OUR SECOND QUARTER

INTERIM REPORT

DECEMBER 2019 – MAY 2020

GERRESHEIMER

GROUP KEY FIGURES

Financial Year ended November 30	**Q2 2020**	Q2 2019	Change in %[7]	**Q1-Q2 2020**	Q1-Q2 2019	Change in %[7]
Results of Operations during Reporting Period in EUR m						
Revenues	362.9	356.5	1.8	666.8	665.0	0.3
Adjusted EBITDA[1]	84.2	100.4	-16.2	135.3	246.4	-45.1
in % of revenues	23.2	28.2	-	20.3	37.0	-
Adjusted EBITA[2]	56.9	76.9	-26.0	80.7	199.6	-59.6
in % of revenues	15.7	21.6	-	12.1	30.0	-
Results of operations	46.4	61.4	-24.3	58.3	170.4	-65.8
Adjusted net income[3]	37.7	59.3	-36.5	51.2	168.9	-69.7
Net Assets as of Reporting Date in EUR m						
Total assets	2,635.4	2,739.8	-3.8	2,635.4	2,739.8	-3.8
Equity	931.8	1,049.5	-11.2	931.8	1,049.5	-11.2
Equity ratio in %	35.4	38.3	-	35.4	38.3	-
Net working capital	259.5	269.7	-3.8	259.5	269.7	-3.8
in % of revenues of the last twelve months	18.6	19.2	-	18.6	19.2	-
Capital expenditure	42.6	28.6	49.2	68.3	45.3	50.8
Net financial debt	1,013.9	940.3	7.8	1,013.9	940.3	7.8
Adjusted EBITDA leverage[4]	3.2	2.3	-	3.2	2.3	-
Financial and Liquidity Position during Reporting Period in EUR m						
Cash flow from operating activities	75.7	31.9	>100.0	30.6	15.2	>100.0
Cash flow from investing activities	-30.7	-28.7	6.8	-63.5	-65.9	-3.7
Free cash flow before financing activities	45.0	3.2	>100.0	-32.9	-50.7	-35.1
Employees						
Employees as of the reporting date	9,820	9,883	-0.6	9,820	9,883	-0.6
Stock Data						
Number of shares at reporting date in million	31.4	31.4	-	31.4	31.4	-
Share price[5] at reporting date in EUR	76.70	63.80	20.2	76.70	63.80	20.2
Market capitalization at reporting date in EUR m	2,408.4	2,003.3	20.2	2,408.4	2,003.3	20.2
Share price high[5] during reporting period in EUR	76.95	70.35	9.4	76.95	70.35	9.4
Share price low[5] during reporting period in EUR	53.00	63.80	-16.9	53.00	51.80	2.3
Earnings per share in EUR	0.92	1.48	-37.8	1.05	4.63	-77.3
Adjusted earnings per share[6] in EUR	1.18	1.87	-36.9	1.61	5.35	-69.9

1) Adjusted EBITDA: Net income before income taxes, net finance expense, amortization/impairment losses of fair value adjustments, depreciation and amortization, impairment losses, restructuring expenses, and one-off income and expenses.
2) Adjusted EBITA: Net income before income taxes, net finance expense, amortization/impairment losses of fair value adjustments, restructuring expenses, and one-off income and expenses.
3) Adjusted net income: Net income before amortization/impairment losses of fair value adjustments, restructuring expenses, portfolio adjustments, the balance of one-off income and expenses and related tax effects.
4) 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.
5) Xetra closing price.
6) Adjusted net income per share after non-controlling interests divided by 31.4m shares.
7) The change has been calculated on a EUR k basis.

DIVISIONS

› Plastics & Devices

Our product portfolio in the Plastics & Devices Division includes complex, customer-specific products for simple and safe drug delivery. These include insulin pens, inhalers and prefillable 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 EUR m	**Q2 2020**	Q2 2019	Change in %[3]	**Q1-Q2 2020**	Q1-Q2 2019	Change in %[3]
Revenues[1]	**200.6**	187.6	7.0	**358.6**	348.3	3.0
Adjusted EBITDA[2]	**56.0**	46.7	20.0	**87.4**	80.9	8.1
in % of revenues	**27.9**	24.9	-	**24.4**	23.2	-

› Primary Packaging Glass

In the Primary Packaging Glass Division, we produce primary packaging made of glass for medicines 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.

in EUR m	**Q2 2020**	Q2 2019	Change in %[3]	**Q1-Q2 2020**	Q1-Q2 2019	Change in %[3]
Revenues[1]	**162.4**	162.1	0.1	**308.9**	304.0	1.6
Adjusted EBITDA[2]	**37.8**	32.3	16.8	**67.3**	57.5	16.9
in % of revenues	**23.3**	20.0	-	**21.8**	18.9	-

› Advanced Technologies

The Advanced Technologies Division develops and manufactures intelligent drug delivery systems. The Swiss tech company Sensile Medical forms the basis of this division, where we offer pharmaceutical and biotech companies drug delivery systems with state-of-the-art digital and electronic capabilities. Its portfolio currently comprises patented micro pumps, which are used to self-administer medication for Parkinson's or heart failure, for example. Also in development is a platform to accurately assess inhalation airflow.

in EUR m	**Q2 2020**	Q2 2019	Change in %[3]	**Q1-Q2 2020**	Q1-Q2 2019	Change in %[3]
Revenues[1]	**1.1**	7.2	-84.6	**2.0**	13.8	-85.8
Adjusted EBITDA[2]	**-3.4**	1.2	<-100.0	**-7.6**	2.3	<-100.0
in % of revenues	**-**	17.3	-	**-**	16.4	-

[1] Revenues by division include intercompany revenues.
[2] Adjusted EBITDA: Net income before income taxes, net finance expense, amortization/impairment losses of fair value adjustments, depreciation and amortization, impairment losses, restructuring expenses, and one-off income and expenses.
[3] The change has been calculated on a EUR k basis.

KEY FACTS SECOND QUARTER 2020

- Strategy of profitable and sustainable growth pursued, supported by strong second quarter 2020
- Continuity in operating business: our plants sustain a high level of uninterrupted production; we have prepared in every way to profit from growth opportunities once the pandemic has ended
- Revenues in our core business increased by EUR 13.3m or 3.8%, from EUR 349.7m in the prior-year quarter to EUR 363.0m in the second quarter of 2020; this corresponds to year-on-year organic growth of 4.6%
- Adjusted EBITDA increased to EUR 84.2m in the second quarter of 2020 from EUR 74.2m in the prior-year quarter excluding the other operating income due to the derecognition of contingent purchase price components
- The Annual General Meeting approved the proposed dividend of EUR 1.20 per share
- Guidance for 2020 confirmed: we aim to achieve growth in the mid-single-digit percentage range and an adjusted EBITDA margin of around 21%

CONTENTS

GERRESHEIMER ON THE CAPITAL MARKETS

GERRESHEIMER SHARES

In the first half of the financial year 2020, the global economy as well as the financial and capital markets were significantly impacted by developments associated with the Covid-19 pandemic. While December 2019 and January 2020 were still largely unaffected by the coronavirus, the extent of the pandemic and the effects of shutdowns across the world were clearly felt on the capital markets from the end of February 2020. In February and March 2020, the major benchmark indices—including the MDAX and the STOXX Europe 600, the index of Europe's 600 largest companies—reached record lows and the volatility of the stock market took on new dimensions. In connection with slower infection rates, the first relaxation measures in the fight against the pandemic and the adoption of an expansionary monetary and fiscal policy by the central banks, the situation on the international stock markets brightened in April and May 2020.

The Gerresheimer share performed very robustly in this challenging market environment. In the very weak market environment of February and March 2020, for instance, the decrease in our share price was much lower than the decline in the MDAX benchmark index. In the reporting period from December 1, 2019 to May 31, 2020, the Gerresheimer share greatly outperformed the MDAX, the STOXX Europe 600 and the shares of many competitors for medical products and packaging. Effective June 22, 2020, our share was admitted to the STOXX Europe 600.

The Gerresheimer share price set its first-half high at EUR 76.95 on May 25, 2020. It gained approximately 17% between the beginning of the financial year on December 1, 2019 and May 29, 2020.

VIRTUAL ANNUAL GENERAL MEETING 2020; DIVIDEND INCREASED TO EUR 1.20 PER SHARE

In accordance with the Act to Mitigate the Consequences of the Covid-19 pandemic of March 27, 2020 and with the approval of the Supervisory Board, this year's Annual General Meeting was held as a virtual Annual General Meeting without the physical presence of shareholders or their proxies.

The Annual General Meeting on June 24, 2020 resolved to distribute a dividend of EUR 1.20 per share (2019: EUR 1.15 per share). Representing an increase of 4.3% per dividend-entitled share, this marks the ninth consecutive dividend rise. A total of 86.0% of the capital stock was represented at the Annual General Meeting. All resolutions put forward were passed with a large majority.

OVERVIEW OF ANALYSTS‘ RECOMMENDATIONS

As of May 31, 2020, the Gerresheimer share was being monitored and evaluated by 14 bank analysts. Seven of the analysts gave a buy recommendation and five a hold recommendation. Only two analysts recommended selling. The average price target at the end of the first half of 2020 was EUR 70.84.

Gerresheimer share: Key Data

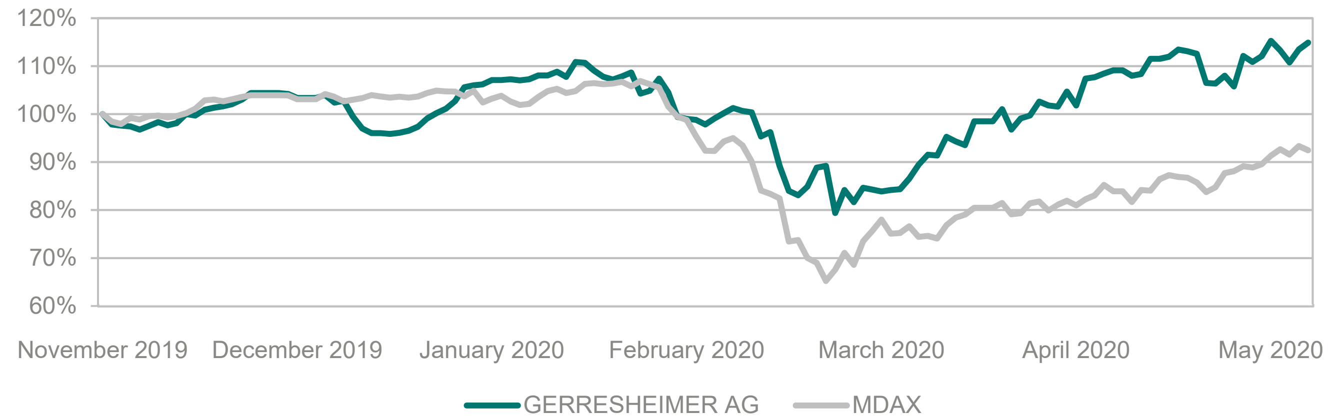
	Q2 2020	Q2 2019	**Q1-Q2 2020**	Q1-Q2 2019
Number of shares at reporting date in million	31.4	31.4	31.4	31.4
Share price[1] at reporting date in EUR	76.70	63.80	76.70	63.80
Market capitalization at reporting date in EUR m	2,408.4	2,003.3	2,408.4	2,003.3
Share price high[1] during reporting period in EUR	76.95	70.35	76.95	70.35
Share price low[1] during reporting period in EUR	53.00	63.80	53.00	51.80
Earnings per share in EUR	0.92	1.48	1.05	4.63

[1] Xetra closing price.

May 29, 2020
EUR 76.70
closing price

Gerresheimer AG shares versus MDAX (indexed)

Index: November 30, 2019 = 100%



Source: Bloomberg

INTERIM GROUP MANAGEMENT REPORT DECEMBER 2019 – MAY 2020

BUSINESS ENVIRONMENT

After the first confirmed cases of Covid-19 in China became known at the end of 2019, the virus spread rapidly around the world. On March 11, 2020, the World Health Organization declared it a global pandemic, with sweeping consequences for business and the economy. Across the globe, measures were taken to protect populations and slow down the spread of the virus. As a result, regional lockdowns were introduced and national borders closed. The measures implemented to fight the pandemic have had far-reaching effects. The global economy slid towards a recession whose scale will likely go beyond that seen during the financial crisis of 2008 and 2009.

In its April outlook[1], the International Monetary Fund (IMF) projected a global economic downturn of 3.0% for 2020, compared to growth of 2.9% in 2019. The reduction compared to the forecast from January 2020 is evidence of the uncertainty and negative momentum caused by the pandemic. In light of this, it is impossible to make reliable estimates for economic development at the present time.

The IMF expects the US economy to contract by 5.9% in 2020, after growth of 2.3% in 2019. As a result of the global pandemic, it lowered its forecast by 7.9 percentage points compared to January. The IMF anticipates that emerging and developing economies will contract by 1.0%, following growth of 3.7% in 2019. In specific terms, growth in China is forecast to decline from 6.1% in 2019 to 1.2% in 2020. For India, the January prediction of 5.8% growth in 2020 was reduced by 3.9 percentage points to 1.9%, following 4.2% growth in 2019. For the eurozone, the IMF projects an economic downturn of 7.5% in 2020, compared to growth of 1.2% in 2019.

The Federal Ministry for Economic Affairs and Energy (BMWi) is also anticipating a decrease in German economic performance. Due to regional protective measures coupled with the drop in both domestic and foreign demand, the BMWi currently expects a 6.3% decline in gross domestic product in 2020.[2]

According to IQVIA[3], volume growth on the global pharma market stood at 1.4% in 2019. On this basis, IQVIA calculated an average annual growth rate of 1.8% for the years 2015 to 2019. At 3.6%, pharmerging markets[4] grew faster than the pharmaceutical markets of developed economies, which record an average 0.8% growth rate. IQVIA projects average annual volume growth in the global pharma market of 1.5% for the years 2020 to 2024. Over the same period, the expectation for pharmerging markets is for an average of 2.6% per year. While growth of 0.3% is expected for the developed markets, average annual volume growth of 0.6% is projected for other markets. For the generics subsegment, IQVIA expects volume growth at an average of 1.9% for the next five years, with 3.1% anticipated for the pharmerging markets. Growth of 0.1% is forecast for the developed markets, while other markets are expected to grow by 0.9%.

Despite the reduced economic forecasts, the global megatrends in the pharma and healthcare sectors remain intact, especially due to continued population growth in the pharmerging markets.

REVENUE PERFORMANCE

The Gerresheimer Group increased revenues by EUR 6.4m or 1.8%, from EUR 356.5m in the prior-year quarter to EUR 362.9m in the second quarter of 2020. On an organic basis—meaning without exchange rate effects and without the revenues of the Argentine subsidiary which was deconsolidated as of November 30, 2019—the increase over the period was 2.6%. In the first half of 2020, we generated revenues of EUR 666.8m for an increase of 0.3%. This was slightly higher than the figure of EUR 665.0m for the first six months of 2019. Organic growth in the same period stood at 0.5%.

in EUR m	**Q2 2020**	Q2 2019	Change in %[1)]	**Q1-Q2 2020**	Q1-Q2 2019	Change in %[1)]
Revenues						
Plastics & Devices	200.6	187.6	7.0	358.6	348.3	3.0
Primary Packaging Glass	162.4	162.1	0.1	308.9	304.0	1.6
Advanced Technologies	1.1	7.2	-84.6	2.0	13.8	-85.8
Subtotal	**364.1**	**356.9**	**2.0**	**669.5**	**666.1**	**0.5**
Intra-Group revenues	-1.2	-0.4	>100.0	-2.7	-1.1	>100.0
Total revenues	**362.9**	**356.5**	**1.8**	**666.8**	**665.0**	**0.3**

[1)] The change has been calculated on a EUR k basis.

In the Plastics & Devices Division, revenues increased by 7.0% from EUR 187.6m in the prior-year quarter to EUR 200.6m in the second quarter of 2020. On an organic basis—meaning without exchange rate effects and without the revenues of the Argentine subsidiary which was deconsolidated as of November 30, 2019— the increase over the period was even higher at 9.0%. All business units contributed to this positive development. Of particular note here was the performance of the plastic packaging business in Europe and South America, the Medical Plastic Systems business and our syringe business. Demand for plastic vials for prescription drugs in the USA also recovered. First-half-year revenues rose by EUR 10.3m or 3.0%, from EUR 348.3m in 2019 to EUR 358.6m in 2020. Organic growth in the same period was 4.2%. A special highlight in the first half of 2020 was the performance of the plastic packaging business in Europe and South America, the Medical

[1] International Monetary Fund: World Economic Outlook, April 2020.
[2] BMWi, Spring Projection, April 2020.
[3] IQVIA, January 21, 2020.
[4] For a definition of pharmerging markets (emerging markets), please see Note (5) of the Notes to the Interim Consolidated Financial Statements.

Plastic Systems business and our syringe business. Despite the recovery in demand for plastic vials for prescription drugs in the USA in the second quarter of 2020, revenues in the first half of 2020 were below the level recorded in the first six months of 2019.

Revenues in the Primary Packaging Glass Division increased by a slim 0.1%, from EUR 162.1m in the second quarter of 2019 to EUR 162.4m in the second quarter of 2020. On an organic basis—meaning without exchange rate effects—revenues decreased slightly by 0.5% over the period. This reflects two compensatory effects. On the one hand, the Moulded Glass Business Unit saw a temporary decline in demand that was notably attributable to lower sales of glass packaging for high-quality cosmetic products as a result of the Covid-19 pandemic. On the other, the Tubular Glass Business Unit performed very positively, especially in the North America and Europe regions. Revenues in the Primary Packaging Glass Division rose by EUR 4.9m or 1.6%, from EUR 304.0m in the first six months of 2019 to EUR 308.9m in the same period of 2020. In organic terms, we increased first-half revenues in the Primary Packaging Glass Division by 0.8%. Here, demand in the Moulded Glass Business Unit declined slightly, whereas the Tubular Glass Business Unit delivered very positive performance, especially in the North America and Europe regions.

Revenues in the Advanced Technologies Division came to EUR 1.1m in the second quarter of 2020, compared to EUR 7.2m in the prior-year quarter. In the first half of 2020, we generated revenues of EUR 2.0m in this division, as against EUR 13.8m in the first six months of the financial year 2019.

RESULTS OF OPERATIONS

The Gerresheimer Group generated adjusted EBITDA of EUR 84.2m in the second quarter of 2020, compared to EUR 74.2m in the prior-year quarter excluding other operating income of EUR 26.2m due to the derecognition of contingent purchase price components from the acquisition of Sensile Medical. Consequently, the adjusted EBITDA margin for the second quarter of 2020 was 23.2%, compared to 20.8% in the prior-year quarter, again excluding other operating income due to the derecognition of contingent purchase price components from the Sensile Medical acquisition. We generated adjusted EBITDA of EUR 135.3m in the first half of 2020, compared to EUR 127.9m in the same period of the prior year excluding other operating income of EUR 118.5m due to the derecognition of contingent purchase price components from the acquisition of Sensile Medical. This resulted in an adjusted EBITDA margin of 20.3% for the first half of 2020, compared to 19.2% in the same period of the prior year.

				Margin in %					Margin in %	
in EUR m	**Q2 2020**	Q2 2019	Change in %[1]	**Q2 2020**	Q2 2019	**Q1-Q2 2020**	Q1-Q2 2019	Change in %[1]	**Q1-Q2 2020**	Q1-Q2 2019
Adjusted EBITDA										
Plastics & Devices	56.0	46.7	20.0	27.9	24.9	87.4	80.9	8.1	24.4	23.2
Primary Packaging Glass	37.8	32.3	16.8	23.3	20.0	67.3	57.5	16.9	21.8	18.9
Advanced Technologies	-3.4	1.2	<-100.0	-	17.3	-7.6	2.3	<-100.0	-	16.4
Subtotal	**90.4**	**80.2**	**12.6**	**-**	**-**	**147.1**	**140.7**	**4.5**	**-**	**-**
Head office/consolidation	-6.2	20.2	<-100.0	-	-	-11.8	105.7	<-100.0	-	-
Total adjusted EBITDA	**84.2**	**100.4**	**-16.2**	**23.2**	**28.2**	**135.3**	**246.4**	**-45.1**	**20.3**	**37.0**

[1] The change has been calculated on a EUR k basis.

In the Plastics & Devices Division, we generated adjusted EBITDA of EUR 56.0m in the second quarter of 2020, compared to EUR 46.7m in the same quarter of the prior year. On an organic basis—meaning without exchange rate effects and without the adjusted EBITDA from the Argentine subsidiary which was deconsolidated as of November 30, 2019 as well as without the transition effect from financial reporting standard IFRS 16 'Leases', which we were required to apply for the first time from December 1, 2019—the increase over the period was 16.4%. The adjusted EBITDA margin in the second quarter of 2020 stood at 27.9%, compared to 24.9% in the prior-year quarter. All business units contributed to this positive development. Of particular note here was the performance of the plastic packaging business in Europe and South America, the Medical Plastic Systems business and our syringe business. Adjusted EBITDA for the first half of 2020 came to EUR 87.4m, a substantial increase of EUR 6.5m from EUR 80.9m in the first half of 2019. The adjusted EBITDA margin for the first half of 2020 was consequently 24.4%, versus 23.2% in the same period of the prior year. The transition to IFRS 16 had a positive impact of EUR 2.4m in the Plastics & Devices Division in the first half of 2020.

In the Primary Packaging Glass Division, we succeeded in significantly increasing adjusted EBITDA by 16.8% or EUR 5.5m, from EUR 32.3m in the prior-year quarter to EUR 37.8m in the second quarter of 2020. On an organic basis—meaning without exchange rate effects and without the IFRS 16 transition effect—the increase over the period was 8.8%. The adjusted EBITDA margin in the second quarter of 2020 was 23.3%, compared to 20.0% in the prior-year quarter. Both the Moulded Glass Business Unit and the Tubular Glass Business Unit contributed to this very positive development. Of note in the Moulded Glass Business Unit are insurance reimbursements received for the financial losses incurred in connection with furnace damage at our plant in the USA and a warehouse fire at one of our German molded glass plants.. In the first half of 2020, adjusted EBITDA increased to EUR 67.3m from the prior-year figure of EUR 57.5m. The adjusted EBITDA margin was consequently 21.8%, versus 18.9% in the same period of the prior year. In the first half of 2020, we received insurance compensation in connection with the furnace damage and a warehouse fire in the mid-single-digit million euros range. The reimbursement relating to the furnace damage was largely in respect to the business interruption and, under normal circumstances, would have resulted in higher revenues in this period. The transition to IFRS 16 had a positive impact of EUR 1.1m in the Primary Packaging Glass Division in the first half of 2020.

Adjusted EBITDA in our Advanced Technologies Division marked a loss of EUR 3.4m in the second quarter of 2020, compared to a positive EUR 1.2m in the prior-year quarter. In the first half of 2020, adjusted EBITDA was a negative EUR 7.6m, as against a positive figure of EUR 2.3m in the same period of the prior year. The transition to IFRS 16 had a positive impact of EUR 0.4m in the Advanced Technologies Division in the first half of 2020.

The head office expenses and consolidation item came to EUR 6.2m in the second quarter of 2020, compared to EUR 6.0m in the prior-year quarter excluding the other operating income of EUR 26.2m due to the derecognition of contingent purchase price components from the acquisition of Sensile Medical.

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

in EUR m	**Q2 2020**	Q2 2019	Change	**Q1-Q2 2020**	Q1-Q2 2019	Change
Adjusted EBITDA	**84.2**	**100.4**	**-16.2**	**135.3**	**246.4**	**-111.1**
Depreciation/Amortization	-27.3	-23.5	-3.8	-54.6	-46.8	-7.8
Adjusted EBITA	**56.9**	**76.9**	**-20.0**	**80.7**	**199.6**	**-118.9**
Portfolio optimization	-0.8	-1.6	0.8	-1.9	-0.9	-1.0
One-off income and expenses[1)]	-3.7	-	-3.7	-3.6	-0.6	-3.0
Total of one-off effects	**-4.5**	**-1.6**	**-2.9**	**-5.5**	**-1.5**	**-4.0**
Amortization of fair value adjustments[2)]	-6.0	-13.9	7.9	-16.9	-27.7	10.8
Results of operations	**46.4**	**61.4**	**-15.0**	**58.3**	**170.4**	**-112.1**
Net finance expense	-5.6	-6.3	0.7	-10.5	-13.3	2.8
Income taxes	-11.3	-8.0	-3.3	-14.1	-10.6	-3.5
Net income	**29.5**	**47.1**	**-17.6**	**33.7**	**146.5**	**-112.8**
Total of one-off effects	4.5	1.6	2.9	5.5	1.5	4.0
Amortization of fair value adjustments[2)]	6.0	13.9	-7.9	16.9	27.7	-10.8
One-off effects in the net finance expense	0.1	-	0.1	0.1	-	0.1
Related tax effect	-2.4	-3.3	0.9	-5.0	-6.8	1.8
Adjusted net income	**37.7**	**59.3**	**-21.6**	**51.2**	**168.9**	**-117.7**
Adjusted net income attributable to non-controlling interests	**0.5**	**0.6**	**-0.1**	**0.6**	**1.0**	**-0.4**
Adjusted net income after non-controlling interests	**37.2**	**58.7**	**-21.5**	**50.6**	**167.9**	**-117.3**
Adjusted earnings per share in EUR after non-controlling interests	1.18	1.87	-0.69	1.61	5.35	-3.74

1) One-off income and expenses comprise 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 Zaragoza in January 2008; Vedat in March 2011; Neutral Glass in April 2012; Triveni in December 2012; Centor in September 2015, and Sensile Medical in July 2018.

Adjusted EBITA came to EUR 56.9m in the second quarter of 2020 (Q2 2019: EUR 76.9m) based on adjusted EBITDA of EUR 84.2m in the second quarter of 2020 (Q2 2019: EUR 100.4m) less depreciation and amortization of EUR 27.3m (Q2 2019: EUR 23.5m). This is reconciled to the EUR 46.4m results of operations for the second quarter of 2020—compared to EUR 61.4m in the prior-year quarter—by deducting one-off effects in the reporting period in the amount of EUR 4.5m (Q2 2019: EUR 1.6m) and amortization of fair value adjustments in the amount of EUR 6.0m (Q2 2019: EUR 13.9m).

One-off effects came to EUR 4.5m in the second quarter of 2020, compared to EUR 1.6m in the prior-year quarter, and mainly related to the Covid-19 pandemic—specifically to ensuring business continuity, implementing and adhering to safety concepts, and providing incentives to employees—and to the construction of our new plant in Skopje (Republic of North Macedonia). We also continued to incur expenses in connection with the announced reorganization of the Primary Packaging Glass Division.

Amortization of fair value adjustments decreased from EUR 13.9m in the second quarter of 2019 to EUR 6.0m in the second quarter of 2020. This decline resulted from the impairment loss on intangible assets as of the end of the financial year 2019 and from the extension of the useful lives of technologies acquired with Sensile Medical.

Net finance expense, at EUR 5.6m in the second quarter of 2020, was EUR 0.7m lower than the EUR 6.3m recorded in the prior-year quarter. Interest income in the amount of EUR 0.4m (Q2 2019: EUR 0.6m) was offset by interest expenses of EUR 5.1m (Q2 2019: EUR 6.3m). The decrease in interest expenses is mostly due to drawings on the revolving credit facility being made almost entirely in euros, which incurs a lower expense than US dollar drawings because of the difference in the interest rate. Other financial expenses came to EUR 0.9m, up slightly from EUR 0.6m in the prior-year quarter.

The income taxes for the first half of 2020 showed a tax expense of EUR 14.1m, compared to EUR 10.6m in the first half of the prior year. This results in a tax rate of 29.4%, versus 27.6% in the prior-year period. It should be noted here that the other operating income of EUR 118.5m in the first half of the financial year 2019 due to the derecognition of contingent purchase price components from the Sensile Medical acquisition was not taxable. The tax rate was higher than the rate in the first half of the financial year 2019 due to the relatively low earnings contribution from subsidiaries domiciled in low-tax jurisdictions. We anticipate that this will tend to normalize over the course of the financial year.

In the period December 1, 2019 to May 31, 2020, the Gerresheimer Group generated net income of EUR 33.7m. This is EUR 5.7m higher than the comparative prior-year figure of EUR 28.0m excluding the positive effect in the first six months of financial year 2019 from the derecognition of contingent purchase price components from the acquisition of Sensile Medical in the amount of EUR 118.5m.

Adjusted net income (defined as net income before amortization/impairment losses of fair value adjustments, restructuring expenses, portfolio adjustments, the balance of one-off income and expenses, and related tax effects) stood at EUR 37.7m in the second quarter of 2020, compared to EUR 59.3m in the prior-year quarter. Adjusted net income after non-controlling interests was EUR 37.2m (Q2 2019: EUR 58.7m), marking a decrease of EUR 21.5m that resulted largely from income of EUR 26.2m in the prior-year quarter due to the derecognition of contingent purchase price components from the Sensile Medical acquisition. Accordingly, adjusted earnings per share after non-controlling interests came to EUR 1.18 in the second quarter of 2020 (Q2 2019: EUR 1.87).

NET ASSETS

BALANCE SHEET

The Gerresheimer Group's net assets changed as follows in the first half of 2020:

Assets in EUR m	**May 31, 2020**	Nov. 30, 2019	Change in %[1]
Intangible assets, property, plant and equipment and investment property	2,047.1	2,068.3	-1.0
Investment accounted for using the equity method	0.3	0.3	-
Other non-current assets	24.1	27.8	-13.1
Non-current assets	**2,071.5**	**2,096.4**	**-1.2**
Inventories	214.5	185.1	15.9
Trade receivables and contract assets	204.8	229.6	-10.8
Other current assets	144.6	130.1	11.0
Current assets	**563.9**	**544.8**	**3.5**
Total assets	**2,635.4**	**2,641.2**	**-0.2**

Equity and Liabilities in EUR m	May 31, 2020	Nov. 30, 2019	Change in %[1]
Equity and non-controlling interests	**931.8**	**941.6**	**-1.0**
Non-current provisions	162.6	164.8	-1.3
Financial liabilities	516.3	498.2	3.6
Other non-current liabilities	139.3	145.9	-4.6
Non-current liabilities	**818.2**	**808.9**	**1.1**
Financial liabilities	595.1	530.6	12.2
Trade payables and contract liabilities	157.3	230.1	-31.7
Other current provisions and liabilities	133.0	130.0	2.3
Current liabilities	**885.4**	**890.7**	**-0.6**
Total equity and liabilities	**2,635.4**	**2,641.2**	**-0.2**

[1] The change has been calculated on a EUR k basis.

The Gerresheimer Group's total assets decreased slightly relative to November 30, 2019 by EUR 5.8m to EUR 2,635.4m as of May 31, 2020. There were no significant changes in balance sheet structure.

Intangible assets, property, plant and equipment and investment property amounted to EUR 2,047.1m as of the reporting date (November 30, 2019: EUR 2,068.3m) and thus decreased by EUR 21.2m. Intangible assets went down relative to November 30, 2019 by EUR 28.5m to EUR 1,328.7m as of May 31, 2020. This decrease mainly relates to amortization in the amount of EUR 24.5m in the first half of 2020. Our consolidated balance sheet as of May 31, 2020 includes EUR 662.9m in goodwill (November 30, 2019: EUR 672.2m) and EUR 613.0m in customer relationships, brand names, technologies and similar assets (November 30, 2019: EUR 641.3m). Property, plant and equipment amounted to EUR 713.8m as of May 31, 2020, compared to EUR 701.9m as of November 30, 2019. The increase is primarily due to the initial application of IFRS 16, which resulted in the recognition of right-of-use assets in the amount of EUR 28.7m at the December 1, 2019 transition date. Alongside this, there was EUR 56.5m in capital expenditure on property, plant and equipment and EUR 51.8m in depreciation.

The Gerresheimer Group's equity, including non-controlling interests, stood at EUR 931.8m as of May 31, 2020 and was thus slightly lower than the figure as of November 30, 2019 (EUR 941.6m). This made for an equity ratio of 35.4%.

Non-current liabilities were EUR 818.2m as of May 31, 2020, an increase of EUR 9.3m compared to the EUR 808.9m at the end of November 2019. This is mainly due to the increase in lease liabilities in connection with the transition to IFRS 16, countered by a reduction in deferred tax liabilities. Current liabilities decreased by EUR 5.3m, from EUR 890.7m as of November 30, 2019 to EUR 885.4m as of May 31, 2020. This change reflects two opposing factors: On the one hand, there was a significant decrease in trade payables and, on the other, a significant increase in current other financial liabilities, mainly due to larger drawings on the revolving credit facility.

NET WORKING CAPITAL

As of May 31, 2020, the Gerresheimer Group's net working capital stood at EUR 259.5m, an increase of EUR 76.5m compared to November 30, 2019.

in EUR m	**May 31, 2020**	Nov. 30, 2019	May 31, 2019
Inventories	214.5	185.1	205.4
Trade receivables	196.0	224.2	207.0
Contract assets	8.8	5.4	32.7
Trade payables[1)]	150.6	221.5	159.1
Contract liabilities[2)]	9.2	10.2	16.3
Net working capital	**259.5**	**183.0**	**269.7**

[1)] Including EUR 0.2m non-current trade payables as of May 31, 2019.
[2)] Including EUR 2.5m non-current contract liabilities as of May 31, 2020 (November 30, 2019: EUR 1.5m; May 31, 2019: EUR 0.2m).

The increase in net working capital mainly results from an increase in inventories and a reduction in trade payables. Conversely, we were able to reduce trade receivables. At constant exchange rates, the increase in net working capital in the first half of 2020 was EUR 75.7m, compared to EUR 66.1m in the same period of the prior year.

As a proportion of revenues in the past twelve months, average net working capital increased from 18.6% in the first half of the prior year to 20.0% in the first half of 2020.

FINANCIAL LIABILITIES AND CREDIT FACILITIES

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

in EUR m	**May 31, 2020**	Nov. 30, 2019	May 31, 2019
Revolving credit facility	360.2	302.3	328.7
Promissory loans - November 2015	425.0	425.0	425.0
Promissory loans - September 2017	250.0	250.0	250.0
Local borrowings incl. bank overdrafts	33.1	40.9	22.6
Installment purchase liabilities	1.7	1.7	-
Lease liabilities	37.9	8.6	7.7
Total financial debt	**1,107.9**	**1,028.5**	**1,034.0**
Cash and cash equivalents	94.0	85.8	93.7
Net financial debt	**1,013.9**	**942.7**	**940.3**

Net financial debt increased relative to November 30, 2019 by EUR 71.2m to EUR 1,013.9m as of May 31, 2020 (November 30, 2019: EUR 942.7m). The increase is mainly due to larger drawings on the revolving credit facility and higher lease liabilities in connection with the initial application of IFRS 16. Adjusted EBITDA leverage in accordance with the credit line agreement in force as of May 31, 2020 was 3.2x as of the reporting date (November 30, 2019: 2.4x).

The revolving credit facility (with a facility amount of EUR 550.0m) was drawn by EUR 360.2m as of May 31, 2020 (November 30, 2019: EUR 302.3m), to which are added drawings on ancillary credit facilities in the amount of EUR 3.0m (November 30, 2019: EUR 16.5m).

On April 22, 2020, Gerresheimer AG signed a bridging loan agreement with Commerzbank, Landesbank Baden-Württemberg and UniCredit. This secured financing for the repayment of promissory loans of EUR 189.5m ahead of the November 2020 maturity date. The loan agreement has a term of up to two years.

CAPITAL EXPENDITURE

Gerresheimer incurred capital expenditure on property, plant and equipment and intangible assets as follows in the first half of 2020:

in EUR m	**Q2 2020**	Q2 2019	Change in %[1]	Q1-Q2 2020	**Q1-Q2 2019**	Change in %[1]
Plastics & Devices	15.2	14.6	4.3	28.3	23.6	19.8
Primary Packaging Glass	19.1	13.4	42.4	28.4	20.4	39.5
Advanced Technologies	8.0	0.5	>100.0	11.1	0.9	>100.0
Head office	0.3	0.1	>100.0	0.4	0.4	5.7
Total capital expenditure	**42.6**	**28.6**	**49.2**	**68.3**	**45.3**	**50.8**

[1] The change has been 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 68.3m in the first half of 2020 (H1 2019: EUR 45.3m). In the Plastics & Devices Division, capital expenditure was chiefly focused on the construction of our new plants in the Republic of North Macedonia and Brazil. Another focus was on expanding the product portfolio and creating additional production capacities. Capital expenditure in the Primary Packaging Glass Division mainly related to prepayments for furnace overhauls in Germany and the USA as well as to production plant modernization and automation. As in prior years, we also invested in molds and tools.

OPERATING CASH FLOW

in EUR m	**Q1-Q2 2020**	Q1-Q2 2019
Adjusted EBITDA	**135.3**	**246.4**
Change in net working capital	-75.7	-66.1
Capital expenditure	-63.0	-45.1
Operating cash flow	**-3.4**	**135.2**
Net interest paid	-4.7	-5.9
Net taxes paid	-9.5	-17.6
Pension benefits paid	-5.7	-5.1
Other	-9.6	-132.5
Free cash flow before acquisitions/divestments	**-32.9**	**-25.9**
Acquisitions/divestments	-	-24.8
Financing activity	55.7	64.1
Changes in financial resources	**22.8**	**13.4**

We generated a negative operating cash flow of EUR 3.4m in the first half of the financial year 2020. Due to much higher capital expenditure, this was EUR 20.1m lower than the prior-year figure excluding the derecognition of contingent purchase price components from the Sensile Medical acquisition.

CASH FLOW STATEMENT

in EUR m	**Q1-Q2 2020**	Q1-Q2 2019
Cash flow from operating activities	30.6	15.2
Cash flow from investing activities	-63.5	-65.9
Cash flow from financing activities	55.7	64.1
Changes in financial resources	**22.8**	**13.4**
Effect of exchange rate changes on financial resources	-3.6	0.6
Financial resources at the beginning of the period	51.1	61.9
Financial resources at the end of the period	70.3	75.9

Operating activities generated a cash inflow of EUR 30.6m in the first half of 2020 (H1 2019: EUR 15.2m). The increase mainly relates to an improvement in cash net income and to substantially higher income tax payments received.

At EUR 63.5m, the net cash outflow from investing activities in the first half of 2020 was slightly below the figure in the prior-year period (H1 2019: EUR 65.9m). The cash outflow in both reporting periods includes purchases of property, plant and equipment and intangible assets. In the first half of 2020, proceeds from asset disposals amounted to EUR 0.2m, compared to EUR 4.5m in the first half of 2019. Furthermore, the net cash outflow from investing activities in the first half of the financial year 2019 also included payment of a fixed purchase price component in the amount of EUR 24.8m for the acquisition of Sensile Medical.

The cash inflow from financing activities was EUR 55.7m in the first half of 2020, versus EUR 64.1m in the same period of the prior year. Cash and cash equivalents consequently stood at EUR 70.3m, compared to EUR 75.9m at the end of the second quarter of 2019.

EMPLOYEES

The Gerresheimer Group employed 9,820 people as of May 31, 2020 (November 30, 2019: 9,872).

	May 31, 2020	Nov. 30, 2019
Germany	3,563	3,608
Emerging markets	3,406	3,386
Europe	1,788	1,781
Americas	1,063	1,097
Total	9,820	9,872

As of the reporting date, 36% of the workforce were employed in Germany, 35% in emerging markets, 18% in Europe and 11% in the Americas.

REPORT ON OPPORTUNITIES AND RISKS

In the financial year 2020, Gerresheimer continues to focus on growth in pharmaceutical primary packaging and drug delivery devices. Global economic trends, exchange rate factors, rising commodity and energy prices as well as uncertainties about the future development of national healthcare systems and customer demand represent risks that may affect the course of business in the long term. We are conscious of these risks and carefully monitor their impact on our business.

No risks have currently been identified that raise doubt about the ability of the Gerresheimer Group to continue as a going concern. There has been no material change to the information provided in the Report on Opportunities and Risks section of our Annual Report 2019.

OUTLOOK

The following statements on the future business performance of the Gerresheimer Group, and the assumptions about the economic development of the market and industry deemed significant for this purpose, are based on our assessments, which we consider realistic at the present time based on the information we have available. However, these assessments are subject to uncertainty and present the unavoidable risk that the developments may not actually occur either in line with the tendency or the degree to which they were forecast.

Overall Group

The Gerresheimer Group pursues a successful, clear-cut strategy geared to sustained and profitable growth. Our expectations for the financial year 2020, in each case assuming constant exchange rates and excluding acquisitions and divestments, are set out in the following. In the table below, we list our exchange rate assumptions for our key currencies as applied in all forecasts provided. All forecasts are stated on a neutral basis in relation to these currencies and excluding acquisitions and divestments.

1 EUR	Currency	
Brazil	BRL	4.37
Switzerland	CHF	1.12
China	CNY	7.94
Czech Republic	CZK	25.50
Denmark	DKK	7.45
India	INR	80.50
Republic of North Macedonia	MKD	61.50
Mexico	MXN	22.43
Poland	PLN	4.25
Singapore	SGD	1.59
United States of America	USD	1.12

The most important currency after the euro continues to be the US dollar with a share of just under 30% of revenues and just below 40% of adjusted EBITDA in 2020. As before, a rise or fall in the US dollar by about one cent against the euro has an impact of around EUR 4m on revenues and EUR 1m on adjusted EBITDA.

Outlook for the financial year 2020

We anticipate revenue growth in the mid-single-digit percentage range for the financial year 2020, as against the comparative figure at constant exchange rates for the financial year 2019 of EUR 1,405.0m[5]. As to adjusted EBITDA, we forecast growth in the low-single-digit percentage range in the financial year 2020, versus a comparative figure for adjusted EBITDA of EUR 296.7m[6] in the financial year 2019. In addition, we expect a positive effect of between EUR 9m and EUR 11m in the financial year 2020 from the transition to IFRS 16 'Leases', a new financial reporting standard which we are required to apply for the first time.

In order for the large-scale capex program launched in the financial year 2019 to be completed in the financial year 2020, we expect to incur net capital expenditure of approximately 12% of revenues.

Our outlook is based on the assumption that the economic effects of the spread of the coronavirus will last for only a limited period of time and that our plants will be able to produce and ship without restrictions.

5 Based on the revenues at constant exchange rates for the financial year 2019 translated at the budgeted exchange rates for 2020 less revenues of Gerresheimer Buenos Aires S.A. (Buenos Aires, Argentina) of EUR 2.8m, which was deconsolidated at the end of the financial year 2019, and in the opposite direction the revenues in the Advanced Technologies Division from the canceled project for development of a micro pump for the treatment of diabetes in the amount of EUR 17.3m.

6 Based on adjusted EBITDA for the financial year 2019 under the financial reporting standards applicable in that financial year (in particular, without application of financial reporting standard IFRS 16 'Leases', which is applicable for the first time in the financial year 2020), translated at the budgeted exchange rates for 2020. The adjusted EBITDA of Gerresheimer Buenos Aires S.A. (Argentina), which was deconsolidated at the end of the financial year 2019, in the amount of EUR 0.1m is to be deducted. The other operating income from the derecognition of contingent purchase price components from the Sensile Medical acquisition is also to be deducted. In contrast, the other operating expenses of EUR 9.2m due to the customer's unexpected cancellation of the project to develop a micro pump for the treatment of diabetes is to be added. The cumulative adjustment of the revenues recognized in connection with this cancellation in the amount of EUR 17.3m, which had a corresponding negative impact on adjusted EBITDA at constant exchange rates, is also to be added.

Preliminary indication for subsequent years in terms of revenues, adjusted EBITDA and capital expenditure:
In the medium-term planning period, we target base-level organic growth in the mid-single-digit percentage range year for year. We aim to deliver this above-market growth by expanding capacities and increasing market share as well as with innovative products such as Gx® Elite Glass, prefillable sterile Gx® ready-to-fill vials and syringes, connected drug delivery devices, products and solutions for biotech-based drugs and significant growth in emerging markets.

Our medium-term expectation for the adjusted EBITDA margin is 23%. This improvement relative to profitability in the financial year 2019 is primarily to be achieved by means of economies of scale, an improved product mix as well as increased process automation and digitalization.

In light of our plans for mid-single-digit percentage growth, we anticipate capital expenditure of between 8% and 10% of revenues per year. Within this, plant maintenance typically accounts for about four percentage points. The capital expenditure in excess of that is intended for growth projects delivering sustained profitability.

As to net working capital, we target about 16% of revenues at each reporting date. However, fluctuations in the order situation and customer requirements with regard to safety stocks can influence this value.

Our long-term target for the entire Group remains as follows:
› Gx ROCE of approximately 15%.
› We continue to consider a net financial debt to adjusted EBITDA ratio of about 2.5x to be right, with temporary variation above or below this permitted because M&A activity cannot be planned in exact detail.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 2019 – MAI 2020

CONSOLIDATED INCOME STATEMENT

for the period from December 1, 2019 to Mai 31, 2020

in EUR k	Notes	**Q2 2020**	Q2 2019	**Q1-Q2 2020**	Q1-Q2 2019
Revenues	(5)	362,934	356,509	666,799	665,049
Cost of sales		-242,084	-252,288	-466,296	-477,868
Gross profit		**120,850**	**104,221**	**200,503**	**187,181**
Selling and administrative expenses		-70,730	-68,794	-138,283	-136,172
Other operating income	(6)	6,911	29,914	12,055	128,233
Restructuring income		-	40	-	102
Other operating expenses	(7)	-10,573	-3,986	-15,954	-8,930
Results of operations		**46,458**	**61,395**	**58,321**	**170,414**
Interest income		391	582	812	1,219
Interest expense		-5,118	-6,346	-9,896	-12,735
Other financial expenses		-918	-564	-1,462	-1,800
Net finance expense		**-5,645**	**-6,328**	**-10,546**	**-13,316**
Net income before income taxes		40,813	55,067	47,775	157,098
Income taxes	(8)	-11,311	-7,932	-14,057	-10,635
Net income		**29,502**	**47,135**	**33,718**	**146,463**
Attributable to equity holders of the parent		28,987	46,567	33,126	145,499
Attributable to non-controlling interests		515	568	592	964
Diluted and non-diluted earnings per share (in EUR)		**0.92**	**1.48**	**1.05**	**4.63**

Since December 1, 2019, the new accounting standard IFRS 16 ‘Leases’ has been applied. Prior year figures have not been adjusted. For further information, please refer to Note (1) in the notes to the interim consolidated financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period from December 1, 2019 to Mai 31, 2020

in EUR k	**Q2 2020**	Q2 2019	**Q1-Q2 2020**	Q1-Q2 2019
Net income	**29,502**	**47,135**	**33,718**	**146,463**
Results from the revaluation of defined benefit plans	-529	-	-529	-
Other comprehensive income that will not be reclassified subsequently to profit or loss	**-529**	**-**	**-529**	**-**
Changes in the fair value of available-for-sale financial assets	-1	-	-1	-
Currency translation	-37,456	9,107	-41,269	10,360
Other comprehensive income that will be reclassified to profit or loss when specific conditions are met	**-37,457**	**9,107**	**-41,270**	**10,360**
Other comprehensive income	**-37,986**	**9,107**	**-41,799**	**10,360**
Total comprehensive income	**-8,484**	**56,242**	**-8,081**	**156,823**
Attributable to equity holders of the parent	-8,461	55,733	-8,231	155,466
Attributable to non-controlling interests	-23	509	150	1,357

Since December 1, 2019, the new accounting standard IFRS 16 ‘Leases’ has been applied. Prior year figures have not been adjusted. For further information, please refer to Note (1) in the notes to the interim consolidated financial statements.

CONSOLIDATED BALANCE SHEET

as of May 31, 2020

ASSETS				
in EUR k	Notes	**May 31, 2020**	Nov. 30, 2019	May 31, 2019
Non-current assets				
Intangible assets		1,328,677	1,357,174	1,488,508
Property, plant and equipment		713,790	701,937	623,126
Investment property		4,611	9,215	4,611
Investments accounted for using the equity method		332	332	297
Income tax receivables		952	878	1,343
Other financial assets		7,236	7,006	6,628
Other receivables		2,218	2,796	3,485
Deferred tax assets		13,701	17,066	19,356
		2,071,517	**2,096,404**	**2,147,354**
Current assets				
Inventories	(10)	214,530	185,093	205,441
Trade receivables		196,020	224,170	206,970
Contract assets		8,817	5,392	32,652
Income tax receivables		1,937	5,485	8,919
Other financial assets		15,358	15,448	17,784
Other receivables		27,915	23,416	26,897
Cash and cash equivalents		93,973	85,831	93,741
Non-current assets and disposal groups held for sale		5,340	-	-
		563,890	**544,835**	**592,404**
Total assets		**2,635,407**	**2,641,239**	**2,739,758**

EQUITY AND LIABILITIES				
in EUR k	Notes	**May 31, 2020**	Nov. 30, 2019	May 31, 2019
Equity				
Subscribed capital		31,400	31,400	31,400
Capital reserve		513,827	513,827	513,827
Other reserve		-88,390	-47,563	-54,645
Retained earnings		460,035	427,439	540,132
Equity attributable to equity holders of the parent		**916,872**	**925,103**	**1,030,714**
Non-controlling interests		14,964	16,454	18,830
		931,836	**941,557**	**1,049,544**
Non-current liabilities				
Deferred tax liabilities		135,133	142,436	165,635
Provisions for pensions and similar obligations		150,427	153,300	138,477
Other provisions		12,209	11,529	9,696
Trade payables		-	35	245
Contract liabilities		2,545	1,471	179
Other financial liabilities	(11) + (12)	516,312	498,174	677,890
Other liabilities		1,545	1,941	41
		818,171	**808,886**	**992,163**
Current liabilities				
Provisions for pensions and similar obligations		12,687	12,936	14,692
Other provisions		36,943	35,332	41,297
Trade payables		150,622	221,454	158,881
Contract liabilities		6,693	8,717	16,103
Other financial liabilities	(11) + (12)	595,087	530,560	391,306
Income tax liabilities		7,218	5,851	4,661
Other liabilities		76,150	75,946	71,111
		885,400	**890,796**	**698,051**
		1,703,571	**1,699,682**	**1,690,214**
Total equity and liabilities		**2,635,407**	**2,641,239**	**2,739,758**

Since December 1, 2019, the new accounting standard IFRS 16 ‘Leases’ has been applied. Prior year figures have not been adjusted. For further information, please refer to Note (1) in the notes to the interim consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period from December 1, 2019 to Mai 31, 2020

			Other comprehensive income					
in EUR k	Subscribed capital	Capital reserve	IFRS 9-/IAS 39-reserve	Currency translation reserve	Retained earnings	Equity attributable to equity holders of the parent	Non-controlling interests	**Total equity**
As of November 30/December 1, 2018	**31,400**	**513,827**	**-6**	**-67,139**	**394,578**	**872,660**	**17,473**	**890,133**
Conversion effect first-time adoption IFRS 15	-	-	-	-	55	55	-	55
Conversion effect first-time adoption IFRS 9	-	-	2,533	-	-	2,533	-	2,533
Adjusted total as of December 1, 2018	**31,400**	**513,827**	**2,527**	**-67,139**	**394,633**	**875,248**	**17,473**	**892,721**
Net income	-	-	-	-	145,499	145,499	964	146,463
Other comprehensive income	-	-	-	9,967	-	9,967	393	10,360
Total comprehensive income	**-**	**-**	**-**	**9,967**	**145,499**	**155,466**	**1,357**	**156,823**
As of May 31, 2019	**31,400**	**513,827**	**2,527**	**-57,172**	**540,132**	**1,030,714**	**18,830**	**1,049,544**
As of November 30, 2019	**31,400**	**513,827**	**3,094**	**-50,657**	**427,439**	**925,103**	**16,454**	**941,557**
Net income	-	-	-	-	33,126	33,126	592	33,718
Other comprehensive income	-	-	-	-40,827	-530	-41,357	-442	-41,799
Total comprehensive income	**-**	**-**	**-**	**-40,827**	**32,596**	**-8,231**	**150**	**-8,081**
Distribution	-	-	-	-	-	-	-1,640	-1,640
As of May 31, 2020	**31,400**	**513,827**	**3,094**	**-91,484**	**460,035**	**916,872**	**14,964**	**931,836**

Since December 1, 2019, the new accounting standard IFRS 16 'Leases' has been applied. Prior year figures have not been adjusted. For further information, please refer to Note (1) in the notes to the interim consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT

for the period from December 1, 2019 to Mai 31, 2020

in EUR k	Notes	**Q1-Q2 2020**	Q1-Q2 2019
Net income		33,718	146,463
Income taxes	(8)	14,057	10,635
Amortization/impairment losses of intangible assets		19,699	30,642
Depreciation/impairment losses of property, plant and equipment		51,769	43,803
Change in other provisions and provisions for employee benefits		-1,592	-9,538
Gain (-)/Loss (+) on the disposal of non-current assets/liabilities		-58	-2,935
Net finance expense		10,546	13,316
Interests paid		-5,080	-6,213
Interests received		418	353
Income taxes paid		-16,628	-18,303
Income taxes received		7,120	718
Change in inventories		-33,773	-33,023
Change in trade receivables and other assets		14,724	30,045
Change in trade payables and other liabilities		-62,460	-190,465
Other non-cash expenses/income		-1,863	-257
Cash flow from operating activities		**30,597**	**15,241**
Cash received from disposals of non-current assets		165	4,458
Cash paid for capital expenditure in intangible assets, property, plant and equipment and financial assets		-63,663	-45,599
Cash paid for the acquisition of subsidiaries, net of cash received	(3)	-	-24,769
Cash flow from investing activities		**-63,498**	**-65,910**
Distributions to third parties	(9)	-1,632	-
Raising of loans	(3)	113,620	124,082
Repayment of loans	(3)	-50,989	-59,644
Cash paid for leases and installment purchase	(3)	-5,338	-376
Cash flow from financing activities		**55,661**	**64,062**
Changes in financial resources		**22,760**	**13,393**
Effect of exchange rate changes on financial resources		-3,609	623
Financial resources at the beginning of the period		51,105	61,936
Financial resources at the end of the period		**70,256**	**75,952**
Components of the financial resources			
Cash and cash equivalents		93,973	93,741
Bank overdrafts		-23,717	-17,789
Financial resources at the end of the period		**70,256**	**75,952**

Since December 1, 2019, the new accounting standard IFRS 16 ‘Leases’ has been applied. Prior year figures have not been adjusted. For further information, please refer to Note (1) in the notes to the interim consolidated financial statements.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

of Gerresheimer AG for the Period from December 1, 2019 to May 31, 2020

(1) General Information

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

The present interim consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS), applicable as of the reporting date, issued by the International Accounting Standards Board (IASB) as adopted by the European Union as well as with regulations under commercial law as set forth in section 315e paragraph 1 of the German Commercial Code (Handelsgesetzbuch/HGB) and in accordance with IAS 34 “Interim Financial Reporting”. These notes to the interim consolidated financial statements therefore do not contain all the information and details required by IFRS for consolidated financial statements at the end of a financial year, and should be read in conjunction with the consolidated financial statements as of November 30, 2019. 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 2019.

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

› IFRS 16, Leases
› Amendments to IFRS 9. Prepayment Features with Negative Compensation
› Amendments to IAS 19: Plan Amendment, Curtailment or Settlement
› Amendments to IAS 28: Long-term Interests in Associates and Joint Ventures
› IFRIC 23, Uncertainty over Income Tax Treatments
› Annual Improvements to IFRSs, 2015 – 2017 Cycle

The new standard **IFRS 16** ‘Leases’ has replaced the previous standard IAS 17 and various interpretations. It introduces a uniform model for identifying lease agreements and for accounting by lessees. IFRS 16 shall be applied for financial years beginning on or after January 1, 2019. Gerresheimer has applied the standard from December 1, 2019, that is from the beginning of financial year 2020.

For lessees, there is no distinction between operating leases and finance leases. Instead, for all leases, the lessee recognizes the right-of-use asset and a corresponding lease liability.

In addition, the nature of expenses associated with these leases changes, as IFRS 16 replaces the usage fees for operating leases recognized in profit and loss, with depreciation for right-of-use assets and interest expenses for lease liabilities.

Gerresheimer has opted for the modified retrospective first-time application of the regulations of IFRS 16, therefore the reporting period is presented in accordance with IFRS 16 and the comparative prior-year period in accordance with IAS 17. For leases previously classified as operating leases, Gerresheimer generally recognizes a right-of-use asset in the amount of the lease liability determined at the date of initial application. The lease liability is recognized at the present value of the lease payments outstanding, discounted at the incremental borrowing rate applicable at the date of initial application. Discounting was carried out using weighted incremental borrowing rates of 2.1% for the euro zone and interest rates ranging from 2.1% to 8.8% for countries outside the euro zone. Overall, the weighted average incremental borrowing rate was 3.2%. Furthermore, practical expedients of IFRS 16 were used for the purposes of first-time application. Leases that end no later than November 30, 2020 are treated as short-term leases regardless of the original contract term. When assessing the right of use at the time of first use, the initial direct costs were not taken into account. The knowledge at the time of the first-time application were taken into account when determining the term of contracts with an option to terminate or extend the lease.

Exceptions to the recognition of a right-of-use asset and a corresponding lease liability are made solely for short-term leases with a term of no more than twelve months and leases for assets of low value. Gerresheimer has also decided to make use of the option to exclude the right-of-use for intangible assets from the scope of IFRS 16.

Based on the other financial obligations from rental and operating lease agreements as of November 30, 2019, the following table shows the reconciliation to the opening balance of the lease liabilities as of December 1, 2019:

in EUR k	
Other financial obligations under rental and operating lease agreements as of November 30, 2019	39,273
Ease of use for short-term leases	955
Ease of use for lease agreements for low-value assets	880
Obligations that do not fall within the scope of IFRS 16	6,769
Effect from discounting	1,935
Obligations from operating lease agreements (discounted)	28,734
Book value of liabilities from finance lease agreements as of November 30, 2019	8,612
Book value of lease liabilities from IFRS 16 as of December 1, 2019	37,346

In the context of first-time application as of December 1, 2019, the initial recognition of the right-of-use assets from previous operating leases as assets in property, plant and equipment led to an increase in total assets of EUR 28.7m. The lease liabilities recognized amount to EUR 28.7m, which results in a corresponding increase in net financial debt.

In addition, with regard to the consolidated income statement, instead of expenses for operating leases depreciation for right-of-use assets and interest expenses for lease liabilities are reported. In the consolidated cash flow statement, the cash flow from operating activities improves because the principal portion of the lease payments is reported as cash flow from financing activities.

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

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

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

		Closing rate		Average rate	
1 EUR		**May 31, 2020**	May 31, 2019	**Q1-Q2 2020**	Q1-Q2 2019
Brazil	BRL	5.9654	4.4462	5.1885	4.3625
Switzerland	CHF	1.0720	1.1214	1.0720	1.1306
China	CNY	7.9456	7.7045	7.7511	7.6997
Czech Republic	CZK	26.9210	25.8160	26.1297	25.7676
Denmark	DKK	7.4542	7.4680	7.4666	7.4649
India	INR	84.1025	77.7410	80.7574	79.3437
Republic of North Macedonia	MKD	61.6750	61.7210	61.6150	61.6125
Mexico	MXN	24.5700	21.8922	23.0739	22.0457
Poland	PLN	4.4495	4.2843	4.3908	4.2924
Singapore	SGD	1.5712	1.5378	1.5312	1.5418
United States of America	USD	1.1136	1.1151	1.1024	1.1332

The consolidated financial statements of Gerresheimer AG as of November 30, 2019 are published in German in the Federal Law Gazette (Bundesanzeiger) and on the internet at www.gerresheimer.com.

(2) Consolidated Group

With effective date December 1, 2019, Gerresheimer item GmbH (Muenster/Germany) was merged with Gerresheimer Regensburg GmbH (Regensburg/Germany).

With effective date February 29, 2020, Kimble Chase Holding LLC, Vineland (New Jersey/USA), was dissolved, as the company has ceased operation. The company made a distribution of USD 324k to Gerresheimer Glass Inc., Vineland (New Jersey/USA), and USD 311k to Chase Scientific Glass Inc., a subsidiary of the Thermo Fisher Scientific Inc. The company was founded during the sale process of the Life Science Research Division.

(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. Financial resources as reported in the consolidated cash flow statement comprise cash and cash equivalents, which is cash on hand, checks and bank balances, diminished by bank overdrafts.

The change in liabilities from financing activities is as follows:

		Cash flows		Non-cash changes					
in EUR k	Nov. 30, 2019	Cash inflow	Cash outflow	Disposals	Currency effects	New contracts	Fair value changes	First time application IFRS 16	**May 31, 2020**
Promissory loans	674,293	-	-	-	-	-	124	-	674,417
Liabilities to banks	308,523	113,620	-50,989	-	-1,583	-	-	-	369,571
Capitalized fees	-1,484	-	-676	-	2	-	210	-	-1,948
Lease liabilities/ Liabilities from installment purchase	10,302	-	-5,338	-10	-619	6,543	-	28,734	39,612
	991,634	**113,620**	**-57,003**	**-10**	**-2,200**	**6,543**	**334**	**28,734**	**1,081,652**

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

(4) Seasonal Effects on Business Activity

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(5) Revenues

Revenues break down as follows:

in EUR k	**Q1-Q2 2020**	Q1-Q2 2019
By Division		
Plastics & Devices	358,627	348,302
Primary Packaging Glass	308,886	304,055
Advanced Technologies	1,960	13,788
Segment revenues	**669,473**	**666,145**
Intra-Group revenues	-2,674	-1,096
Revenues	**666,799**	**665,049**

in EUR k	**Q1-Q2 2020**	Q1-Q2 2019
By Region[1)]		
Europe	224,392	225,857
Americas	176,087	175,182
Germany	154,079	148,273
Emerging markets	102,292	106,208
Other regions	9,949	9,529
Revenues	**666,799**	**665,049**

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

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

Revenues include EUR 18,579k (comparative prior-year period: EUR 26,058k) of customer-specific contract revenue recognized. In this case, revenue is recognized over time. Other revenues mainly result from sales of goods, whereby revenue recognition is based at a point in time.

(6) Other Operating Income

Other operating income of EUR 12,055k (comparative prior-year period: EUR 128,233k) is mainly related to income from refund claims against third parties. Of this amount, EUR 3,990k are attributable to income from insurance reimbursements for furnace damage in one of our plants in the United States in the financial year 2019 and EUR 2,250k from insurance reimbursements from a fire in a warehouse at one of our German molded glass plants. This is offset by, inter alia, expenses for repairs and from business interruption, which are included in the cost of sales. In addition income from the reversal of provisions of EUR 1,034k (comparative prior-year period: EUR 2,249k) is included in other operating income, which mainly results from provisions for guarantees, which have been accounted for in prior periods and are no longer needed.

(7) Other Operating Expenses

Other operating expenses in the amount of EUR 15,954k (comparative prior-year period: EUR 8,930k) are mainly related to one-off expenses of EUR 5,618k. This includes expenses of EUR 1,713k in connection with the Covid-19 pandemic—specifically to ensuring business continuity, implementing and adhering to safety concepts, and providing incentives to employees. Research and development expenses of EUR 5,311k (comparative prior-year period: EUR 1,576k) are also included.

(8) Income Taxes

Income taxes break down as follows:

in EUR k	**Q1-Q2 2020**	Q1-Q2 2019
Current income taxes	-14,975	-14,185
Deferred income taxes	918	3,550
Income taxes	**-14,057**	**-10,635**

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

This resulted in a tax rate of 29.4% in the first half of 2020 after 27.6% for the first half of 2019 excluding other operating income related to the derecognition of contingent purchase price components from the acquisition of Sensile Medical of EUR 118,563k.

(9) Distributions to Third Parties

In the first half of 2020, EUR 1,349k have been distributed to non-controlling interests of Gerresheimer Shuangfeng Pharmaceutical Packaging (Zhenjiang) Co. Ltd., China. In addition in the course of the dissolution of Kimble Chase Holding LLC, Vineland (New Jersey/USA) EUR 283k were distributed to the non-controlling interests of Kimble Chase Holding LLC, Vineland (New Jersey/USA). Apart from that there were no other distributions to third parties in the first half of 2020.

(10) Inventories

Inventories break down as follows:

in EUR k	May 31, 2020	Nov. 30, 2019
Raw materials, consumables and supplies	70,027	60,356
Work in progress	20,264	18,749
Finished goods and merchandise	122,612	102,302
Prepayments made	1,627	3,686
Inventories	**214,530**	**185,093**

Write-downs of inventories totaling EUR 4,476k (comparative prior-year period: EUR 5,491k) 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 904k (comparative prior-year period: EUR 608k) 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 loan, a revolving credit facility agreement of EUR 550,000k was signed on September 26, 2019 with a five-year term to maturity plus two one-year extension options. As of the reporting date, drawings on the revolving credit facility were EUR 360,176k and on the ancillary lines were EUR 2,986k.

On November 10, 2015, promissory loans for a total of EUR 425,000k were launched with maturities of five, seven and ten years. Furthermore, promissory loans for a total of EUR 250,000k were issued on September 27, 2017 with maturities of five, seven and ten years.

On April 22, 2020, Gerresheimer AG signed a bridge loan agreement with Commerzbank, Landesbank Baden-Württemberg and UniCredit. This secured financing for the repayment of the promissory loans of EUR 189.5m ahead of the November 2020 maturity date. The loan agreement has a term of up to two 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 May 31, 2020 amounts to EUR 1,013,927k (November 30, 2019: EUR 942,721k); net working capital is EUR 259,507k (November 30, 2019: EUR 182,980k).

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, 2019.

Information on financial instruments by category and class

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

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

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

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

The following table shows the allocation of financial assets and liabilities by classes and categories according to IFRS 9 into the respective hierarchy level:

	May 31, 2020			
in EUR k	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets designated ‘at fair value through other comprehensive income‘				
Investments	-	3,251	-	3,251
Securities	72	-	-	72
Financial assets designated ‘at fair value through profit and loss‘				
Investments	-	848	-	848
Derivative financial assets	-	1,005	-	1,005
Measured at fair value	**72**	**5,104**	**-**	**5,176**
Financial liabilities designated ‘at fair value through profit and loss‘				
Derivative financial liabilities	-	181		181
Measured at fair value	**-**	**181**	**-**	**181**

	Nov. 30, 2019			
in EUR k	Level 1	Level 2	Level 3	Total
Financial assets designated ‘at fair value through other comprehensive income‘				
Investments	-	3,251	-	3,251
Securities	73	-	-	73
Financial assets designated ‘at fair value through profit and loss‘				
Investments	-	499	-	499
Derivative financial assets	-	194	-	194
Measured at fair value	**73**	**3,944**	-	**4,017**
Financial liabilities designated ‘at fair value through profit and loss‘				
Derivative financial liabilities	-	789	-	789
Measured at fair value	**-**	**789**	**-**	**789**

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:

	May 31, 2020			
	At amortized cost		At fair value	
in EUR k	Carrying amount	*For information purposes: Fair value*	Carrying amount	**Balance sheet amount**
Trade receivables	196,020	*196,020*	-	196,020
At amortized cost	196,020	*196,020*	-	
Other financial assets	17,418	*17,418*	5,176	22,594
At fair value through other comprehensive income	-	-	3,323	
At fair value through profit or loss	-	-	1,853	
At amortized cost	17,418	*17,418*	-	
Cash and cash equivalents	93,973	*93,973*	-	93,973
At amortized cost	93,973	*93,973*	-	
Financial assets	**307,411**	***307,411***	**5,176**	**312,587**
Other financial liabilities	1,111,218	*1,111,218*	181	1,111,399
At amortized cost	1,111,218	*1,111,218*	-	
At fair value through profit or loss	-	-	181	
Trade payables	150,622	*150,622*	-	150,622
At amortized cost	150,622	*150,622*	-	
Financial liabilities	**1,261,840**	***1,261,840***	**181**	**1,262,021**

	Nov. 30, 2019			
	At amortized cost		At fair value	
in EUR k	Carrying amount	*For information purposes: Fair value*	Carrying amount	**Balance sheet amount**
Trade receivables	224,170	*224,170*	-	224,170
At amortized cost	224,170	*224,170*	-	
Other financial assets	18,437	*18,437*	4,017	22,454
At fair value through other comprehensive income	-	-	3,324	
At fair value through profit or loss	-	-	693	
At amortized cost	18,437	*18,437*	-	
Cash and cash equivalents	85,831	*85,831*	-	85,831
At amortized cost	85,831	*85,831*	-	
Financial assets	**328,438**	***328,438***	**4,017**	**332,455**
Other financial liabilities	1,027,945	*1,027,945*	789	1,028,734
At amortized cost	1,027,945	*1,027,945*	-	
At fair value through profit or loss	-	-	789	
Trade payables	221,489	*221,489*	-	221,489
At amortized cost	221,489	*221,489*	-	
Financial liabilities	**1,249,434**	***1,249,434***	**789**	**1,250,223**

Liabilities measured at amortized cost include lease liabilities for which Group companies are the lessees. As of May 31, 2020, these liabilities amount to EUR 37,937k (November 30, 2019: EUR 8,612k).

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 consolidated balance sheet break down as follows:

in EUR k	**May 31, 2020**	Nov. 30, 2019
Obligations under rental and operating lease agreements	-	39,273
Capital expenditure commitments	59,562	26,636
Sundry other financial obligations	15,842	10,274
Other financial obligations	**75,404**	**76,183**

OTHER NOTES

(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.

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

Our product portfolio in the Plastics & Devices Division encompasses complex customer-specific products for simple and safe drug delivery. These include insulin pens, inhalers and prefillable 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 primary packaging made of glass for medicines and cosmetics. This includes pharma jars, ampoules, injection vials, cartridges, perfume flacons and cream jars, plus special glass containers for the food and beverage industry.

The **Advanced Technologies** Division develops and manufactures intelligent drug delivery systems. The Swiss tech company Sensile Medical forms the basis of this division, where we offer pharmaceutical and biotech companies drug delivery systems with state-of-the-art digital and electronic capabilities. Its portfolio currently comprises patented micro pumps, which are used to self-administer medication for Parkinson's or heart failure, for example. Also in development is a platform to accurately assess inhalation airflow.

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

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

Segment Data by Division

	Plastics & Devices		Primary Packaging Glass		Advanced Technologies		Head office/ consolidation		Group	
in EUR k	**Q1-Q2 2020**	Q1-Q2 2019	**Q1-Q2 2020**	Q1-Q2 2019	**Q1-Q2 2020**	Q1-Q2 2019	**Q1-Q2 2020**	Q1-Q2 2019	**Q1-Q2 2020**	Q1-Q2 2019
Segment revenues	358,627	348,302	308,886	304,055	1,960	13,788	-	-	669,473	666,145
Intra-Group revenues	-2,674	-1,096	-	-	-	-	-	-	-2,674	-1,096
Revenues with third parties	**355,953**	**347,206**	**308,886**	**304,055**	**1,960**	**13,788**	**-**	**-**	**666,799**	**665,049**
Adjusted EBITDA[1]	87,442	80,874	67,259	57,558	-7,644	2,267	-11,766	105,687	135,291	246,386
Depreciation and amortization	-23,492	-21,086	-28,056	-23,343	-1,210	-1,310	-1,796	-979	-54,554	-46,718
Adjusted EBITA[2]	63,950	59,788	39,203	34,215	-8,854	957	-13,562	104,708	80,737	199,668
Net Working Capital	130,256	120,116	124,150	126,480	7,181	24,992	-2,079	-1,934	259,508	269,654
Operating Cash Flow	2,241	23,842	23,230	18,361	-16,257	-11,028	-12,639	104,060	-3,425	135,235
Capital expenditure	28,325	23,640	28,412	20,370	11,135	884	444	420	68,316	45,314
Employees (average)	4,460	4,494	5,177	5,156	108	112	124	114	9,869	9,876

[1] Adjusted EBITDA: Net income before income taxes, net finance expense, amortization/impairment losses of fair value adjustments, depreciation and amortization, impairment losses, restructuring expenses, and one-off income and expenses.
[2] Adjusted EBITA: Net income before income taxes, net finance expense, amortization/impairment losses of fair value adjustments, restructuring expenses, and one-off income and expenses.

Key Indicators by Region[1]

in EUR k	Europe		Germany		Americas		Emerging markets		Other regions		Group	
	Q1-Q2 2020	Q1-Q2 2019	**Q1-Q2 2020**	Q1-Q2 2019	**Q1-Q2 2020**	Q1-Q2 2019	**Q1-Q2 2020**	Q1-Q2 2019	**Q1-Q2 2020**	Q1-Q2 2019	**Q1-Q2 2020**	Q1-Q2 2019
Revenues by target region[2]	224,392	225,857	154,079	148,273	176,087	175,182	102,292	106,208	9,949	9,529	666,799	665,049
Revenues by region of origin[3]	120,701	136,476	268,103	248,833	164,759	163,561	113,236	116,179	-	-	666,799	665,049
Non-current assets[4]	446,205	542,819	730,226	661,729	701,590	731,667	172,915	185,155	48	-	2,050,984	2,121,370
Employees (average)	1,787	1,830	3,615	3,530	1,082	1,083	3,385	3,433	-	-	9,869	9,876

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

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

in EUR k	**Q2 2020**	Q2 2019	**Q1-Q2 2020**	Q1-Q2 2019
Adjusted segment EBITA	63,999	57,265	94,299	94,960
Head office/consolidation	-7,058	19,726	-13,562	104,708
Adjusted Group EBITA	**56,941**	**76,991**	**80,737**	**199,668**
Portfolio optimization	-818	-1,627	-1,933	-885
One-off income and expenses	-3,659	-40	-3,619	-642
Amortization of fair value adjustments	-6,006	-13,929	-16,864	-27,727
Results of operations	**46,458**	**61,395**	**58,321**	**170,414**
Net finance expense	-5,645	-6,328	-10,546	-13,316
Income taxes	-11,311	-7,932	-14,057	-10,635
Net income	**29,502**	**47,135**	**33,718**	**146,463**

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

(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-Q2 2020		**May 31, 2020**		Q1-Q2 2019		May 31, 2019	
in EUR k	**Sale of goods and services**	**Purchase of goods and services**	**Trade receivables**	**Trade payables**	Sale of goods and services	Purchase of goods and services	Trade receivables	Trade payables
Company in relation to a member of the Gerresheimer AG Supervisory Board	1,718	-	362	-	1,717	-	396	-
Associated companies	-	705	-	101	1	1,060	-	26
Non-consolidated companies	7	-	3	360	-	-	-	-
	1,725	**705**	**365**	**461**	**1,718**	**1,060**	**396**	**26**

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

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

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

(16) Events after the Balance Sheet Date

With notarized purchase agreement dated June 9, 2020, Gerresheimer sold the land and buildings of Gerresheimer Küssnacht AG, Kuessnacht (Switzerland) with transfer of ownership as of July 1, 2020. In addition, the remaining plant and machinery was also sold in this transaction. The total sales proceeds amounted to CHF 14,000k and was paid on July 1, 2020. Due to the advanced stage of the sales negotiations, both the land and the buildings and the remaining plant and machinery were reclassified to non-current assets and disposal groups held for sale as of May 31, 2020.

Beyond that, there were no further subsequent events after May 31, 2020 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 July 13, 2020, after discussion with the Audit Committee of the Supervisory Board.

RESPONSIBILITY STATEMENT

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

Duesseldorf, Germany, July 10, 2020

The Management Board

Dietmar Siemssen Dr. Bernd Metzner Dr. Lukas Burkhardt

FINANCIAL CALENDAR

October 13, 2020	Publication 3rd Quarter 2020

IMPRINT

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

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

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

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