7	132.9[1]	143.3	-7.3	25.2	26.8
Primary Packaging Glass	30.2[2]	29.8	1.2	18.8	20.1	83.1[2]	85.5	-2.8	18.6	19.4
Advanced Technologies[3]	-2.0	–	–	-58.7	–	-2.0	–	–	-58.7	–
Subtotal	**79.0**	**82.6**	**-4.5**	**–**	**–**	**214.0**	**228.8**	**-6.5**	**–**	**–**
Head office/consolidation	-5.3	-5.0	2.3	–	–	-16.4	-15.6	4.9	–	–
Total adjusted EBITDA	**73.7**	**77.6**	**-4.9**	**20.9**	**23.4**	**197.6**	**213.2**	**-7.3**	**20.2**	**21.9**

[1] Including the negative effect from the final fair value measurement of the Triveni put option in the amount of EUR 1.1m.
[2] Including the negative effect from the exemption from electricity network charges in the amount of EUR 1.4m.
[3] The Advanced Technologies Division, established following the acquisition of Sensile Medical, consists of the Sensile Medical Business Unit. The acquisition date for the acquisition of Sensile Medical was June 30, 2018. For further information, please see Note (2) of the Notes to the interim consolidated financial statements.
[4] Change calculated on a EUR k basis.

In the Plastics & Devices Division, we generated adjusted EBITDA at constant exchange rates of EUR 52.7m in the third quarter of 2018, compared with EUR 53.3m in the same quarter of the prior year. This includes a further partial compensation of EUR 4.2m from an inhaler customer who ceased to place orders for the Gerresheimer plant in Kuessnacht because their inhaler business fell short of their expectations. Termination negotiations with the customer have now been concluded. In total, we have received compensation roughly equal to the profit contribution from the plant concerned for the financial year 2018. No further compensation payments are to be expected from this customer relationship. We have begun relocation talks with other customers of our Kuessnacht plant and expect, as planned, to be able to close the plant at the end of 2019. Adjusted EBITDA in the Plastic Packaging Business Unit has been adversely affected by higher costs of plastic granules, which we can only pass on to customers with a time lag of several months. In addition, earnings in the syringes business were slightly down due to temporarily lower revenues, due among other causes to a timing shift in revenue recognition to the fourth quarter of 2018. We also had higher expenses in the third quarter of 2018—as we already had in the first two quarters of 2018—in connection with Gx Solutions, our new unit targeting the emerging biotech sector. In addition, slightly higher expenses were incurred in the third quarter of 2018 primarily as a result of the rapid build-up of capacity for our new inhaler project in Horsovsky Tyn, from which we are to deliver our first products to the customer in the fourth quarter of 2020. Unadjusted for exchange rates, adjusted EBITDA in the Plastics & Devices Division went down from EUR 52.8m in the third quarter of 2017 to EUR 50.8m in the reporting period. In the first nine months of the financial year 2018, we generated adjusted EBITDA at constant exchange rates of EUR 138.7m, compared with EUR 142.6m in the first nine months of the financial year 2017. In the first nine months of the financial year 2018 this includes a negative effect from the final fair value measurement of the Triveni put option in the amount of EUR 1.1m. Without this negative effect the adjusted EBITDA at constant exchange rates would have been EUR 139.8m. Adjusted EBITDA after exchange rate effects decreased from EUR 143.3m in the first nine months of 2017 to EUR 132.9m. The adjusted EBITDA margin was consequently 25.2%, versus 26.8% in the first nine months of the financial year 2017. Without the aforementioned negative effect from the final fair value measurement of the Triveni put option adjusted EBITDA would have been EUR 134.0m and adjusted EBITDA margin 25.4%.

Adjusted EBITDA at constant exchange rates in the Primary Packaging Glass Division increased slightly from EUR 29.9m in the prior-year quarter to EUR 30.6m in the third quarter of 2018. It is important to note in this connection, however, that we have recognized an expense of EUR 1.4m in the reporting period due to the European Commission decision on the exemption from network charges granted to large electricity-consuming enterprises in 2012 and 2013 (for further information, please see Note (7) of the Notes to the interim consolidated financial statements). Without this effect, adjusted EBITDA at constant exchange rates would even have been EUR 32.0m and thus EUR 2.1m higher than in the prior-year quarter. This is accounted for by the positive revenue performance in the Primary Packaging Glass Division, notably due to the positive trend in our North American business in the Tubular Glass Business Unit. Despite the positive revenue trend, adjusted EBITDA in the Moulded Glass Business Unit has been negatively impacted relative to the prior year by a substantial rise in energy prices. Unadjusted for exchange rates, adjusted EBITDA in the Primary Packaging Glass Division went up slightly in the third quarter of 2018 from EUR 29.8m to EUR 30.2m. Without the negative effect from the exemption from electricity network charges the adjusted EBITDA would have been EUR 31.6m. In the first nine months of the financial year 2018, we generated adjusted EBITDA at constant exchange rates of EUR 84.7m, compared with EUR 85.2m in the comparative prior-year period. Without the negative effect from the exemption from electricity network charges adjusted EBITDA at constant exchange rates would have been EUR 86.1m in this period. Adjusted EBITDA after exchange rate effects decreased from EUR 85.5m in the first nine months of 2017 to EUR 83.1m respectively would have decreased to EUR 84.5m without the negative effect from the exemption from electricity network charges. The adjusted EBITDA margin was consequently 18.6% respectively 18.9% without the negative effect from the exemption from electricity network charges as compared with 19.4% in the first nine months of the financial year 2017.

Adjusted EBITDA at constant exchange rates in the Advanced Technologies Division came to a negative EUR 2.0m in the third quarter of 2018, which is in line with our expectations.

The head office expenses and consolidation item came to EUR 5.2m at constant exchange rates in the third quarter of 2018 (Q3 2017: EUR 5.0m).

The table below shows the reconciliation of adjusted EBITDA to results of operations:

in EUR m	**Q3 2018**	Q3 2017	Change	**Q1-Q3 2018**	Q1-Q3 2017	Change
Adjusted EBITDA	**73.7**	**77.6**	**-3.9**	**197.6**	**213.2**	**-15.6**
Depreciation	-23.1	-22.4	-0.7	-71.9[3]	-67.8	-4.1
Adjusted EBITA	**50.6**	**55.2**	**-4.6**	**125.7**	**145.4**	**-19.7**
Acquisition of Sensile Medical	-1.1	–	-1.1	-1.7	–	-1.7
Portfolio optimization	-4.2	–	-4.2	-4.7	–	-4.7
One-off income and expenses[1]	-0.5	-0.8	0.3	-4.8	-1.3	-3.5
Total of one-off items	**-5.8**	**-0.8**	**-5.0**	**-11.2**	**-1.3**	**-9.9**
Amortization of fair value adjustments[2]	-11.5	-8.1	-3.4	-26.9	-25.6	-1.3
Results of operations	**33.3**	**46.3**	**-13.0**	**87.6**	**118.5**	**-30.9**

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

Adjusted EBITA came to EUR 50.6m in the third quarter of 2018 (Q3 2017: EUR 55.2m), comprising adjusted EBITDA of EUR 73.7m in the third quarter of 2018 (Q3 2017: EUR 77.6m) less increased depreciation of EUR 23.1m (Q3 2017: EUR 22.4m). This is reconciled to the EUR 33.3m results of operations for the third quarter of 2018—compared with EUR 46.3m in the prior-year period—by deducting one-off effects in a total amount of EUR 5.8m in the reporting period (Q3 2017: EUR 0.8m), which relate to the acquisition of Sensile Medical AG (EUR 1.1m) and initial expenditure in connection with the closure of our Kuessnacht plant (EUR 4.1m, EUR 3.6m of which in restructuring expenses), and amortization of fair value adjustments in the amount of EUR 11.5m (Q3 2017: EUR 8.1m), mainly from the acquisition of Centor in the financial year 2015 (EUR 6.6m) and that of Sensile Medical AG in the reporting period (EUR 4.2m).

in EUR m	Q3 2018	Q3 2017	Change	Q1-Q3 2018	Q1-Q3 2017	Change
Results of operations	**33.3**	**46.3**	**-13.0**	**87.6**	**118.5**	**-30.9**
Net finance expense	-6.9	-8.7	1.8	-25.7	-25.9	0.2
Income taxes	-7.4	-11.3	3.9	25.5	-28.0	53.5
Net income	**19.0**	**26.3**	**-7.3**	**87.4**	**64.6**	**22.8**

Net finance expense, at EUR 6.9m in the third quarter of 2018, was EUR 1.8m lower than the EUR 8.7m recorded in the prior-year quarter. Interest income in the amount of EUR 0.5m (Q3 2017: EUR 0.7m) was countered by interest expenses of EUR 5.9m (Q3 2017: EUR 8.2m). Other net finance expenses came to EUR 1.5m, slightly above the EUR 1.2m in the prior-year quarter.

The income taxes item for the first nine months of the financial year 2018 shows tax income of EUR 25.5m. This mainly relates to the remeasurement of deferred taxes of our US subsidiaries included in the consolidated financial statements due to the US tax reform signed on December 22, 2017. Without this positive one-off effect in the amount of USD 52.9m, which at current exchange rates is equivalent to EUR 44.2m, the item would have shown an income tax expense of EUR 18.7m. This would have resulted in a tax rate of 30.2% for the first nine months of the financial year 2018. The tax rate for the same period of the financial year 2017 was likewise 30.2%. In both periods, the tax rate is adversely impacted notably by intra-year shifts in the timing of tax-exempt income and non-deductible expenses.

In the period December 1, 2017 to August 31, 2018, the Gerresheimer Group generated net income of EUR 87.4m. This is EUR 22.8m higher than the EUR 64.6m recorded in the prior-year quarter, primarily as a result of the positive effect of the remeasurement of deferred taxes recognized in connection with the US tax reform.

in EUR m	Q3 2018	Q3 2017	Change	Q1-Q3 2018	Q1-Q3 2017	Change
Net income	**19.0**	**26.3**	**-7.3**	**87.4**	**64.6**	**22.8**
Acquisition of Sensile Medical	-1.1	–	-1.1	-1.7	–	-1.7
Related tax effect	0.3	–	0.3	0.5	–	0.5
Portfolio optimization	-4.2	–	-4.2	-4.7	–	-4.7
Related tax effect	0.7	–	0.7	0.8	–	0.8
One-off income and expenses	-0.5	-0.8	0.3	-4.8	-1.3	-3.5
Related tax effect	0.1	0.3	-0.2	1.4	0.4	1.0
Amortization of fair value adjustments	-11.5	-8.1	-3.4	-26.9	-25.6	-1.3
Related tax effect	2.7	2.8	-0.1	6.4	8.9	-2.5
One-off effects in the net finance expense	–	–	–	-1.8	–	-1.8
Related tax effect	–	–	–	0.5	–	0.5
Adjusted net income	**32.5**	**32.1**	**0.4**	**117.7**	**82.2**	**35.5**
Attributable to non-controlling interests	**0.5**	**0.7**	**-0.2**	**1.6**	**1.6**	**–**
Amortization of fair value adjustments	–	-0.1	0.1	-0.2	-0.4	0.2
Related tax effect	–	–	–	0.1	0.2	-0.1
Adjusted net income attributable to non-controlling interests	**0.5**	**0.8**	**-0.3**	**1.7**	**1.8**	**-0.1**
Adjusted net income after non-controlling interests	**32.0**	**31.3**	**0.7**	**116.0**	**80.4**	**35.6**
Adjusted earnings per share in EUR after non-controlling interests	1.02	1.00	0.02	3.69	2.56	1.13

Adjusted net income (defined as consolidated net income before non-cash amortization of fair value adjustments, restructuring expenses, impairment losses, one-off income and expenses (including significant non-cash expenses) and the related tax effects) was EUR 32.5m in the third quarter of 2018, compared with EUR 32.1m in the prior-year quarter. Adjusted net income after non-controlling interests was EUR 32.0m (Q3 2017: EUR 31.3m), thus up by EUR 0.7m. Accordingly, adjusted earnings per share after non-controlling interests came to EUR 1.02 in the third quarter of 2018 (Q3 2017: EUR 1.00).

In the first nine months of the financial year 2018, we generated adjusted net income of EUR 117.7m, compared with EUR 82.2m in the first nine months of the prior year. Adjusted net income after non-controlling interests came to EUR 116.0m, EUR 35.6m higher than in the first nine months of the financial year 2017. Our adjusted earnings per share after non-controlling interests thus came to EUR 3.69 in the first nine months of the financial year 2018 (Q1-Q3 2017: EUR 2.56).

NET ASSETS

BALANCE SHEET

The Gerresheimer Group's net assets changed as follows in the third quarter of 2018:

Assets in EUR m	Aug. 31, 2018	Nov. 30, 2017	Change in %[1]
Intangible assets, property, plant and equipment and investment property	2,074.0	1,709.5	21.3
Investment accounted for using the equity method	0.3	0.3	–
Other non-current assets	17.3	19.1	-8.8
Non-current assets	**2,091.6**	**1,728.9**	**21.0**
Inventories	176.3	148.4	18.8
Trade receivables	245.3	242.7	1.1
Other current assets	137.9	324.1	-57.5
Current assets	**559.5**	**715.2**	**-21.8**
Total assets	**2,651.1**	**2,444.1**	**8.5**
Equity and Liabilities in EUR m	**Aug. 31, 2018**	Nov. 30, 2017	Change in %[1]
Equity and non-controlling interests	**824.6**	**789.5**	**4.4**
Non-current provisions	158.9	155.3	2.4
Financial liabilities	751.1	681.3	10.2
Other non-current liabilities	163.9	144.6	13.3
Non-current liabilities	**1,073.9**	**981.2**	**9.4**
Financial liabilities	437.8	337.7	29.7
Trade payables	152.1	176.3	-13.7
Other current provisions and liabilities	162.7	159.4	2.1
Current liabilities	**752.6**	**673.4**	**11.8**
Total equity and liabilities	**2,651.1**	**2,444.1**	**8.5**

[1] Change calculated on a EUR k basis.

The Gerresheimer Group's total assets increased relative to November 30, 2017 by EUR 207.0m to EUR 2,651.1m as of August 31, 2018. The assets side of the balance sheet showed a significant increase in intangible assets, notably due to the acquisition of Sensile Medical AG and, in the opposite direction, a significant decrease in cash and cash equivalents. On the equity and liabilities side of the balance sheet, both current and non-current financial liabilities increased substantially as a result of the acquisition of Sensile Medical AG.

At EUR 2,091.6m, non-current assets were a significant EUR 362.7m above the figure as of November 30, 2017. The change mainly reflects the increase in intangible assets due to the acquisition of Sensile Medical AG and, conversely, a decrease in property, plant and equipment as depreciation exceeded capital expenditure. Intangible assets increased by EUR 401.4m relative to the November 30, 2017 figure. Within this, technology assets notably went up by EUR 390.8m as a result of the Sensile Medical AG acquisition. This increase comprises EUR 394.9m from the addition of the technology assets as of the acquisition date less EUR 4.1m in amortization of fair value adjustments in the third quarter of 2018. In the goodwill item, there was a EUR 5.2m increase due to the acquisition of Sensile Medical AG and a EUR 1.6m decrease due to exchange rate changes. Customer relationships decreased by EUR 18.9m, comprising EUR 22.5m in amortization of fair value adjustments versus a EUR 3.6m increase from exchange rate changes. Property, plant and equipment fell by EUR 36.8m, mostly due to depreciation and exchange rate effects. Non-current assets accounted for 78.9% of total assets as of August 31, 2018 and 70.7% as of November 30, 2017. Current assets were EUR 559.5m, down by a significant EUR 155.7m on the figure as of November 30, 2017. This is mainly due to significantly lower cash and cash equivalents due to the bond redemption in May 2018.

The Gerresheimer Group's consolidated equity, including non-controlling interests, went up significantly from EUR 789.5m as of November 30, 2017 to EUR 824.6m as of August 31, 2018. This increase is mainly an outcome of the EUR 87.4m net income in the reporting period. The equity ratio decreased due to the acquisition of Sensile Medical AG—mostly because of the increase in intangible assets—from 32.3% as of November 30, 2017 to 31.1% as of August 31, 2018.

Non-current liabilities were EUR 1,073.9m at the end of August 2018, marking a substantial EUR 92.7m increase on the figure of EUR 981.2m at the end of November 2017. The main factors here comprised the increase in financial liabilities relating to the outstanding long-term purchase price components from the Sensile Medical AG acquisition and the remeasurement of deferred tax liabilities due to the US tax reform signed in late December 2017.

Current liabilities likewise increased relative to November 30, 2017 by EUR 79.2m to EUR 752.6m. This mainly reflects larger drawings under the revolving credit facility in connection with the acquisition of Sensile Medical AG and the EUR 300.0m bond redemption at maturity in May 2018. Trade payables decreased in the same period by EUR 24.2m to EUR 152.1m.

NET WORKING CAPITAL

As of August 31, 2018, the Gerresheimer Group's net working capital stood at EUR 233.7m, up EUR 48.0m compared with the November 30, 2017 figure.

in EUR m	**Aug. 31, 2018**	Nov. 30, 2017	Aug. 31, 2017
Inventories	176.3	148.4	163.5
Trade receivables	245.3	242.7	221.6
Trade payables	152.1	176.3	119.1
Prepayments received	35.8	29.1	42.1
Net working capital	**233.7**	**185.7**	**223.9**

The rise in net working capital compared with November 30, 2017 mainly reflects an increase in inventories, a decrease in trade payables and slightly increased trade receivables. This was partly offset by higher prepayments received. At constant exchange rates, the rise in net working capital during the first nine months of the financial year 2018 was EUR 51.0m, compared with EUR 27.7m in the first nine months of the financial year 2017.

Relative to revenues in the last twelve months, average net working capital increased slightly from 16.7% in the prior-year period to 17.0% in the first nine months of 2018. This is accounted for by a slightly higher average level of finished goods inventories, which is intended to ensure very high delivery capacity and is also necessary in order to realize the revenues expected in the fourth quarter of 2018.

FINANCIAL LIABILITIES AND CREDIT FACILITIES

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

in EUR m	**Aug. 31, 2018**	Nov. 30, 2017	Aug. 31, 2017
Financial debt			
Syndicated facilities			
Revolving credit facility (since June 15, 2015)[1)]	291.0	–	137.0
Total syndicated facilities	**291.0**	**–**	**137.0**
Senior notes – euro bond	–	300.0	300.0
Promissory loans – November 2015	425.0	425.0	425.0
Promissory loans – September 2017	250.0	250.0	–
Local borrowings incl. bank overdrafts[1)]	19.0	16.7	17.4
Finance lease liabilities	7.7	8.0	6.3
Total financial debt	**992.7**	**999.7**	**885.7**
Cash and cash equivalents	86.9	287.0	119.9
Net financial debt	**905.8**	**712.7**	**765.8**

[1)] The exchange rates used for the translation of US dollar loans to euros were as follows: as of August 31, 2018: EUR 1.00/USD 1.1651; as of November 30, 2017: EUR 1.00/USD 1.1849; as of August 31, 2017: EUR 1.00/USD 1.1825.

Net financial debt increased by EUR 193.1m to EUR 905.8m as of August 31, 2018 (November 30, 2017: EUR 712.7m). The rise in net financial debt is mainly due to payment of the first purchase price installment for the acquisition of Sensile Medical AG in mid-July 2018, the EUR 34.5m dividend payout following the Annual General Meeting on April 25, 2018 and the EUR 15.0m final coupon payment on the bond issue redeemed in May 2018. Pursuant to the credit line agreement in force, adjusted EBITDA leverage, calculated as the ratio of net financial debt to adjusted EBITDA over the last twelve months, stood at 3.2x.

Drawings under the revolving credit facility (with a facility amount of EUR 450.0m) stood at EUR 291.0m as of August 31, 2018. We consequently had an amount of EUR 159.0m available under the revolving credit facility as of August 31, 2018 for capital expenditure, acquisitions and other operational requirements.

CAPITAL EXPENDITURE

Gerresheimer undertook capital expenditure on property, plant and equipment and intangible assets as follows in the first nine months of the financial year 2018:

in EUR m	**Q3 2018**	Q3 2017	Change in %[2]	**Q1-Q3 2018**	Q1-Q3 2017	Change in %[2]
Plastics & Devices	11.6	22.1	-47.6	26.3	42.8	-38.5
Primary Packaging Glass	7.6	6.8	10.3	17.7	19.0	-6.5
Advanced Technologies[1]	–	–	–	–	–	–
Head office	0.3	–	–	1.1	2.5	-56.3
Total capital expenditure	**19.5**	**28.9**	**-32.5**	**45.1**	**64.3**	**-29.7**

[1] The Advanced Technologies Division, established following the acquisition of Sensile Medical, consists of the Sensile Medical Business Unit. The acquisition date for the acquisition of Sensile Medical was June 30, 2018. For further information, please see Note (2) of the Notes to the interim consolidated financial statements.
[2] Change calculated on a EUR k basis.

We continue to invest heavily in the strong growth prospects of our business as well as in our quality and productivity initiatives. Capital expenditure totaled EUR 45.1m in the first nine months of 2018 (Q1-Q3 2017: EUR 64.3m). This was mostly accounted for by the Plastics & Devices Division, where capital expenditure was primarily focused on expansion of our inhaler production in the USA, additions to the product portfolio and broadening of our production capacity. Capital expenditure in the Primary Packaging Glass Division mainly related to the scheduled furnace overhaul in the USA and, as in prior years, to molds, tooling and modernization measures.

OPERATING CASH FLOW

in EUR m	**Q1-Q3 2018**	Q1-Q3 2017
Adjusted EBITDA	**197.6**	**213.2**
Change in net working capital	-51.0	-27.7
Capital expenditure	-45.1	-64.3
Operating cash flow	**101.5**	**121.2**
Net interest paid	-18.3	-18.1
Net taxes paid	-25.7	-41.4
Pension benefits paid	-8.4	-8.9
Other	-26.2	-11.4
Free cash flow before acquisitions/divestments	**22.9**	**41.4**
Acquisitions/divestments	-172.5	1.3
Financing activity	-49.2	-43.2
Changes in financial resources	**-198.8**	**-0.5**

We generated operating cash flow of EUR 101.5m in the first nine months of the financial year 2018. That is EUR 19.7m less than the EUR 121.2m recorded in the comparative prior-year period. The main cause of this is the lower adjusted EBITDA and notably the substantially weaker exchange rates. A significantly larger increase in net working capital than in the first nine months of the financial year 2017 is set against significantly reduced capital expenditure in the year to date. The substantial change in cash and cash equivalents relates to the acquisition of Sensile Medical AG. The Plastics & Devices Division and the Primary Packaging Glass Division each have positive operating cash flows.

CASH FLOW STATEMENT

in EUR m	**Q1-Q3 2018**	Q1-Q3 2017
Cash flow from operating activities	67.8	103.0
Cash flow from investing activities	-217.4	-60.3
Cash flow from financing activities	-49.2	-43.2
Changes in financial resources	**-198.8**	**-0.5**
Effect of exchange rate changes on financial resources	-3.2	-3.2
Financial resources at the beginning of the period	271.6	107.7
Financial resources at the end of the period	69.6	104.0

Our operating activities generated a cash inflow of EUR 67.8m in the first nine months of the financial year 2018 (December 1, 2016 to August 31, 2017: EUR 103.0m). The shortfall against the prior year relates to the net income generated in the period and the associated income taxes. However, the significantly lower income tax payments were more than offset by the increase in net working capital.

The net cash outflow from investing activities was EUR 217.4m, a significant EUR 157.1m increase on the comparative prior-year figure. This primarily relates to the payment of the first purchase price installment for the acquisition of Sensile Medical AG. The cash outflow in both periods also includes purchases of property, plant and equipment and intangible assets.

Cash flow from financing activities amounted to a cash outflow of EUR 49.2m in the first nine months of the financial year 2018 and relates to the bond redemption in May 2018 (December 1, 2016 to August 31, 2017: cash outflow of EUR 43.2m) and larger drawings on the revolving credit facility in connection with the acquisition of Sensile Medical AG. Cash and cash equivalents consequently came to EUR 69.6m as of August 31, 2018.

EMPLOYEES

The Gerresheimer Group workforce comprised 9,947 employees as of August 31, 2018 (November 30, 2017: 9,749 employees).

	Aug. 31, 2018	Nov. 30, 2017
Emerging markets	3,408	3,482
Germany	3,496	3,385
Europe	1,926	1,858
Americas	1,117	1,024
Total	**9,947**	**9,749**

As of the reporting date, 34% of the workforce was employed in emerging economies, 35% in Germany, 20% in Europe and 11% in the Americas.

REPORT ON OPPORTUNITIES AND RISKS

In the financial year 2018, Gerresheimer continues to focus on growth in primary pharma packaging and drug delivery devices. Global economic trends, exchange rate factors, rising commodity and energy prices as well as uncertainties about the future development of national healthcare systems and customer demand represent risks that may affect the course of business in the long term. We are conscious of these risks and carefully monitor their impact on our business.

No risks have currently been identified that raise doubt about the ability of the Gerresheimer Group to continue as a going concern. There has been no material change to the information provided in the Report on Opportunities and Risks section of our Annual Report 2017.

OUTLOOK

The forward-looking statements on the business performance of the Gerresheimer Group 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

The assessment of the economic conditions has not materially changed compared with our disclosures in our Annual Report. We therefore refer to the Outlook section in our Annual Report 2017.

MARKET AND BUSINESS OPPORTUNITIES FOR THE GERRESHEIMER GROUP

Prospects for the financial year 2018

Assessments of the prospects for the financial year 2018 have not fundamentally changed compared with the information provided in our Annual Report. We therefore refer to the Outlook section in our Annual Report 2017.

Overall Group

Our expectations for the financial year 2018, in each case assuming constant exchange rates and excluding acquisitions and divestments, are set out in the following. These expectations are supplemented by the potential consequences of our acquisition of Sensile Medical. In total, for the US dollar—which is expected to have the largest currency impact on the Group currency, accounting for about a third of Group revenues in 2018 or some 40% of adjusted EBITDA—Gerresheimer has assumed an exchange rate of approximately USD 1.12 to EUR 1.00. The remaining exchange rate assumptions, which in the event of further devaluations, notably of the Brazilian and Indian currencies, likewise have considerable relevance in relation to the Group's earnings as reported, are set out in Note (1) of the Notes to the interim consolidated financial statements. Revenues at constant exchange rates and adjusted EBITDA at constant exchange rates are calculated on the basis of actual average exchange rates in the financial year 2017.

In addition, both the energy price trend—which is currently to our disadvantage—and the temporary impact of higher prices for plastic granules can also result in fluctuations. The scheduled furnace overhaul at our Chicago plant commencing in September 2018 was not yet completed on publication of this report and can likewise result in minor variations in earnings for the fourth quarter of 2018.

Excluding the Advanced Technologies Division, our forecast for revenues at constant exchange rates in the financial year 2018 remains at between approximately EUR 1.38bn and EUR 1.4bn as announced in the second quarter of 2018, which is at the upper end of our guidance communicated at the beginning of the year. For adjusted EBITDA at constant exchange rates, we continue to project a range of approximately EUR 305m to 315m for the financial year 2018, compared with EUR 307.2m[5)] in the financial year 2017. In order to attain delivery capability with regard to the newly gained inhalers project as early as the fourth quarter of 2020, we aim to already secure construction of the necessary production building and the conversion of existing capacity as quickly and efficiently as possible in 2018. For this reason, our adjusted EBITDA as of the year-end—depending on how successful we are in implementing and advancing the necessary development work for the newly gained large projects—may tend toward approximately EUR 305m. For our core business (excluding the Advanced Technologies Division), that would allow us to expect the fourth quarter 2018 to be on a par with the prior-year figure in terms of adjusted EBITDA. This comes in light of a large inhaler order for Europe that we gained from a major international pharma producer in the second quarter of 2018. The order was based on our good performance in supplying the same inhaler sold by this customer on the North American market from our plant in Peachtree City (Georgia/USA). Following tooling revenues in 2019 and 2020, the customer expects deliveries of the inhaler under the contract to commence in the final quarter of 2020. At full production, we anticipate revenues from the contract in the order of up to EUR 30m a year. To fulfill the order, we are going to invest in our Horsovsky Tyn plant in the Czech Republic during the financial years 2019 and 2020. Furthermore, we succeeded for the first time in becoming the main supplier to one of the largest heparin producers and are to supply the customer concerned with prefillable syringes under a multi-year contract. This is an outcome of systematically pursuing our syringes strategy and sustained good operating performance in the syringe business. We expect revenues from this contract to come on stream in the financial year 2019 and to reach up to EUR 20m a year at full production. Further details on this topic are provided in our report on the second quarter of 2018, which we published on July 12, 2018.

To our existing core business, comprising the Plastics & Devices Division and the Primary Packaging Glass Division, it is necessary to add the results of our new Advanced Technologies Division as of the year-end. Our initial, cautious indication in this regard stood at revenues of approximately EUR 15m and adjusted EBITA of around minus EUR 2m. As was already communicated in connection with the acquisition, this indication may vary more markedly in the course of the quarter depending on the billing and completion of development orders. Significant EBITA from parts and royalty fee revenues is only expected to come on stream from the financial year 2020. Further details on the acquisition and our initial indicative expectations are provided in our report on the second quarter of 2018, which we published on July 12, 2018.

Largely due to our favorable growth prospects, and driven by our initiatives to boost productivity and quality, capital expenditure in the financial year 2018 is expected to amount to around 8% of revenues at constant exchange rates.

Our net working capital profile has improved significantly in recent years. We continue to anticipate net working capital as a percentage of revenues to be around 16% as of the financial year-end 2018. Depending on our revenue performance, average net working capital may also slightly exceed 16% in the course of the year in order to meet any higher demand in the final quarter of the financial year 2018 or also for the financial year 2019.

Our long-term target for the entire Group, including the new Advanced Technologies Division, remains as follows:

- The Gx ROCE forecast remains unaltered, despite the acquisition of Sensile Medical, at approximately 15%.
- Due to the acquisition of Sensile Medical and the associated purchase price payment, we expect a temporary increase in adjusted EBITDA leverage to above 3.0x. We nonetheless continue to consider a figure of about 2.5x to be right for the ratio of net financial debt to adjusted EBITDA, with temporary variation above or below this tolerated because M&A activity cannot be planned in exact detail.

The Gerresheimer Group pursues a successful, clear-cut strategy geared to sustained and profitable growth. The initial, preliminary indications given in the second quarter of 2018 with regard to the long-term performance of the Group continue to apply, as does the information provided in connection with the acquisition of Sensile Medical, which comprises the major part of the new Advanced Technologies Division. We plan to add further detail to our initial, preliminary indications for the subsequent years for the Group as a whole, including the new Advanced Technologies Division, in the guidance we provide on publication of our Annual Report 2018 in February 2019.

[5)] Excluding the effect from fair value measurement of the Triveni put option.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 2017 – AUGUST 2018

CONSOLIDATED INCOME STATEMENT

for the Period from December 1, 2017 to August 31, 2018

in EUR k	Notes	Q3 2018	Q3 2017	Q1-Q3 2018	Q1-Q3 2017
Revenues		353,604	331,473	976,614	973,818
Cost of sales		-255,741	-232,446	-700,303	-682,326
Gross profit		**97,863**	**99,027**	**276,311**	**291,492**
Selling and administrative expenses		-63,395	-61,370	-189,306	-189,547
Other operating income	(5)	7,088	10,482	19,862	21,514
Restructuring expenses	(6)	-3,634	–	-3,903	-9
Other operating expenses	(7)	-4,649	-1,849	-15,313	-4,980
Results of operations		**33,273**	**46,290**	**87,651**	**118,470**
Interest income		520	653	1,760	2,209
Interest expense		-5,868	-8,257	-23,125	-24,508
Other financial expenses		-1,563	-1,153	-4,310	-3,600
Net finance expense		**-6,911**	**-8,757**	**-25,675**	**-25,899**
Net income before income taxes		26,362	37,533	61,976	92,571
Income taxes	(8)	-7,405	-11,271	25,478	-27,949
Net income		**18,957**	**26,262**	**87,454**	**64,622**
Attributable to equity holders of the parent		18,421	25,600	85,850	63,054
Attributable to non-controlling interests		536	662	1,604	1,568
Diluted and non-diluted earnings per share (in EUR)		**0.59**	**0.82**	**2.73**	**2.01**

Notes (1) to (16) are an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the Period from December 1, 2017 to August 31, 2018

in EUR k	Q3 2018	Q3 2017	Q1-Q3 2018	Q1-Q3 2017
Net income	**18,957**	**26,262**	**87,454**	**64,622**
Income taxes from the revaluation of defined benefit plans	–	–	-61[1]	–
Other comprehensive income that will not be reclassified subsequently to profit or loss	**–**	**–**	**-61**	**–**
Changes in the fair value of available-for-sale financial assets	–	–	-1	–
Amount recognized in profit or loss	–	–	–	51
Income taxes	–	–	–	-15
Other comprehensive income from financial instruments	**–**	**–**	**-1**	**36**
Currency translation	-17,632	-25,632	-15,671	-42,325
Other comprehensive income from currency translation	**-17,632**	**-25,632**	**-15,671**	**-42,325**
Other comprehensive income that will be reclassified to profit or loss when specific conditions are met	**-17,632**	**-25,632**	**-15,672**	**-42,289**
Other comprehensive income	**-17,632**	**-25,632**	**-15,733**	**-42,289**
Total comprehensive income	**1,325**	**630**	**71,721**	**22,333**
Attributable to equity holders of the parent	1,743	832	70,692	21,453
Attributable to non-controlling interests	-418	-202	1,029	880

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

Notes (1) to (16) are an integral part of these interim consolidated financial statements.

CONSOLIDATED BALANCE SHEET

as of August 31, 2018

ASSETS

in EUR k	Notes	Aug. 31, 2018	Nov. 30, 2017	Aug. 31, 2017
Non-current assets				
Intangible assets		1,502,624	1,101,229	1,107,878
Property, plant and equipment		565,788	602,577	577,989
Investment property		5,565	5,732	5,732
Investments accounted for using the equity method		252	252	184
Income tax receivables		1,996	1,394	1,345
Other financial assets		3,573	5,077	5,114
Other receivables		1,320	1,594	1,551
Deferred tax assets		10,519	11,030	12,069
		2,091,637	**1,728,885**	**1,711,862**
Current assets				
Inventories	(10)	176,253	148,362	163,453
Trade receivables		245,310	242,684	221,552
Income tax receivables		4,445	2,522	5,379
Other financial assets		24,417	17,020	10,907
Other receivables		22,056	17,588	22,863
Cash and cash equivalents		86,941	287,036	119,864
		559,422	**715,212**	**544,018**
Total assets		**2,651,059**	**2,444,097**	**2,255,880**

EQUITY AND LIABILITIES

in EUR k	Notes	Aug. 31, 2018	Nov. 30, 2017	Aug. 31, 2017
Equity				
Subscribed capital		31,400	31,400	31,400
Capital reserve		513,827	513,827	513,827
IAS 39 reserve		-6	-5	-5
Currency translation reserve		-86,117	-71,021	-68,079
Retained earnings		347,090	278,862	237,497
Equity attributable to equity holders of the parent		**806,194**	**753,063**	**714,640**
Non-controlling interests		18,410	36,462	36,030
		824,604	**789,525**	**750,670**
Non-current liabilities				
Deferred tax liabilities		162,851	143,539	146,228
Provisions for pensions and similar obligations		148,382	145,104	153,961
Other provisions		10,562	10,190	7,715
Other financial liabilities	(11) + (12)	751,133	681,304	445,296
Other liabilities		984	1,092	444
		1,073,912	**981,229**	**753,644**
Current liabilities				
Provisions for pensions and similar obligations		13,571	13,580	11,766
Other provisions		32,404	35,214	38,338
Trade payables		152,063	176,303	119,107
Other financial liabilities	(11) + (12)	437,822	337,667	462,825
Income tax liabilities		6,207	9,387	5,876
Other liabilities		110,476	101,192	113,654
		752,543	**673,343**	**751,566**
		1,826,455	**1,654,572**	**1,505,210**
Total equity and liabilities		**2,651,059**	**2,444,097**	**2,255,880**

Notes (1) to (16) are an integral part of these interim consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the Period from December 1, 2017 to August 31, 2018

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, 2016	**31,400**	**513,827**	**-41**	**-26,442**	**207,413**	**726,157**	**37,138**	**763,295**
Net income	–	–	–	–	63,054	63,054	1,568	64,622
Other comprehensive income	–	–	36	-41,637	–	-41,601	-688	-42,289
Total comprehensive income	**–**	**–**	**36**	**-41,637**	**63,054**	**21,453**	**880**	**22,333**
Distribution	–	–	–	–	-32,970	-32,970	-1,988	-34,958
As of August 31, 2017	**31,400**	**513,827**	**-5**	**-68,079**	**237,497**	**714,640**	**36,030**	**750,670**
As of November 30/December 1, 2017	**31,400**	**513,827**	**-5**	**-71,021**	**278,862**	**753,063**	**36,462**	**789,525**
Net income	–	–	–	–	85,850	85,850	1,604	87,454
Other comprehensive income	–	–	-1	-15,096	-61	-15,158	-575	-15,733
Total comprehensive income	**–**	**–**	**-1**	**-15,096**	**85,789**	**70,692**	**1,029**	**71,721**
Acquisition of non-controlling interests	–	–	–	–	16,979	16,979	-19,081	-2,102
Distribution	–	–	–	–	-34,540	-34,540	–	-34,540
As of August 31, 2018	**31,400**	**513,827**	**-6**	**-86,117**	**347,090**	**806,194**	**18,410**	**824,604**

Notes (1) to (16) are an integral part of these interim consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT

for the Period from December 1, 2017 to August 31, 2018

in EUR k	Notes	Q1-Q3 2018	Q1-Q3 2017
Net income		87,454	64,622
Income taxes	(8)	-25,478	27,949
Amortization/impairment losses of intangible assets		29,498	27,173
Depreciation/impairment losses of property, plant and equipment		69,212	66,210
Change in other provisions		-3,225	-13,890
Change in provisions for pensions and similar obligations		-8,884	-6,294
Gain (-)/Loss (+) on the disposal of non-current assets/liabilities		108	-1,335
Net finance expense		25,675	25,899
Interests paid		-19,040	-19,473
Interests received		764	1,327
Income taxes paid		-29,303	-43,536
Income taxes received		3,581	2,131
Change in inventories		-29,979	-11,523
Change in trade receivables and other assets		-8,350	-3,441
Change in trade payables and other liabilities		-27,905	-29,847
Other non-cash expenses/income		3,719	16,983
Cash flow from operating activities		**67,847**	**102,955**
Cash received from disposals of non-current assets		222	2,675
Cash paid for capital expenditure			
in intangible assets		-4,146	-14,833
in property, plant and equipment		-41,041	-49,435
Cash received in connection with divestments, net of cash paid	(3)	–	1,356
Cash paid for the acquisition of subsidiaries, net of cash received	(2) + (3)	-172,489	–
Cash flow from investing activities		**-217,454**	**-60,237**
Distributions to third parties		-34,540	-33,482
Distributions from third parties		–	78
Raising of loans		346,880	31,945
Repayment of loans		-361,033	-41,315
Cash paid for finance lease		-503	-459
Cash flow from financing activities		**-49,196**	**-43,233**
Changes in financial resources		**-198,803**	**-515**
Effect of exchange rate changes on financial resources		-3,235	-3,193
Financial resources at the beginning of the period		271,596	107,742
Financial resources at the end of the period		**69,558**	**104,034**
Components of the financial resources			
Cash and cash equivalents		86,941	119,864
Bank overdrafts		-17,383	-15,830
Financial resources at the end of the period		**69,558**	**104,034**

Notes (1) to (16) 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, 2017 to August 31, 2018

(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 315e paragraph 1 of the German Commercial Code (Handelsgesetzbuch/HGB) and in accordance with IAS 34 "Interim Financial Reporting". These notes to the interim consolidated financial statements therefore do not contain all the information and details required by IFRS for consolidated financial statements at the end of a financial year, and should be read in conjunction with the consolidated financial statements as of November 30, 2017. 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 2017.

The following revised standards were additionally adopted for the first time:
› Amendments to IAS 7, Disclosure Initiative
› Amendments to IAS 12, Recognition of Deferred Tax Assets for Unrealised Losses
› Annual Improvements to IFRSs 2014–2016 Cycle

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

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

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

		Closing rate			Average rate		
1 EUR		**Aug. 31, 2018**	Nov. 30, 2017	Aug. 31, 2017	**Q1-Q3 2018**	FY 2017	Q1-Q3 2017
Argentina	ARS	**45.1144**	20.6670	20.6052	**28.1633**	18.5051	17.8651
Brazil	BRL	**4.8591**	3.8668	3.7410	**4.2065**	3.5972	3.5355
Switzerland	CHF	**1.1281**	1.1699	1.1446	**1.1625**	1.1060	1.0902
China	CNY	**7.9664**	7.8377	7.8059	**7.7777**	7.5925	7.5296
Czech Republic	CZK	**25.7350**	25.4910	26.1010	**25.5871**	26.4608	26.6874
Denmark	DKK	**7.4558**	7.4417	7.4384	**7.4480**	7.4383	7.4373
India	INR	**82.7245**	76.3875	75.5995	**79.3631**	73.3309	72.4489
Mexico	MXN	**22.3628**	22.0035	21.0843	**22.6865**	21.3084	21.1369
Poland	PLN	**4.2913**	4.1955	4.2582	**4.2393**	4.2764	4.2851
Singapore	SGD	**1.5965**	1.5986	1.6094	**1.6006**	1.5518	1.5388
United States of America	USD	**1.1651**	1.1849	1.1825	**1.1959**	1.1200	1.1033

The consolidated financial statements of Gerresheimer AG as of November 30, 2017, are published in German in the Federal Law Gazette (Bundesanzeiger) and on the Internet at www.gerresheimer.com.

(2) Consolidated Group

a) Exercise of call option Triveni Polymers Private Ltd.

On April 9, 2018, Gerresheimer has exercised the call option, which existed since the acquisition of Triveni Polymers Private Ltd. (New Delhi/India) on December 20, 2012, on the remaining 25% stake in this company. In the course of the acquisition in 2012 a put option was also agreed upon with the sellers, allowing them to tender their aforementioned remaining stake to Gerresheimer. Due to the exercise of the call option by Gerresheimer the put option has now expired. In this respect, we have derecognized the put option and recognized a liability from the exercised call option at the same time. By exercising the call option Gerresheimer has gained ownership of the returns associated to the acquired shares already as of April 1, 2018. Payment of the purchase price for the remaining shares is expected for the fourth quarter of 2018.

b) Acquisition of Sensile Medical AG

In the current financial year, an agreement was signed on July 11, 2018, for the purchase of approximately 99.89% of capital shares and voting rights in Sensile Medical AG (Olten/Switzerland) (hereinafter Sensile Medical). With the transaction already effective as of June 30, 2018, the company is included in the consolidated financial statements of Gerresheimer AG.

Sensile Medical's leading position in micro pump technology combined with drug delivery devices featuring electronic and connected capabilities for medical applications progresses to market readiness in specific customer projects with pharma companies. By means of this acquisition, Gerresheimer expands its business model towards Original Equipment Manufacturer (OEM) for drug delivery hubs with digital and electronic facilities for pharmaceutical and biopharmaceutical companies. By contrast to the contractual manufacturing model in the Medical Plastic Systems Business Unit, Sensile Medical is involved at pharma producers in an earlier phase of drug and therapy development. In an already well-advanced collaboration, for example, pharma group Sanofi contributes its many years of experience with insulin and solutions for the treatment of diabetes. A further party to the same joint project is Verily, a subsidiary of the Alphabet Group, with its expertise in integrating microtechnology and digital health technology. Sensile Medical holds a large number of patents and is remunerated by the pharma companies it partners with on attainment of specified milestones in the development phase and by way of royalties after product launch. It generates additional revenue from the sale of devices, where the products can be manufactured either by external producers or by our Medical Plastic Systems Business Unit. As a result, the new division has little capital expenditure, a small asset base and low net working capital.

The consideration for the acquisition of the company before net working capital and net debt adjustments amounts to EUR 334,754k and is split as follows:

in EUR k	
Cash funds	160,601
Fixed purchase price component	24,973
Variable purchase price component	148,229
Other assumed liabilities	951
Purchase price	**334,754**

The fixed purchase price component before net working capital and net debt adjustments is due for payment on December 15, 2018.

Due to its contractual agreement, Gerresheimer is obliged to pay further variable purchase price components, which are depending on the achievement of specified contractually agreed milestones up to an undiscounted amount of EUR 149,840k to the former shareholders of Sensile Medical. The total amount becomes due for payment with an amount of EUR 56,190k on June 1, 2019, the amount of EUR 18,730k on July 1, 2019, the amount of EUR 37,460k on January 31, 2020 as well as EUR 37,460k not before December 1, 2020. Consequently, an amount of EUR 148,229k was recognized as contingent consideration, which corresponds to the fair value as of the acquisition date; non-current variable purchase price components have been discounted according to the payment scheme. Based on our current knowledge we expect the full achievement of all contractually agreed milestones.

The first purchase price component was paid on July 17, 2018 in the amount of EUR 160,601k. Moreover, Gerresheimer repaid bank loans of Sensile Medical to a bank and certain shareholders in the amount of EUR 12,692k; these bank loans were replaced by loans of a group company.

Acquisition-related costs amounted to EUR 1,675k as of August 31, 2018, and are recognized as one-off expenses in the income statement within other operating expenses.

The acquisition was accounted for using the acquisition method on the basis of the fair values of the identified assets and liabilities. Existing non-controlling interests were recognized at fair value of the shares in Sensile Medical (Full-Goodwill-Method). The acquisition of Sensile Medical affected the consolidated balance sheet of Gerresheimer AG at the date of initial consolidation on June 30, 2018 as follows:

ASSETS

in EUR k	**June 30, 2018**
Non-current assets	
Intangible assets	425,524
Thereof: Goodwill	*5,218*
Thereof: Technologies	*416,785*
Thereof: Brand names	*3,521*
Property, plant and equipment	689
Other receivables	19
Deferred tax assets	7,539
	433,771
Current assets	
Trade receivables	9,465
Other receivables	249
Cash and cash equivalents	804
	10,518
Total	**444,289**

LIABILTIES

in EUR k	**June 30, 2018**
Non-controlling interests	**357**
Non-current liabilities	
Deferred tax liabilities	75,944
Provision for pensions	9,520
	84,464
Current liabilities	
Other provisions	733
Trade payables	2,083
Other financial liabilities	11,798
Income tax liabilities	65
Other liabilities	9,035
	23,714
	109,535
Purchase price	**334,754**
Total	**444,289**

EUR 5,218k in goodwill was recognized on the acquisition; this primarily relates to expected earnings potential from the acquisition and the associated expansion of the product portfolio and the company's existing workforce, and is included in the "Intangible assets" item in the above table. Due to the acquisition by way of a share deal, there is no tax deductible goodwill. After adjustments in property, plant and equipment for the application of IFRS, fair value adjustments of EUR 398,431k in intangible assets were recognized in the course of purchase price allocation. These split into brand names amounting to EUR 3,521k with a useful life of ten years as well as technologies amounting to EUR 394,910k with a useful life of 16 years. The resulting amortization of fair value adjustments are not included in the calculation of adjusted earnings per share. Furthermore, deferred tax assets of EUR 7,539k on tax loss carryforwards and on recognized provision for pensions as well as deferred tax liabilities in the amount of EUR 75,944k were recognized. The nominal value of the acquired receivables corresponds to their fair value at the acquisition date, and they are considered to be fully recoverable. In all other respects, the received assets and liabilities were accounted for at their carrying amounts on acquisition.

In its first two months in the Group, Sensile Medical generated revenues of EUR 3,458k, adjusted EBITDA of EUR -2,030k and net income after income taxes of EUR -5,356k. Amortization of fair value adjustments for the first two months of inclusion into the Group amounts to EUR 4,172k and contrary income from deferred taxes amounting to EUR 888k.

If Sensile Medical had been included in the consolidated financial statements from the beginning of financial year 2018, it would have contributed in a pro forma calculation EUR 18,543k to Group revenues, EUR -2,206k to adjusted EBITDA and EUR -18,620k to net income. The net income would have been mainly influenced by amortization of fair value adjustments amounting to EUR 18,775k and contrary income from deferred taxes amounting to EUR 3,995k.

(3) Consolidated Cash Flow Statement

The consolidated cash flow statement shows how the financial resources of the Gerresheimer Group have changed due to cash inflows and outflows during the financial year. The cash flow effects of acquisitions, divestments and other changes in the consolidated group are presented separately. The item "Cash received in connection with divestments, net of cash paid" in the prior year refers to the sale of the Life Science Research Division and contains cash inflow from a purchase price adjustment of previously accounted receivables. In the actual reporting period, the item "Cash paid for the acquisition of subsidiaries, net of cash received" includes the purchase price component paid as of August 31, 2018 for the acquisition of Sensile Medical, reduced by the amounts of their cash funds at the date of initial consolidation. Financial resources as reported in the consolidated cash flow statement comprise cash and cash equivalents, which is cash on hand, checks and bank balances, diminished by bank overdrafts.

(4) Seasonal Effects on Business Activity

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(5) Other Operating Income

Income from refund claims against third parties amounting to EUR 9,449k (comparative prior-year period: EUR 3,381k) and income from the reversal of provisions of EUR 2,799k (comparative prior-year period: EUR 7,660k) are included in other operating income. Income from refund claims against third parties is mainly due to a one-time, non-recurring indemnification as a result of the loss of one inhaler customer for our plant in Kuessnacht, Switzerland, with an amount of EUR 9,000k. We have received a compensation, which roughly corresponds to the contribution margin of the respective plant of the financial year 2018. Income from the reversal of provisions mainly results from provisions for guarantees, which have been accounted for in prior periods and are no longer needed. They are directly attributable to the investments made in production quality improvements.

(6) Restructuring Expenses

Gerresheimer recognizes expenses as restructuring expenses if they comply with the criteria of IAS 37.70 et seq. Similiar expenses, which do not comply with these criteria, are recorded within the other operating expenses. In light of their materiality to the Gerresheimer Group, restructuring expenses are reported separately from expenses relating to measures that do not meet the foregoing definition.

In the reporting period, mainly incurred during the third quarter 2018, restructuring expenses of EUR 3,903k mostly include expenses in connection with the closure of our plant in Kuessnacht, Switzerland, which was announced in the second quarter 2018. Further information is provided in the results of operations section of the Interim Group Management Report.

(7) Other Operating Expenses

Significant components of other operating expenses of EUR 15,313k (comparative prior-year period: EUR 4,980k) represent one-off expenses of EUR 7,992k (comparative prior-year period: EUR 1,318k). The one-off expenses in the current financial year mainly relate to the unexpected departure of the new CEO appointed since September 1, 2017 for personal reasons from the Management Board of Gerresheimer AG. Moreover, this item includes expenses in connection with planned and partially successfully completed acquisition projects of EUR 2,072k (comparative prior-year period: EUR 792k). Due to the final fair value measurement of the put option as of May 31, 2018, which is based on the local EBITDA of the company Triveni Polymers Private Ltd., New Delhi (India), for its financial year ending March 31, 2018, other operating expenses amount to EUR 1,120k. In addition, in the third quarter of 2018, all large electricity-consuming enterprises that applied for an exemption from the network charges under section 19 (2) StromNEV in the version of August 4, 2011, including the corresponding subsidiaries of Gerresheimer AG, were obliged by the Federal Network Agency to pay additional network charges for the years 2012 and 2013 in the amount of EUR 1,352k. As of August 31, 2018 there was a current other liability accrued for this amount. This issue was explained in Note (15) under contingent liabilities in the second quarter of 2018.

(8) Income Taxes

Income taxes break down as follows:

in EUR k	Q1-Q3 2018	Q1-Q3 2017
Current income taxes	-21,609	-24,414
Deferred income taxes	47,087	-3,535
Income taxes	**25,478**	**-27,949**

In the reporting period, income from income taxes of EUR 25,478k were significantly influenced by the revaluation of the recognized deferred taxes of our US subsidiaries included in the consolidated financial statements due to the US tax reform signed on December 22, 2017. Without this positive one-off effect of USD 52,851k respectively EUR 44,193k, there would have been an income tax expense of EUR 18,715k. As of August 31, 2018, the Group's current tax ratio would thus amount to 30.2% (comparative prior-year period: 30.2%).

(9) Distributions to Third Parties

In addition to the dividend distribution of EUR 34,540k (comparative prior-year period: EUR 32,970k) to the shareholders of Gerresheimer AG, there were no distributions to non-controlling interests in the first nine months of 2018.

In the comparative prior-year period distributions to the non-controlling interests of Gerresheimer Shuangfeng Pharmaceutical Packaging (Zhenjiang) Co. Ltd., China, of EUR 1,367k were agreed upon. As of August 31, 2017, EUR 512k had been distributed to the non-controlling interests of Gerresheimer Shuangfeng Pharmaceutical Packaging (Zhenjiang) Co. Ltd., China. Moreover, dividends to the non-controlling interests of Gerresheimer Shuangfeng Pharmaceutical Glass (Danyang) Co. Ltd., China, of EUR 550k were agreed upon, but not paid until August 31, 2017. The outstanding balances were included in liabilities as of August 31, 2017.

(10) Inventories

Inventories break down as follows:

in EUR k	Aug. 31, 2018	Nov. 30, 2017
Raw materials, consumables and supplies	57,816	49,921
Work in progress	17,946	14,993
Finished goods and merchandise	95,092	81,381
Prepayments made	5,399	2,067
Inventories	**176,253**	**148,362**

Write-downs of inventories totaling EUR 6,065k (comparative prior-year period: EUR 3,893k) were recognized as an expense in the reporting period. When the circumstances that caused a write-down no longer exist, the write-down is reversed. Reversals of write-downs amounted to EUR 320k (comparative prior-year period: EUR 1,145k) in the reporting period. Further information on the development of inventories is provided in the net working capital section of the Interim Group Management Report.

(11) Financial Liabilities

In connection with the refinancing of the syndicated loans, a new revolving loan agreement of EUR 450,000k was signed on June 9, 2015 with a five-year term to maturity. As of the balance sheet date, EUR 291,023k of the revolving credit facility had been drawn.

The bond with a nominal value of EUR 300,000k issued on May 19, 2011 with an issue price of 99.4% and a coupon of 5.0% p. a. was repaid on May 21, 2018 as planned and in full.

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

(12) 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, 2018 amounts to EUR 905,822k (November 30, 2017: EUR 712,660k); net working capital is EUR 233,769k (November 30, 2017: EUR 185,715k).

The Gerresheimer Group's risk management system for credit risk, liquidity risk and individual market risks, including interest risks, currency risks and other price risks, is described, including its objectives, policies and processes and their measures to monitor the covenants to be complied with, in the Opportunity and Risk Report section of the Group Management Report of the Annual Report as of November 30, 2017.

Information on financial instruments by category and class

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

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

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

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

	Aug. 31, 2018				Nov. 30, 2017			
in EUR k	**Level 1**	**Level 2**	**Level 3**	**Total**	Level 1	Level 2	Level 3	Total
Financial assets designated "available-for-sale"								
Securities	74	–	–	74	75	–	–	75
Financial assets designated "at fair value through profit and loss"								
Derivative financial assets	–	253	–	253	–	1,037	–	1,037
Measured at fair value	**74**	**253**	**–**	**327**	**75**	**1,037**	**–**	**1,112**
Financial liabilities designated "at fair value through profit and loss"								
Contingent purchase price liability	–	–	148,329	148,329	–	–	–	–
Derivative financial liabilities	–	1,652	–	1,652	–	372	–	372
Put option/call option	–	–	15,880	15,880	–	–	11,897	11,897
Measured at fair value	**–**	**1,652**	**164,209**	**165,861**	**–**	**372**	**11,897**	**12,269**

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

	Aug. 31, 2018			
	At amortized cost		At fair value	
in EUR k	Carrying amount	*For information purposes: Fair value*	Carrying amount	**Balance sheet amount**
Trade receivables	207,813	*207,813*	–	207,813[1]
Loans and receivables	207,813	*207,813*	–	
Other financial assets	27,663	*27,434*	327	27,990
Available-for-sale financial assets	229[2]	–	74	
At fair value through profit or loss	–	–	253	
Loans and receivables	27,434	*27,434*	–	
Cash and cash equivalents	86,941	*86,941*	–	86,941
Financial assets	**322,417**	***322,188***	**327**	**322,744**
Other financial liabilities	1,023,094	*1,023,094*	165,861	1,188,955
At amortized cost	1,023,094	*1,023,094*	–	
At fair value through profit or loss	–	–	165,861	
Trade payables	152,063	*152,063*	–	152,063
At amortized cost	152,063	*152,063*	–	
Financial liabilities	**1,175,157**	***1,175,157***	**165,861**	**1,341,018**

	Nov. 30, 2017			
	At amortized cost		At fair value	
in EUR k	Carrying amount	*For information purposes: Fair value*	Carrying amount	**Balance sheet amount**
Trade receivables	217,841	*217,841*	–	217,841[1]
Loans and receivables	217,841	*217,841*	–	
Other financial assets	20,985	*20,757*	1,112	22,097
Available-for-sale financial assets	228[2]	–	75	
At fair value through profit or loss	–	–	1,037	
Loans and receivables	20,757	*20,757*	–	
Cash and cash equivalents	287,036	*287,036*	–	287,036
Financial assets	**525,862**	***525,634***	**1,112**	**526,974**
Other financial liabilities	1,006,702	*1,013,615*	12,269	1,018,971
At amortized cost	1,006,702	*1,013,615*	–	
At fair value through profit or loss	–	–	12,269	
Trade payables	176,303	*176,303*	–	176,303
At amortized cost	176,303	*176,303*	–	
Financial liabilities	**1,183,005**	***1,189,918***	**12,269**	**1,195,274**

[1] Receivables under construction contracts are additionally recognized in the consolidated balance sheet in the amount of EUR 37,497k (November 30, 2017: EUR 24,843k).
[2] Due to the non-availability of a reliably estimable quoted price, the fair value of investments with a carrying amount of EUR 229k (November 30, 2017: EUR 228k) is not stated. The valuation standard is the acquisition cost.

Liabilities measured at amortized cost include finance lease liabilities for which Group companies are the lessees. As of August 31, 2018, these liabilities amount to EUR 7,697k (November 30, 2017: EUR 8,004k).

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.

(13) Other Financial Obligations

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

in EUR k	**Aug. 31, 2018**	Nov. 30, 2017
Obligations under rental and operating lease agreements	40,608	39,810
Capital expenditure commitments	22,850	9,822
Sundry other financial obligations	8,372	7,516
Other financial obligations	**71,830**	**57,148**

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

(14) Segment Reporting

Segment reporting follows internal reporting according to the management approach.

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

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

Since the sale of the Life Science Research Division, which was closed on October 31, 2016 Gerresheimer Group has been partitioned into two divisions: Plastics & Devices and Primary Packaging Glass. With the acquisition of Sensile Medical in the third quarter 2018 Gerresheimer has launched a new, third division. The new division is called Advanced Technologies.

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

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

The **Advanced Technologies** Division is dedicated to developing and producing intelligent drug delivery systems. Groundwork for the division is the 2018 acquired Swiss technology company Sensile Medical. Drug delivery systems with state-of-the-art digital and electronic technologies are offered to pharmaceutical and biotech companies. The current portfolio encompasses patented micro pumps for self-treating diabetes or heart disease, for example.

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

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

Segment Data by Division

in EUR k	Plastics & Devices		Primary Packaging Glass		Advanced Technologies[1]		Head office/ consolidation		Group	
	Q1-Q3 2018	Q1-Q3 2017	**Q1-Q3 2018**	Q1-Q3 2017	**Q1-Q3 2018**	Q1-Q3 2017	**Q1-Q3 2018**	Q1-Q3 2017	**Q1-Q3 2018**	Q1-Q3 2017
Segment revenues at constant exchange rates[2]	546,090	531,732	457,117	437,867	3,458	–	–	–	1,006,665	969,599
Exchange rate effects	-19,458	2,758	-10,326	2,280	–	–	–	–	-29,784	5,038
Segment revenues	526,632	534,490	446,791	440,147	3,458	–	–	–	976,881	974,637
Intra-Group revenues	-185	-284	-82	-535	–	–	–	–	-267	-819
Revenues with third parties	**526,447**	**534,206**	**446,709**	**439,612**	**3,458**	**–**	**–**	**–**	**976,614**	**973,818**
Adjusted EBITDA at constant exchange rates[3]	138,713	142,551	84,674	85,235	-2,030	–	-16,432	-15,654	204,925	212,132
Exchange rate effects	-5,847	783	-1,573	267	–	–	9	–	-7,411	1,050
Adjusted EBITDA	132,866	143,334	83,101	85,502	-2,030	–	-16,423	-15,654	197,514	213,182
Depreciation and amortization[4]	-34,244	-33,972	-35,777	-33,174	-342	–	-1,494	-701	-71,857	-67,847
Adjusted EBITA	98,622	109,362	47,324	52,328	-2,372	–	-17,917	-16,355	125,657	145,335
Net Working Capital	118,360	114,300	114,721	111,913	1,565	–	-877	-2,362	233,769	223,851
Operating Cash Flow[5]	75,446	90,428	49,670	49,200	-2,855	–	-20,716	-18,415	101,545	121,213
Capital expenditure	26,324	42,824	17,730	18,956	45	–	1,088	2,488	45,187	64,268
Employees (average)	4,477	4,531	5,180	5,171	113	–	114	103	9,884	9,805

[1] The Advanced Technologies Division, established following the acquisition of Sensile Medical, consists of the Sensile Medical Business Unit. The acquisition date for the acquisition of Sensile Medical was June 30, 2018. For further information, please see Note (2) of the Notes to the interim consolidated financial statements.
[2] Revenues at constant exchange rates of the first nine months 2017 were, for a better comparability, translated at the budget rates 2018, which are equivalent to the average rates of the financial year 2017 and can be found in Note (1) of the interim consolidated financial statements.
[3] Adjusted EBITDA at constant exchange rates: Earnings before income taxes, net finance expense, amortization of fair value adjustments, depreciation and amortization, impairment losses, restructuring expenses, and one-off income and expenses. For a better comparability, adjusted EBITDA of the first nine months 2017 at constant exchange rates was translated at the budget rates 2018, which are equivalent to the average rates of the financial year 2017 and can be found in Note (1) of the interim consolidated financial statements.
[4] This includes impairments of EUR 1,796k (comparative prior-year period: EUR 13k), thereof EUR 65k (comparative prior-year period: EUR 0k) relating to the Primary Packaging Glass Division and EUR 1,731k (comparative prior-year period: EUR 13k) relating to the Plastics & Devices Division.
[5] Operating cash flow: Adjusted EBITDA plus or minus change in net working capital at constant exchange rates less capital expenditure.

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

in EUR k	**Q1-Q3 2018**	Q1-Q3 2017
Adjusted segment EBITA	143,574	161,690
Head office/consolidation	-17,917	-16,355
Adjusted Group EBITA	**125,657**	**145,335**
Acquisition of Sensile Medical	-1,675	–
Portfolio optimization	-4,697	-21
One-off expenses and income	-4,781	-1,306
Amortization of fair value adjustments	-26,853	-25,538
Result of operations	**87,651**	**118,470**
Net finance expense	-25,675	-25,899
Net income before income taxes	**61,976**	**92,571**

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

OTHER NOTES

(15) 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 2018		**Aug. 31, 2018**		Q1-Q3 2017		Aug. 31, 2017	
in EUR k	**Sale of goods and services**	**Purchase of goods and services**	**Trade receiv-ables**	**Trade payables**	Sale of goods and services	Purchase of goods and services	Trade receivables	Trade payables
Company in relation to a member of the Gerresheimer AG Supervisory Board	2,060	–	258	–	2,190	–	302	–
Associated companies	9	1,901	–	107	60	1,997	–	61
	2,069	**1,901**	**258**	**107**	**2,250**	**1,997**	**302**	**61**

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.

(16) Events after the Balance Sheet Date

In its meeting on September 6, 2018, the Supervisory Board decided that Mr Dietmar Siemssen will take over the position of the Chief Executive Officer of the Gerresheimer AG as of November 1, 2018. The speaker of the Management Board and Chief Financial Officer, Mr Rainer Beaujean, has informed the Supervisory Board in this meeting, that he will not be available for the period of further three years as offered by the Supervisory Board; therefore, he will not extend his contract after April 30, 2019.

At its meeting on October 10, 2018, the Supervisory Board of Gerresheimer AG resolved to approve Mr Andreas Schütte's wish to terminate his Management Board contract ahead of term as of February 28, 2019. At the same meeting, the Supervisory Board also resolved that Mr Dietmar Siemssen shall assume responsibility for the Plastics & Devices and Advanced Technologies Divisions on the Management Board from March 1, 2019.

Beyond that there were no further subsequent events after August 31, 2018 that are expected to have a material impact on the net assets, financial position or results of operations of the Gerresheimer Group.

The Management Board approved the interim consolidated financial statements on October 10, 2018, after discussion with the Audit Committee of the Supervisory Board.

PRELIMINARY FINANCIAL CALENDAR

February 14, 2019	Annual Report 2018
April 11, 2019	Interim Report 1st Quarter 2019
July 11, 2019	Interim Report 2nd Quarter 2019
October 10, 2019	Interim Report 3rd Quarter 2019

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

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