

GERRESHEIMER



Q2 2019 Earnings Presentation

Dietmar Siemssen, CEO
Dr. Bernd Metzner, CFO
Duesseldorf, July 11, 2019

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- For an overview of abbreviations and definition please see the glossary slide in the backup section

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Another good performance in Q2 2019. Dynamic in the company remains high. Implementation of Capex program fully ongoing

Strict monitoring of all business and macro drivers



Q2 2019 Financials

- Revenues and profitability developments in line with expectations
 - ▢ Reported revenues up 7.2%
 - ▢ Adjusted EBITDA at EUR 100.4m (EUR 74.2m + EUR 26.2m)
- Adjusted net income performance higher by EUR 10.0m or 43.0% YoY
- Adjusted EBITDA Leverage at 2.3x
- Reconfirming 2019 guidance and outlook for 2020-2022



Markets & Macro

- Good market environment all in all with regional differences
- Strong demand in Europe overall
- Softer demand in the Glass business in the USA essentially led by operational issues at one of our customers' where we have a high market share
- Currency movements result in slight translation tailwinds



Operations

- P&D reported revenues up 4.4% YoY
 - ▢ led by Primary Plastic Packaging (in particular South America) and sustained strong growth in Syringes
- PPG reported revenues up 6.0% YoY
 - ▢ led by Europe (Pharma & Cosmetics) and Emerging Markets
- Systematic execution of capex plan
 - ▢ Essen furnace overhaul planned over Q3 and Q4
 - ▢ Brazil ramp up well in plan
 - ▢ Expansion in Horsovsky Tyn on track
 - ▢ Installing new RTF lines in Buende

Strong dynamic at Sensile Medical

SEIZING NEW BUSINESS OPPORTUNITIES



EVER Pharma D-*mine*® Pump for Parkinson commercialized in several EU countries

New partnership with SQ Innovation: development and commercialization of new drug-device combination for treatment of edema in patients with heart failure

Continuing to prepare for operational readiness in Pfreimd for future parts production (P&D)

SCHEDULING MILESTONES PAYMENTS FOR TECHNOLOGY DEVELOPMENT PROJECTS



Confirming milestone payment regarding the project with EVER Pharma in July 2019

Milestone payments determined by achievement of specific projects criteria



Deployment of current Capex plan is essential to support Gerresheimer's future growth and profitability in core business

Capacity expansion is key for:

- Actual under capacity
 - Syringes
 - Decoration Cosmetics Europe

- Global footprint
 - Emerging Markets: Plastics Packaging Brazil and China
 - Our customers require a global presence in both Cosmetics and Pharma

- Booked business materialization
 - Inhalation project Czech Republic

Upgrades are necessary to:

- Process optimization & productivity improvement
 - Standardization
 - Automation

- Maintain competitiveness
 - New low cost location: Republic of North Macedonia

Center of Excellence Gx RTF[®] Syringes

Upgrade to world class production & capacity expansion



Meet strong demand in RTF syringes in Europe

- Adding up to approx. 35% more volume capacity by 2022
- New RTF5 and RTF6 lines with high flexibility

Ensure Biotech/ Biosimilar readiness

- Gx InnoSafe[®] and Gx RTF[®] Luerlock add significant value to syringe portfolio
- Gx RTF[®] ClearJect[®] (COP) completes portfolio
- Small batch production ready as needed by biotech customers

Next quality and automation level

- Next generation of forming and RTF process to meet highest quality standards
- Higher autonomy and automation by Industry 4.0 technologies
- Increase of output quantity – especially for high volume heparin and vaccine orders



Drive growth & efficiencies

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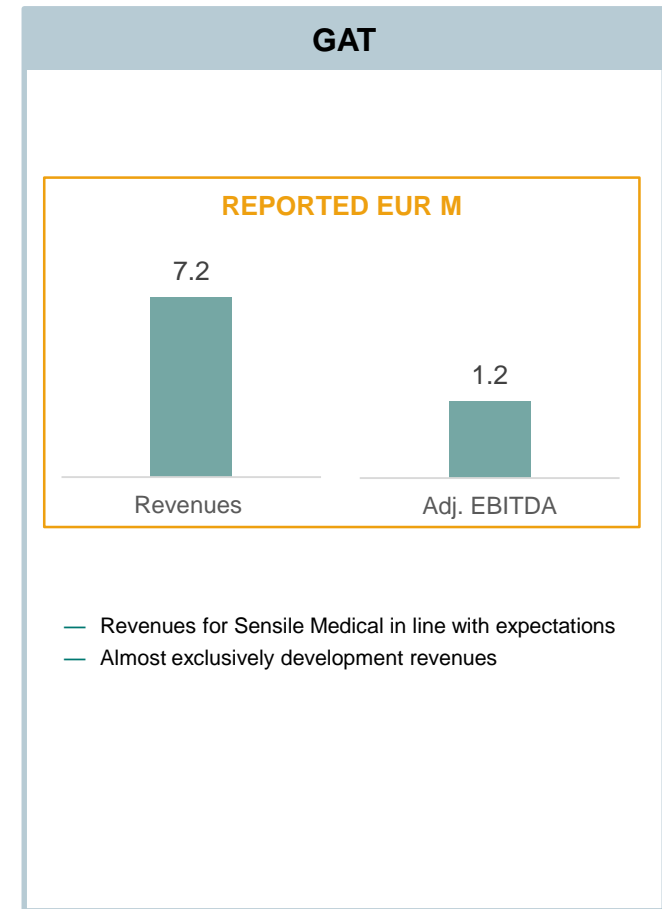
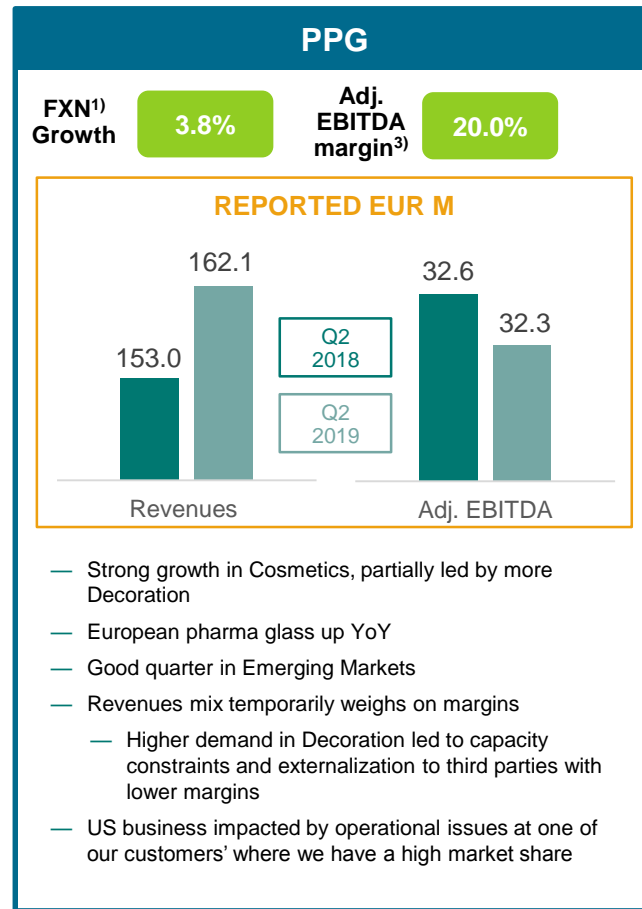
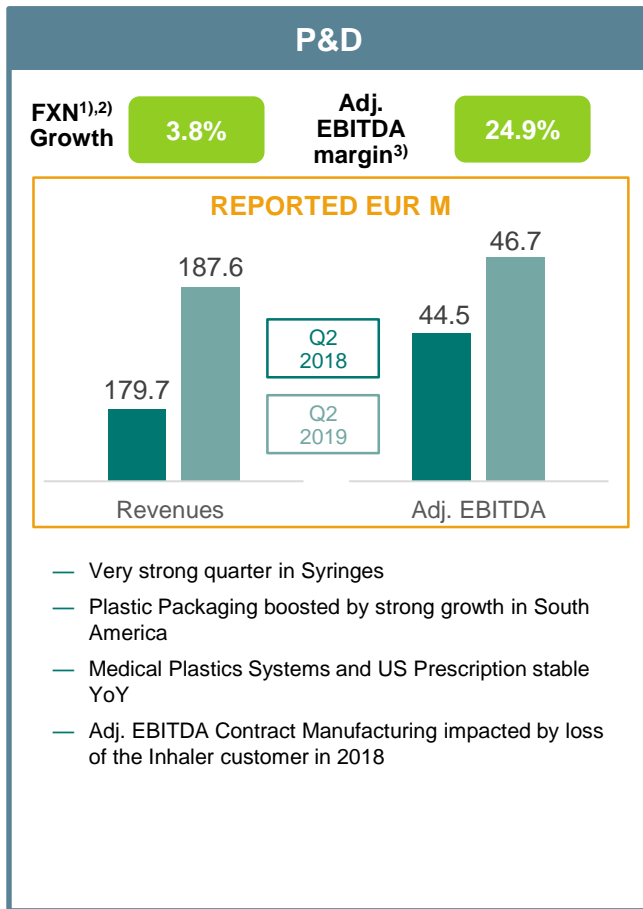
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Another good performance in Q2 2019

EUR M	Q2 2019	Q2 2018	CHANGE in %		ANALYSIS
FXN Revenues as per guidance¹⁾	353.3	333.9	5.8%	↑	Growth across all business units
Revenues	356.5	332.6	7.2%	↑	Slight fx tailwind
FXN Adjusted EBITDA as per guidance²⁾	73.2	67.9	7.9%	↑	Volume growth, operating leverage and mix
Adjusted EBITDA	100.4	71.1	41.3%		
Total one-off items	-1.6	-1.0	-63.4%		
Depreciation & Amortization ³⁾	-37.4	-33.0	13.3%	↑	Including FVA of SM's technology in Q2 2019
Net finance expense	-6.3	-9.4	-32.4%	↓	Bond redeemed in May 2018 lower int. expenses
Income taxes	-8.0	-8.4	-5.8%		
Net income	47.1	19.3	144.4%		
Total one-off items (including amortization and tax effects)	12.2	7.2	69.0%		
Adjusted net income	59.3	26.5	123.9%		
Adjusted net income performance⁴⁾	33.1	23.1	43.0%	↑	Clear earnings improvement YoY

1. FXN: See page 105 of annual report FY 2018 for currency assumptions regarding FY 2019. For Q2 2018: excluding EUR 1.0m revenues from the loss of the inhaler customer at our plant in Küsnacht.
2. FXN: See page 105 of annual report FY 2018 for currency assumptions regarding FY 2019. For Q2 2019: excluding a EUR 26.2m positive effect on FXN Adj. EBITDA due to the derecognition of contingent purchase price liabilities in conjunction with Sensile Medical acquisition. For Q2 2018: excluding a EUR 5.2m positive effect on FXN Adj. EBITDA linked to the loss of the inhaler customer at our plant in Küsnacht and a EUR 1.1m negative effects on FXN Adj. EBITDA relating to the fair value measurement of the Triveni put option.
3. Including EUR 13.9m (Q2 2018: EUR 7.6m) amortization of fair value adjustments. Q2 2018 includes EUR 1.8m impairment losses unrelated to portfolio optimization.
4. For Q2 2019: excluding a EUR 26.2m positive effect on Adj. Net Income due to the derecognition of contingent purchase price liabilities in conjunction with Sensile Medical acquisition. For Q2 2018: excluding a EUR 4.4m positive effect on Adj. Net Income linked to the loss of the inhaler customer at our plant in Küsnacht and a EUR 1.1m negative effects on Adj. Net Income relating to the fair value measurement of the Triveni put option.

Broad based growth, especially driven by higher volumes YoY



1. FXN: See page 105 of annual report FY 2018 for currency assumptions regarding FY 2019
 2. For Q2 2018: excluding EUR 1.0m from the loss of the inhaler customer at our plant in Küssnacht.
 3. Reported.

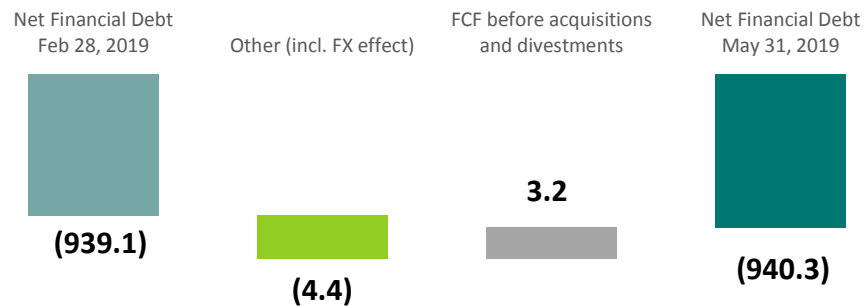
Despite almost doubling of Capex, good Free Cash Flow performance YoY

EUR M	Q2 2019	Q2 2018	CHANGE
Adjusted EBITDA	100.4	71.1	29.3
<i>- Thereof derecognition of contingent purchase price liabilities</i>	<i>26.2</i>	<i>-</i>	<i>26.2</i>
Change in net working capital	-16.6	-17.8	1.2
Capital expenditure	- 28.4	-14.8	-13.6
Operating cash flow	55.4	38.5	16.9
<i>- Thereof derecognition of contingent purchase price liabilities</i>	<i>26.2</i>	<i>-</i>	<i>26.2</i>
Net interest paid	-3.2	-15.9	12.7
Net taxes paid	- 9.4	-12.9	3.5
Pension benefits paid	-2.5	-2.8	0.3
Other	-37.1	-13.6	-23.5
Free cash flow before acquisitions / divestments	3.2	-6.7	9.9

- Change in net working capital stable YoY
- Implementation of capex program for 2019 & 2020 drives higher capex spend YoY
- Lower interest paid on the back of refinancing subsequent to bond redemption in May 2018. Last bond interest payment took place in Q2 2018
- The non-cash effect stemming from the derecognition of contingent purchase price liabilities of EUR 26.2m is included in Operating Cash Flow and subtracted in the “Other” position in Q2 2019.

Adjusted EBITDA Leverage temporarily at 2.3x

NET FINANCIAL DEBT AND ADJ. EBITDA LEVERAGE

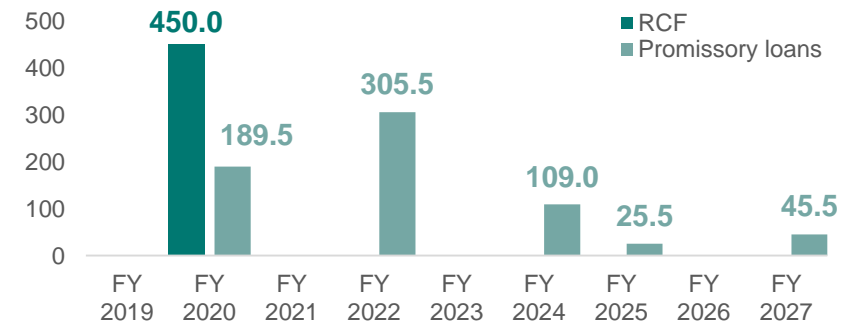


- Net Debt practically unchanged from Feb 28, 2019 to May 31, 2019
- Starting exploring refinancing strategies ahead of RCF expiry next year

Net Financial Debt Summary

IN EUR M	May 31, 2019	May 31, 2018
Drawn portion of RCF	328.7	166.8
Promissory loans (2017)	250.0	250.0
Promissory loans (2015)	425.0	425.0
Local borrowings and leasing	30.3	25.4
Cash and cash equivalents	(93.7)	(93.5)
Net Financial Debt	940.3	773.7
Adjusted EBITDA Leverage	2.3x	2.6x

EXPIRY DATE MAIN FACILITIES



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FY 2019 guidance confirmed, FY 2020-2022 indications unchanged. Focus on execution

At Group level & FXN¹

METRICS	EXPECTED FY 2019 (FXN ¹)
Revenues	~ EUR 1.40bn to EUR 1.45bn
Adjusted EBITDA	~ EUR 295m <i>(plus/minus EUR 5m)</i> Excluding EUR 118.5m from derecognition of contingent purchase price components
Capex (% FXN sales)	~ 12%

FY 2020 — 2022

EXPECTED TOP LINE GROWTH

4% to 7% FXN¹ revenue growth per annum for the financial years 2020 – 2022 based on

- Market volume growth
- Gx market outperformance
- Growth projects
- Sensile Medical

EXPECTED ADJUSTED EBITDA MARGIN DEVELOPMENT

~ 21% in FY 2020
~ 23% for the financial years 2021 – 2022

EXPECTED CAPEX REQUIREMENTS

Temporary increase of capex to revenues in 2019 and 2020 up to 12%
Thereafter back to 8% of revenues

1. See page 105 of annual report FY 2018 for currency assumptions regarding FY 2019.

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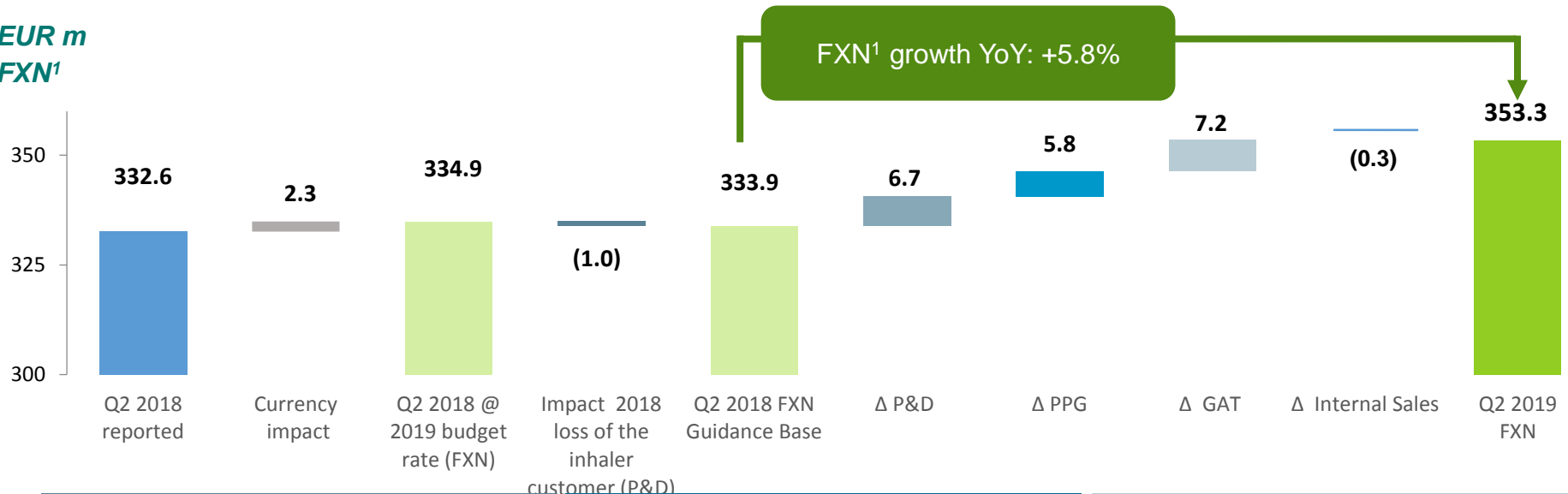
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Broad based growth in Q2 2019. FXN Revenues as per guidance up 5.8%

EUR m
FXN¹



FXN P&D Q2 2019 performance review
+ 3.8% (excl. 2018 impact loss inhalation)
+3.2% (including impact)

- Very strong quarter in Syringes
- Plastic Packaging boosted by strong growth in South America
- Medical Plastics Systems and US Prescription stable YoY

FXN PPG Q2 2019 performance review
+ 3.8%

- Strong growth in Cosmetics, partially led by more Decoration
- European pharma glass up YoY
- Good quarter in Emerging Markets
- US business impacted by operational issues at one of our customers' where we have a high market share

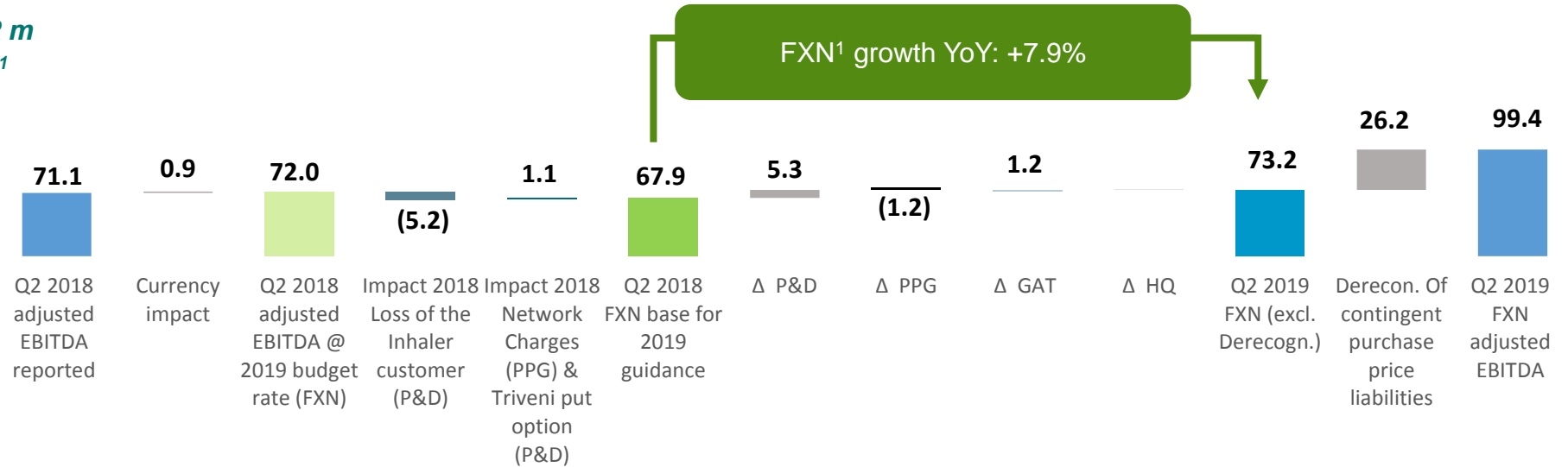
FXN GAT Q2 2019 performance review
EUR 7.2m

- Revenues for Sensile Medical in line with expectations
- Almost exclusively development revenues

1. See page 105 of annual report FY 2018 for currency assumptions regarding FY 2019.

FXN Adjusted EBITDA as per guidance up 7.9%

EUR m
FXN¹



P&D Q2 2019 performance review
EUR +5.3mYoY (excl. 2018 impacts inhalation & Triveni) or EUR +1.2m including impact

- Contract Manufacturing impacted by the loss of the inhaler customer in 2018
- Other businesses delivering in line with expectations

PPG Q2 2019 performance review
EUR - 1.2m YoY

- Revenues mix temporarily weighs on margins
 - Higher demand in Decoration led to capacity constraints and externalization to third parties with lower margins
- US business impacted by operational issues at one of our customers' where we have a high market share

GAT Q2 2019 performance review
EUR 1.2m

- Adj. EBITDA development in line with expectations given the nature of revenues

1. See page 105 of annual report FY 2018 for currency assumptions regarding FY 2019.

GXI Key Data

in EUR per share	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Dividend	0.40	–	0.50	0.60	0.65	0.70	0.75	0.85	1.05	1.10	1.15
<i>Dividend yield</i>	1.5%	–	1.8%	1.9%	1.7%	1.4%	1.7%	1.2%	1.5%	1.6%	1.8%
<i>Payout ratio</i>	22%	–	26%	25%	25% ¹	23%	26%	25%	25%	27%	20%
Share price high	38.20	27.05	29.85	36.62	41.34	50.14	56.42	76.32	76.86	78.01	79.80
Share price low	23.99	13.24	22.09	28.30	31.00	37.60	42.31	41.99	57.10	61.03	59.75
Share price at FY end	27.10	23.05	28.20	31.17	39.41	49.67	44.44	73.90	68.85	67.06	62.90
Book value per share	15.26	15.29	16.86	17.59	17.14	17.94	19.25	22.23	24.31	25.14	28.35
P/E ratio ²	14.81	17.20	14.46	12.77	15.04 ¹	16.13	15.38	21.67	16.31	16.51	11.09
Market cap in EUR m	851	724	886	979	1,238	1,560	1,395	2,320	2,162	2,106	1,975
<i>MDAX weighting year end</i>	11.48% ³	1.33%	1.24%	1.40%	1.47%	1.33%	1.01%	1.42%	1.33%	1.00%	0.87%
Number of shares in million	31.4	31.4	31.4	31.4	31.4	31.4	31.4	31.4	31.4	31.4	31.4

1. Retrospective restatement due to the early adoption of IAS 19 (amended in 2011) from December 1, 2012.

2. Based on adj. EPS after non-controlling interests.

3. SDAX weighting at year end.

Financial calendar and contact details

FINANCIAL CALENDAR

October 10, 2019

Interim Report 3rd Quarter 2019

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Overview of Abbreviations and Definitions

ABBREVIATIONS AND DEFINITIONS

Adj. EBITDA	Net income before income taxes, net finance expense, amortization of fair value adjustments, depreciation and amortization, impairment losses, restructuring expenses and one-off income and expenses
Adjusted EPS	Adjusted earnings per share after non-controlling interests, divided by 31.4m shares
Adjusted net income	Net income before non-cash amortization of fair value adjustments, non-recurring effects of restructuring expenses, portfolio adjustments, the balance of one-off income and expenses – including significant non-cash expenses – and the related tax effects
CAGR	Compound Annual Growth Rate
Capex	Investments in tangible and intangible assets
EBIT	Earnings before interest and taxes
EBITA	Earnings before interest, taxes and amortization
EBITDA	Earnings before interest, taxes, depreciation and amortization
FXN	"Foreign currency neutral" - based on budgeted FX-rates
Gx ROCE	Adjusted EBITA divided by capital employed (total assets minus investments, investments accounted for using the equity method and other loans, minus cash and cash equivalents, minus pensions (without pension provisions), deferred tax liabilities, and income tax liabilities, minus prepayments received, trade payables, and other non- interest bearing liabilities)
Gx RONOA	The ratio of adjusted EBITA to average net operating assets, comprising the sum of property, plant and equipment and net working capital
Adj. EBITDA Leverage	The relation of net financial debt to adjusted EBITDA of the last twelve months, according to the credit facility agreement currently in place
Net financial debt	Short and long term debt minus cash and cash equivalents
Net finance expense	Interest income and expenses related to the net financial debt of the Gerresheimer Group. It also includes net interest expenses for pension provisions together with exchange rate effects from financing activities and from related derivative hedges.
Net working capital (NWC)	Inventories plus trade receivables minus trade payables plus/minus prepayments
Op. CF margin	Adjusted EBITDA plus/minus the change in net working capital, minus capex and in relation to revenues
Operating cash flow	Adjusted EBITDA plus/minus change in net working capital, minus capex
P/E Ratio	Company's share price divided by the adj. EPS
RCF	Revolving credit facility
yoy	year-on-year

GERRESHEIMER



Our Vision

Gerresheimer will become the leading global partner for enabling solutions that improve health and well-being.

Our success is driven by the passion of our people.