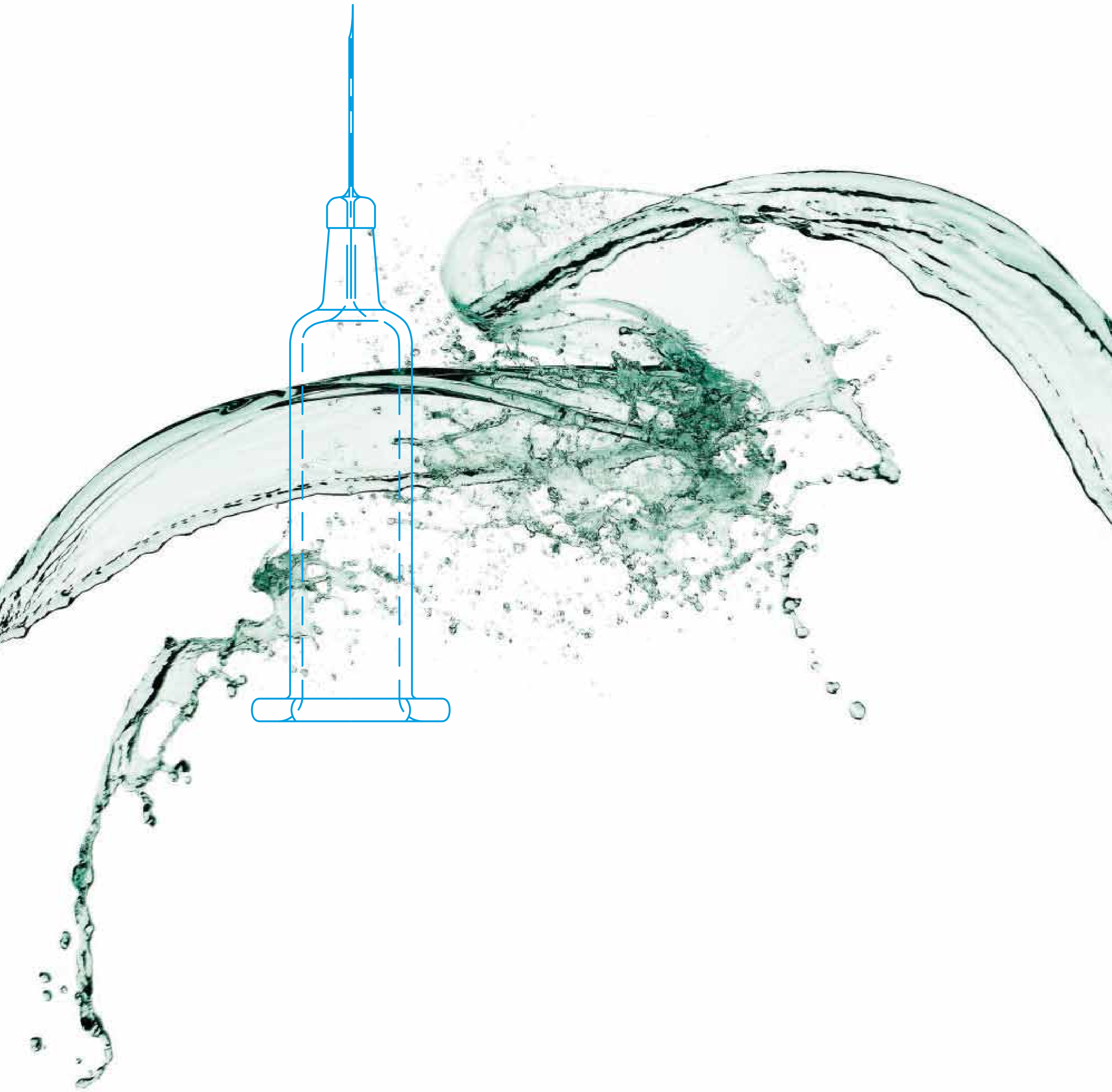
GERRESHEIMER

Annual Report 2010



Group Key Figures (IFRS)

Financial Year end November 30	2010	2009	Change in %
Results from Operations during the Reporting Period in EUR m			
Revenues	1,024.8	1,000.2	+2.5
Revenues excluding Technical Plastic Systems[1)]	1,024.8	970.8	+5.6
Adjusted EBITDA[2)]	204.5	185.9	+10.0
in % of revenues	20.0	18.6	–
Adjusted EBITA[3)]	123.5	109.7	+12.5
in % of revenues	12.0	11.0	–
Result from operations	95.0	60.5	+57.0
Net income	46.7	7.0	>100
Adjusted net income[4)]	65.8	45.2	+45.6
Net Assets as of the Reporting Date in EUR m			
Total assets	1,357.8	1,340.6	+1.3
Equity	529.4	480.2	+10.2
Equity ratio in %	39.0	35.8	–
Net working capital	151.2	144.4	+4.7
in % of revenues of the preceding 12 months	14.8	14.4	–
Capital expenditure	73.2	86.4	-15.3
Net financial debt	311.0	373.3	-16.7
Adjusted EBITDA leverage[5)]	1.5	2.0	–
Financial and Liquidity Position during the Reporting Period in EUR m			
Cash flow from operating activities	159.8	117.4	+36.0
Cash flow from investing activities	-69.5	-86.8	-19.9
thereof cash paid for capital expenditure	-73.1	-86.3	-15.3
Free cash flow before financing activities	90.3	30.7	>100
Employees			
Employees as of the reporting date (total)	9,475	9,343	+1.4
Stock Data			
Number of shares as of the reporting date in million	31.4	31.4	–
Share price[6)] as of the reporting date in EUR	28.20	23.05	+22.3
Market capitalization as of the reporting date in EUR m	885.5	723.8	+22.3
Share price high[6)] during the reporting period in EUR	29.85	27.05	–
Share price low[6)] during the reporting period in EUR	22.09	13.24	–
Earnings per share in EUR	1.38	0.18	>100
Adjusted earnings per share[7)] in EUR	1.95	1.34	+45.5
Dividend per share in EUR	0.50[8)]	–	>100

1) The Technical Plastic Systems business was sold with effect from July 1, 2009.

2) Adjusted EBITDA: Earnings before income taxes, financial result, amortization of fair value adjustments, extraordinary depreciation, depreciation and amortization, restructuring expenses and one-off income and expenses.

3) Adjusted EBITA: Earnings before income taxes, financial result, amortization of fair value adjustments, extraordinary depreciation, restructuring expenses and one-off income and expenses.

4) Adjusted net income: Consolidated profit before non-cash amortization of fair value adjustments, special effects from restructuring expenses, extraordinary depreciation, the balance of one-off income and expenses (including significant non-cash expenses) and the related tax effects.

5) Adjusted EBITDA leverage: The relation of interest-bearing net debt to adjusted EBITDA of the preceding 12 months.

6) In each case Xetra closing price.

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

8) Proposed appropriation of net earnings.

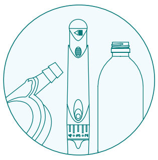
Segment Key Figures

Tubular Glass

The Tubular Glass Division produces high-quality glass tubes in two separate process steps. The tubes are initially produced before being coverted in a subsequent step into primary packaging such as ampoules, cartridges, vials or syringe systems.

in EUR m	2010	2009	Change in %
Revenues[9]	310.4	302.9	+2.5
Adjusted EBITDA[2]	70.3	73.3	-4.1
in % of revenues	22.6	24.2	–
Capital expenditure	18.3	25.4	-28.0

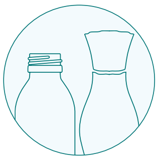
Plastic Systems



In its business unit of Medical Plastic Systems, the Plastic Systems Division produces complex customer-specific plastic systems for pharmaceutics, diagnostics and medical technology. In the second business unit of Plastic Packaging, it producess plastic containers, mainly as primary packaging for pharmaceutics and healthcare.

in EUR m	2010	2009	Change in %
Revenues[9]	307.9	314.9	-2.2
Revenues excluding Technical Plastic Systems[1]	307.9	285.5	+7.8
Adjusted EBITDA[2]	74.1	68.7	+7.9
in % of revenues	24.1	21.8	–
Capital expenditure	32.2	29.3	+9.9

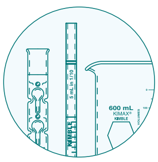
Moulded Glass



The Moulded Glass Division produces glass primary packaging in a continuous process. The containers are used for pharmaceutics, cosmetic products and specialty beverages and foods.

in EUR m	2010	2009	Change in %
Revenues[9]	327.3	307.9	+6.3
Adjusted EBITDA[2]	67.9	54.0	+25.7
in % of revenues	20.7	17.5	–
Capital expenditure	19.8	28.8	-31.3

Life Science Research



The product spectrum of the Life Science Research Division consists of laboratory glassware for research, development and analytics.

in EUR m	2010	2009	Change in %
Revenues[9]	95.0	87.4	+8.8
Adjusted EBITDA[2]	11.7	8.2	+42.7
in % of revenues	12.3	9.4	–
Capital expenditure	2.5	2.7	-7.4

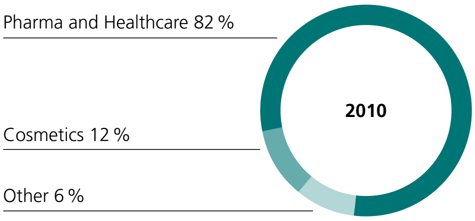
9) Revenues by segment include inter-company revenues.

Overview

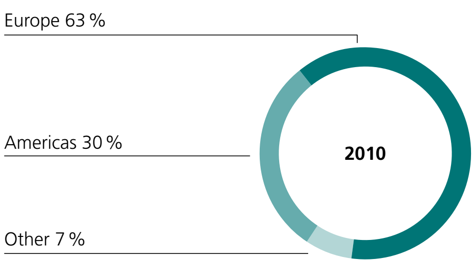
Gerresheimer is an internationally leading manufacturer of high-quality specialty products made of glass and plastic for the global pharma and healthcare industry. Our wide product spectrum ranges from pharmaceutical vials to complex drug delivery systems, such as syringe systems, insulin pens and inhalers, for safe dosage and application. Together with our partners we develop solutions which set standards and have role-model status throughout their respective business sectors. Smaller shares of the business are attributable to products for the cosmetics industry and niche segments of the food and beverage industry.

In our 44 locations in Europe, North and South America and Asia we employ around 9,500 people. Through top-class technologies, convincing innovations and targeted investments we are systematically expanding our strong market position.

REVENUES BY MARKET SEGMENT
Consolidated revenues: EUR 1,025m



REVENUES BY REGION
Consolidated revenues: EUR 1,025m



Contents

Key Facts

Financial Year 2010

Successful Financial Year with Record-Level Revenues and Earnings

- Marked increase in like-for-like revenues (5.6 %) and at constant exchange rates (4.0 %)
  - Solid growth in the pharma business
  - Rebound in demand for cosmetics packaging
  - Market recovery in Life Science Research Division

- Record earnings attained
  - Adjusted operating margin (adjusted EBITDA margin) amounts to 20.0 % (prior year: 19.2 %)
  - Net income: New high of EUR 46.7m reached (prior year: EUR 7.0m)
  - Earnings per share rise to EUR 1.38 (prior year: EUR 0.18), adjusted earnings per share of EUR 1.95 (prior year: EUR 1.34)

- Strongly improved financial position
  - Net financial debt markedly reduced by EUR 62.3m to EUR 311.0m
  - Proposed dividend of EUR 0.50 per share

Further Push for International Expansion

- Focus on emerging markets: Opening of new representative offices in India and Russia
- Successful start of insulin pen production in Brazil
- Decision to invest in 4th production line for RTF© syringes
- Life Science Research Division: Production transfer completed

Preface from the Management Board

Dear Ladies and Gentlemen,

In the financial year 2010 the economy recovered substantially from the severe recession. Many industrialized nations were again able to achieve GDP growth and some emerging economies continued to grow at an even faster rate. Although the business of the Gerresheimer Group can generally be regarded as less cyclical thanks to our focus on the pharma and healthcare industry, it also developed much more positively than in the prior year. Looking at the past financial year we can thus report with satisfaction that we fully achieved our objectives during 2010. On a like-for-like basis excluding the Technical Plastic Systems business which was sold in the prior year, revenues increased by 5.6 % to EUR 1,025 million. The adjusted EBITDA margin was moreover well up on the prior year at 20.0 %. On the bottom line we also earned substantially more: Net income after tax grew several times to EUR 47 million, and a marked rise in earnings per share was achieved. As a result of all this there was a substantial reduction in net debt, which opens up additional latitude for action by us.

All the divisions contributed in different ways to the gratifying earnings development for this financial year. As expected, sales of primary packaging and drug delivery devices for the pharmaceutical industry were good, although our pharma customers maintained the significantly reduced inventory observed in the prior year, and did not rebuild stocks.

A different trend was evident in the cosmetics sector. After a decline in consumer demand and customer stock reductions in the prior year, we experienced in some cases substantial revenue growth during the course of the year, attributable to customer rebuilding of stocks and also a return to growth in demand. Developments in the Life Science Research business were similar. Here stock-building and a revival in demand contributed equally to the increase.

On the basis of the positive business trend we reached the decision jointly with the Supervisory Board to propose to the Annual General Meeting that a dividend of EUR 0.50 per share should be distributed. This is equivalent to a distribution rate of 26 % of adjusted net income and therefore lies within the target corridor of 20 % to 30 % which we basically aim for. Following the interruption in dividend payments last year, we are therefore now returning to the distribution policy according to which we aim to pay out attractive dividends depending on the success of the business. In view of the tax situation of Gerresheimer AG the dividend will be paid free of tax.

The current capital structure and sustained cash-flow surpluses allow us to pursue further growth as, for example, in the agreed capacity expansion for prefillable syringe systems, and also possible acquisitions. The capital and finance markets are furthermore available to us in order to generate more growth and secure our financing structure in the long term. All the conditions are therefore fulfilled for further development of our Company on a sound basis.

In the past financial year we reported on a personnel change at the head of the Company. Uwe Röhrhoff was appointed as the new Chairman of the Management Board and Chief Executive Officer in February 2010 and has been CEO of Gerresheimer AG since June 22, 2010. Mr Röhrhoff, who had already been a member of the Management Board since 2003, succeeds Dr. Axel Herberg, who headed the management for ten years and was elected to the Supervisory Board as per September 1, 2010 with the support of the shareholders.

So, going forward, what do the prospects for our Company look like? We are very well positioned, as the increase in shareholder value compared with the prior year shows. In addition to our stable pharma business the cosmetics business is reviving perceptibly. We therefore expect the business trend in 2011 to be characterized by further revenue growth. We are also ideally prepared for the major world trends. Population growth, increasing life expectancy, better healthcare systems particularly in the fast-developing countries, and the rising market share of generic products markedly favor the development of our business. We wish to achieve significant expansion of our revenues in the emerging markets, doubling them to EUR 200 million by 2013. Seven plants in China and two in Brazil today already provide a good starting position for this. In addition to these organic growth possibilities we are also considering acquisitions. Regionally, growth through acquisitions is focused in North America on expansion of the Plastic Systems Division and in the emerging markets on expansion of the Plastic Systems and Tubular Glass Divisions.

“We wish to achieve significant expansion of our **revenues in the emerging markets.”**

Against the background of this successful financial year we wish to express particular thanks to our employees for their commitment, single-mindedness and clear determination to succeed. To you dear shareholders, customers and partners of the Gerresheimer Group we wish to express our thanks for your trust and support in the past financial year. In the year ahead of us we are determined to convince you by our performance once again, and look forward to continued dialog with you.

With best regards,

Uwe Röhrhoff | Hans-Jürgen Wiecha | Dr. Max Raster | Andreas Schütte

"Shareholder value increased substantially in 2010."

Uwe Röhrhoff
Chief Executive Officer
Moulded Glass Division

Hans-Jürgen Wiecha
Chief Financial Officer

Andreas Schütte
Plastic Systems Division

Dr. Max Raster
Tubular Glass Division
Life Science Research Division

Pharmaceutical vials, prefillable glass syringes, ampoules, insulin pens, asthma inhalers, perfume flacons and laboratory glassware – our product world is as diverse as the people and the customers in our

44 LOCATIONS

in Europe, North and South America and Asia. What unites us is enthusiasm for developing and succeeding with innovative new products and services to the highest quality standards.

Plenty of room for growth and innovations

Gerresheimer already has a long record of success with pharmaceutical primary packaging made of glass. What are the next important growth markets for you? Uwe Röhrhoff: Injection vials made of glass and ampoules are still important products for the pharma industry not only in Europe and North America but also increasingly in the emerging countries. Further growth segments in the still predominant Western pharma markets are drug delivery systems made of plastic and glass, which facilitate the administration, dosage and safe application of medicines. We are investing increasingly in innovations in this area. Two examples deserve special mention: Insulin pens and skin-prick aids are important products for the diabetes market. Demand for prefillable syringe systems made of glass is also displaying unbroken growth. Certain illnesses such as diabetes and asthma are spreading steadily. In parallel, the importance of self-medication is growing. Here plenty of room for innovations still exists in the field of drug delivery systems.

In which regions do you see further potential for your business? Uwe Röhrhoff: If we want to grow profitably we have to push ahead with the globalization of our business. Our pharma customers – both the research-based pharmaceutical companies and the generic pharmaceutical companies – are also doing so. I see good growth opportunities in regions where we are still under-represented in certain product groups. In North America for example we have been a leader with glass products for a long time, but there is still a lot of potential for medical plastic systems. In South America I also see big opportunities for our plastic business. In China we are today represented by seven plants, but the country is so large and dynamic that there are still many opportunities. Last but not least, India is a very attractive emerging market, where we have recently set up a subsidiary company. In the next three years we want to increase our revenues in the fast-developing countries from the current level of around 100 to at least EUR 200 million.

2011

INNOVATIONS AND QUALITY ARE CRUCIAL FOR OUR SUCCESS.

What are the important success factors in your business? Uwe Röhrhoff: Innovations and quality are crucial for our success. We work continuously towards this and invest correspondingly in the future. In the next two years for example we will massively expand our production capacity in our competence center for prefillable syringes in Buende, Germany. And in the field of medical plastic systems our technology centers in Wackersdorf, Germany, and near Atlanta, USA, are of outstanding importance.

The question of corporate responsibility is being raised more and more forcefully. How important is "responsibility" for you? Uwe Röhrhoff: I take our corporate responsibility extremely seriously, as does the whole organization in all segments and in all regions. For us as a manufacturing company, sparing use of resources is a key area of focus. Numerous initiatives by our plants are targeted at this. As a Group we joined the international initiative known as the Carbon Disclosure Project in 2009. Last but not least, our product innovations make an important contribution to improving worldwide medical care. In our vision we have phrased it like this: "We will become the leading global partner for enabling solutions that improve health and well-being."

What distinguishes you from your competitors? Uwe Röhrhoff: At the end of the day, the most important factor is not plant and machinery but people. The employees who work with commitment and enthusiasm in overarching teams across borders. "Our success is driven by the passion of our people" is therefore the motto for the second part of our corporate vision. Naturally we also want to live this in everyday life. Here we are helped by our five core values: integrity, excellence, innovation, responsibility and teamwork. These are standards which we impose on ourselves and which can be imposed on us by our employees, our customers, the general public and our shareholders.

Uwe Röhrhoff
in conversation

"WE ARE PUSHING AHEAD WITH THE **GLOBALIZATION** OF OUR BUSINESS."

"FOR ME, **QUALITY** MEANS TAKING RESPONSIBILITY PERSONALLY – AND THE SAME APPLIES FOR ALL MY COLLEAGUES AND THE WHOLE COMPANY."

Charlotte Borgensgaard.
Speaker of the Gerresheimer Quality Council

Outstanding quality and continuous innovation are for us a matter of course. Defect-free production is our objective. We therefore review the status quo every day and work unceasingly to improve our products, services and processes. We promote continuous learning by all our employees and encourage them to aim for high performance. To guarantee that we can maintain and develop our high-quality claims and offer all customers the best possible product in each case, our quality culture is an integral component of our corporate strategy. We ensure constant know-how transfer and look for proactive, partnership-oriented and direct dialog with all business partners.

An essential factor for our high product quality for the pharma and healthcare industry is production, processing and assembly of many of our products in clean rooms and controlled rooms. A good example of how, in both new solutions and refinement of existing products, we go far beyond compliance with the standards and norms of relevance to each market is provided by our new fully-automated, high-resolution camera inspection systems. Thanks to marked performance advances we can offer our customers a quality level which is hard to equal in the production of syringes or vials made of tubular glass. State-of-the-art camera systems are also indispensable for our PharmaPlus products. With this range we have completely redefined quality in the field of injections. As a result, the PharmaPlus line in our syringe competence center in Buende, Germany, has been expanded to include for example an additional washing process developed in-house. This reduces pollution of the syringe barrel through glass particles and other extraneous particles. The finished syringes therefore meet the most demanding requirements in the fields of biopharmaceutics and ophthalmology.

Quality which sets standards

5

TIMES SMALLER PRODUCT DEFECTS THAN EVEN WITH THE PRECEDING HIGH-PERFORMANCE GENERATION ARE DETECTED BY THE NEW INSPECTION CAMERA.

"NEW MEDICINES IMPOSE NEW DEMANDS ON PRIMARY PACKAGING. **SOLUTIONS** ARE DEVELOPED BY US IN CROSS-FUNCTIONAL TEAMS."

Gustav Levander
Director Business Development
Gerresheimer Plastic Packaging

Taking new paths together

Our customers' requirements are subject to constant change. Quality demands are increasing continuously in sectors such as pharmaceutics and biopharma. A need for new solutions also exists across other widely varying fields. The subject of innovation is therefore of key importance for our current and future success in all sectors. So we attach high priority in all our plants to a lively innovation culture in which our teams develop and implement new solutions following an entrepreneurial mindset. In order to spot and exploit existing opportunities, we promote in a targeted way the worldwide exchange of our 9,500 employees in 14 countries.

Our customers increasingly expect tailor-made solutions from us. Here we can call on our combination of expertise in the fields of both glass and plastic, which is unique in the sector. One result of this overarching competence is the new multilayer plastic vial made of cyclic olefin polymer and polyamide and developed jointly by the Tubular Glass and Plastic Systems Divisions. Teamwork between our glass and plastic experts in various countries has succeeded in significantly improving essential product characteristics. To achieve this, the normally single-layer wall of the plastic injection vial is modified to a multilayer design through the use of state-of-the-art injection-blow moulding technology. An intermediary layer of polyamide is placed between two layers of cyclic olefin polymer, increasing the impermeability of the walls of the injection vial against oxygen many times.

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TIMES LESS OXYGEN THAN WITH TRADITIONAL PLASTIC INJECTION VIALS MADE OF CYCLIC OLEFIN POLYMER PERMEATES THROUGH THE WALLS OF THE NEWLY DEVELOPED MULTILAYER PLASTIC VIALS.

"SAVING RESOURCES, AVOIDING WASTE, PROTECTING THE ENVIRONMENT – FOR ME IN MY PLANT A **CONTINUOUS TASK** WHICH WE REPEATEDLY SET OURSELVES WITH RENEWED VIGOUR."

Helmut Schweiger
Managing Director
Gerresheimer Horsovsky Tyn

Only if we take responsibility and act with commitment can we achieve sustainable success. This conviction determines our activities every day. The decisive factor here is not what is promised in documents but how we can act in harmony with our environment in each of our 44 locations.

Our objectives are resource-saving production and avoidance of waste and emissions. In numerous ambitious projects worldwide our plants pursue our ecological aims, as illustrated by three examples of innovative solutions which go far beyond the legal requirements and at the same time often save costs. In our Czech plant in Horsovsky Tyn, a pioneering heat-recovery plant has been commissioned which reduces CO_2 emissions by twenty tons per year. In our American moulded glass plant in Millville we have commissioned a completely renovated second furnace which, thanks to modern technology, produces a better quality of glass with a fourfold reduction in nitric oxide emissions. A good example of purposeful progress in the field of environment protection is also given by the moulded glass plant in Essen, Germany. Here we have commissioned a new compressed air facility, reducing CO_2 emissions by 3,100 tons a year. The approach, developed in collaboration with external partners, replaces the previous cost- and energy-intensive facility providing the compressed air required for the production and packaging machines. And last but not least, Gerresheimer participates as a Group in the Carbon Disclosure Project, one of the biggest environment initiatives in the world.

Acting **sustainably**

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TONS OF CO_2 ARE SAVED BY GERRESHEIMER THROUGH THE NEW HEAT RECOVERY PLANT IN HORSOVSKY TYN EVERY YEAR.

"OUR CORPORATE CULTURE MAKES US **STRONG.**"

Thomas Perlitz
Director Corporate Human Resources

We pursue our vision with passion

"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."

This vision arose at the initiative of employees of the Gerresheimer Group in 2010 and has been widely discussed worldwide. In connection with a mission statement and related pronouncements in which we describe five core values, we wish to use the year 2011 to lastingly anchor and daily implement these guiding principles and moral concepts. In the long term, companies with clearly defined values and objectives are more successful than others. The critical factor is that the corporate culture is lived and shaped by all employees. Because at the end of the day it is the employees who make the difference.

We work in a carefully targeted way to ensure that the right person for every task is found, integrated, developed and promoted. Because people achieve outstanding performance and infect others with their enthusiasm and passion. Every day, in the plant, at the machine, in meetings, during the break and with the customer. It is our employees who drive forward the business success of Gerresheimer through their high performance and their commitment. Nobody else.

9,475

EMPLOYEES IN OUR PLANTS IN FOURTEEN COUNTRIES, IN THREE CONTINENTS, IN TEN LOCAL LANGUAGES AND WITH DIVERSE CULTURAL AND REGIONAL BACKGROUNDS SECURE GERRESHEIMER'S SUCCESS AROUND THE GLOBE ON A DAILY BASIS.

Report of the Supervisory Board

Gerhard Schulze
Chairman of the Supervisory Board

In the financial year 2010 the Supervisory Board has concerned itself intensively with the Company's position and fulfilled all its obligations under the law, the Company's Articles of Association and the Rules for the Supervisory Board. These include consultations on the basis of prompt, regular and comprehensive reports from the Management Board, involvement of the Supervisory Board in decisions of key importance for the Company, and the necessary supervision of management.

The Supervisory Board ensured that it was informed in detail about the Company's business development and financial position, including the risk situation, risk management and compliance. After thorough examination and discussion, the Supervisory Board – in meetings and twice by means of written circular proceedings – approved the reports and resolution proposals of the Management Board to the extent required by the provisions of the law, the Company's Articles of Association and the Rules for the Supervisory Board. In addition, the Chairman of the Supervisory Board was in regular contact with the Management Board and in particular its Chairman. He was informed by the latter regularly and promptly about important developments and impending decisions.

PERSONNEL CHANGES IN THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

On the basis of a proposal by shareholders holding more than twenty-five percent of the voting rights in Gerresheimer AG, the Annual General Meeting of Gerresheimer AG on April 29, 2010 elected the then CEO of the Company, Dr. Axel Herberg, as a member of the Supervisory Board with effect from September 1, 2010. The election of Dr. Axel Herberg was made until the end of the Annual General Meeting which decides on official approval of the actions of the Supervisory Board for the financial year 2011. Beforehand, Doug Rogers gave up his office as a member of the Supervisory Board as at midnight on August 31, 2010.

As at midnight on June 21, 2010, Dr. Axel Herberg left his office as CEO of the Company. In its meeting on February 9, 2010 the Supervisory Board appointed Uwe Röhrhoff as CEO from June 22, 2010. In addition, the Management Board of the Company comprised Dr. Max Raster, Andreas Schütte and Hans-Jürgen Wiecha in the financial year 2010.

MEETINGS OF THE SUPERVISORY BOARD

In the financial year 2010 the Supervisory Board met four times. The Management Board reported to it regularly on the business position of the Company as a whole.

In the meeting of the Supervisory Board on February 9, 2010 the Annual Financial Statements of Gerresheimer AG, the Management Report, the Consolidated Financial Statements and the Group Management Report for the financial year 2009, the proposed appropriation of accumulated net earnings and the Report of the Supervisory Board were approved. The Annual Financial Statements were thereby adopted. In this meeting the Supervisory Board also approved a new structure for Management Board remuneration in compliance with the requirements of the German Act on the Appropriateness of Management Board Remuneration, and set the remuneration for Management Board members accordingly. In addition, the Supervisory Board appointed Uwe Röhrhoff as Chairman of the Management Board from June 22, 2010 and amended the allocation of business for the Management Board with effect from this date.

In its meeting directly after the Annual General Meeting on April 29, 2010 the Supervisory Board dealt with a mid-year amendment of the Compliance Declaration in accordance with section 161 of the German Stock Corporation Act.

In its meeting on September 14, 2010 the Supervisory Board dealt mainly with corporate strategy, the annual Compliance Declaration in accordance with section 161 of the German Stock Corporation Act and commissioning of the auditor for the financial year 2010.

The main items dealt with in the Supervisory Board meeting on November 23, 2010 were medium-term planning for the Group and approval of the budget for the financial year 2011.

MEETINGS OF THE COMMITTEES

To ensure efficient performance of its duties the Supervisory Board has set up four committees: The Mediation Committee in accordance with section 27 (3) of the German Codetermination Act, the Presiding Committee, the Audit Committee and the Nomination Committee. These committees prepare subjects for resolutions in the full Supervisory Board and in certain cases also have authority to take decisions autonomously. With the exception of the Nomination Committee, each of the committees consists of two members representing the shareholders and two representing the employees. The Nomination Committee has three members and consists solely of representatives of the shareholders.

The Presiding Committee makes preparations for personnel decisions by the Supervisory Board, particularly the appointment and dismissal of Management Board members and decisions about the remuneration of Management Board members. In the place of the Supervisory Board, the Presiding Committee decides on finalization, amendment and termination of the service contracts of Management Board members except for remuneration questions requiring approval by the full Supervisory Board. The Presiding Committee had three meetings on January 21, February 8, and November 23, 2010 and in two cases passed resolutions by means of written circular proceedings. The Presiding Committee intensively discussed the succession to the position of CEO for the Company, and prepared a resolution paper for the Supervisory Board. Following the stipulations in the Act on the Appropriateness of Management Board Remuneration, the Presiding Committee also dealt with restructuring of Management Board remuneration and – in accordance with the decisions of the Supervisory Board – approved new employment contracts with all the Management Board members. The Presiding Committee furthermore extended the employment contracts with Uwe Röhrhoff and Hans-Jürgen Wiecha. Finally, the Presiding Committee agreed specific objectives for the members of the Supervisory Board with regard to the composition of the Supervisory Board as the basis for a resolution proposal to the Supervisory Board.

The responsibilities of the Audit Committee include in particular preparations for decisions by the Supervisory Board on adoption of the Annual Financial Statements and approval of the Consolidated Financial Statements, as well as discussion of the Quarterly Financial Reports and the Half-Year Financial Report. In addition, the Audit Committee deals with monitoring of the accounting process, the internal control system, the risk management system, the internal audit system and compliance. The Audit Committee had five meetings on February 8, April 13, July 13, September 14, and October 5, 2010. It dealt mainly with the reports on the audit of the Annual Financial Statements and Consolidated Financial Statements for the financial year 2009 as well as the Quarterly Financial Reports and Half-Year Financial Report for 2010. The Audit Committee furthermore dealt with the independence of the auditor, the recommendation to the Annual General Meeting on election of the auditor, placement of the audit commission with the auditor for the financial year 2010 and specification and monitoring of the audit process and key audit areas, including the agreement on the audit fee. In addition, the Audit Committee discussed the effectiveness of the internal audit system and the Gerresheimer Compliance Program.

The Nomination Committee recommends suitable candidates to the Supervisory Board for its election proposals to the Annual General Meeting on Supervisory Board mandates. In the past financial year the

Nomination Committee made a recommendation to the Supervisory Board by written circular proceedings to propose to the Annual General Meeting that Dr. Axel Herberg should be elected as Supervisory Board member from September 1, 2010.

The Mediation Committee had no meetings during the past financial year.

CORPORATE GOVERNANCE

The Supervisory Board constantly monitored developments in corporate governance standards. By agreement with the Supervisory Board, the Company's Management Board reports on corporate governance of the Gerresheimer Group in pages 21 to 26 of the Annual Report. The Management Board and Supervisory Board issued a mid-year amendment to the Compliance Declaration in accordance with section 161 of the German Stock Corporation Act on May 17, 2010, and issued an updated annual Compliance Declaration on September 14, 2010. It made both of these permanently available to shareholders on the Company's website.

ANNUAL FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS FOR 2010

The Annual Financial Statements and Consolidated Financial Statements drawn up by the Management Board for the financial year from December 1, 2009 to November 30, 2010 and the Combined Management Report were audited by Deloitte & Touche GmbH, Wirtschaftspruefungsgesellschaft, Duesseldorf, and received an unqualified auditor's opinion.

The Annual Financial Statements of Gerresheimer AG, the Consolidated Financial Statements, the Combined Management Report, the proposed appropriation of accumulated net earnings, and the auditor's reports for the financial year 2010 were made available to the Supervisory Board for examination. The Audit Committee discussed and examined the documents in detail in its meeting on February 9, 2011, and tabled resolution recommendations to the Supervisory Board. The Supervisory Board examined the Annual Financial Statements of Gerresheimer AG, the Consolidated Financial Statements, the Combined Management Report, the proposed appropriation of accumulated net earnings, and the auditor's reports on these in its meeting on February 9, 2011. The auditor attended the meetings of the Audit Committee and the Supervisory Board, reported on the conduct and main findings of the audit and was available to answer questions.

In accordance with the final results of examinations by the Audit Committee and after its own examinations, the Supervisory Board approves the auditor's findings and declares that no objections are to be raised. The Supervisory Board has adopted the Annual Financial Statements and approved the Consolidated Financial Statements. The Management Board's proposed appropriation of accumulated net earnings has been approved by the Supervisory Board.

The Supervisory Board thanks the Management Board and all employees of the Gerresheimer Group and associated companies for the contribution which they have made in the financial year 2010 to the successful development of the Gerresheimer Group.

Duesseldorf, February 9, 2011

Gerhard Schulze
Chairman of the Supervisory Board

Corporate Governance Report

Gerresheimer AG identifies with the objectives of the German Corporate Governance Code and the principles of transparent, responsible and value-enhancement-oriented management and control of the Company. The Management Board, the Supervisory Board and all managers and employees of Gerresheimer AG are committed to this aim. Gerresheimer AG largely implements the recommendations and suggestions of the German Corporate Governance Code as last amended on May 26, 2010.

MANAGEMENT BOARD

The Management Board of Gerresheimer AG consists of four members and manages the Company autonomously. In this it is bound by the Company's interests and the objective of achieving increased shareholder value on a sustainable basis.

The Management Board informs the Supervisory Board regularly, promptly and comprehensively about all aspects of relevance for the business, including planning, business development, the risk situation, risk management and compliance. On certain key transactions and measures, approval rights are reserved for the Supervisory Board in the Rules of the Management Board.

The persons making up the Management Board are shown on page 134 of the Annual Report.

SUPERVISORY BOARD

The Supervisory Board of Gerresheimer AG consists of twelve members, half of whom represent the shareholders and half the employees. The shareholder representatives are generally elected by the Annual General Meeting and the employee representatives by the employees. The period of office of the current Supervisory Board members terminates at the end of the Annual General Meeting in 2012.

The Supervisory Board monitors and advises the Management Board in running the business. In the performance of its duties, the Supervisory Board regularly discusses business developments, plans, strategy and its implementation with the Management Board. The Supervisory Board approves the annual budget drawn up by the Management Board and decides on adoption of the Annual Financial Statements and approval of the Consolidated Financial Statements of Gerresheimer AG, taking into particular account the reports of the auditor. The Supervisory Board also decides on the appointment and dismissal of Management Board members and their remuneration. In the event of a tied vote in the Supervisory Board, a new ballot on the same matter is held in which the Chairman has a casting vote if there is still a tie.

The persons making up the Supervisory Board are shown on page 133 of the Annual Report.

The work of the Supervisory Board is supported by committees. According to the Rules of the Supervisory Board, the following committees of the Supervisory Board exist:

The Mediation Committee set up in accordance with section 27 (3) of the German Codetermination Act tables proposals to the Supervisory Board for the appointment of Management Board members if the required majority of two thirds of the votes of Supervisory Board members is not achieved in the first ballot. The members of the Mediation Committee are Gerhard Schulze (Chairman), Gottlieb Förster, Günter Fehn and Dr. Gerhard Prante.

The responsibilities of the Presiding Committee include decisions on finalization, amendment or termination of service contracts and pension agreements for Management Board members. Furthermore it is responsible for the approval of contracts between the Company and members of the Management Board. The Presiding Committee also takes decisions on approval of contracts with Supervisory Board members in accordance with section 114 of the German Stock Corporation Act and loans to the circle of persons named in sections 89 and 115 of the German Stock Corporation Act. The members of the Presiding Committee are Gerhard Schulze (Chairman), Gottlieb Förster, Reiner Ludwig and Hans Peter Peters.

The responsibilities of the Audit Committee include preparation of the Supervisory Board's decisions on the adoption of the Annual Financial Statements, the approval of the Consolidated Financial Statements and the agreement with the auditor. It takes appropriate measures to establish and monitor the independence of the auditor. It also supports the Supervisory Board in monitoring the management, and in this connection deals in particular with the Company's risk management and compliance. The members of the Audit Committee are Theodor Stuth (Chairman), Gottlieb Förster, Reiner Ludwig and Gerhard Schulze.

The Nomination Committee tables proposals to the Supervisory Board about suitable candidates for its election proposals to the Annual General Meeting about Supervisory Board members. The members of the Nomination Committee are Gerhard Schulze (Chairman), Hans Peter Peters and Udo J. Vetter.

Conflicts of interest must be disclosed by members of the Management Board and Supervisory Board to the Chairman of the Supervisory Board. In the case of material and not just temporary conflicts of interests a Supervisory Board member must give up his office. In its report to the Annual General Meeting, the Supervisory Board provides information about any conflicts of interest which have arisen, and how they have been handled. No conflicts of interest for Management Board or Supervisory Board members arose during the reporting period.

In compliance with item 5.4.1 of the German Corporate Governance Code, the Supervisory Board in its meeting on February 9, 2011 stipulated the following specific objectives for the members of the Supervisory Board with regard to the composition of the Supervisory Board supplementary to the requirements under the law and the German Corporate Governance Code:

Knowledge, skills and professional experience

The Supervisory Board must be composed in such a way that, overall, its members have the necessary knowledge, skills and professional experience to carry out its functions in an orderly manner. Candidates proposed must have the integrity, commitment, independence and personality to perform the duties of a Supervisory Board member in the parent company of an internationally active group and enhance its public reputation.

On the Supervisory Board of Gerresheimer AG various functional areas of the business shall be represented by the individual members. Each Supervisory Board member should as far as possible have special expertise of relevance to the Company's business operations. Supervisory Board candidate proposals should ensure a balanced composition so that the desired areas of expertise are represented on the Supervisory Board as broadly as possible. The aim is that:

- At least two representatives of the shareholders have experience in the fields of business management, strategy and human resources;
- At least one representative of the shareholders has business-specific knowledge of the industry; and
- At least one representative of the shareholders has specific industry knowledge on the customer side.

Independence and conflicts of interest

The Supervisory Board should comprise a number of independent members which it judges to be sufficient. A Supervisory Board member is regarded as independent if he has no business or personal connection with the Company or its Management Board which constitutes a conflict of interest. In the judgment of the Supervisory Board, former members of the Company's Management Board are not deemed to be independent for five years after leaving office. The existence of an employment relationship between Supervisory Board members and Gerresheimer AG or a Group company or the existence of pension commitments by one of these companies in favor of Supervisory Board members does not in itself constitute such a conflict of interest. In this connection the Supervisory Board stipulates the following objectives for its composition:

- Supervisory Board members should not carry out any functions in a controlling body or any advisory functions for material competitors of the Company or a Group company;
- Supervisory Board members should not play any active role with customers or suppliers of the Company or a Group company; and
- At least four out of six representatives of the shareholders on the Supervisory Board should be independent.

Age limit

The period of office of a Supervisory Board member terminates at the end of the first Annual General Meeting after his seventieth birthday. The Supervisory Board supports election proposals even for candidates who pass the age of seventy during the legal election period; in this case their period of office also terminates at the end of the first Annual General Meeting after their seventieth birthday.

Internationalism

At least one representative of the shareholders should have several years' international experience through business activity or foreign nationality.

Diversity

The objective of the Supervisory Board is to achieve appropriate participation of women. In view of the Company's specific circumstances it considers that participation of two women constitutes an appropriate level. The Supervisory Board will be mindful of this in the election proposals on the occasion of the next regular recomposition of the Supervisory Board in 2012 or the early departure of any Supervisory Board member. In the long term the Supervisory Board considers that three women on the Supervisory Board constitute an appropriate proportion, and will strive to achieve this objective in 2015.

In its current composition the Supervisory Board already fulfills the above objectives except for diversity, which as stated should be achieved in the next few years.

ANNUAL GENERAL MEETING

The Annual General Meeting is the shareholders' controlling body and takes the basic decisions for Gerresheimer AG. These include profit appropriation, discharging of the Management Board and Supervisory Board, election of the shareholder representatives on the Supervisory Board and election of the auditor. In addition, the Annual General Meeting decides on changes to the Articles of Association and key entrepreneurial measures, particularly inter-company agreements and conversions, on the issue of new shares, convertible bonds and warrant-linked bonds, and on the authorization of own share acquisitions.

The shareholders have the opportunity to exercise their voting rights in the Annual General Meeting themselves or to arrange for them to be exercised through an authorized agent of their choice or a voting representative of the Company who is bound by instructions. The Annual General Meeting is chaired by the Chairman of the Supervisory Board.

FINANCIAL ACCOUNTING AND AUDITING

Financial accounting in the Gerresheimer Group is based on the International Financial Reporting Standards (IFRS). The Annual Financial Statements of Gerresheimer AG are drawn up in accordance with the German Commercial Code (Handelsgesetzbuch/HGB).

The auditor is elected by the Annual General Meeting in accordance with the provisions of the law. Deloitte & Touche GmbH, Wirtschaftspruefungsgesellschaft, Duesseldorf, was appointed as auditor for the financial year 2010. The Supervisory Board commissions the auditor elected by the Annual General Meeting and determines the audit program and fee. It ensures that the auditor's work is not impaired by any conflicts of interest.

Good corporate governance includes responsible management of risks. For this purpose Gerresheimer AG has set up systematic risk management procedures which ensure that risks are identified and evaluated at an early stage. This helps to optimize risk positions. The early warning system of Gerresheimer AG is examined by the auditor.

The Company has entered into long-term stock-price-based variable compensation agreements with all of the members of the Management Board and a number of chosen employees. This so-called Phantom Stock Program is described and made public in a remuneration report as part of the Combined Management Report for the Management Board members and in the Notes to the Consolidated Financial Statements for the other employees. This Corporate Governance Report explicitly adopts the descriptions in the Combined Management Report and Notes to the Consolidated Financial Statements and refers to these in order to avoid unnecessary duplication.

TRANSPARENCY

Gerresheimer AG communicates openly, actively and comprehensively. Shareholders, shareholder associations, analysts and interested members of the public are informed regularly, promptly and on an equal-entitlement basis about the Company's position and key business changes. The Company's website (www.gerresheimer.com) is an important medium for this purpose. The annual and interim reports, press releases, ad hoc and other communications in accordance with the German Securities Trading Act, the financial calendar of events and other relevant information can be found here. In addition, the Company organizes regular analysts' and press conferences and events for investors.

REMUNERATION OF THE SUPERVISORY BOARD

The emoluments of the Supervisory Board are governed by the Articles of Association of Gerresheimer AG.

Each of the members of the Supervisory Board receives fixed annual remuneration of EUR 30,000.00. The Chairman of the Supervisory Board is entitled to double this amount and the Deputy Chairman to one and a half times this amount. With the exception of the committee in accordance with section 27 (3) of the

German Codetermination Act the Chairmen of committees receive additional fixed remuneration of EUR 10,000.00 for each chairmanship and each other member of a committee EUR 5,000.00. In addition to their annual remuneration the members of the Supervisory Board each receive a fee of EUR 1,500.00 for each meeting which they attend of the Supervisory Board and the committees of the Supervisory Board to which they belong, but with a maximum of EUR 1,500.00 per calendar day. Reasonable expenses are reimbursed on submission of documentation.

The members of the Supervisory Board furthermore receive variable remuneration. This amounts to EUR 100.00 per EUR 0.01 of adjusted consolidated net earnings per share of Gerresheimer AG if this value reaches the amount of EUR 0.50. If the adjusted consolidated net earnings per share of Gerresheimer AG exceed the amount of EUR 3.00 the excess amount is not taken into consideration in calculating the variable remuneration. The adjusted consolidated net earnings per share is the consolidated net income reported in the consolidated financial statements before non-cash amortization of fair value adjustments, special effects from restructuring expenses, extraordinary depreciation, the balance of one-off income and expenses (including significant non-cash expenses) and the related tax effects, after minorities, divided by the shares already issued on the balance sheet date. The Chairman of the Supervisory Board receives double the amount of this variable remuneration and the Deputy Chairman one and a half times the amount.

The total emoluments of Supervisory Board members for their activity on the Supervisory Board of Gerresheimer AG in the financial year 2010 amounted to EUR 840,250.00.

The individual emoluments of Supervisory Board members were made up as follows:

Name	Fixed remuneration	Variable remuneration	Attendance fees	Total
Armer	30,000.00	19,500.00	4,500.00	54,000.00
Fehn	30,000.00	19,500.00	6,000.00	55,500.00
Förster	55,000.00	29,250.00	13,500.00	97,750.00
Grädler	30,000.00	19,500.00	6,000.00	55,500.00
Dr. Herberg	7,479.45	4,861.64	3,000.00	15,341.09
Ludwig	40,000.00	19,500.00	13,500.00	73,000.00
Peters	40,000.00	19,500.00	9,000.00	68,500.00
Dr. Prante	30,000.00	19,500.00	6,000.00	55,500.00
Rogers	22,520.55	14,638.36	3,000.00	40,158.91
Schulze	85,000.00	39,000.00	13,500.00	137,500.00
Sikorski	30,000.00	19,500.00	6,000.00	55,500.00
Stuth	40,000.00	19,500.00	12,000.00	71,500.00
Vetter	35,000.00	19,500.00	6,000.00	60,500.00
	475,000.00	**263,250.00**	**102,000.00**	**840,250.00**

The Supervisory Board Member Lydia Armer receives reasonable remuneration for her membership of the Supervisory Board of Gerresheimer Regensburg GmbH after the end of each financial year. This is set by a resolution of the ordinary Shareholders' Meeting of Gerresheimer Regensburg GmbH. For the financial year 2009 the Shareholders' Meeting set the remuneration at EUR 5,000.00, which was paid out in the financial year 2010.

REMUNERATION OF THE MANAGEMENT BOARD

The total emoluments of the Management Board in the financial year 2010 are described in a remuneration report as part of the Combined Management Report and made public. This Corporate Governance Report explicitly adopts the description in the Combined Management Report and refers to this in order to avoid unnecessary duplication.

COMPLIANCE DECLARATION

The Management Board and Supervisory Board of listed German stock corporations are obliged under section 161 of the German Stock Corporation Act to declare annually whether the recommendations of the "Government Commission on the German Corporate Governance Code" as published by the Federal Ministry of Justice in the official part of the electronic German Federal Gazette (elektronischer Bundesanzeiger) have been and are being complied with or which recommendations have not been or are not being applied, and the reason therefor.

Most recently on February 9, 2011 the Management Board and Supervisory Board of Gerresheimer AG approved the following Compliance Declaration:

"Declaration of the Management Board and Supervisory Board of Gerresheimer AG on the recommendations of the 'Government Commission on the German Corporate Governance Code' according to section 161 of the German Stock Corporation Act

Since its last Compliance Declaration on September 14, 2010, Gerresheimer AG has complied with the recommendations of the "Government Commission on the German Corporate Governance Code" as amended on May 26, 2010, with the exceptions stated in this declaration.

Gerresheimer AG will in future comply with the recommendations of the "Government Commission on the German Corporate Governance Code" as amended on May 26, 2010 and still applicable, with the following exceptions:

1. Item 4.2.5 of the Code (Individualized reporting of Management Board remuneration)

In accordance with a resolution of the Annual General Meeting on May 14, 2007 the Company will not report Management Board remuneration on an individualized basis.

2. Item 6.6 of the Code (Statement of the shareholdings of members of the Management Board and the Supervisory Board)

Over and above the legal requirements, no statement of the shareholdings or related financial instruments of the members of the Company's controlling bodies is published in the Corporate Governance Report. The Company believes that compliance with the legal requirements creates sufficient transparency."

The preceding Compliance Declaration dated February 9, 2011 is also available on the Company's website under www.gerresheimer.com.

Shares

SOLID YEAR FOR THE EQUITY MARKETS

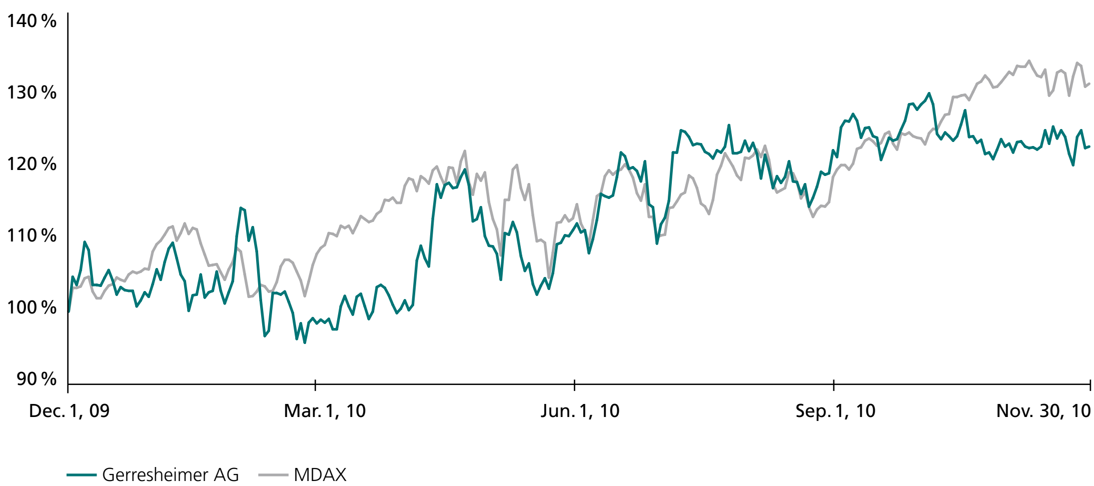
After a tumultuous prior year, share prices on the worldwide stock exchanges initially displayed robustness in the financial year 2010, and then trended upwards in the second half of the year. On the one hand, general market conditions reflected positive company data. On the other hand, many market participants were skeptical of the health of public finances in the euro area, especially in Greece and Ireland. Due to the introduced austerity measures and the EU rescue plan, governments succeeded in calming down the markets for the time being. Hence, trading in the financial year 2010 proceeded in a much less volatile fashion compared to the previous financial year and many investors recorded share price gains. The MDAX rose by 30.8 % in the financial year 2010.

GERRESHEIMER SHARES: UPWARDS TREND SUSTAINED

Gerresheimer shares managed to sustain their upwards trend which originally started in March 2009. After a short breathing time early in the financial year 2010, the share price started to rise at the beginning of the third quarter and became firmly established on that higher level. At the end of the financial year the share price stood at EUR 28.20. Hence, the price of Gerresheimer shares rose by a net 22.3 % in the past financial year.

The market capitalization of the Company at the end of the financial year on November 30, 2010, amounted to EUR 885.5m. According to the index ranking of the German Stock Exchange, Gerresheimer shares therefore occupied 31st place in the MDAX ranking as in the previous year. With regard to stock-exchange turnover, the shares occupied 45th place, after having reached 35th place at the end of the prior year.

Comparison of Gerresheimer AG Share Price Performance with the MDAX (Rebased)



MANY INTERNATIONAL INVESTORS HOLD A STAKE IN GERRESHEIMER

The free float still amounted to 100 % at the reporting date. The continued high amount of international interest in the shares is also reflected in the shareholder structure, which, according to official sources, attributes the predominant part of the shares to foreign ownership as of November 30, 2010. The largest part, about 58 % of shares, were held by investors from North America, followed by British investors who held a share of 26 %. At the reporting date, 11 % of shares were held by German investors.

Shareholder Structure by Region

HIGH LEVEL OF TRANSPARENCY IN THE SHAREHOLDER STRUCTURE

When specified notification thresholds are reached, shareholders are obliged to inform the Company and the Federal German Institute for Supervision of Financial Services (Bundesanstalt fuer Finanzdienstleistungsaufsicht – BaFin). According to the notifications received by us up to November 30, 2010, the following persons and institutions held more than 3 % of Gerresheimer shares as at the dates mentioned in the following table. Hence, these investors hold a combined 34.11 % of Gerresheimer AG shares:

Company	Stake in %	Date of Notification
BlackRock, Inc.	3.01	October 29, 2010
Governance for Owners Group LLP	3.16	October 29, 2010
Tremblant Holdings LLC	4.98	August 12, 2010
Scott M. Stuart/Edward A. Gilhuly (Sageview Capital LP)	9.67	July 22, 2010
Gilchrist B. Berg (Water Street Capital, Inc.)	3.10	February 16, 2010
Clifton S. Robbins (Blue Harbour Group, L.P.)	5.02	November 4, 2009
EP Overseas Fund Ltd. & EP Master Fund Ltd. (Eton Park Capital Management, L.L.C.)	5.17	June 10, 2009

CAPITAL MARKETS DAY ATTRACTS ENORMOUS INTEREST

Our second Capital Markets Day in early September received a very good response from investors and analysts alike. The Chief Executive Officer, Uwe Röhrhoff, and Chief Financial Officer, Hans-Jürgen Wiecha, presented the main points of the thematic blocks strategy, markets as well as finance and subsequently answered numerous questions from the participants. During the factory tour to a Tubular Glass and a Moulded Glass plant, investors and analysts gained an insight into the highly automated and technologically advanced production of our high-quality primary packaging made of special glass. The next event of this kind, which is going to be held in two-year-intervals, will be organized in the financial year 2012.

AGAIN HIGH PRESENCE ON THE OCCASION OF THE ANNUAL GENERAL MEETING

At this year's Annual General Meeting on April 29, 2010, in Duesseldorf, 63 % of the capital stock was represented. Thus, the participation rate even surpassed the prior year's already high figure of 59 %. The share of capital entitled to vote represented was also markedly above the average of DAX constituents' Annual General Meetings in the year 2010. Here, 53 % of capital entitled to vote was represented on average. The shareholders agreed to all proposed resolutions by a large majority of votes. The proposal not to pay a dividend with respect to the insecure general economic conditions also met the clear approval of shareholders.

ENVIRONMENTAL COMMITMENT: GERRESHEIMER PARTICIPATES IN THE CARBON DISCLOSURE PROJECT

Our measures to protect the environment often go well beyond the legal requirements in the various countries. In 2010 we continued to participate in one of the world's biggest initiatives to protect the environment, the Carbon Disclosure Project (CDP). The CDP is a charitable organization surveying company-related greenhouse gas emissions data on a global basis. Based on the survey data, moreover, the CDP helps to identify emissions-related risks and opportunities and to develop sustainable strategies for the future. And even beyond our CDP participation we are always committed to improving our energy, consumption and emissions management. Due to this, our production facilities already rank among the most modern in the world. We are securing our progress in the field of environmental protection through various initiatives which bring about benefits for our customers, investors, suppliers, employees and society as a whole.

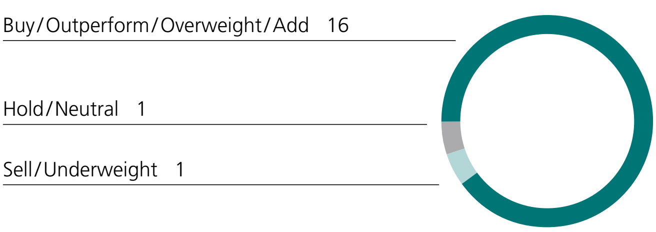
ANALYSTS SEE UPWARD POTENTIAL

18 bank analysts reported on Gerresheimer shares as at the end of the financial year. There continued to be a clear preponderance of positive comments. The average price target was EUR 33.40, which is 18 % above the closing price of the financial year. The following graphics give an overview of the banks reporting as at the end of the financial year along with their recommendations:

Company Research

Bankhaus Lampe	Deutsche Bank	J.P. Morgan Cazenove
Bank of America Merrill Lynch	DZ Bank	LBBW
Berenberg Bank	equinet Bank	MainFirst
Cheuvreux	Hauck & Aufhaeuser	Merck Finck & Co
Commerzbank	HSBC	UniCredit
Credit Suisse	Jefferies	WestLB

Bank Analysts Predominantly Recommend to Buy Gerresheimer Shares



MOODY'S RAISES OUTLOOK FOR GERRESHEIMER

In April 2010, the rating agency Moody's affirmed the current rating for Gerresheimer of Ba2 and raised its outlook from 'stable' to 'positive'. Moody's bases its positive assessment on the good operative development of the Company. At the same time, Moody's referred to the strength and stability of the business model.

CAPITAL MARKET COMMUNICATION: INTENSIVE DIALOG WITH INVESTORS AND ANALYSTS

In the course of numerous road shows, conferences and telephone conferences, as well as a multitude of one-to-one conversations, we continued the intensive dialog with analysts and investors over the past financial year. As in the previous years, the Management Board and the Investor Relations Team visited key financial centers in Europe, America and Canada. These included Frankfurt, London, Paris, Vienna, Zurich, Copenhagen, Stockholm, Helsinki, New York, Boston, Chicago, San Francisco and Toronto. Sustained, open and prompt communication with all interested parties will continue to be our claim. You will find an up-to-date plan with the upcoming events at which we will present the Company on our website at www.gerresheimer.com/investor-relations.

Key Data for the Shares	**2010**	2009
Number of shares as of the reporting date in million	31.4	31.4
Share price[1] as of the reporting date in EUR	28.20	23.05
Market capitalization as of the reporting date in EUR m	885.5	723.8
Share price high[1] during the reporting period in EUR	29.85	27.05
Share price low[1] during the reporting period in EUR	22.09	13.24
Earnings per share in EUR	1.38	0.18
Adjusted earnings per share[2] in EUR	1.95	1.34
Dividend per share in EUR	0.50[3]	–

[1] In each case Xetra closing price.
[2] Adjusted net income after non-controlling interests divided by 31.4m shares.
[3] Proposed appropriation of net earnings.

Reference Data for the Shares	
ISIN	DE000A0LD6E6
WKN	A0LD6E
Bloomberg reference	GXI
Reuters reference	GXIG.DE

Stock Index Membership of the Shares	
MDAX	Prime All Share
CDAX	Classic All Share
HDAX	EURO STOXX TMI/STOXX Europe TMI
and further sector and size indexes	

Listings	
Berlin	Hanover
Duesseldorf	Munich
Frankfurt (Xetra & floor trade)	Stuttgart
Hamburg	

Financial Calendar	
February 10, 2011	Annual Report 2010
April 7, 2011	Interim Report 1st Quarter 2011
April 14, 2011	Annual General Meeting in Duesseldorf
July 13, 2011	Interim Report 2nd Quarter 2011
October 6, 2011	Interim Report 3rd Quarter 2011

HIGH PRIORITY OF INVESTOR COMMUNICATION

Continuous dialog with investors and analysts is an important part of our corporate philosophy. The Chief Executive Officer, Uwe Röhrhoff, and the Chief Financial Officer, Hans-Jürgen Wiecha, are personally committed to this.

In addition, the Investor Relations Team is available to answer your questions and listen to suggestions regarding any aspect of Gerresheimer AG. You can contact us as follows:

Gerresheimer AG
Investor Relations
Benrather Strasse 18-20
40213 Duesseldorf
Germany
Phone +49 211 6181-257
Fax +49 211 6181-121
E-mail gerresheimer.ir@gerresheimer.com
www.gerresheimer.com/investor-relations

Combined Management Report of the Gerresheimer Group and the Gerresheimer AG

BUSINESS DEVELOPMENT OF FINANCIAL YEAR 2010

In the financial year 2010 the Gerresheimer Group generated significant revenue growth and increase in results. The continuing high demand for pharmaceutical products, the again growing demand for cosmetic packaging, as well as the recovery of the laboratory glassware market led to an increase in revenues of 5.6 % to EUR 1,024.8m (prior year revenue of EUR 970.8m excluding the Technical Plastic Systems business sold with effect from July 1, 2009). At constant exchange rates the Gerresheimer Group increased revenues by 4.0 % compared to the prior year.

The adjusted EBITDA margin recorded an increase from 19.2 % in the financial year 2009 to 20.0 % in the financial year 2010 (prior year excluding the Technical Plastic Systems business). The considerable improvement in EBITDA margin due to increasing revenues and cost reductions led to a significant increase in operating results (adjusted EBITDA) from EUR 186.2m in the financial year 2009 to EUR 204.5m in the financial year 2010 (prior year excluding the Technical Plastic business).

The result from operations (EBIT) increased from EUR 60.5m in 2009 to EUR 95.0m in the comparative period 2010. Also the consolidated profit after income taxes made a big jump from EUR 7.0m in the prior year to EUR 46.7m in the financial year 2010. Besides the increased operating result, the lower amortization of fair value adjustments as well as the improved financial results contributed to this increased consolidated profit.

The net financial debt was reduced by EUR 62.3m from EUR 373.3m in the financial year 2009 to EUR 311.0m in the financial year 2010. The adjusted EBITDA leverage decreased from 2.0 at November 30, 2009 to 1.5 at November 30, 2010. The equity ratio improved from 35.8 % to 39.0 % from one balance sheet date to the next.

Similar to the prior year, external factors such as exchange rate fluctuations or the development of energy and commodity prices had little influence on the operating result of the Gerresheimer Group in the reporting period. With a sound financial structure, secured interest rates and liquidity reserves our Company is well positioned in the long term. Fluctuations in the US dollar/euro exchange rate do not have a material effect on the development of the Group's result and essentially only led to translation effects caused by our production sites in the US and financial debt in US dollars. Price fluctuations for raw materials and energy are substantially equalized by contractually agreed price escalation clauses, hedging transactions, productivity and price increases.

THE GERRESHEIMER GROUP

Business Activities

The Gerresheimer Group is a leading international supplier of high-quality glass and plastic packaging and system solutions. Its most important market is the global pharma and healthcare industry. Based on own developments and state-of-the-art production technologies, Gerresheimer offers primary pharmaceutical packaging and drug delivery systems as well as diagnostic systems and a full range of glass products for the Life Science Research Division.

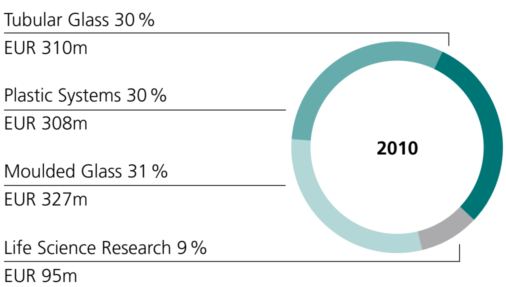
The Gerresheimer Group is based in Duesseldorf (Germany) and comprises Gerresheimer AG as well as its direct and indirect subsidiaries and associates. At the end of the financial year 2010, the Group had 42 sites in Europe, the Americas and China and the two new sites in Russia and India with 9,475 employees worldwide.

Gerresheimer AG is the parent company of the Gerresheimer Group and as a holding company manages its direct and indirect subsidiaries.

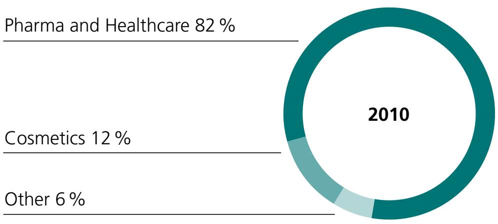
Markets

The company is focused on the pharma and healthcare markets, which are served by all of the Group's four divisions with an extensive range of products and services. Around 82 % of total revenue is generated in this business area. The vast majority of this relates to transactions with the pharma industry in Europe and North America.

REVENUES BY DIVISION
Consolidated revenues: Approx. EUR 1,025m*



REVENUES BY MARKET SEGMENT
Consolidated revenues: Approx. EUR 1,025m*



* Segment revenues include intra-group revenues.

Smaller shares of the revenues relate to cosmetics as well as to niche segments of the food and beverage industry, largely in Europe.

Divisions

Gerresheimer operates in the divisions „Tubular Glass", „Plastic Systems", „Moulded Glass" and „Life Science Research".

Tubular Glass

As a vertically integrated provider, Gerresheimer produces type I borosilicate glass tubing of the highest hydrolytic resistance. This tubing is the basic material for a large number of high-quality specialized products for the pharma and healthcare industry. In this division we sell about 45 % of its production to external processors as half-finished goods. We use the remaining production output for internal processing.

In the processing plants we reprocess the glass tubing from own production into a wide range of high-quality primary packaging for the pharmaceutical industry. Besides ampoules, vials and cartridges, these especially include prefillable disposable syringe systems. Special surface treatment procedures and innovative closure systems complement this program.

With our highly specialized expertise and pharma-compliant technologies, we are in a position to offer our customers an unusually wide range of products. We generate the majority of our revenue from syringe systems under our leading syringe trademark RTF® (Ready to Fill). We supply these syringes to the pharma industry in a wide range of finishes, siliconized, preassembled, sterilized and as such completely ready to fill.

Plastic Systems

The Plastic Systems Division comprises Gerresheimer Regensburg (formerly Gerresheimer Wilden) and Gerresheimer Plastic Packaging. Besides standard system packaging for drugs from Gerresheimer's business unit Plastic Packaging, this highly innovative division also offers complex systems and system components through Gerresheimer Regensburg. We develop and produce these systems and components within the scope of individual project business, primarily for our customers in the pharma industry, diagnostics and medical technology.

Gerresheimer Regensburg offers individual service at all stages of the value chain to our customers. The medical plastic systems range from all kinds of inhalers for treating respiratory diseases, lancet magazines and insulin pen systems for diabetics through to the most varied disposable products for laboratory and molecular diagnostics.

Gerresheimer Plastic Packaging provides a wide range of high-quality primary packaging for liquid and solid medications. This includes, for example, application and dosage systems, such as eye-droppers and miniature nasal spray vials, as well as special containers for tablets and powders. This range is complemented by key design features, including multifunction closure systems with tamper-evident, child-resistant closures, and integrated desiccants, as are included under the Duma® trademark.

Moulded Glass
The Moulded Glass Division supplies the pharma and cosmetics industries, as well as food and beverage producers.

For primary drugs packaging, we produce in our Moulded Glass Division all kinds of glass containers suitable for pharmaceuticals including borosilicate glass containers of the highest hydrolytic resistance. On this basis, we effectively offer a complete range of pharmaceutical packaging in flint and amber glass. This includes, for example, a wide variety of injection bottles, dropper bottles, and syrup bottles to meet the manifold requirements of the market.

We also cover all the relevant needs of the cosmetics industry for high-quality glass packaging. The product portfolio includes flacons and jars for perfumes, deodorants, skincare, wellness, and other products. For special segments of the food and beverage industry we produce mainly marketing-oriented low-volume containers. This includes also individual miniature bottles for spirits.

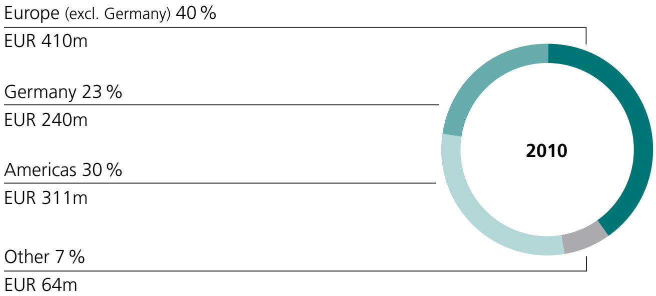
In addition to clear and colored glass, the Moulded Glass Division also produces opal glass. We have access to all the relevant shaping and coloring processes, printing and exclusive finishing techniques.

Life Science Research
In the Life Science Research Division, we focus on specific glass containers and systems in particular for research and development and analytics. It also covers general laboratory ware.

The products are fabricated with tubular glass as well as on the basis of the Paste mould technology. The extensive product portfolio ranges from standard items for wet chemistry, such as volumetric flasks, beakers, conical flasks and vials for laboratory analytics, to more complex products such as distillation and filtration systems, as well as components for precision lasers. In addition, we provide numerous options which allow products to be precisely modified for a specific purpose.

Regions
Europe and the Americas continue to be the most important geographical sales regions for Gerresheimer. The so-called emerging markets are becoming more important, particularly China. With the foundation of a representative in Moscow in April this year, as well as with the opening of a sales office in Mumbai / India, we broadened our global business. All in all, the percentage of revenue in all regions remained on the prior year level.

REVENUES BY REGION
Consolidated revenues: Approx. EUR 1,025m



The percentage of revenue generated in Europe of 63 % is only slightly behind the prior year value of 66 %. Germany contributed a share of revenue of 23 %.

With a share of now 30 % of consolidated revenue (prior year: 28 %), the Americas remain an important submarket for the Gerresheimer Group. Due to the presence of the globally operating pharmaceutical companies, and due to the demographic potential, the Americas are and will continue to be one of the key regions of our economic activity.

Revenue in other regions contributed 7 % to the Group's total revenue in 2010. The main part of this revenue belongs to China where the rate of economic expansion in the financial year 2010 was again at a high level. With seven production sites in China we participated in this development.

OVERALL ASSESSMENT OF THE ECONOMIC DEVELOPMENT AND FORECAST ATTAINMENT IN THE FINANCIAL YEAR

The financial year 2010 proved very successful for the Gerresheimer Group. Order income and revenue demonstrated a clear upward trend. The cost-cutting measures that were implemented last year in response to the economic conditions prevailing at that time, have left us in a very favorable position this year. This has allowed us to achieve outstanding results: Revenue rose by 5.6 % to EUR 1,024.8m (prior year without Technical Plastic Systems), while consolidated profit after income tax improved considerably from EUR 7.0m the previous year to EUR 46.7m in the financial year 2010.

Our revenue from the pharmaceutical industry has, in the financial year 2010, once again proven to be stable and unaffected by the crisis. Additionally, revenue and earnings growth in the more cyclical areas of cosmetics and life science have shown a considerable recovery. After an initially difficult start to the year, recorded in both the cosmetics business and the Life Science Research Divisions, a clearly positive trend in revenue and results has been demonstrated.

However, the revenue with the pharmaceutical industry remains the decisive factor for the Group, which accounts for 73 % of our total revenue in the financial year 2010. Characterized by a number of factors, such as demographic trends and improved medical care in the emerging markets, the pharmaceutical market can be seen as an industry with sustainable economic growth. Consequently, Gerresheimer finds itself, with its global presence and innovative product range, in an excellent position to be able to take advantage of this fact.

Our expectations for the financial year are generally formulated in the form of a corridor regarding the development of revenue, the adjusted EBITDA margin and capital expenditures. Consequently, on February 9, 2010 we released our revenue forecast for the financial year 2010 of between 2 % to 4 % growth (on a like-for-like exchange rate basis and after subtracting the Technical Plastic Systems business). The expectations for the adjusted EBITDA margin were, at this time, around 19.5 % (excluding Technical Plastic Systems).

In connection with the publishing of the Interim Report for the second quarter 2010 on July 14, 2010, we were able to state more precisely the forecast for the revenue because of good business performance. The revenue growth was narrowed to a scope from 3 % to 4 % (on a like-for-like exchange rate basis and after subtracting the Technical Plastic Systems business). Additionally, we were able to increase the expected adjusted EBITDA margin, from 19.5 % to 20.0 % (excluding Technical Plastic Systems).

The achieved values of the financial year 2010, show an increase in revenue of 4.0 % (on a like-for-like exchange rate basis and after subtracting the Technical Plastic Systems business), corresponding exactly to the upper threshold value of the revenue forecast (3 % to 4 %). The adjusted EBITDA margin of 20.0 % was also satisfyingly at the upper end of the predicted range (19.5 % to 20.0 %).

The investments of EUR 73.2m were slightly below the predicted range of EUR 75 to 80m, even though the investments in growth projects and for quality assurance and quality improvement were implemented. Overall, the reinvestment ratio (capital expenditures in relation to ordinary depreciation) amounted to 90 %.

In consideration, the rise of the net income for the year and the improvement of the equity ratio compared to the prior year demonstrated that also the development of Gerresheimer AG as a separate company was distinctly positive.

BUSINESS ENVIRONMENT

Overall economic conditions

In 2010, the world economy recovered from the prevailing severe recession more quickly than had been expected a year ago. Global gross domestic product grew strongly, especially in the 1st half of 2010. The recovery of the economy was particularly shaped by the emerging markets which were not affected or significantly less affected by the financial crisis, so they were able to return quickly to previous growth rates. Impulse also came from some very expansionary monetary and fiscal policies of some countries and from the strong upswing in world trade, of which the German economy in particular benefited greatly. However, as the year progressed, the economic recovery slowed in many countries. All in all, the world economy in 2010, after a decline of 1 % in the previous year, is predicted to have grown at a rate of about 4.5 %.

In 2010, the US economy was still struggling with the consequences of the financial crisis. A significant growth in overall output in the first months after the crisis has however led to a modest recovery in 2010. Despite the extensive use of stabilization measures and a strong relaxation of monetary policy, broad-based recovery has failed to occur. According to estimates by financial analysts, the decline in economic output in 2009 in the US of 2.6 %, was nevertheless predicted to be followed by an increase in real gross domestic product of about 2.8 % in 2010.

In the eurozone as a whole, the recovery was slow and even less than the development in the United States. Economic growth in the individual EU Member States was very variable. Among the most affected by the financial crisis were those countries whose government debt had risen sharply and consequently had to continue to pay high risk premiums on the capital markets. Other countries, whose economic success was temporarily affected due to their export orientation, have found themselves on the road to recovery after the crisis. After the downturn in Europe of 4.1 % in 2009, the economy was expected to achieve an upturn of some 1.7 % in 2010.

According to the Council of Economic Experts, Germany has demonstrated an exceptionally strong and rapid recovery out of the crisis during 2010. Gross domestic product, which is expected to have grown by about 3.7 % in 2010, benefited both from the improvement in domestic demand and from the industrial goods orientated export which provided a much more rapid economic recovery in Germany in comparison to neighboring European countries.

During 2010, it was the emerging markets that provided the dynamics in the development of the global economy. In particular, the so-called BRIC countries Brazil, Russia, India and China, are of importance to the world economy due to their size. Their share of global domestic product was 25 % in 2010 with the tendency to rise further. These BRIC countries are particularly important to Germany, since trade volume with these countries is about four times as large as that of the United Kingdom, France or Italy. Even despite the belief of experts that the period of peak expansion has been passed in China due to a less expansionary economic policy, gross national product growth in China is expected to be around 10 % in 2010. In Brazil, economic policy reacted with slightly tightening measures to the improved economic development, which resulted in an expected increase of about 7.5 % in gross national product for 2010. India continued to benefit from favorable demographic trend, which is considered the driving force for domestic demand. As a result, gross domestic product in 2010 is expected to have increased by about 9.5 %. It is only in Russia, that the recession has left its mark because the large fiscal stimulus program has left the government with an increased deficit. Consequently it is estimated that Russia will report a growth in gross national product of around just 4 % for 2010.

The global pharmaceutical market continued to be robust in 2010. While the industrialized countries showed more moderate growth rates, the development was more dynamic in the emerging countries, the so-called Pharmerging Markets. Here the pharmaceutical sector benefited from rising public expenditure on medical care as well as higher private expenditure on preventive medical care and health. The governmental efforts to reduce the healthcare costs could not impact the growth in the pharmaceutical industry yet. The producer of generic medication will become more and more important. On the whole, the pharmaceutical industry appears to continue to be an industry unaffected by the financial crisis and benefits from sustainable growth generators. Included herein are demographic changes accompanied by the increased need for medical care by older people, the technological advancement in the medical field as well as the increase in generic medication and medication produced on the basis of biotechnology. Despite the significantly reduced inventory levels for pharmaceutical primary packaging of the previous year, there was no restocking in 2010.

The market for high-quality cosmetic packaging made of glass picked up significantly during the year. This was mainly driven by two effects: The clear tendency to rebuild inventory levels but also the increasing demand for cosmetic products.

The market for life science research products in 2010 demonstrated a gradual recovery throughout the year. As in the cosmetics business, inventories were replenished. Furthermore, the increase in demand led to an increase in revenue.

Consolidated Financial Statements of Gerresheimer AG

REVENUE DEVELOPMENT

Adjusted by the Technical Plastic Systems business, group revenue increased by 5.6 % to EUR 1,024.8m in the financial year 2010 compared to the financial year 2009. On a like-for-like exchange rate basis revenue growth of 4.0 % was achieved. The prior year included revenue of EUR 29.4m from the Technical Plastic Systems business, which was sold with effect from July 1, 2009.

in EUR m	**2010**	2009	Change in %
Revenues			
Tubular Glass	310.4	302.9	2.5
Plastic Systems	307.9	285.5	7.8
Moulded Glass	327.3	307.9	6.3
Life Science Research	95.0	87.4	8.8
Sub-total	**1,040.6**	**983.7**	**5.8**
Intra-group revenues	-15.8	-12.9	-22.5
Revenues core activities	**1,024.8**	**970.8**	**5.6**
Technical Plastic Systems	0.0	29.4	-100.0
Total Revenues	**1,024.8**	**1,000.2**	**2.5**

With revenue of EUR 310.4m in the financial year 2010 the Tubular Glass Division generated growth of 2.5 % compared to the prior year. On a like-for-like exchange rate basis the revenue was on prior year level. The revenue from sales of vials and ampoules developed positively especially in North America and China. Due to a shrinking market and the extension of a contract with reduced quantities with a major customer, revenue for bulk syringes fell back sharply in the financial year 2010. The revenue for RTF®-syringes developed positively, but due to changing technical parameters and the connected obligatory customer validation, the revenue growth for the last quarter failed temporarily to meet the expectations.

The Plastic Systems Divisions increased its revenue in the financial year 2010 by EUR 22.4m to EUR 307.9m compared to the prior year. This corresponds to a revenue growth of 7.8 %. On a like-for-like exchange rate basis revenue growth was 6.3 %. The revenue increase over the full financial year 2010 was once again achieved predominantly through the sale of pen systems and products from the area for inhalers.

The Moulded Glass Division achieved revenue of EUR 327.3m in the financial year 2010 which corresponds to revenue growth of 6.3 % compared to the prior year. On a like-for-like exchange rate basis revenue growth of 5.6 % was generated in the financial year 2010. This growth was mainly achieved by the recovery in demand for cosmetic products.

In the Life Science Research Division revenue reached EUR 95.0m in the reporting period. This corresponds to a growth of 8.8 % or on a like-for-like exchange rate basis 5.5 %. The reason for this growth is the starting market recovery as well as the temporarily supporting revenue effect from increasing inventory level of some major customers.

As a result of the sale of the Technical Plastic Systems business with effect from July 1, 2009, no more revenue is included in the current financial year. The financial year 2009 included revenue of EUR 29.4m. Therefore, the revenue development is no longer comparable with the prior year.

RESULT FROM OPERATIONS

The result from operations of the Gerresheimer Group improved considerably compared to the prior year. The Gerresheimer Group generated in the financial year 2010 an adjusted EBITDA (operating profit before income tax, financial result, depreciation and amortization, restructuring expenses and one-off income and expenses) of EUR 204.5m and was thereby 10.0 % above the comparative prior year value. The revenue growth of this financial year led, in connection with the cost adjustments carried out in the prior year, to an increase of the adjusted EBITDA margin to 20.0 %. (2009: 19.2 % excluding Technical Plastic Systems business).

in EUR m	**2010**	2009	Change in %
Adjusted EBITDA			
Tubular Glass	70.3	73.3	-4.1
Plastic Systems	74.1	69.0	7.4
Moulded Glass	67.9	54.0	25.7
Life Science Research	11.7	8.2	42.7
Sub-total	**224.0**	**204.5**	**9.5**
Central function/Consolidation	-19.5	-18.3	-6.6
Adjusted EBITDA core activities	**204.5**	**186.2**	**9.8**
Technical Plastic Systems	0.0	-0.3	100.0
Total adjusted EBITDA	**204.5**	**185.9**	**10.0**

The adjusted EBITDA of the Tubular Glass Division of EUR 70.3m in the financial year 2010 was under the prior year's EUR 73.3m. The adjusted EBITDA margin of 22.6 % was also below the prior year level of 24.2 %. Effects on profit from the declining revenue of bulk syringes and RTF®-syringes in the fourth quarter could not be fully compensated by the positive contributions from revenue of all other product lines.

Adjusted EBITDA of the Plastic Systems Division increased in the reporting period 2010 compared to the prior year by 7.4 % to EUR 74.1m. The adjusted EBITDA margin of 24.1 % was on the same level as the margin of the excellent prior year (excluding Technical Plastic Systems). In particular, a significant increase in revenue in the business area of medical plastic systems led to this positive earnings trend.

In the financial year 2010 the Moulded Glass Division's adjusted EBITDA exceeded the prior years by 25.7 % and thus increased to EUR 67.9m. The significant revenue growth, especially in the cosmetics business, meant better capacity utilization and thus resulted in additional profit margins. Furthermore, the previous year's cost adjustments had a very positive effect. The adjusted EBITDA margin increased from 17.5 % prior year to an excellent 20.7 % in the financial year 2010.

The adjusted EBITDA of the Life Science Research Division increased by 42.7 % to EUR 11.7m in the financial year 2010. Main drivers of the positive earnings development were the growth in revenue and the positive effects from the closing and relocation of production from a plant in the US to China and Mexico. The adjusted EBITDA margin rose from 9.4 % in the financial year 2009 to 12.3 % in the reporting year 2010.

The costs of the central functions / consolidation have increased from EUR 18.3m in the prior year to EUR 19.5m.

The following table shows the reconciliation of adjusted EBITDA to the consolidated result for the period:

in EUR m	**2010**	2009	Change
Adjusted EBITDA	**204.5**	**185.9**	**18.6**
Restructuring expenses	3.7	3.6	0.1
One-off income / expense [1]	0.0	2.0	-2.0
EBITDA	**200.8**	**180.3**	**20.5**
Amortization of fair value adjustments [2]	24.8	38.3	-13.5
Depreciation and amortization	81.0	76.2	4.8
Impairment loss	0.0	5.3	-5.3
Result from operations	**95.0**	**60.5**	**34.5**
Financial result [3]	-34.3	-40.3	6.0
Income taxes	-14.0	-13.2	-0.8
Net income	**46.7**	**7.0**	**39.7**
Attributable to non-controlling interests	3.5	1.2	2.3
Attributable to equity holders of the parent	**43.2**	**5.8**	**37.4**

[1] The item comprises one-off items which cannot be taken as an indicator of ongoing business operations. These include, for example, various expenses for reorganization and structural changes which are not reportable as "restructuring expenses" according to IFRS.

[2] Amortization of fair value adjustments relates to assets identified at fair value in connection with the acquisitions of Gerresheimer Vaerloese in December 2005, Gerresheimer Regensburg in January 2007, the pharma glass business of Comar Inc., USA in March 2007, the new formation of the Kimble Chase joint venture in July 2007 as well as the acquisitions of Gerresheimer Zaragoza and Gerresheimer Sao Paulo in January 2008.

[3] The financial result comprises interest income and expenses in relation to the net financial debt of the Gerresheimer Group. In addition, interest expenses for pension provisions less expected income from fund assets and currency effects from financing activities as well as valuation effects from derivative financial instruments relating hereto are included.

Starting from adjusted EBITDA the restructuring expenses and one-off income/expenses reconcile to EBITDA. The restructuring expenses primarily include amounts in connection with the closure of the production facility of the Life Science Research plant in Vineland NJ, USA.

While the fair value amortization of EUR 24.8m is well below the prior year level of EUR 38.3m, depreciation and amortization increased by EUR 4.8m to EUR 81.0m due to the increased investment volume. The prior year impairment loss of EUR 5.3m arose from the sale of the Technical Plastic Systems business. All in all the result from operations of EUR 95.0m is significantly above the prior year level of EUR 60.5m.

Due to reduced net debt, the financial result (expense) of EUR 34.3m is EUR 6.0m below the prior year level. As a result the net income before income taxes at the end of the reporting period therefore amounted to EUR 60.7m. The comparative prior year value was EUR 20.2m.

The income tax expense of EUR 14.0m led to a tax ratio of 23 %. Herein included are tax preferences for investments made in the Czech Republic as well as on-time effects relating to prior year periods. At November 30, 2010 the Gerresheimer Group therefore showed a net income for the year of EUR 46.7m (prior year: EUR 7.0m).

Adjusted Net Income (defined as consolidated profit including non-controlling interests, before non-cash amortization of fair value adjustments, special effects from restructuring expenses and the balance of one-off income and expense as well as the tax effect hereon) amounted to EUR 65.8m in the financial year 2010. In the comparative prior year period this amounted to EUR 45.2m. The adjusted earnings per share stood at EUR 1.95 after EUR 1.34 last year (after non-controlling interests respectively).

DIVIDEND PROPOSAL TO THE ANNUAL GENERAL MEETING

At the Annual General Meeting on April 14, 2011, the Management Board and the Supervisory Board of Gerresheimer AG will propose that a dividend of EUR 0.50 per share will be paid for the financial year 2010.

This represents a total dividend distribution of EUR 15.7m. The proposal will also be made to carry forward the Company’s remaining retained earnings of EUR 45.0m to new account.

NET ASSETS

The Gerresheimer Group's net assets developed as follows in the financial year 2010:

	Nov 30, 2010		Nov 30, 2009	
Assets	**in EUR m**	**in %**	in EUR m	in %
Non-current assets	993.3	73.2	1,005.0	75.0
Current assets	364.5	26.8	335.6	25.0
Balance sheet total	**1,357.8**	**100.0**	**1,340.6**	**100.0**
Equity and Liabilities				
Equity and non-controlling interests	529.4	39.0	480.2	35.8
Non-current liabilities	491.7	36.2	521.6	38.9
Current liabilities	336.7	24.8	338.8	25.3
Balance sheet total	**1,357.8**	**100.0**	**1,340.6**	**100.0**

Compared to prior year, the balance sheet total of the Gerresheimer Group increased by EUR 17.2m to EUR 1,357.8m at November 30, 2010. There were no significant changes within the balance sheet structure.

Non-current assets decreased by EUR 11.7m to EUR 993.3m and made up about 73.2 % of the balance sheet total at November 30, 2010. The increase in fixed assets as a result of investments and translation effects was compensated by ordinary depreciation including fair value amortization. Non-current assets and equity and non-current liabilities cancel each other out.

The increase in current assets from EUR 335.6m to EUR 364.5m reflects the increase in inventories and trade receivables as a result of the increased demand.

Consolidated equity including non-controlling interests of the Gerresheimer Group of EUR 529.4m is EUR 49.2m higher than prior year; the equity ratio increased from 35.8 % in the prior year to 39.0 % in the financial year 2010. The positive consolidated result, the currency effects and the positive effect from value changes of hedging transactions led to the significant increase in equity in the financial year 2010.

The non-current liabilities have decreased from EUR 521.6m as of November 30, 2009 to EUR 491.7m, despite translation effects. This is primarily attributable to the fact that one part of the senior facility, which was previously classified as long term, has been transferred to current liability, due to upcoming scheduled repayments. Non-current liabilities now account for 36.2 % of the balance sheet total (prior year: 38.9 %).

The current liabilities remain at the prior year level, despite the transfer of the now short term portion of the senior facility. This is primarily attributable to an increase in received prepayments, trade payables and the scheduled repayment of a part of the senior facility.

Net financial debt developed as follows:

in EUR m	**Nov. 30, 2010**	Nov. 30, 2009
Financial debt		
Senior facilities		
Term Loan[1)]	183.9	201.6
Revolving Credit Facility[1)]	10.0	39.9
Total senior facilities	**193.9**	**241.5**
Senior Notes	126.0	126.0
Local borrowings[1)]	39.2	45.6
Capitalized lease obligations	12.4	16.3
Total financial debt	**371.5**	**429.4**
Cash and cash equivalents	60.5	56.1
Net financial debt	**311.0**	**373.3**
Adjusted EBITDA	**204.5**	**185.9**
Adjusted EBITDA leverage	**1.5**	**2.0**

1) For the translation of US dollar loans to euro the following exchange rates were used: as at November 30, 2009: EUR 1.00/USD 1.5023; as at November 30, 2010: EUR 1.00/USD 1.2998.

As of November 30, 2010, the positive business development of the Gerresheimer Group has led to a further significant reduction in net financial debt. In comparison to November 30, 2009 the net financial debt has been reduced by EUR 62.3m. This development is even more positive when when taking into consideration the translation effects on loans denominated in US dollar that increased the net financial debt mathematically.

The adjusted EBITDA leverage, calculated as the ratio of interest bearing net debt to adjusted EBITDA, was 1.5 at the balance sheet date in comparison to 2.0 in the prior year.

CASH FLOW STATEMENT

in EUR m	**2010**	2009
Cash flow from operating activities	159.8	117.4
Cash flow from investing activities	-69.5	-86.8
Cash flow from financing activities	-90.5	-65.3
Changes in cash and cash equivalents	-0.2	-34.7
Effect of exchange rate changes on cash and cash equivalents	4.6	-4.3
Change in cash and cash equivalents of the disposal group	0.0	0.7
Cash and cash equivalents at the beginning of the period	56.1	94.4
Cash and cash equivalents at the end of the period	60.5	56.1

The cash inflow from operating activities in the reporting year amounted to EUR 159.8m and is therefore EUR 42.4m higher than the prior year value of EUR 117.4m. This positive development is primarily attributable to the considerable improvement in the result from operations as well as to reduced interest and tax payments made.

The net cash outflow from investing activities of EUR 69.5m is below the prior year value of EUR 86.8m due to the fact that fewer investments in tangible assets were made. Further information on investments made in the financial year 2010 can be found in paragraph on Capital Expenditure of this Group Management Report.

The cash outflow from financing activities totaled EUR 90.5m in the reporting period (prior year: EUR 65.3m). Similar to the prior year, the free liquidity was used for the net repayment of loans, especially for the scheduled repayment of our senior credit facilities.

At November 30, 2010 the Gerresheimer Group had cash and cash equivalents of EUR 60.5m (prior year: EUR 56.1m) at its disposal. In addition, a revolving credit facility of EUR 175m was available to Gerresheimer at the end of the reporting period, of which EUR 10.0m (prior year: EUR 39.0m) had been drawn at November 30, 2010 and is available, to finance investments, acquisitions and for other operating purposes.

CAPITAL EXPENDITURE

In the financial year 2010 the Gerresheimer Group made capital expenditures (incl. intangible assets) of EUR 73.2m (prior year: EUR 86.4m). The main focus of these investments was, as in prior years, growth projects and increase in capacity, especially in the Plastic Systems Division. Investments for quality assurance and quality improvements were also made as planned. The reinvestment ratio (capital expenditure in relation to ordinary depreciation) was around 90 %.

Overall, in the financial year 2010, the Tubular Glass Division invested EUR 18.3m (prior year: EUR 25.4m). In addition to the expansion of the production for sterile ready-to-fill syringes (RFT®) it also invested in automation and capacity expansion in ampoules lines.

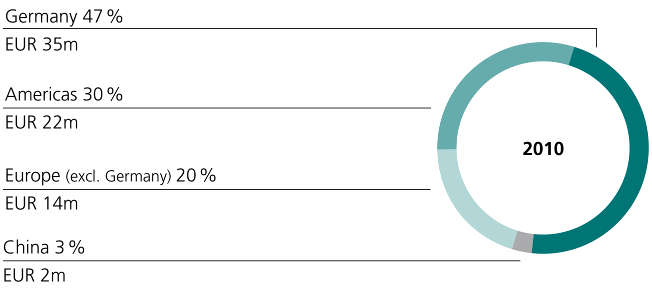
In the financial year 2010 the Plastic Systems Division made investments of EUR 32.2m (prior year: EUR 29.3m). These investments were mainly used for the development of the production of pen systems in Brazil.

The Moulded Glass Division accounted for EUR 19.8m (prior year: EUR 28.8m) of the capital expenditures. Funds for the regular overhaul of a furnace in the US as well as expenditures for moulds, tools and modernization were included herein.

The investments of the Life Science Research Division at EUR 2.5m were on the prior year level.

The Americas accounted for 30 % or EUR 21.6m of the capital expenditures (prior year: 24 %), China for 3 % or EUR 2.5m (prior year: 3 %) and the other European countries for 20 % or EUR 14.5m (prior year: 25 %). At 47 % or EUR 34.6m, the majority of capital expenditures were again made in Germany (prior year: 48 %).

CAPITAL EXPENDITURES
Capital expenditure (incl. Intangible assets) in the current financial year for the Group: EUR 73.2m



Financial Statements of Gerresheimer AG

The financial statements have been prepared in compliance with HGB ("Handelsgesetzbuch": German Commercial Code) and AktG ("Aktiengesetzt": German Stock Corporation Act).

Development of Gerresheimer AG's results of operations

The result from ordinary activities rose from EUR 29.8m in the prior year to EUR 33.0m in the financial year 2010. This profit is characterized by the positive financial results in the context of the Group's financing to the amount of EUR 34.2m and income from the profit transfer by Gerresheimer Holdings GmbH amounting to EUR 16.9m.

Other operating income of EUR 10.6m was above prior year level of EUR 9.2m. It largely comprises income from passing on costs to subsidiaries in connection with contracted services.

Personnel expenses increased year-on-year by EUR 1.4m to EUR 12.9m.

Other operating expenses rose by EUR 1.2m to EUR 15.5m and mainly include recurring expenses related to day-to-day operating activities of Gerresheimer AG. (i.e. costs for insurance, rents and leases, organizing trade fairs). These expenses are passed on within the organization where they are incurred by the subsidiaries. The increase in operating expenses is primarily due to higher IT costs associated with the implementation of SAP at a subsidiary. These costs have been passed on to them on the basis of service agreements.

The financial result increased from EUR 33.5m to EUR 34.2m. It mainly comprises interest income from affiliated companies. The slight increase in the financial year 2010 is largely attributable to the fact that interest from other loans was capitalized.

Development of the net assets and financial situation of Gerresheimer AG

As in the prior year, fixed assets largely comprise shares in affiliated companies amounting to EUR 117.1m and loans to affiliated companies amounting to EUR 396.3m. The latter reflect the fact that a long-term interest-bearing loan was granted by Gerresheimer AG to Gerresheimer Holdings GmbH from the proceeds of the IPO.

Current assets consist mainly of trade receivables and receivables from interest-bearing short-term loans from affiliated companies amounting to EUR 147.9m (prior year: EUR 109.5m). Compared to the prior year, the increase of EUR 38.3m largely reflects the interest receivables in the financial year for the loan and the current profit-transfer receivable.

Shareholders' equity increased by EUR 22.8m from EUR 595.0m to EUR 617.8 m. The change relates to the net profit for the financial year 2010 amounting to EUR 22.8m. The equity ratio is with 92.9 % as of November 30, 2010 slightly below the ratio of 94.9 % as of November 30, 2009.

In the financial year 2010 the liabilities increased from EUR 20.6m to EUR 34.4m. As in the prior year they are mainly towards affiliated companies. Of the total, EUR 31.8 m (prior year: EUR 19.2m) is made up of liabilities towards GERRESHEIMER GLAS GmbH resulting particularly from the handling of current payment transactions for Gerresheimer AG.

Gerresheimer AG is integrated in cash pooling arrangements with the other German Group companies. This is managed by GERRESHEIMER GLAS GmbH. Gerresheimer AG itself has no bank balances.

In the past financial year, the Management and Supervisory Boards jointly decided to propose a dividend of EUR 0.50 per share at the Annual General Meeting for the financial year 2010.

Non-Core Success Factors of the Gerresheimer Group and Gerresheimer AG

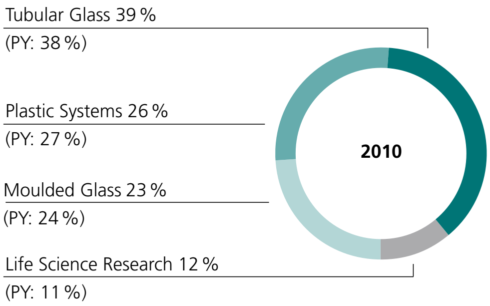
EMPLOYEES

Motivated and skilled employees are essential to the success of a company. Consequently, here at Gerresheimer we place great emphasis on staff development, training and education and on offering attractive employment conditions. Also in the 2010 further developed vision of Gerresheimer, this is included in the second sentence: "Our success is driven by the passion of our people".

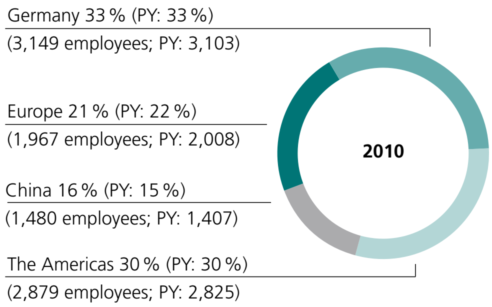
The Company would like to express its thanks to all its employees who have shown dedication, tireless effort and total commitment to the continuing development of both the products and processes of the Group.

At the end of the financial year 2010 the Gerresheimer Group employed 9,475 people. Compared to last year this is an increase of 132 employees.

EMPLOYEES BY DIVISION



EMPLOYEES BY REGION



At the end of the reporting period 3,634 people were employed in the Tubular Glass Division. The increase compared to the 3,548 employees at the prior year balance sheet date is attributable to additional recruitment in Mexico as a result of the increased demand in the US.

In the Plastic Systems Division the number of employees decreased slightly from 2,487 in the prior financial year to 2,440 at the end of this financial year.

The Division Moulded Glass employed 2,180 employees at the end of the financial year compared to 2,179 employees at the end of the prior year period.

At November 30, 2010 a total of 1,132 were employed at Life Science Research. The change from the 1,039 employees in the prior year is especially attributable to revenue growth. Furthermore, the number of employees increased temporarily in connection with the transfer of production to Mexico and China.

At November 30, 2010 the head office employed 89 employees (prior year: 90 employees).

Compared to the prior year the regional employment structure has hardly changed. The proportion of employees at the Americas production sites in the US, Mexico, Brazil and Argentina of 30 % at the end of the reporting period remained relatively stable. The proportion of employees in Germany also remains stable on the level of the prior year of 33 %. In the remaining European area (Belgium, the Czech Republic, Denmark, France, Italy, Poland, Spain and Switzerland) the proportion of employees reduced slightly from 22 % to 21 %. By contrast, the proportion of employees in China increased slightly from 15 % to 16 %.

The education and training of employees is an essential factor for the Company's success. Another fundamental element of the Gerresheimer group's basic principles is the goal of continuous learning across all levels of the organization. The Company's own apprenticeship program has been operating successfully in Germany with an apprenticeship rate of 6.1 %. For example in the reporting period, 203 young people were trained by Gerresheimer. Typical professions are include: Process mechanics, industrial mechanics, engineers, industrial managers and toolmakers. Generally, dual training and cooperation with universities was expanded. Consequently, dual degree programs were offered in Pfreimd, Lohr and Essen. Gerresheimer Regensburg cooperated closely with the universities of Regensburg and Amberg-Weiden. As a part of their training program or dual degrees, young people were given the opportunity to work in other plants or countries. For example, German trainees/students were able to be placed in the Czech Republic and in the United States. This is a further example of how we at Gerresheimer contribute on an international level to building and promoting team work.

Of particular note among the wide range of training activities available in all plants within the group, is the Sales Academy training program which was further made available to our sales personnel in 2010. With regards to the issue of integration and diversity, the fact that we employ 22 different nationalities at our various locations in Germany, demonstrates how seriously we take this aspect.

RESEARCH AND DEVELOPMENT

In markets which are characterized by a high level of dynamism and innovation, customized and project-oriented product and process development is a key factor for us. Naturally, the collaboration with the pharma and healthcare industry places very complex qualitative requirements in this field. Joint developments together with customers in the field of drug delivery systems is one of our most important areas of focus here. One of our key objectives is to increase the efficacy of the medications through targeted and complete delivery as far as possible. Convenience and application security in the practical application play an important role. In close, project-oriented collaboration with our customers we do not only develop customer specific systems but also the production facilities and machines required for their production. The focus is generally on safety. Equal importance is attached here to the design details for each system and to careful matching of the primary materials used and the pharmaceutical substances used in each case. In parallel, production technologies and processes are of key importance. The manufacture and quality of products which come into direct contact with medicines in particular are furthermore subject to very strict requirements by the national and international registration authorities and are of particular relevance for the pharma industry from this viewpoint alone. Through leading technologies and a high level of innovative resourcefulness our Group has established a top-ranking position, which it intends to hold and strengthen. Our close collaboration with the pharma industry is our foundation stone not only for market-oriented innovation but also solid customer relationships.

Quality improvement

The development of new products and solutions is only one facet of our efforts for continuous improvement. The continuous improvement of quality is likewise of high importance. The new inspection camera systems developed by Gerresheimer are a prime example. The fully automatic, high-resolution cameras monitor the product quality of the syringes or vials during the production process. A further example is the internally developed new washing process in connection with the production of prefillable syringes in our center for excellence for syringe systems in Buende (Germany). The pollution with glass and foreign particles is substantially reduced by the additional washing process. The quality of our products for the pharmaceutical industry is generally improved by the intensified use of clean room technology in our plants.

Environmentally friendly production

In the same manner, we focus our efforts on resources-protective production and the avoidance and decrease of wastes and emissions. Numerous projects and initiatives of many Gerresheimer plants go far beyond legal requirements and reduce production costs in many cases. Thus for example a heat-recovery system was put into operation in our plant in Horsovsky Tyn (Czech Republic) in the financial year 2010, which reduces CO_2 emissions significantly. In our moulded glass plant in Essen (Germany), we implemented together with our partner a new compressed air system, that reduces the CO_2 emissions as well as the production costs. A block heating station has been built in our Plastic Systems Division plant in Pfreimd (Germany). Our American moulded glass plant in Millville was able to drastically reduce the nitric oxide emissions in the melting furnace as a result of purposeful investments.

Technology center for syringe systems
Gerresheimer Buende is the home of our development and production center in the field of drug delivery systems for injection material. The key focus here is on sterile all-glass syringe systems under our RTF®-trademark, which we supply to the Pharma industry completely "ready to fill". Our product development also covers practice-oriented accessories which above all serve the purpose of increased application safety for injections. Examples include the Rigid Needle Shield (RNS), which not only protects the needle but prevents needle-prick injuries, and the Tamper Evident Luerlock Closure (TELC) which combines the tamper-evident syringe closure and needle adapter in one.

Technical Competence Center for plastic products
In the Plastic Systems Division we operate two Technical Competence Centers (TCC) in Wackersdorf (Germany) and Peachtree City (USA) especially for plastic products. Highly-qualified employees work here in the area of development and design. Here, we concentrate product development from the beginning on the practical use of systems and components intended for pharmaceutical and diagnostic purposes and the field of medical technology.

We continuously work on the optimization of the product portfolio and the production processes. Costs incurred in connection hereto are largely included in the cost of sales. In the reporting period costs amounting to EUR 3.5m (prior year: EUR 2.9m) were incurred for research and development. Research and development activities are closely aligned to the needs of our customers and are therefore often carried out in close collaboration with them. In some cases employees of pharmaceutical companies work in the Competence Centers of Gerresheimer. Costs relating to customer-specific research and development are borne by our customers. A further EUR 1.4m development costs were capitalized in 2010.

PROCESS OPTIMIZATION

Gerresheimer is a leading partner for the pharma and healthcare industry. Our customers not only expect us to deliver high-quality products, but also a comprehensive management system that ensures our products and services meet or exceed their requirements with respect to service, quality and costs. To achieve this we have been applying the Gerresheimer Management System for years. By using this Management System, Group-wide standards are determined, and methods and tools defined, in order to implement a lasting continuous process improvement in all elements of the value chain. In a global world our customers expect that we deliver what we promise: "Day in and out and each day better". By applying the Gerresheimer Management System we ensure that the best practice is applied within the entire Gerresheimer Group and that all employees, departments and production sites learn from each other. The application of professional methods and tools by motivated employees results in consistently high-quality products Group-wide, constant improvement of production costs and a punctual and complete delivery service.

Compliance with the defined standards of the Gerresheimer Management System is measured regularly through so-called key performance indicators and is verified and valued through performance evaluations. In addition, location-specific recommendations are developed as a result of the performance evaluations to ensure goal-oriented continuous improvement.

SUSTAINABILITY AND CORPORATE RESPONSIBILITY

We live in a world of pharmaceutics and bioscience, a world in which people and their quality of life receive direct benefits from their progress. Through our products, we provide a useful and important contribution to that progress. It is our intention to create a feeling of responsibility for nature and its resources. We continuously improve our processes and production technologies according to the regional or local conditions. It is the intention of our production concepts to ensure reduced emissions from the start or avoid them completely. Through careful planning and logistics, we aim to avoid unnecessary consumption of materials and transportation. For us, there is no contradiction between economy and ecology.

We also published a summary of our principles on corporate responsibility on the Internet at www.gerresheimer.com.

REMUNERATION REPORT

Remuneration of the Management Board

The total emoluments of the Management Board consist of a number of elements. These comprise a fixed salary, a success-dependent bonus, a component with a long-term incentive effect, stock appreciation rights, customary benefits and, in three cases, pension commitments.

The non-success dependent elements comprise a fixed sum plus benefits in kind (mainly insurance premiums and company car use). The total costs for this amounted to EUR 2.4m in the past financial year. For members of the Management Board, a Directors & Officers liability insurance (D&O insurance) exists which provide for a deductible in accordance with sec. 93 (2) sentence 3 AktG.

The success-dependent bonus is linked to the degree of achievement of key figures defined in the employment contract, the values of which are derived from the budget. These relate to the key figures EBITDA, sales, net working capital and total investments. The cost for the success-dependent component totaled EUR 1.5m in the past financial year.

The component with a long-term incentive effect consists of a rolling bonus system which is linked to the achievement of specific targets over a period of three years. The relevant key figures for target achievement are organic sales growth and overall capital profitability (ROCE). The target achievement is computed on the basis of the arithmetic average of the individual values for the three years. Pay-outs – with reference to the base year – are made after three years. There was no payment made in the financial year 2010.

In addition, the Company has entered into long-term stock-price-based variable compensation agreements with all members of the Management Board. These agreements provide that the members of the Management Board receive, dependent on the development of the share price, a certain number of stock appreciation rights (so-called "phantom stocks") for each year they are on the Management Board. Each stock appreciation right entitles the Management Board member to receive a payment related to the change in the stock price provided that, at the time the right is exercised, the price of the Company's stock exceeds the initial price of the respective tranche by at least 12 % (performance hurdle) or a higher percentage value appreciation than the MDAX occurs over the maturity period. For stock appreciation rights issued in 2010, the issue price of EUR 25.00 constitutes the initial price. The performance hurdle is relevant with respect only to payment entitlement and not to the calculation of the amount of the payment. After a waiting period of four years, the Management Board member is entitled to demand payment within an ensuing period of approximately sixteen months (exercise period) amounting to the appreciation in the value of Gerresheimer stock between the issue date and the exercise date (maturity date) assessed on the basis of the stock-exchange price. The entitlement in each case is equal to the absolute amount by which the stock price rose during the period between the issue of the respective stock appreciation rights and their exercise. The amount of the entitlement for each tranche is however limited to 25 % of the initial price of all stock appreciation rights of that tranche. All unexercised stock appreciation rights expire when the respective Management Board member leaves the Company, unless such departure is the result of death or permanent occupational disability or the membership of the Management Board exists for at least one full year during the maturity period. All entitlements to future stock appreciation rights are also forfeited on departure from the Company. The Company has reserved the right to settle any awards under these stock appreciation rights with shares, however payment is expected in cash. As a further element of remuneration in the financial year 2010, the Management Board members were granted a total of 1,230,000 stock appreciation rights (tranches 4 to 8) in connection with the cancellation of the previous stock appreciation rights program due to the adoption of the requirements of the German Act on the Appropriateness of Management. These relate to a period until 2014 and were not cash effective in the financial year 2010. Their fair value on the grant date was EUR 1.8m.

The pension commitments made to Management Board members are processed through a pension fund to the extent that vested benefits were earned up to May 1, 2007. They were financed by a payment made in the financial year 2007. No further current amounts need therefore be paid in this regard. Vested benefits arising since May 1, 2007 are processed through a provident fund. During the reporting period, one additional member of the Management Board received a pension commitment that should also be processed through a provident fund. Additions to the support fund totaled EUR 0.7m in the past financial year.

The Company's Annual General Meeting on May 14, 2007 passed a resolution that, for a period of five years from the date of this resolution, no statement of the emoluments of each individual member of the Management Board would be given in the notes to the Annual Financial Statements in accordance with sec. 285 sentence 1, no.9 a sentence 5 to 9 HGB or to the Group Financial Statements in accordance with sec. 314 (1) no.6 a sentences 5 to 9 HGB.

Remuneration of the Supervisory Board

The emoluments of the Supervisory Board are governed by the Articles of Association of Gerresheimer AG.

Each of the members of the Supervisory Board receives fixed annual remuneration of EUR 30,000.00. The Chairman of the Supervisory Board is entitled to double this amount and the Deputy Chairman to one and a half times this amount. With the exception of the committee in accordance with section 27 (3) of the German Codetermination Act, the Chairmen of committees receive additional fixed remuneration of EUR 10,000.00 for each chairmanship and each other member of a committee EUR 5,000.00. In addition to their annual remuneration, the members of the Supervisory Board each receive a fee of EUR 1,500.00 for each Supervisory Board meeting which they attend and committee of the Supervisory Board to which they belong, but with a maximum of EUR 1,500.00 per calendar day. Reasonable expenses are reimbursed on submission of documentation.

The members of the Supervisory Board furthermore receive variable remuneration. This amounts to EUR 100.00 per EUR 0.01 of adjusted consolidated net earnings per share of Gerresheimer AG if this value reaches the amount of EUR 0.50. If the adjusted consolidated net earnings per share of Gerresheimer AG exceed the amount of EUR 3.00, the excess amount is not taken into consideration in calculating the variable remuneration. The adjusted consolidated net earnings per share is the consolidated net income reported in the consolidated financial statements before non-cash amortization of fair value adjustments, special effects from restructuring expenses, extraordinary depreciation, the balance of one-off income and expenses (including significant non-cash expenses) and the related tax effects, after minorities, divided by the shares already issued on the balance sheet date. The Chairman of the Supervisory Board receives double the amount of this variable remuneration and the Deputy Chairman receives one and a half times the amount.

In the financial year 2010, the total emoluments of Supervisory Board members for their activity on the Supervisory Board of Gerresheimer AG amounted to EUR 889k.

DISCLOSURES PURSUANT TO SEC. 289 (4) AND SEC. 315 (4) HGB AND EXPLANATORY REPORT

Gerresheimer AG is a German stock corporation ("Aktiengesellschaft": AG) with its registered office in Germany. It has issued voting stock which is listed on the regulated market of the Frankfurt Stock Exchange (Prime Standard), an organized market within the meaning of sec. 2 (7) WpÜG ("Wertpapiererwerbs- und Übernahmegesetz": German Securities Acquisition and Takeover Act).

Composition of subscribed capital

The subscribed capital (capital stock) of Gerresheimer AG totaled EUR 31.4m as of November 30, 2010. It is divided into 31.4 million ordinary non-par-value bearer shares with a nominal share in capital stock of EUR 1.00 each. The capital stock of the Company has been fully paid in.

Restrictions relating to voting rights or the transfer of shares

As of the balance sheet date, there are no restrictions on the voting rights of Gerresheimer AG stock specified by law or in the Articles of Association and bylaws. All non-par-value shares in Gerresheimer AG issued as of November 30, 2010 carry full voting rights and grant the holder one vote at the Annual General Meeting.

Shareholdings which exceed 10 % of the voting rights
As of November 30, 2010 we are not aware of any direct or indirect shareholdings in the Company's capital stock exceeding 10 % of the voting rights.

Shares with special rights conferring control
None of the shares issued by Gerresheimer AG have rights which confer special control to their bearer.

Type of control of voting rights when employees are shareholders and do not directly exercise their control rights
There is no information available on the control of voting rights in the event that employees are Company shareholders and do not directly exercise their control rights.

Legal provisions and provisions of the articles on the appointment and removal of the Management Board and amendments to the articles
The Management Board is the legal management and representative body of Gerresheimer AG. In accordance with the Articles of Association and bylaws of the Company, it comprises at least two members. The Supervisory Board determines the exact number of members of the Management Board. The Supervisory Board appoints one member of the Management Board as CEO or spokesperson.

In accordance with sec. 84 German Stock Corporation Act („Aktiengesetz"), the members of the Management Board are appointed for a maximum of five years by the Supervisory Board. Repeat appointments or extensions of the term of office for up to a maximum of five years at a time are permissible. The Supervisory Board may revoke the appointment of a Management Board member prior to the end of the term of office for good cause, e.g. in the event of a gross breach of duty or if the Annual General Meeting withdraws its confidence in a member of the Management Board.

The Company is either represented by two members of the Management Board or by one member of the Management Board and an authorized signatory.

In accordance with sec. 179 AktG, every amendment to the Articles of Association and bylaws must be approved by resolution of the general meeting. Exceptions to this rule are amendments to the articles which only pertain to their wording. The Supervisory Board is authorized to make such changes.

Annual General Meeting resolutions are adopted by a simple majority of the votes cast if this does not conflict with any legal provisions. If the law additionally requires a majority of capital, they are adopted by a simple majority of the capital stock represented upon adoption of the resolution.

Authority of the Management Board to issue or buy back shares
In accordance with sec. 4 (4) of the Articles of Association, the Management Board is entitled to increase the capital stock in the period to May 31, 2012 once or repeatedly by up to a total nominal value of EUR 15.7m with the approval of the Supervisory Board by issuing new no-par bearer shares in return for cash and/or non-cash contributions. The new shares may also be acquired by one or more banks determined by the Management Board subject to the requirement that they are offered to shareholders (indirect subscription right).

The Management Board is authorized, with the approval of the Supervisory Board, to exclude the shareholders' legal subscription right in the following cases:

- For capital increases in return for non-cash contributions in order to issue shares for the purpose of acquiring companies, shares in companies, or equity investments in companies as well as for the purpose of issuing shares to employees of the Company and companies affiliated with the Company in accordance with legal provisions.
- If this is required to issue subscription rights for new shares to holders of the warrants and convertible bonds issued by the Company or its subsidiaries in the scope to which they would be entitled after exercising the warrant or conversion rights or after fulfillment of the conversion of option duties.
- To exclude any fractional amounts from subscription rights.
- For capital increases in return for cash contributions, if the issue price of the new shares is, in terms of sec. 203 (1) and (2) and sec. 186 (3) sentence 4 AktG, not significantly less than the market price of the shares of the same class and terms already listed on the market on the date upon which the final issue price determined by the Management Board and the share in capital stock of the new shares for which subscription rights are excluded does not exceed 10 % of the capital stock available on the date of issue of the new shares. Shares which are disposed of during the term of the authorized capital under exclusion of shareholders' subscription rights in accordance with sec. 71 (1) no. 8 sentence 5 and sec. 186 (3) sentence 4 AktG as well as shares which have conversion or option rights or conversion or option duties as a result of warrants or convertible bonds that have been issued since this authorization was granted under exclusion of subscription rights pursuant to sec. 221 (4) and sec. 186 (3) sentence 4 AktG are counted towards the maximum amount of 10 % of capital stock.

The Management Board is authorized, with the approval of the Supervisory Board, to set out further details of the capital increase and its implementation including the conditions of the share rights and the conditions of the share issue.

In connection with this, please refer to our explanations on the "Restrictions relating to voting rights or the transfer of shares" mentioned above.

The nominal capital of the Company has been conditionally increased by up to EUR 6,280,000 by issuing up to 6,280,000 new non-par-value bearer shares. The shares to be issued carry a dividend right equivalent to the dividend right of the outstanding shares of the same class. The conditional capital increase serves the purpose of granting shares to holders or creditors of option and/or convertible bonds issued by the Company or a Group Company until May 22, 2013 on the basis of the authorization by the Annual General Meeting of May 23, 2008. The new shares shall be issued in accordance with the option and/or conversion price determined in each case in accordance with the aforementioned authorization. The conditional capital increase is to be effected only insofar as the option and/or conversion rights relating to the Bonds are exercised or any conversion obligations under these Bonds are fulfilled and insofar as no cash settlement is granted and no treasury shares are used for servicing. The Management Board is authorized to determine the further details of the implementation of the conditional capital increase.

Material arrangements dependent on a change in control in the wake of a takeover bid
The loans under the credit facilities with a total original volume of EUR 450m of which EUR 193.9m had been drawn at the balance sheet date, may be terminated by the lenders, and would consequently be payable early in full by the borrowers, if a third party or several third parties acting in concert were to acquire 50.01 % or more of the voting rights of Gerresheimer or some of its material subsidiaries and an agreement about the continuation of the loan commitment cannot be reached swiftly.

In the event of a change of control, Gerresheimer Holdings GmbH is required to make a buy-back offer to the holders of the notes at a price of 101 % of the principal amount of the notes, plus accrued and unpaid interest. The note has a nominal value of EUR 126m. A change of control is defined as the sale of all or substantially all of the assets of Gerresheimer Holdings GmbH or its restricted subsidiaries, the acquisition of at least 50 % of the voting rights of Gerresheimer Holdings GmbH or its parent companies by a third party or several third parties acting in concert.

Compensation agreements in the event of a takeover bid
In case of a control change, the members of the Management Board have a unique special right to terminate the contract of employment with a term of six months notice to the end of the month and to resign at the end of the term of notice. If a Management Board member exercises their special right to terminate their employment contract, the company is obliged to pay a compensation amounting to the total of three annual emoluments less the payments made during the term of special notice. The annual emolument is defined as the remuneration of the full financial year previous to the notice of termination including variable remuneration components and entitlements from the stock appreciation rights program.

OPPORTUNITIES AND RISKS

Uniform group risk management system

The Gerresheimer Group sees effective risk management as a significant factor in securing business value in the long term. For this reason, the management of opportunities and risks is an integral part of the Gerresheimer Group's structures and procedures. The central pillar of risk management is the identification and mitigation of operational risks using monitoring, planning, management and control systems which are integrated into the structures and procedures of the entities and the management holding company. Our risk management strategy pursues the early recognition, evaluation, avoidance and decrease of risks as well as the transmission of these to third parties. Within its defined tolerance rate, Gerresheimer is willing to take risks that are most likely unavoidable or are made worthwhile by the opportunities they present. A risk management system does not give an absolute guarantee on the avoidance of risks. It supports the handling to avoid risks and reach Company targets.

The establishment and effective maintenance of the risk management system are the responsibility of the legal representatives of Gerresheimer AG. The risk monitoring, early recognition, analysis, control and communication involve the legal representatives and the directors of the key functional areas of the head office. For maintenance and implementation of the system, guidelines exist for the subsidiaries and the key functional areas of the head office to report on the risks. The Group continuously develops its early warning system and adapts it to current developments.

Key elements of the system are as follows:

- Uniform, periodic risk reporting by the subsidiaries to the head office,
- Regular risk assessment in key central departments,
- The segmentation of risks by market, customer, finance, environmental protection, legal relationships, external political and legal requirements as well as strategic decisions,
- The quantification of risks in terms of potential loss amount and probability of occurrence,
- Recording the effects on profit and loss according to business segments, and
- Mitigation through loss prevention and risk transfer.

The effectiveness of our risk management system is regularly monitored by the Gerresheimer Group's internal audit department as a process-independent element of our early warning system. Furthermore, the auditors assess the risk management system as part of the audit of the Annual Financial Statements and report on this to the Group's Management Board and Supervisory Board.

Internal control system and risk management system in relation to the accounting process

The Gerresheimer Consolidated Financial Statements are prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) as adopted by the European Union (sec. 315a HGB) and in accordance with sec. 315a (1) HGB. The Annual Financial Statements of Gerresheimer AG are prepared in accordance with the provisions of the Commercial Code and the Companies Act.

Starting in the 2010 fiscal year, Gerresheimer AG for the first time published a combined management report for both Gerresheimer Group and Gerresheimer AG.

The Consolidated Financial Statements are prepared in a multi-stage process using approved consolidation systems. The Consolidated Financial Statement of the subgroups and the other individual financial statements of the other subsidiaries audited or reviewed by the respective auditors have been combined to the Consolidated Group Financial Statements of Gerresheimer AG. Gerresheimer AG has taken on the responsibility for the Group-wide common chart of accounts, the implementation of centralized consolidation measures, and for scheduling and organizing the consolidation process.

For the companies included in the Consolidated Financial Statements, a guideline for the recognition and valuation of the accounting policies under IFRS applies. This includes a description of the general consolidation measures as well as applicable accounting principles in accordance with IFRS. The existing guideline, which is continuously modified with consideration of the development of IFRS, is available to all subsidiaries via the Gerresheimer Intranet. In addition, there is a binding time schedule for the year end process.

As part of the year end closing process, the balance sheets and profit and loss statements including information regarding cash flow, equity, notes and management reports are provided on the system by the subsidiaries. The effective maintenance of the system is carried out centrally by Corporate Financial Accounting. In addition to the existing system-side checks, manual checks on the completeness and accuracy of the data are carried out by the subsidiaries and from corporate headquarters. The accounting department ensures that department-related information is reported by the respective departments and is incorporated in the consolidated financial statements. To ensure adherence to the group relevant accounting procedures by subsidiaries, the internal audit department implements checks and audits to assess their effectiveness. Furthermore, the auditors assess the early warning system as part of the audit of the Annual Financial Statements and report on this to the Group's Management Board and Supervisory Board.

The financial statements of Gerresheimer AG are created using SAP software. The accounting and the preparation of financial statements are divided into functional process steps. Either automated or manual controls are integrated into all processes. The organizational rules ensure that all business transactions and preparation of annual financial statements are completed in a timely, accurate and correct manner and are processed and documented in the correct time frame. In order to comply with the necessary IFRS requirements, the relevant data from the individual accounts of Gerresheimer AG are transferred to the Group's reporting tool.

Risks arising from future development

The Gerresheimer Group is exposed to various risks due to its global and extensive business activities. All recognizable risks have been provided for, as far as the accounting requirements were fulfilled. Existing risks are detailed below:

Consequences of the global financial and economic crisis

After the strong decline in worldwide economic performance, which was caused by the dramatic culmination of the financial market crisis in autumn 2008, risks quoted in prior years have in part intensified and become more tangible. Due to the general recovery of the world economy over the course of the year, however, the total risk situation was clearly reduced.

Operational Risks

Energy and raw material prices

Gerresheimer's energy requirements are permanently high, especially for the combustion and smelting processes in its high-temperature furnaces. In order to offset energy cost rises, the Group has, to a large extent, secured itself against increases in energy prices. Some customer contracts contain escalation clauses. Nevertheless, further increases in energy prices could have a substantial negative impact on the results of operations of the Gerresheimer Group, particularly because it is not always possible to pass on such increases by adjusting product prices, and this can only be done with a time lag.

Another significant portion of the production costs relates to raw materials for the manufacture of glass and plastic. When manufacturing plastic products, Gerresheimer is reliant on the primary products polyethylene, polypropylene and polystyrene. The prices of these products depend largely on the development of oil prices. Gerresheimer constantly strives to minimize the negative effects of rising raw material prices through a large number of distinct measures.

Product liability risks

Despite internal measures to ensure product quality and safety, the Gerresheimer Group cannot rule out the possibility of damage arising from its customers' or consumers' use of packaging products and systems it has manufactured. For instance, the delivery of faulty products to customers could result in damage of their production facilities or even cause business interruption. This could severely damage the Gerresheimer Group's reputation. Furthermore, when combined with the medications and ingredients of its customers from the pharma & life science industry, faulty products produced by the Gerresheimer Group could cause injury to the health of consumers. In such cases it cannot be ruled out that the Group will lose customers. This could have a significant effect on the net assets, financial position and results of operations of Gerresheimer AG. Gerresheimer could also be exposed to corresponding liability claims, for example, claims for damages from customers or claims from consumers under product liability. Any product liability claims made against Gerresheimer, especially in class actions in the US, could be considerable. There is also the additional risk that the Group would have to bear substantial costs for recalls. Moreover, there is no guarantee that Gerresheimer will be able to obtain adequate insurance cover at the present terms and conditions in the future. This too could have a negative impact on the net assets, financial position and results of operations of the Gerresheimer Group.

Product launches

A key component of our growth strategy is the regular market launch of innovative products. As responsible management, we are fully aware that this entails risks as well as opportunities. On the basis of comprehensive marketing analyses, we ensure that the opportunities arising from a successful product launch are maximized and the corresponding risks are minimized.

Risks arising from the future development of state healthcare systems

In the financial year 2010, Gerresheimer generated 80 % of its consolidated revenues in the pharma and healthcare market segment. Over the last few years, governments and health insurance companies in Europe and the US have striven to reduce the rise in costs of healthcare. This has increased price pressure in the pharma industry. Limited patent protection and constantly rising product development costs intensify the need for cost control in the pharma industry. Although generally only a small percentage of the total costs a consumer pays for medication relate to the primary pharmaceutical packaging, this trend can increase the price pressure on the Gerresheimer Group's products. If this pressure cannot be offset by cost reductions or increased efficiency, this could have a significant negative impact on the net assets, financial position and results of operations of the Gerresheimer Group.

Financial risks

In the course of its operating activities, Gerresheimer is exposed to financial risks. The responsible corporate treasury department monitors the financial risks facing the Group centrally by means of Group-wide financial risk management. The Group uses suitable measures on the basis of clearly defined guidelines to manage identified potential risks.

In addition to price risks resulting from fluctuations on the money and capital markets and the international commodities markets, risk management focuses on credit and liquidity risks.

In order to limit exchange rate and interest rate risk in operating activities, Gerresheimer utilizes forward exchange contracts and interest swaps. The Group uses derivative financial instruments exclusively to manage risk in connection with hedged items.

Credit risks resulting from the Group's trade relationships are monitored through credit and receivables management and the sales divisions of the operating entities. With the aim of avoiding bad debt losses, customers are subject to ongoing internal credit checks to ensure they are credit worthy. Receivables from customers who do not have a first-class credit rating are insured. To avoid credit risks from financial instruments, such instruments are only concluded with partners with first-class credit ratings.

The Group's liquidity situation is monitored and managed using complex planning instruments. Risks in connection with the procurement of funds are identified and monitored on the basis of rolling financial and liquidity plans.

A detailed presentation of the financial risks and their management can be found in the Notes to the Group Financial Statements under Note 6 "Financial Risk Management and Derivative Financial Instruments".

Opportunities

With investments, for example our two technology centers for glass syringes and medical plastic systems, we want to use, also in the future, the chance to develop existing products further with our customers and to diversify our product portfolio.

We see attractive development opportunities for the Gerresheimer Group, in the further globalization of our business. We want to participate in the dynamics of the developing countries by creating local presence and significantly increasing our revenue there in the coming years. Growth also promises the expansion of our business activities in North America with our Plastic Systems Division.

The producer of generic products will become more and more important in the future. We want to participate in the expected quantity growth, as even these medicines must be packed and administered professionally. Supplementing packaing for drugs which increases security and which makes handling the medicine much easier will become more important.

Also, the demographic change accompanied by the increased need for medical care by older people, the technological advancements in the medical field and the increase in medication produced on the basis of biotechnology offer Gerresheimer opportunities for growth, which we want to take advantage of.

Overall risk assessment

Gerresheimer's credit worthiness is regularly evaluated by the leading rating agencies Standard & Poor's and Moody's. In the financial year Standard & Poor's (BB+), with a stable outlook, and Moody's (Ba2), with a positive outlook, confirmed the credit worthiness of the Gerresheimer Group.

The senior facilities are subject to so-called financial covenants. These are interest cover ratios (adjusted EBITDA in relation to financial result), EBITDA ratios (Group adjusted EBITDA in relation to adjusted EBITDA of the companies guaranteeing warranty) and asset ratios (adjusted Group assets in relation to the adjusted assets of the companies guaranteeing warranty). In the financial year 2010, the regular covenant tests showed that the ratios were significantly exceeded. Based on the multiple year budgets we assume that the financial covenants can also be met in the future.

Our assessment of the overall risk is that there are currently no significant risks to the ability of the Gerresheimer Group or Gerresheimer AG to continue as a going concern or which could have a material effect on its net assets, financial position or results of operations.

DECLARATION OF CORPORATE GOVERNANCE PURSUANT TO SEC.289A HGB

The declaration of corporate governance is, according to sec. 289a HGB, part of the Combined Management Report. According to sec. 317 (2) sentence 3 HGB are the information given in connection with sec. 289a HGB not part of the audited management report.

Compliance Declaration to the German Corporate Governance Code

On September 14, 2010, the Management Board and Supervisory Board of Gerresheimer AG approved the following Compliance Declaration:

„Declaration of the Management Board and Supervisory Board of Gerresheimer AG on the recommendations of the 'Government Commission on the German Corporate Governance Code' in accordance with section 161 German Stock Corporation Act.

Since its last amendment declaration of May 17, 2010, Gerresheimer AG has complied with the recommendations of the "Government Commission on the German Corporate Governance Code" as amended on June 18, 2009, with the exceptions stated in such declaration.

Gerresheimer AG will further comply with the recommendations of the "Government Commission on the German Corporate Governance Code" as amended on May 26, 2010, with the following exceptions:

1. Item 4.2.5 of the Code (individualized reporting of Management Board remuneration)

   In accordance with a resolution of the Annual General Meeting on May 14, 2007, the Company will not report Management Board remuneration on an individualized basis.

2. Item 5.4.1 paragraph 2 and 3 of the Code (specification of concrete objectives regarding the composition of the Supervisory Board and subsequent measures)

   The Supervisory Board of the Company is constituted by persons who professionally control and advise the corporation. The Supervisory Board is currently engaged in the specification of concrete objectives in the sense of item 5.4.1 paragraph 2 of the Code. Recommendations to the competent election bodies shall take these objectives into account.

3. Item 6.6 of the Code (statement of the shareholdings of members of the Management Board and the Supervisory Board)

   Over and above the legal requirements, no statement of the shareholdings or related financial instruments of the members of the Company's controlling bodies is published in the Corporate Governance Report. The Company believes that compliance with the legal requirements creates sufficient transparency."

Information on Corporate Governance Practices

Risk Management System

The Gerresheimer Group sees effective risk management as a significant factor in securing business value in the long term. For this reason, the management of opportunities and risks is an integral part of the Gerresheimer Group's structures and procedures. The central pillar of risk management is the identification and mitigation of operational risks using monitoring, planning, management and control systems which are integrated into the structures and procedures of the entities and the management holding company.

There are guidelines on risk reporting for the subsidiaries and the key functional areas of the head office. The Group has continuously developed its early warning system and adjusted it to current developments. Main elements of this risk management system have been described in the section „Opportunities and Risks" which is available on the Internet under www.gerresheimer.com/investor-relations/reports.

Compliance Program

For the success of the Gerresheimer Group, it is essential that the Company is managed according to ethical business principles, responsibly and in harmony with the laws and rules of fair competition. Gerresheimer's Compliance Program should support our employees to use laws and company guidelines correctly and to protect them against offenses. A significant instrument for this is the Group guidelines and instructions, which specify the minimum behavior standards for all employees of the Group.

The focus of the Compliance Program is on the areas of corruption prevention, cartel law and capital market law. The mission statement of the Management Board of Gerresheimer AG to the Compliance Program is available on the internet under www.gerresheimer.com/company/compliance.

Corporate Responsibility

Gerresheimer is a leading global partner for the pharma and healthcare industry. As a manufacturer of products made of glass and plastic for packaging and drug delivery, we make a practical and significant contribution to health and well-being.

In this age of progressive global networking and in light of the increasingly demanding social and ecological challenges we face, we are highly aware of our responsibilities as a corporate organization. However, our corporate responsibility also extends far outside the product world. We want to take a proactive approach to meet these challenges comprehensively and sustainably, and to be measured in terms of our principles. Our actions are a reflection of the responsibility that we feel towards society, our employees, investors, customers, suppliers and the environment.

The principles of Gerresheimer's corporate responsibility have been published under „Our corporate responsibility" which is made available under www.gerresheimer.com/company/our-corporate-responsibility.

Description of the cooperation between the Management and Supervisory Boards as well as the composition of its committees

The composition of the Management Board and the Supervisory Board can be found in the Annual Report under the section „Supervisory Board and Management Board". The Procedures of the Management Board as well as the composition and procedures of the Supervisory Board Committees have been described in the Annual Report as part of the Corporate Governance Report. The Annual Report is available on the Internet under www.gerresheimer.com/investor-relations/reports.

EVENTS AFTER THE BALANCE SHEET DATE

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

OUTLOOK

The following statements on the Gerresheimer Group's future business performance and the assumptions made in regard to the economic development of the market and industry deemed to be significant in this respect are based on our assessments which we believe are realistic in accordance with the information currently available to us. However, these assessments entail 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.

Development of the economic environment

Development of the worldwide economy

According to experts, the recovery of the global economy will continue in 2011. However, it is predicted that the growth rate will be somewhat less than in the prior year. The forecast is for growth of about 3.3 %, whereas in 2010 the growth factor was around 4.5 %. The reduction in the growth rate is primarily due to the declining fiscal stimulus, the end of the inventory cycle, and due to the more moderate growth rates of Asian and American emerging markets. The overall positive development of the world economy in 2010 was overshadowed by discussions regarding a global exchange rate parity. According to the opinions of the Council of Economic Experts, trade sanctions resulting from these conflicts present a risk to the world economy but should however, only serve to slow the rate of the global economic recovery.

Development of the individual regions

According to estimates by the Institute for World Economics, the economic development in the US is expected to continue in 2011. High domestic debt levels, the decreased likelihood of better employment prospects, an unemployment rate of almost 10 %, and the stagnant industrial output witnessed at the end of 2010 are all decisive factors determining future economic development. Following a growth of gross domestic product by about 2.8 % in 2010, the growth forecasts for 2011 are between 1.5 % and 2.2 %.

According to experts, the strong recovery in 2010 in the European economy will continue in 2011 but at a much slower rate. Overall, the decline in government consumption, weaker consumer dynamics – as a result of wage cuts and tax increases and an unemployment rate of about 10 % – will all serve to dampen the economic recovery. Additionally, the continuing real estate crisis in some member countries will have a further negative effect. The forecasts for economic growth in the Eurozone in 2011 are between 1.2 % and 1.5 % and thus below the growth factor of 1.7 % in 2010.

The German economy recovered significantly faster in 2010 than most other advanced economies. The strong export orientation, which had initially resulted in a particularly steep decline, was later the main cause of the rapid recovery. The robust state of the labor market with initially stagnant employment as opposed to the rising employment at the end of the year, provided as much support as the comparatively small rise in government debt, despite fiscal policy measures. In 2011, expiring fiscal measures and the expected slowdown in the global economy will lead to a reduction in the pace of expansion in Germany. Thus, the forecast for the growth of gross domestic product in 2011 is about 2.2 % compared to about 3.7 % for the prior year.

Despite the somewhat moderate growth rates predicted for emerging markets in 2011, the Latin American and Asian developing markets will continue to be the main driving force for growth of the global economy. In particular, China, India and Brazil are seen as the main sources of growth in global trade. The Organization for Economic Cooperation and Development (OECD) expects growth of about 9.7 % for China in 2011. In India, the growth rate is expected to reach 8.2 %, Brazil 4.3 % and Russia is expected to increase its gross domestic product by 4.4 %.

Development within the market segments

Global demand for pharmaceutical and healthcare products is expected to increase still further as a result of the steadily increasing number of chronic diseases due to population and environmental changes. In particular, high growth rates are expected in the markets for asthma and diabetes products. The demographic development of the world population with its growing proportion of older people and the associated increased need for medical care should continue to contribute to a positive performance of the Group. While market growth rates in the so-called mature markets such as the US and Europe, are declining, in emerging countries, growth rates are predicted to rise. This is because with increasing affluence, the healthcare provision for the population will be expanded. A decrease in the growth of the US market is especially expected due to the lower growth of gross domestic product. As such, the United States are likely to be replaced as the biggest driver of world growth in the pharmaceutical market – at least in the medium term – by the emerging markets, namely China, Russia, India, Turkey, Brazil and Mexico.

Development on the currency markets

In currency markets, the Euro could recover after decreases in values of as low as USD 1.19 in mid 2010 to year end. The European single currency once again reached the mark of USD 1.31 a few days before the year change over from 2010 to 2011. Of course, it remains an open question, as to when the US Central Bank will abandon its expansionary monetary policy. If the US economy develops slowly, the move could further be delayed, causing the US dollar to come under pressure. Forecasts for the US dollar in 2011 predict rather a devaluation of the euro and thus a revaluation of the US currency.

Development on the commodity markets

The price of the US reference variety WTI (West Texas Intermediate) on the commodities markets rose from approximately 80 US dollars at the beginning of 2010, up to USD 88 and then showed a fall back to 70 US dollars. Towards the end of the year, prices recovered again to over USD 90. This increase has been accompanied by a similarly upward trend in equity markets during this period. In addition, the crude oil price benefited from the weakening US dollar in the second half of 2010. An increase in the price of oil is expected by experts as a result of high oil consumption in China. Experts estimate that the oil price in 2011 will continue to rise and is likely to rise to more than USD 100 per barrel.

Market and business opportunities for the Gerresheimer Group

Prospects for the financial year 2011

The outlook for the global economy continues to be characterized by some uncertainty. We assume, however, that the basic economic recovery will continue. In this case, the markets in emerging countries will develop better than the already established markets. Thus we see clear growth opportunities as a result of the expansion of healthcare in the emerging markets. In addition, we attach increasing importance to the market for generic drugs. Based on the further regional expansion and product diversification of our business, continued inclusion of the generic business as well as our positioning as a partner of the pharmaceutical industry for special drug delivery systems, we continue to see growth potential for the pharma operations in future.

The market trend in cosmetics, while subject to the above economic conditions, is also characterized by more positive trends. Thus, we expect to be able to expand our revenue with cosmetic products. It is obvious that we will not be able to repeat the strong growth performance of the prior year since prevailing conditions are not comparable. In the Life Sciences Research Division, we anticipate further increasing demand, but impulses from building up inventory levels, as seen in 2010, are not expected.

In 2011, for the Gerresheimer Group as a whole, we expect revenue growth and an adjusted EBITDA margin of approximately the same level as prior year (on a like-for-like exchange rate basis). The investment volume in the financial year 2011 is expected to be slightly above the level of the financial year just passed.

As the Group's parent company, Gerresheimer AG receives the earnings of the subsidiaries through profit and loss transfer agreements. In this regard, the business of the subsidiaries directly affects the financial results of Gerresheimer AG. Under the provision of an appropriate profit trend in the Group we assume a positive annual result of Gerresheimer AG in the following years.

Due to strong performance in 2010, the Management and Supervisory Board which will hold the Annual General Meeting on 14 April, 2011 have agreed to propose a dividend of EUR 0.50 per share for the 2010 fiscal year. This represents a payout ratio of 26 % of adjusted net income. Depending on the operational success of the Company, we want to distribute equally attractive dividends in the future.

Outlook

Our Company is well prepared for the coming financial years. For the upcoming years we expect further growth in revenues and an increase of the adjusted EBITDA margin. As a result of the investments made and planned in profitable market segments as well as through the acquisitions made in the past, we are exceedingly well prepared for the opportunities and developments of the pharma sector. We have a good financial basis, long term financing and a clear corporate strategy. We will continue to globalize our Company, consolidate markets and take interesting technologies into our portfolio. The goal of all activities is to further focus on the pharma and healthcare industry. Besides organic growth, which we will finance from our operating cash flow, acquisitions, after careful consideration of opportunities and risks, will continue to play an important role in the future.

Consolidated Financial Statements of Gerresheimer AG

CONSOLIDATED INCOME STATEMENT (IFRS)

for the Financial Year from December 1, 2009 to November 30, 2010

in EUR k	Note	2010	2009
Revenues	(9)	1,024,804	1,000,227
Cost of sales	(10)	-719,021	-734,964
Gross profit		**305,783**	**265,263**
Selling and administrative expenses	(11)	-207,929	-196,806
Other operating income	(12)	13,921	12,514
Restructuring expenses	(13)	-3,699	-3,599
Other operating expenses	(15)	-13,300	-16,992
Share of profit or loss of associated companies	(25)	250	36
Result from operations		**95,026**	**60,416**
Financial income	(16)	935	1,375
Financial expenses	(16)	-35,257	-41,670
Financial result		**-34,322**	**-40,295**
Net income before income taxes		60,704	20,121
Income taxes	(17)	-13,957	-13,159
Net income		**46,747**	**6,962**
Attributable to non-controlling interests	(32)	3,524	1,207
Attributable to equity holders of the parent		43,223	5,755
Earnings per share (in EUR) 1)	(18)	**1.38**	**0.18**

1) The earnings per share figure stated here also corresponds to the diluted EPS as no further shares have been issued.

Notes (1) to (45) are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)

for the Financial Year from December 1, 2009 to November 30, 2010

in EUR k	Note	2010	2009
Net income		**46,747**	**6,962**
Changes in the fair value of interest rate swaps		12,478	9,095
Fair value of interest rate swaps recognized in profit or loss	(16)	-10,361	-7,397
Currency translation differences		3,825	6,684
Deferred tax expense		1,878	1,024
Total profit or loss recognized directly in equity		**7,820**	**9,406**
Total comprehensive income		**54,567**	**16,368**
Attributable to non-controlling interests		9,386	-5,515
Attributable to equity holders of the parent		45,181	21,883

Notes (1) to (45) are an integral part of these Consolidated Financial Statements.

CONSOLIDATED BALANCE SHEET (IFRS)
as of November 30, 2010

ASSETS in EUR k	Note	Nov. 30, 2010	Nov. 30, 2009
Non-current assets			
Intangible assets	(23)	487,271	502,087
Property, plant and equipment	(24)	469,845	461,292
Investment property	(24)	3,544	3,544
Financial assets	(25)	3,337	3,337
Investments accounted for using the equity method	(25)	3,824	3,018
Other financial assets	(26)	12,657	14,505
Deferred tax assets	(28)	12,816	17,249
		993,294	**1,005,032**
Current assets			
Inventories	(29)	138,370	125,806
Trade receivables	(30)	145,495	135,356
Income tax receivables		1,997	1,957
Other financial assets	(26)	248	344
Other receivables	(27)	17,873	15,976
Cash and cash equivalents	(31)	60,546	56,137
		364,529	**335,576**
Total assets		**1,357,823**	**1,340,608**

EQUITY AND LIABILITIES in EUR k	Note	Nov. 30, 2010	Nov. 30, 2009
Equity			
Subscribed capital	(32)	31,400	31,400
Capital reserve	(32)	513,827	513,827
Cash flow hedge reserve	(6)	-1,099	-4,607
Currency translation reserve	(32)	14,066	15,616
Retained earnings	(32)	-69,566	-112,789
Equity attributable to equity holders of the parent		**488,628**	**443,447**
Non-controlling interests	(32)	40,769	36,800
		529,397	**480,247**
Non-current liabilities			
Deferred tax liabilities	(33)	46,128	51,769
Provisions for pensions and similar obligations	(34)	136,583	137,076
Other provisions	(35)	6,266	6,107
Financial liabilities	(36)	302,713	326,634
		491,690	**521,586**
Current liabilities			
Provisions for pensions and similar obligations	(34)	15,852	15,158
Other provisions	(35)	52,454	45,438
Trade payables	(36)	111,089	103,721
Financial liabilities	(36)	75,304	115,002
Income tax liabilities		12,497	8,141
Other liabilities	(37)	69,540	51,315
		336,736	**338,775**
		828,426	**860,361**
Total equity and liabilities		**1,357,823**	**1,340,608**

Notes (1) to (45) are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)

for the Financial Year from December 1, 2009 to November 30, 2010

in EUR k	Subscribed Capital	Capital Reserve	Cash flow hedge reserve
As of December 1, 2008	**31,400**	**513,827**	**-8,233**
Changes in the fair value of interest rate swaps	–	–	7,505
Fair value of interest rate swaps recognized in profit or loss	–	–	-4,783
Currency translation differences	–	–	904
Total profit or loss recognized directly in equity	**–**	**–**	**3,626**
Net income	–	–	–
Total result	**–**	**–**	**3,626**
Distribution	–	–	–
As of November 30/ December 1, 2009	**31,400**	**513,827**	**-4,607**
Changes in the fair value of interest rate swaps	–	–	10,368
Fair value of interest rate swaps recognized in profit or loss	–	–	-6,373
Currency translation differences	–	–	-487
Total profit or loss recognized directly in equity	**–**	**–**	**3,508**
Net income	–	–	–
Total result	**–**	**–**	**3,508**
Distribution	–	–	–
As of November 30, 2010	**31,400**	**513,827**	**-1,099**

Notes (1) to (45) are an integral part of these Consolidated Financial Statements.

Currency translation differences	Retained earnings	Total retained earnings and currency translation differences	Equity holders of the parent	Non-controlling interests	**Total equity**
3,114	**-105,984**	**-102,870**	**434,124**	**44,968**	**479,092**
–	–	–	7,505	–	7,505
–	–	–	-4,783	–	-4,783
12,502	–	12,502	13,406	-6,722	6,684
12,502	**–**	**12,502**	**16,128**	**-6,722**	**9,406**
–	5,755	5,755	5,755	1,207	6,962
12,502	**5,755**	**18,257**	**21,883**	**-5,515**	**16,368**
–	-12,560	-12,560	-12,560	-2,653	-15,213
15,616	**-112,789**	**-97,173**	**443,447**	**36,800**	**480,247**
–	–	–	10,368	–	10,368
–	–	–	-6,373	–	-6,373
-1,550	–	-1,550	-2,037	5,862	3,825
-1,550	**–**	**-1,550**	**1,958**	**5,862**	**7,820**
–	43,223	43,223	43,223	3,524	46,747
-1,550	**43,223**	**41,673**	**45,181**	**9,386**	**54,567**
–	–	–	–	-5,417	-5,417
14,066	**-69,566**	**-55,500**	**488,628**	**40,769**	**529,397**

CONSOLIDATED CASH FLOW STATEMENT (IFRS)

for the Financial Year from December 1, 2009 to November 30, 2010

in EUR k	Note	**2010**	2009
Net income		46,747	6,962
Income taxes	(17)	13,957	13,159
Depreciation of property, plant and equipment	(24)	80,984	78,645
Amortization of intangible assets	(23)	24,840	35,860
Impairment loss	(7)	–	5,277
Change in value of equity-accounted investments	(25)	-250	-36
Change in provisions		3,855	-7,280
Change in provisions for pensions and similar obligations		-12,752	-12,481
Gain/loss on the disposal of non-current assets		-1,247	386
Financial result	(16)	34,322	40,295
Interest paid		-27,972	-34,553
Interest received		1,235	1,175
Income taxes paid		-15,336	-23,968
Income taxes received		905	1,589
Change in inventories		-5,328	20,934
Change in trade receivables and other assets		-4,455	9,256
Change in trade payables and other liabilities		21,273	-34,174
Other non-cash expenses/income		-991	16,420
Cash flow from operating activities		**159,787**	**117,466**
Cash received from disposals of non-current assets		2,658	931
Cash paid for investments			
in property, plant and equipment		-67,761	-84,079
in intangible assets		-5,380	-2,192
Cash paid out/in in connection with divestments		992	-1,448
Cash flow from investing activities		**-69,491**	**-86,788**

in EUR k	Note	**2010**	2009
Distributions to third parties		-5,417	-15,213
Raising of loans		67,080	36,973
Repayment of loans		-147,795	-80,001
Repayment of finance lease liabilities		-4,314	-7,103
Cash flow from financing activities		**-90,446**	**-65,344**
Changes in cash and cash equivalents		**-150**	**-34,666**
Change in cash and cash equivalents of the disposal group		–	748
Effect of exchange rate changes on cash and cash equivalents		4,559	-4,313
Cash and cash equivalents at the beginning of the period	(31)	56,137	94,368
Cash and cash equivalents at the end of the period	(31)	**60,546**	**56,137**

Notes (1) to (45) are an integral part of these Consolidated Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

of Gerresheimer AG for the Financial Year
from December 1, 2009 to November 30, 2010

(1) General

The Gerresheimer Group based in Duesseldorf, Germany, comprises Gerresheimer AG and its direct and indirect subsidiaries. The Gerresheimer Group is a leading international supplier of high-quality packaging solutions made of glass and plastic, primarily for the pharmaceutical and healthcare industries.

The Consolidated Financial Statements as of November 30, 2010 were prepared in accordance with the International Financial Reporting Standards (IFRSs) published by the International Accounting Standards Board (IASB) as adopted by the European Union (sec. 315a HGB) ("Handelsgesetzbuch": German Commercial Code).

The accounting policies adopted are consistent with those of the prior financial year. In addition to these, the following new or revised standards were adopted for the first time:

- IFRS 1, First Time Adoption of IFRS (revised 2008)
- IFRS 1, First Time Adoption of IFRS – Cost of investments in subsidiaries, jointly controlled entities and associates
- IFRS 2, Share-Based Payment – Vesting Conditions and Cancellations
- IFRS 3, Business Combinations (revised 2008)
- IFRS 7, Financial Instruments: Disclosures – Improving disclosures about financial instruments
- IFRS 8, Operating Segments
- IAS 1, Presentation of Financial Statements (revised 2007)
- IAS 23, Borrowing Costs (revised 2007)
- IAS 27, Consolidated and Separate Financial Statements (revised 2008)
- IAS 32, Financial Instruments: Presentation and IAS 1, Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation
- IAS 39, Financial Instruments: Recognition and Measurement – Changes with respect to risks qualifying for hedge accounting
- Amendments to IFRSs
  In May 2008, the IASB published the first set of minor amendments to various IFRSs. In many cases, these amendments are of an explanatory nature. The amendments affect a total of 20 IFRSs. Most of the amendments will become effective for the first time for financial years beginning on or after January 1, 2009.
- IFRIC 9, Reassessment of Embedded Derivatives and IAS 39 Financial Instruments: Recognition and Measurement
- IFRIC 14, IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
- IFRIC 16, Hedges of a Net Investment in a Foreign Operation
- IFRIC 17, Distribution of Non-cash Assets to Owners
- IFRIC 18, Transfers of Assets from Customers

With the exception of additional disclosure requirements, the adoption of the abovementioned standards, where applicable to the Group's business operations, has not had any significant effect on the Consolidated Financial Statements in the period of first-time adoption.

Furthermore, the IASB and IFRIC have issued the following standards and interpretations which have already been issued but not yet come into force in the financial year:

a. Amendments that are effective for financial years beginning in or after 2010:

- IFRS 1, First Time Adoption of IFRS – Additional Exceptions to retrospective Application of IFRS
- IFRS 1, Limited Exemption from Comparative IFRS 7 Disclosure for first-time Adopters and IFRS 7 Financial Instruments: Disclosures
- IFRS 2, Share-based payment – Share-based payment at group level
- Amendments to IFRSs
  In April 2009, the IASB published the second set of amendments. In total, 12 IFRSs are affected from the not immediate but necessary amendments. Most of the amendments will become effective for the first time for financial years beginning on or after January 1, 2010
- IAS 32, Financial Instruments: Presentation – Classification of rights issues
- IFRIC 14, Adoption of amendments to IFRIC 14 – Prepayments of a minimum funding Requirement
- IFRIC 15, Agreements for the Construction of Real Estate
- IFRIC 19, Extinguishing Financial Liabilities with Equity Investments

The application of the abovementioned standards in principle will not have any material effect on the Consolidated Financial Statements.

b. Amendments that become effective for financial years beginning in or after 2011:

- IFRS 1, First Time Adoption of IFRS – Hyperinflation and Removal of fixed Dates (not yet EU endorsed)
- IFRS 9, Financial Instruments (not yet EU endorsed)
- Amendments to IFRSs
  In May 2010, the IASB published the third set of amendments with 11 modifications for six various standards and one interpretation. Most of the amendments will become effective for the first time for financial years beginning on or after January 1, 2011 (not yet EU endorsed).
- IAS 12, Income taxes – Deferred taxes: Recovery of underlying Assets (not yet EU endorsed)
- IAS 24, Related party disclosure – Public sector companies and Definition of related party

The application of the abovementioned standards in principle will not have any material effect on the Consolidated Financial Statements. The potential effects based on the application of IFRS 9 in the future, cannot be assessed finally.

In preparing the Consolidated Financial Statements in accordance with prevailing accounting principles, estimates and assumptions are made which have an effect on the valuation of assets and liabilities, the disclosure of contingent liabilities and assets as of the balance sheet date as well as on the amount of income and expenses in the reporting period. Although the estimates are made to the best of management's knowledge of current events and transactions, actual future results may differ from the estimates. The most important assumptions bearing an element of estimation uncertainty relate to the determination of the option value of phantom stocks (see Note (21)), the calculation of recoverable amounts for goodwill and brand names in the context of impairment tests (see Note (23)), the calculation of deferred tax assets (including timing of initial recognition; see Note (28)), the determination of parameters for the calculation of pension provisions (see Note (34)), as well as to future-related assumptions upon purchase price allocations (see Note (14)).

In order to improve the clarity and informative value of the Financial Statements, individual items of the balance sheet and income statement are summarized and disclosed separately in these notes. The income statement has been prepared using the function of expense method. Restructuring expenses are disclosed separately because of their significance.

The Consolidated Financial Statements are in euro, the functional currency of the parent company.

Two arbitration proceedings resulting from the squeeze-out of minority interests and the discontinuation of the stock exchange listing in 2003 are currently pending at GERRESHEIMER GLAS GmbH. One relates to the settlement (EUR 14.75 per share) and the compensation payment (EUR 0.84 per share) based on the domination and profit and loss transfer agreement with the majority shareholder at that time. The second relates to the cash settlement (EUR 16.12 per share) from the squeeze-out of minority shareholders.

The Consolidated Financial Statements of Gerresheimer AG are published in German in the Electronic Federal Law Gazette (Elektronischer Bundesanzeiger) and on the Internet at www.gerresheimer.com.

(2) Consolidated Group

With effect from July 1, 2009 Gerresheimer sold the Technical Plastics Systems business (TPS). In connection hereto, the companies Gerresheimer Wilden Technical Plastic Systems GmbH, Regensburg, Germany, Gerresheimer Wilden Dysina spol. s.r.o., Dysina, Czech Republic, Gerresheimer Wilden Mexicana de sistemas plasticos, S. de R.L. de C.V., Mexico, and Gerresheimer Wilden Servicios S. de R.L. de C.V., Mexico, were sold.

The associated company Gerresheimer Wilden Bulgaria OOD, Kazanlak, Bulgaria, was sold at a loss of EUR 75k on January 5, 2009. In addition, the associated company Wilden Wise Asia Corporation Ltd., Hong Kong, China, was liquidated per November 16, 2009. The proportion of cash and cash equivalents flowing back to the Gerresheimer Group corresponded to the book value of EUR 40k.

With effect from August 15, 2009 the US companies KGV Inc., Vineland, NJ, USA, and Gerresheimer Glass Asset Management Inc., Vineland, NJ, USA, were merged into Gerresheimer Glass Inc., Vineland, NJ, USA.

Wilden Leasing GmbH & Co. KG, Mannheim, Germany, was merged with Gerresheimer Wilden GmbH, Regensburg, Germany, by way of accrual with effect from September 30, 2009.

In 2009, the companies Gerresheimer Moulded Glass GmbH, Tettau, Germany, and Gerresheimer Sistemas Plasticos Medicinais Sao Paulo Ltda., Indaiatuba, Brazil (formerly: Gerresheimer Wilden Comerico de Sistemas Plasticos Medicinais Brasil Ltda.), were newly established.

Full information on the shareholdings by Gerresheimer AG as of November 30, 2010 includes the following entities:

in %	Investment (direct and indirect)
Entities included in the Consolidated Financial Statements	
Asia	
Gerresheimer Medical Plastic Systems Dongguan Co., Ltd., Wang Niu Dun Town, Dongguan City (China)	100.00
Gerresheimer Pharmaceutical Packaging Mumbai Private Ltd., Mumbai (India)	100.00
Gerresheimer Shuangfeng Pharmaceutical Glass (Danyang) Co. Ltd., Danyang, Jiangsu (China)	60.00
Gerresheimer Shuangfeng Pharmaceutical Packaging (Zhenjiang) Co. Ltd., Zhenjiang, Jiangsu (China)	60.00
Kimble Bomex (Beijing) Glass Co. Ltd., Beijing (China)	70.00[1)]
Kimble Bomex (Beijing) Labware Co. Ltd., Beijing (China)	70.00[1)]
Europe	
DSTR S.L., Zaragoza (Spain)	100.00
Gerresheimer Boleslawiec S.A., Boleslawiec (Poland)	100.00
Gerresheimer Buende GmbH, Buende/Westfalia (Germany)[2)]	100.00
Gerresheimer Chalon S.A., Chalon-sur-Saone (France)	100.00
Gerresheimer Denmark A/S, Vaerloese (Denmark)	100.00
Gerresheimer Essen GmbH, Essen-Steele (Germany)[2)]	100.00
GERRESHEIMER GLAS GmbH, Duesseldorf (Germany)[2)]	100.00
Gerresheimer Group GmbH, Duesseldorf (Germany)[2)]	100.00
Gerresheimer Holdings GmbH, Duesseldorf (Germany)[2)]	100.00
Gerresheimer Horsovsky Tyn spol. s r.o., Horsovsky Tyn (Czech Republic)	100.00
Gerresheimer Kuessnacht AG, Kuessnacht (Switzerland)	100.00
Gerresheimer Lohr GmbH, Lohr/Main (Germany)[2)]	100.00
Gerresheimer Momignies S.A., Momignies (Belgium)	99.00
Gerresheimer Moulded Glass GmbH, Tettau/Upper Franconia (Germany)[2)]	100.00
Gerresheimer Pisa S.p.A., Pisa (Italy)	100.00
Gerresheimer Plastic Packaging AB, Malmoe (Sweden)	100.00
Gerresheimer Plastic Packaging SAS, Besancon (France)	100.00
Gerresheimer Regensburg GmbH, Regensburg (Germany)[2)]	100.00
Gerresheimer Spain S.L.U., Madrid (Spain)	100.00
Gerresheimer Tettau GmbH, Tettau/Upper Franconia (Germany)[2)]	100.00
Gerresheimer UK Ltd., Reading (UK)	100.00
Gerresheimer Vaerloese A/S, Vaerloese (Denmark)	100.00
Gerresheimer Valencia S.L.U., Valencia (Spain)	99.82
Gerresheimer Wertheim GmbH, Wertheim (Germany)[2)]	100.00
Gerresheimer Werkzeug- und Automatisierungstechnik GmbH, Wackersdorf (Germany)[2)]	100.00
Gerresheimer Wilden AB, Ronneby (Sweden)	100.00
Gerresheimer Zaragoza S.A., Epila (Spain)	99.82
Scherf-Praezision Europa GmbH, Meiningen-Dreissigacker (Germany)	100.00[1)]
VR-Leasing SALMO GmbH & Co. Immobilien KG, Eschborn (Germany)[3)]	100.00

in %	Investment (direct and indirect)
Americas	
Gerresheimer Buenos Aires S.A., Buenos Aires (Argentina)	99.82
Gerresheimer Glass Inc., Vineland, NJ (USA)	100.00
Gerresheimer Mexico Holding LLC., Wilmington, DE (USA)	100.00
Gerresheimer MH Inc., Wilmington, DE (USA)	100.00
Gerresheimer Peachtree City (USA), L.P., Peachtree City, GA (USA)	100.00
Gerresheimer Peachtree City Inc., Peachtree City, GA (USA)	100.00
Gerresheimer Plasticos Sao Paulo Ltda., Cotia (Brazil)	100.00
Gerresheimer Queretaro S.A., Queretaro (Mexico)	100.00
Gerresheimer Sistemas Plasticos Medicinais Sao Paulo Ltda., Indaiatuba (Brazil)	100.00
Kimble Chase Life Science and Research Products LLC., Vineland, NJ (USA)	51.00
Kimble Kontes LLC., Vineland, NJ (USA)	100.00[1]
Kontes Mexico S. de R.L. de C.V., Queretaro (Mexico)	100.00[1]
Associated Companies	
Beijing Gerresheimer Glass Co., Ltd., Huangcun, Beijing (China)	45.70
Gerresheimer Tooling LLC., Peachtree City, GA (USA)	30.00
Proform CNC Nastrojama spol., Horsovsky Tyn (Czech Republic)	30.15
Non-consolidated Companies[4]	
Gerresheimer Bauglas GmbH, Duesseldorf (Germany)	100.00
Gerresheimer Hallenverwaltungs GmbH, Duesseldorf (Germany)	100.00
Gerresheimer Hallenverwaltungs GmbH & Co. Objekt Duesseldorf KG, Duesseldorf (Germany)	100.00
Gerresheimer Hallenverwaltungs GmbH & Co. Objekt Lohr/Main KG, Duesseldorf (Germany)	100.00
Gerresheimer Medical Plastic Systems GmbH, Regensburg (Germany)	100.00
Nouvelles Verreries de Momignies Inc., Larchmont, NY (USA)	99.00

[1] Share disclosures represent the direct investment of Kimble Chase Life Science and Research Products LLC.
[2] Pursuant to sec. 264 (3) HGB ("Handelsgesetzbuch": German Commercial Code), the entities are not obliged to prepare notes to the financial statements and a management report or publish Annual Financial Statements.
[3] Pursuant to SIC 12, the entity is consolidated as a special-purpose entity. Gerresheimer Regensburg GmbH is a limited partner. Pursuant to sec. 264b HGB ("Handelsgesetzbuch": German Commercial Code), the Company is not obliged to publish Annual Financial Statements.
[4] On the strength of the secondary of net assets, financial situations, results from operations and cash flow – also in the entirety – the companies are not included in the consolidated group.

(3) Consolidation Principles

In addition to Gerresheimer AG, the domestic and foreign subsidiaries directly or indirectly controlled by the Company are included in the Consolidated Financial Statements.

Subsidiaries are consolidated for the first time as of the date the parent assumes control of the entity. Deconsolidation is performed as of the date control ceases to exist. The shares of the non-controlling interests in equity, profit and loss and comprehensive income are disclosed separately in the balance sheet, income statement and statement of comprehensive income. In the consolidated balance sheet they are disclosed separately from the equity attributable to equity holders of the parent.

Purchases of subsidiaries are accounted for using the purchase method. For the initial valuation of a business combination this method stipulates that all identifiable assets, liabilities and contingent liabilities of the acquired entity are fully recognized at their fair value at the acquisition date. Any remaining debit difference after the purchase price allocation is recognized as goodwill. Any credit difference (negative goodwill) remaining after careful reassessment is recognized immediately in profit or loss under other operating income.

Investments in associated companies are recognized according to the Group's share in equity using the equity method. Interim Financial Statements are prepared as of the Group's balance sheet date.

The Financial Statements of the domestic and foreign subsidiaries included in consolidation have been prepared according to uniform accounting and valuation policies in accordance with IAS 27.

Effects from inter-company transactions are eliminated. Receivables and liabilities between consolidated entities are offset, as are inter-company income and expenses; inter-company profits and losses are eliminated. The necessary deferred taxes are recognized for temporary differences arising on consolidation in accordance with IAS 12.

(4) Currency Translation

In the Separate Financial Statements, transactions in foreign currency are measured at the rate on the transaction date.

Non-monetary items are translated into the functional currency at the exchange rate on the date of the transaction. Monetary items are translated using the closing rate at the balance sheet date. Exchange gains or losses from the translation of monetary assets and liabilities denominated in foreign currency at year-end rates are recognized in profit or loss unless they qualify as cash flow hedges and are temporarily recognized in equity until realized.

Functional currency translation is used in the Consolidated Financial Statements (IAS 21). Balance sheet items of all foreign entities which do not use the euro as their functional currency are translated using the daily middle rates published by the European Central Bank on the balance sheet date.

Income and expense items as well as cash flow items of the foreign entities are translated into the Group's currency using the average exchange rate. Any resulting differences are offset directly against equity. Goodwill is treated in the same way as the assets and liabilities of the entities in question and translated using the closing rate on the date of the transaction.

The following exchange rates are used to translate the major currencies in the Group:

	Closing rate to EUR		Average rate to EUR	
Currency	**Nov. 30, 2010**	Nov. 30, 2009	**2010**	2009
1 BRL	0.4470	0.3809	0.4223	0.3519
1 CHF	0.7698	0.6635	0.7149	0.6629
1 CZK	0.0401	0.0383	0.0393	0.0379
1 DKK	0.1342	0.1344	0.1343	0.1343
1 GBP	1.1938	1.0970	1.1579	1.1211
1 MXN	0.0613	0.0516	0.0585	0.0533
1 PLN	0.2458	0.2413	0.2483	0.2322
1 RMB	0.1154	0.0975	0.1098	0.1057
1 SEK	0.1090	0.0957	0.1034	0.0942
1 USD	0.7694	0.6656	0.7451	0.7223

(5) Accounting Policies

Assets and liabilities are measured at amortized cost, with the exception of available-for-sale investment securities and derivative financial instruments which are measured at fair value.

Intangible assets

Intangible assets are recognized at cost. Those with finite useful lives are amortized on a straight-line basis in line with their useful economic life, with impairment losses being recognized where required. The useful life of licenses and similar rights is between one and five years. Brand names with finite useful lives are amortized in the same way as technologies, namely over the period of their estimated useful lives of between five and ten years.

Further brand names, which relate to the umbrella brand strategy, and goodwill are also disclosed as intangible assets with indefinite useful lives. The latter represents the excess of the Group's interest in the fair values of the acquiree's net assets over cost on the date of acquisition. These assets are tested for impairment at least once a year in accordance with IFRS 3, "Business Combinations", IAS 36, "Impairment of Assets" and IAS 38, "Intangible Assets".

Research costs are generally expensed as incurred. Development costs are only recognized as an intangible asset if the criteria of IAS 38 have been fulfilled, i.e. in particular if it is likely that the project is technically and commercially feasible and if the expenses attributable to the intangible asset can be reliably measured during its development. Capitalized development costs are amortized on a straight-line basis over a period of seven or ten years.

The Group receives emission allowances free of charge in certain European countries, as part of the European system for trading in greenhouse gas emission certificates. These emission allowances are disclosed using the net liability method. Pursuant to IAS 20.23, non-monetary government grants, here the asset received (emission allowances) may be recorded at a nominal amount. Obligations from the emission of pollutants are not considered until the actual level of emission exceeds the existing emission allowances granted to the Gerresheimer Group. The obligation is then recognized at the respective fair value of the emission allowances. Any emission allowances purchased from third parties are recognized at cost and treated as refund claims.

Property, plant and equipment
Property, plant and equipment are measured at cost less depreciation and any impairment losses. The cost of property, plant and equipment comprises all costs incurred pursuant to IAS 16. Borrowing costs of a qualifying asset are capitalized according to IAS 23. Property, plant and equipment are generally subject to depreciation on a straight-line basis.

This depreciation is based on the following useful lives which were generally calculated on the basis of estimates by experts:

	in years
Buildings	10–40
Plant and machinery	5–15
Furniture and fixtures	3–10

Repairs and maintenance expenses are expensed as incurred. Expenses for major inspections and furnace overhauls are included in the carrying amount of the assets if the recognition criteria of IAS 16 are met.

Government grants
Government grants are recognized at their fair value if they have been officially approved and there is reasonable assurance that the entity will comply with the conditions attached to them. The grants are released to income in equal annual installments over the expected useful life of the subsidized asset.

Investment property
Investment property (IAS 40) comprises property held on a long-term basis to earn rentals and/or for capital appreciation. It is recognized at cost less accumulated depreciation and accumulated impairment losses (cost model).

Leases
Leased property, plant and equipment are recognized in accordance with IAS 17 and depreciated when the risks and rewards incidental to ownership have been transferred to a group company. On initial recognition, the assets and liabilities pertaining to the finance lease are recorded at equal amounts in the balance sheet equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The liabilities are disclosed under financial liabilities. Lease

payments are apportioned between the finance charge and the reduction of the outstanding liability so as to achieve a constant periodic interest rate on the remaining balance of the liability over the period. Non-current assets acquired through finance leases are depreciated over the shorter of their expected useful life or the term of the lease.

If leased assets pursuant to IAS 17 are classified as operating leases, payments are recognized as an expense in the income statement over the term of the lease agreement.

Impairment losses

Property, plant and equipment, investment property, goodwill, intangible assets and other non-current assets are subject to an impairment test if circumstances and events indicate that the carrying amount does not reflect the recoverable amount. Furthermore, goodwill and other intangible assets with indefinite useful lives are subject to an annual impairment test at the level of the cash-generating unit to which the respective asset belongs. The impairment loss is equal to the amount by which the carrying amount exceeds the net realizable value or value in use.

Unless the asset in question is goodwill, impairment losses are reversed if the reasons for the impairment cease to exist. Impairment losses on goodwill are disclosed as other operating expenses, reversals of impairment losses are disclosed under other operating income.

Investments in associates

Investments in associates are recognized according to the Group's share in equity using the equity method and disclosed under "Investments accounted for using the equity method". The ownership interest is determined on the basis of the number of shares outstanding. Net equity is translated at the rate on the balance sheet date. The results of equity investments are disclosed in the operating result because the investments are not held for financial purposes but are regarded as part of the Group's operating business.

Inventories

Inventories are measured at the lower of cost and net realizable value. Cost is generally the average cost, and includes production and material overheads in addition to direct costs. Other expenses attributable to production are also included in the costs of conversion. Besides these production costs, the cost of sales disclosed in the income statement also includes the cost of unused capacities.

Financial assets

Financial assets are recognized when the contractual rights to receive cash flows of a financial asset have been transferred. Initial recognition is at the fair value plus directly attributable transaction costs. In the same way, financial assets are derecognized once the contractual rights to receive cash flow of a financial asset have expired. The settlement date, i.e. the date on which the asset is delivered to or by the Gerresheimer Group (date of transfer of ownership), is relevant for the first-time recognition and derecognition of regular purchases or sales.

On acquisition, financial assets are classified into the following categories. The classification is reviewed on each balance sheet date.

Financial assets at fair value through profit or loss: Financial assets which are initially measured at fair value through profit and loss are classified as assets held for trading. Any subsequently measured gain or loss is recognized in profit or loss.

At Gerresheimer, these assets exclusively comprise the derivative financial instruments disclosed in other financial assets which are not determined to be an effective hedge in accordance with IAS 39. Gerresheimer does not make use of the fair value option. Please see our Note (6) for further explanations on derivative financial instruments.

Held-to-maturity investments: Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity investments when the Group has the positive intention and ability to hold to maturity. After initial recognition, held-to-maturity investments are subsequently measured at amortized cost using the effective interest method less any impairment losses. Gains and losses are recognized in profit or loss when the investments are derecognized or impaired as well as through the amortization process.

Up to now, no financial assets are classed in this category at Gerresheimer.

Available-for-sale financial assets: Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified as one of the other categories. Subsequent to initial measurement, available-for-sale financial assets are measured at fair value. Unrealized gains or losses are recognized directly in equity. If such a financial asset is derecognized or impaired, any accumulated gain or loss that had been recognized directly in equity is recognized in profit or loss.

Equity investments carried in the balance sheet in the reporting period are classified without exception as "available for sale" and are measured at cost due to the lack of a market value. Non-interest or low-interest-bearing financial assets are measured at amortized cost. The cost is determined using the effective interest method less any impairment and including discounts and premiums paid upon acquisition as well as transaction costs and fees which are an integral part of the effective interest rate.

In addition, the remaining financial assets which are allocated to other financial assets are included in this category.

Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, loans and receivables are measured at amortized cost using the effective interest method less any impairment. Gains and losses are recognized in profit or loss when the loans and receivables are derecognized or impaired and through the amortization process.

Trade receivables, loans and refund claims included in other financial assets and cash and cash equivalents are assigned to this category.

If there are indications of impairment for balances in the category of loans and receivables, an impairment test is carried out and an impairment loss charged accordingly. For this purpose, the Company tests whether the carrying amount exceeds the present value of the expected future cash flows which are discounted at the current market rate of return for a comparable asset. If this is the case, an impairment loss is recorded for the difference. If the reasons for the impairment cease to exist, the impairment losses are reversed, although, not in excess of the initial cost.

No reclassifications between the categories were made either in the reporting period or in the prior financial year.

Customer-specific construction

Customer-specific construction contracts are recognized using the percentage of completion method. The service rendered, including the share in the result, is disclosed under revenue in accordance with the percentage of completion. The applicable percentage of completion is calculated using the cost-to-cost method. Disclosure is made under trade receivables.

Other receivables

Tax receivables, prepayments and other non-financial assets are recognized at amortized cost.

Cash and cash equivalents

Cash and cash equivalents are carried as financial assets at their nominal values. The cash equivalents have terms of three months or less.

Assets and disposal groups held for sale

This item is disclosed if there are individual non-current assets or groups of assets and directly attributable liabilities which may be sold in their current condition and their sale is sufficiently probable. The assets and liabilities held for sale must also be disposed by the Group in a single transaction.

The non-current assets in a disposal group are not depreciated or amortized. Instead, they are recognized at the lower of carrying amount and fair value less costs to sell. If the carrying amount exceeds the fair value, they are impaired.

Provisions for pensions and similar obligations

The Group has a number of pension schemes that are designed in accordance with the regulations and practices of the countries they apply to. Furthermore, commitments have been made in the US to provide additional post-employment medical care. More than 77 % of these benefits are not financed through funds.

When accounting for pensions and other post-employment benefits, a distinction is made between defined benefit plans and defined contribution plans. Under a defined contribution plan, the Group pays fixed amounts into a fund and no further legal or constructive obligation exists to pay any further amounts in cases where the fund does not have enough capital to meet its obligation to pay the benefits due for the current year and for previous years. The Group's obligation is based on annual contributions. As a result, no actuarial assumptions have to be made in order to value the obligations and expenses and, as such, actuarial gains and losses cannot be incurred. Furthermore, the obligations are measured on an undiscounted basis except where they are due more than twelve months after the end of the period in which they were earned.

A defined benefit plan defines the amount of the benefit. This amount is linked to one or a number of factors such as age, years of service and salary. The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit method. Actuarial gains and losses are recognized as income or expense if the net cumulative unrecognized actuarial gains and losses for each individual plan at the end of the previous reporting year exceed the higher amount of 10 % of the defined benefit obligation or 10 % of the fair value of plan assets at that date. These gains or losses are recognized over the expected average remaining working lives of the employees participating in the plans.

Past service cost is recognized on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits are already vested immediately following the introduction of, or changes to, a defined benefit plan, past service costs are immediately expensed.

The defined benefit liability is the net total of the present value of the defined benefit obligation, plus or minus actuarial gains and losses not yet recognized in profit or loss, minus past service cost not yet recognized in profit or loss, plus any as yet unrecognized gains or losses from plan changes, minus the fair value of plan assets out of which the obligations are to be settled directly.

The obligations are measured annually by independent actuaries. The interest payable on pensions is disclosed in the financial result.

Other provisions

Other provisions are recognized if a current obligation is established as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be reliably estimated. Non-current provisions are discounted. If a contractual claim to refund from a third party is sufficiently probable, the refund is recognized as an asset in the balance sheet.

Phased retirement obligations are also disclosed in other provisions with the block model being applied for phased retirement agreements. The salary portion is recognized pro rata temporis during the active phase over the residual period of the employee's term of service. The incentive amounts, which are granted from the employer, are set up from the date the agreement is concluded with the present value of the settled payments. While the incentive amounts are paid out from the beginning of the active phase, the salary portions are due at the beginning of the passive phase.

Post-employment benefits are accounted for when an obligation exists on the basis of a detailed formal plan or a concrete settlement offer. Benefits payable more than twelve months after the balance sheet date are discounted to the present value.

Stock appreciation rights (phantom stocks)

Stock appreciation rights are recognized at fair value in accordance with IFRS 2. The fair value of the phantom stocks is recorded pro rata temporis as personnel expenses and at the same time as a provision because an obligation exists to make a cash settlement. The total expense that requires recognition in the period up until the date on which the phantom stock is exercised is calculated on the basis of the fair value of the phantom stock and the expected fluctuation of the beneficiaries; these parameters are reviewed on each balance sheet date.

Current and deferred income taxes

The corporations included in the Gerresheimer AG Group (with the exception of the foreign subsidiaries and one German corporation) form a tax group for income tax purposes. Gerresheimer AG fulfills the role of taxpayer. As a result, the German subsidiaries consolidated into the Group do not generally incur income taxes. In addition to the calculation of current income taxes, deferred tax assets or liabilities are recognized for temporary differences between the amounts recognized in the Company's tax accounts and its IFRS balance sheet in accordance with IAS 12. This leads to a future tax burden (deferred tax liabilities) or future tax relief (deferred tax assets). Additionally deferred tax assets for tax loss carryforwards and tax credits are recognized. The calculation is based on the tax rates applicable in the future. Deferred tax assets are only recognized when it appears probable that they will be realized.

Financial liabilities

Financial liabilities include primary liabilities and negative fair values of derivative financial instruments.

The primary liabilities are recognized for the first time when a contractual obligation to payment arises from these liabilities. They are recognized for the first time at their fair value less any transaction costs. They are subsequently measured at amortized cost using the effective interest method. Differences between their fair value at the first time of recognition (less any transaction costs) and their repayable amount on maturity are recognized in profit or loss over the term of the liability.

Derivative financial instruments that are not determined to be an effective hedge pursuant to IAS 39 must be classified as "held for trading" and recognized at fair value. If their fair value is negative, the instruments are disclosed under financial liabilities. Gerresheimer does not make use of the fair value option. Please see our Note (6) for further explanations on the recognition of derivative financial instruments.

Financial liabilities are derecognized once the contractual obligations to payment arising from the liabilities have been settled, removed or cancelled and have therefore expired.

Other liabilities

Payments received, liabilities from other taxes or social security and non-financial liabilities are recognized at amortized cost.

Revenue recognition

Revenue from the sale of products and services is recognized, less sales deductions such as bonuses, cash discounts or rebates, on the date on which the risks were transferred or the service rendered. Interest income is recognized using the effective interest method when interest accrues.

Customer-specific construction contracts are recognized using the percentage of completion method. The service rendered, including the share in the result, is disclosed under revenue in accordance with the percentage of completion.

(6) Financial Risk Management and Derivative Financial Instruments

Derivative financial instruments are used exclusively for hedging purposes.

The Group's financial risks are monitored centrally as part of the Group-wide financial risk management system. Identified potential risks are managed using suitable hedging measures on the basis of clearly defined guidelines.

In addition to price risks resulting from fluctuations on the money and capital markets and the international commodities markets, risk management focuses on credit and liquidity risks.

In line with intra-group financing guidelines, forward exchange contracts and currency swaps are used to hedge **exchange rate risks.** In connection with currency management, only transaction risks can be considered risk exposures. The currency derivatives are used to hedge defined hedged items and are classified as hedging instruments in accordance with the requirements of IAS 39.

Credit risks resulting from the Group's trade relationships are monitored through credit and receivables management and the sales divisions of the operating entities. With the aim of avoiding losses on receivables, customers are subject to ongoing internal credit checks. Receivables from customers which do not have a first-class credit rating are insured.

The Group's **liquidity situation** is monitored and managed using complex planning instruments. Risks in connection with the procurement of funds are identified and monitored on the basis of rolling financial and liquidity plans.

All derivative financial instruments are recognized at fair value pursuant to IAS 39. Derivative financial instruments with a positive fair value are disclosed under other financial assets and derivatives with negative fair values are disclosed under other financial liabilities.

The fair values of derivative financial instruments are determined using the applicable exchange rates, interest rates and credit standings on the balance sheet date. The fair value equals the amount which the group entities would either receive or have to pay to settle the financial instrument on the balance sheet date.

Changes in the fair value of derivative financial instruments are recognized immediately in profit or loss unless an effective hedge is in place which meets the criteria of IAS 39. If the derivative serves to effectively hedge anticipated future cash inflows or outflows (cash flow hedge), changes in the fair value of the derivative financial instrument are recognized directly in equity (in the cash flow hedge reserve), provided that they relate to an effective hedge. In this case, effects from the change in value of the derivative only arise on maturity or settlement of the hedged item.

The interest rate swaps were classified as cash flow hedges in line with IAS 39. The swaps meet the effectivity criteria and were therefore classified as effective.

Due to the short-term nature of the hedges, the currency derivatives were classified as held for trading pursuant to IAS 39 and measured at fair value. Changes in fair value are recognized in profit or loss.

(7) Changes to the Consolidated Group

Effective November 26, 2010, Gerresheimer acquired the newly established company Gerresheimer Pharmaceutical Packaging Mumbai Private Ltd., Mumbai, India. Gerresheimer intends to advance its very promising pharmaceutical primary packaging and drug delivery systems business in the growth market of India. In addition to sales operations, the company is also stepping up its local customer services and technical services.

In the financial year 2009, the Gerresheimer Group sold the Technical Plastic Systems business (TPS) on July 1, 2009. The business, which primarily manufactured plastic system components for suppliers to the automotive industry, was not part of our core business and fell short of meeting the margin expectations of the Gerresheimer Group. The sales process was started through an international invitation for bids on August 1, 2008.

In connection hereto, the companies Gerresheimer Wilden Technical Plastic Systems GmbH, Regensburg, Germany, Gerresheimer Wilden Dysina spol. s.r.o., Dysina, Czech Republic, Gerresheimer Wilden Mexicana de sistemas plasticos, S. de R.L. de C.V., Mexico and Gerresheimer Wilden Servicios S.de R.L. de C.V., Mexico, were sold.

In accordance with IFRS 5, the income and expenses generated to the date of disposal are included in the result of continued operations.

The accounting loss arising from the divestment of EUR 5.3m is included in the income statement as an impairment loss within other operating expenses in the Plastic Systems Division. This amount includes a deconsolidation effect of EUR 0.4m.

(8) Cash Flow Statement

The cash flow statement shows how the cash and cash equivalents of the Gerresheimer Group have changed in the course of the year under review due to cash inflows and outflows. In this regard, the effects due to the first-time consolidation of acquisitions, divestments and other changes in the consolidated group have been eliminated. In accordance with IAS 7, a distinction is made between cash flows from operating, investing and financing activities. The cash and cash equivalents in the cash flow statement comprise cash on hand, checks, bills of exchange and bank balances. The item “Cash paid out in connection with divestments” in 2009 comprises the sale of the Technical Plastic Systems business on July 1, 2009. The purchase price amounted to EUR 8.0m and is paid in installments. In connection with the disposal, financial liabilities of EUR 4.0m were assumed by the purchaser. EUR 1.4m of the total purchase price had been paid by November 30, 2009. In addition, selling costs or contractually agreed equalization payments amounting to a total of EUR 2.4m arose. Cash and cash equivalents at the time of sales amounted to EUR 0.5m. In the financial year 2010, a further EUR 1.0m from the purchase price was paid.

Notes to the Consolidated Income Statement

(9) Revenues

in EUR m	2010	2009
By division		
Tubular Glass	296	291
Plastic Systems	308	315
Moulded Glass	326	307
Life Science Research	95	87
	1,025	**1,000**
By region		
Germany	240	273
Europe (excluding Germany)	410	386
Americas	311	283
Other regions	64	58
	1,025	**1,000**

Revenues contain realized order values of EUR 5.7m (prior year: EUR 3.4m) based on application of the percentage of completion method. All other revenue was generated from the sale of goods.

(10) Cost of Sales

Cost of sales comprises the cost of the goods sold and the purchase cost of the sold merchandise. The cost of sales includes direct costs such as production materials, personnel expenses and energy costs as well as indirect costs such as depreciation on production facilities and repair costs. In addition, the cost of sales includes in total depreciation amounted to EUR 78.6m (prior year: 79.9m), thereof fair value adjustments EUR 4.2m (prior year: EUR 11.3m).

(11) Selling and Administrative Expenses

Selling expenses comprise personnel and non-personnel expenses for the sales organizations and distribution (including freight and commissions). In addition, the selling expenses include in total depreciation amounted to EUR 22.2m (prior year: EUR 28.9m), thereof fair value adjustments of EUR 20.6m (prior year: EUR 27.0m).

General administrative expenses comprise personnel and non-personnel expenses for the administrative functions as well as depreciation amounted to EUR 4.7m (prior year: EUR 5.4m).

(12) Other Operating Income

Other operating income breaks down as follows:

in EUR m	**2010**	2009
Exchange gains	0.4	0.0
Income from the disposal of fixed assets	2.1	0.8
Income from the reversal of provisions	2.4	3.8
Income from refund claims against third parties	1.8	0.8
Income from the derecognition of liabilities	1.0	2.5
One-off income	2.2	0.0
Other income	4.0	4.6
	13.9	**12.5**

Exchange gains and losses from the translation of receivables and payables in foreign currency from operating activities and the net result of the fair value of derivative financial instruments, used as hedging instruments for hedged items from operating activities, are shown net either in other operating income or in other operating expenses. Exchange gains or losses from financing activities are included net in the financial result.

The one-off income includes on-charges due to tax audits.

(13) Restructuring Expenses

Restructuring expenses comprise expenses defined in accordance with IAS 37.70 et seq. Similar expenses which do not meet this definition are disclosed under other operating expenses.

Restructuring expenses are disclosed separately in view of their significance. It is related in particular to cost-cutting measures and measures to boost efficiency in production, sales and administration at various subsidiaries of the Gerresheimer Group. Restructuring expenses of EUR 2.9m (prior year: EUR 2.8m) relate to personnel expenses.

In 2010, restructuring expenses amounting to USD 4.3m (EUR 3.2m) relate to the planned closure of the production facility of the Life Science plant in Vineland, NJ, USA as well as the transfer of those business activities to China and Mexico.

In 2009, this item chiefly comprised expenses in connection with the sale of the Technical Plastic Systems business and the continued reorganization measures at various subsidiaries.

(14) Amortization of Fair Value Adjustments

The following table shows the amortization of fair value adjustments made following the acquisitions of Gerresheimer Group GmbH in December 2004, Gerresheimer Vaerloese (formerly Dudek Plast Group) at the end of December 2005, the Gerresheimer Wilden Group in early January 2007, the pharmaceutical glass business of Comar Inc., US, in March 2007, the newly formed joint venture Kimble Chase in July 2007, as well as Gerresheimer Zaragoza and Gerresheimer Sao Paulo in January 2008.

in EUR m	Fair value adjustments Carrying value as of Nov. 30, 2010	**Fair value adjustments Amortization 2010**	Fair value adjustments Amortization 2009
Customer base	62.1	20.6	27.0
Brand names	29.6	0.0	0.0
Technologies	9.5	1.6	3.4
Process know-how	0.1	0.1	3.6
Land	4.2	0.0	0.0
Buildings	11.7	0.6	0.7
Machinery	5.4	1.9	3.6
	122.6	**24.8**	**38.3**

Brand names are not subject to straight-line amortization instead, in accordance with IFRS 3, “Business Combinations”, IAS 36 , “Impairment of Assets” and IAS 38, “Intangible Assets”, they are tested for impairment at least once a year.

(15) Other Operating Expenses

in EUR m	**2010**	2009
Exchange losses	0.0	1.2
Research and development	3.5	2.9
Impairment losses	0.0	5.3
One-off expenses	2.2	2.0
Loss from the disposal of fixed assets	0.8	1.0
Business interruption costs	0.2	0.6
Other guarantees and damages	2.9	0.8
Other expenses	3.7	3.2
	13.3	**17.0**

The impairment losses of the prior financial year are connected in total amount with the sale of the Technical Plastic Systems business.

In the financial year, the one-off expenses chiefly comprise consulting fees in connection with planned acquisitions. The one-off expenses of the prior financial year are mainly caused by the sale of the Technical Plastic Systems business.

Exchange gains and losses from the translation of receivables and payables in foreign currency from operating activities and the net result of the fair value of derivative financial instruments, used as hedging instruments for hedged items from operating activities, are shown net either in other operating income or in other operating expenses. Exchange gains or losses from financing activities are included net in the financial result.

(16) Financial Result

in EUR k	**2010**	2009
Financial income	935	1,375
Financial expenses	-35,257	-41,670
(thereof for interest rate swaps: Cash flow hedges, transfer of equity)	*(-10,361)*	*(-7,397)*
(thereof interest expense for pension provisions less expected return on plan assets)	*(-8,333)*	*(-9,322)*
(thereof exchange gains/losses from financing activities)	*(2,126)*	*(-620)*
	-34,322	**-40,295**

Financial expenses contain interest expenses on liabilities to banks, bonds, finance lease liabilities, and other financial liabilities.

Income from equity investments of EUR 66k (prior year: EUR 47k) are classified as "available for sale". The interest expenses in connection with the interest rate swaps, which are recognized as a cash flow hedge (EUR 10,361k; prior year: EUR 7,397k), are classified as financial liabilities "at fair value – changes in cash flow hedge". All other income from financial assets is designated to the category "Loans and receivables" and all other expenses from financial liabilities to the category "Liabilities carried at amortized cost".

Exchange effects arising from financing activities including the derivative financial instruments relating hereto are shown net in the financial result either under exchange gains or exchange losses from financing activities.

(17) Income Taxes

in EUR k	**2010**	2009
Current income taxes	-18,136	-15,359
Deferred income taxes	4,179	2,200
	-13,957	**-13,159**

For information on deferred taxes, please see our explanations in Notes (28) and (33).

The reasons for the difference between the expected and effective tax expense in the Group are as follows:

in EUR k	**2010**	2009
Net income before income taxes	60,704	20,121
Expected tax expense: 29 % (prior year: 29 %)	**-17,604**	**-5,835**
Differences:		
Non-recognition of deferred taxes on tax loss carryforwards	-882	-661
Tax attributable to non-controlling interests	3,793	-127
Different foreign tax rates	888	1,446
Non-deductible expenses (prior year: Incl. effects from disposal)	-1,323	-6,501
Tax-free income	802	105
Change in write-down on deferred tax assets	1,771	-676
Taxes from prior periods	-1,441	-933
Other	39	23
Total differences	**3,647**	**-7,324**
Effective tax expense	**-13,957**	**-13,159**

The corporate income tax rate in Germany remained unchanged at 15 % plus a 5.5 % solidarity surcharge on the corporate income tax and trade tax has been set at approximately 13 %. This results in a combined tax rate of approximately 29 %.

The tax rates for the subsidiaries whose registered offices are not in Germany vary between 14 % and 40 %. In the year under review, some of the subsidiaries in China benefited from tax privileges, with a resulting tax rate of 12.5 % or 15 %.

Effects from profit and loss transfer agreements

As a result of the tax group in place at Gerresheimer AG for income tax purposes, the results achieved by eleven German consolidated corporations of the income tax group are subject to tax at the level of Gerresheimer AG. Please see our explanations on current and deferred income taxes in the section on "Accounting Policies."

Deferred taxes on tax loss carryforwards

Some foreign subsidiaries did not recognize any deferred tax assets (EUR 24.8m; prior year: EUR 14.2m) as they do not expect to use these tax loss carryforwards in the future. The tax loss carryforwards, of which EUR 0.7m will expire by 2020, all relate to foreign taxes.

Despite incurring losses in the current and prior financial years, some other foreign subsidiaries recognized deferred tax assets on the tax loss carryforwards (EUR 3.0m; prior year: EUR 6.5m) as the entities expect to generate future taxable profits.

Pursuant to IAS 12, deferred taxes for temporary differences should be recognized for shares in group entities (outside basis differences). No deferred tax liabilities were recognized on outside basis differences of EUR 14.2m (prior year: EUR 9.7m) as the companies do not expect a reversal of the temporary differences in the foreseeable future.

(18) Earnings per Share

Basic earnings per share are calculated by dividing net profit for the year attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares outstanding during the year.

No new shares were issued in the financial years 2010 and 2009, such that the weighted average number of shares was 31.4 million in both financial years.

The existing phantom stock program (see Note (21)) stipulates that when the exercise target is reached, the Company has the option to issue Gerresheimer shares, but a cash payment is intended. No further options or conversion rights were issued in 2010 and 2009, which helped avoid dilution of the earnings per share. The diluted and undiluted earnings therefore tally.

	2010	2009
Profit or loss attributable to equity holders of the parent (EUR k)	43,223	5,755
Weighted average number of ordinary shares (in ‘000)	31,400	31,400
Earnings per share according to IFRS (EUR)	**1.38**	**0.18**

Other Information on the Consolidated Income Statement

(19) Cost of Materials

in EUR k	**2010**	2009
Cost of raw materials, consumables and supplies and of merchandise	352,295	356,305
Cost of purchased services	6,436	15,539
	358,731	**371,844**

Cost of materials primarily comprises expenditure for raw materials, energy, packaging, external production and cost of consumables and supplies.

(20) Personnel Expenses

in EUR k	**2010**	2009
Wages and salaries	263,857	253,527
Social security and other benefit costs	62,745	61,468
Pension costs	4,342	4,271
	330,944	**319,266**

The social security contributions contain expenses for defined contribution plans within the meaning of IAS 19 in the form of contributions to the German statutory pension insurance scheme of EUR 10.5m (prior year: EUR 10.3m).

(21) Gerresheimer Stock Appreciation Rights (Phantom Stocks)

A share-based remuneration system and appreciation rights (phantom stocks) were introduced for the first time in the financial year 2007 with a view to promote motivation and strengthen management loyalty to the Company.

To qualify, participants must have an employment relationship with Gerresheimer AG or one of its group entities on the date of share allocation of the phantom stocks. The phantom stocks granted are subject to a vesting period which runs from the issue date to the end of the 30th stock exchange trading day following the Annual General Meeting after the issue date. These stocks can then be converted into income by October 31 of the year after the next Annual General Meeting after the issue date takes place, assuming that the exercise target has been reached. The level of remuneration will depend on the development of the Gerresheimer share price. The plan stipulates that when the exercise target is reached, the Company has the option to issue Gerresheimer shares; however payment is expected in cash.

The exercise target is reached when the target price of the allocated phantom stocks exceeds the initial price by at least 8 %. Share prices are compared using the non-weighted arithmetic mean of the closing prices recorded in the Xetra system of trading of the Frankfurt Stock Exchange during the last 30 trading days prior to the date of exercise. However, the maximum amount payable to subscribers for all stock appreciation rights is limited to 25 % of the initial price multiplied by the number of stock appreciation rights.

A recognized option pricing model (binomial model) is used to determine the fair value of the phantom stocks. The volatility of the target value was set at 34 % p.a. and the employee turnover rate at 3 %. The return on German government bonds was taken as the risk-free interest rate (0.75 % p.a.).

Management	Tranche 2	Tranche 3	Tranche 4
Grant date	July 5, 2008/ June 11, 2007	July 13, 2009/ May 1, 2009/ June 11, 2007	August 5, 2010/ June 11, 2007
Term of tranche	October 31, 2010	October 31, 2011	October 31, 2012
End of the vesting period	June 16, 2009	June 15, 2010	May 31, 2011
Issue price (in EUR)	34.40	17.48	25.00
Target price (in EUR)	37.15	18.88	27.00
Number of stock appreciation rights issued	524,500	710,500	242,000
Exercise threshold (in %)	8	8	8
Fair value (in EUR k)	0	74	825
Maximum pay-out amount (in EUR k)	0	74	1,500

In addition to the tranches described above, the members of the Management Board were granted additional tranches for the years 2010 – 2014. The German Act on the Appropriateness of Management Remuneration, which came into effect on August 5, 2009, has substantially changed the company-law regulations on the principles of remuneration of Management Board members; variable remuneration components must thereby have a multi-year assessment basis. Therefore, the tranches given to the Management Board so far for the years 2010 – 2014 were cancelled and replaced by new tranches (tranches 4 – 8). After a waiting period of four years, a Management Board member is entitled to demand payment within an ensuing period of approximately sixteen months (exercise period) amounting to the appreciation in the value of Gerresheimer stock between the issue date and the exercise date (maturity date) assessed on the basis of the stock-exchange price. A condition for payment is that a value appreciation of at least 12 % or a higher percentage value appreciation than the MDAX occurs over the maturity period and that membership of the Management Board exists for at least one full year during the maturity period. The amount of the remuneration claim is capped for each tranche at an amount equivalent to 25 % of the stock-exchange price of the stock when the stock appreciation rights were granted.

To determining the fair value of the appreciation rights granted to the Board Members, the above described option pricing model was used based on the above assumptions.

Members of the Management Board	Tranche 4
Grant date	February 9, 2010
Term of tranche	October 31, 2015
End of the vesting period	May 31, 2014
Issue price (in EUR)	25.00
Target price (in EUR)	28.00
Number of stock appreciation rights issued	310,000
Exercise threshold (in %)	12
Fair value (in EUR k)	798
Maximum pay-out amount (in EUR k)	1,938

Based on the above assumptions, the fair value of the 2011 – 2014 tranches (tranches 5 to 8) is EUR 1,575k at the balance sheet date.

The phantom stocks developed as follows:

Management and members of the Management Board	Tranche 2	Tranche 3	Tranche 4
As of December 1, 2007	0	0	0
Allocation	524,500	0	0
Exercise	0	0	0
Expired during the period	0	0	0
As of November 30, 2008	**524,500**	**0**	**0**
Allocation	0	710,500	0
Exercise	0	0	0
Expired during the period	9,000	7,000	0
As of November 30, 2009	**515,500**	**703,500**	**0**
Allocation	0	6,000	552,000
Exercise	0	687,500	0
Expired during the period	515,500	5,000	2,000
As of November 30, 2010	**0**	**17,000**	**550,000**

In the reporting period, 687,500 stock appreciation rights of tranche 3 were exercised. The payment amounted to EUR 3,004k. Tranches 1 and 2 expired as of the balance sheet date.

The provision for the phantom stock program amounted to EUR 775k as of the balance sheet date (prior year: EUR 2,011k). The expenses amounted to EUR 1,768k for the financial year 2010 (prior year: EUR 893k).

(22) Employees

Number (annual average)	**2010**	2009
Wage earners	7,180	7,295
Salaried employees	2,040	2,113
	9,220	**9,408**
Trainees	260	213
Number of employees and trainees	**9,480**	**9,621**
Tubular Glass	3,629	3,523
Plastic Systems	2,470	2,672
Moulded Glass	2,192	2,236
Life Science Research	1,099	1,101
Head office	90	89
Employees by division	**9,480**	**9,621**
Germany	3,164	3,197
Europe (excluding Germany)	2,008	2,145
Americas	2,878	2,912
China	1,430	1,367
Employees by region	**9,480**	**9,621**

Notes to the Balance Sheet

(23) Intangible Assets

Intangible assets break down as follows:

in EUR k	Goodwill	Customer base, brand names, technologies and similar assets	Development costs	Other	**Intangible assets**
As of November 30, 2010					
Prior year carrying amount	374,380	119,507	2,776	5,424	502,087
Exchange differences	-497	4,102	133	155	3,893
Additions	0	0	1,366	4,014	5,380
Disposals	0	0	0	0	0
Reclassifications	0	0	287	464	751
Amortization	0	22,292	615	1,933	24,840
Carrying amount	**373,883**	**101,317**	**3,947**	**8,124**	**487,271**
Cost	376,679	198,203	6,362	10,226	591,470
Accumulated amortization and write-downs	2,796	96,886	2,415	2,102	104,199
Carrying amount	**373,883**	**101,317**	**3,947**	**8,124**	**487,271**
As of November 30, 2009					
Cost	376,453	274,672	2,469	10,309	663,903
Accumulated amortization and write-downs	2,855	116,825	167	5,604	125,451
Prior year carrying amount	**373,598**	**157,847**	**2,302**	**4,705**	**538,452**
Exchange differences	782	-4,415	-174	-357	-4,164
Additions	0	0	893	1,299	2,192
Disposals	0	0	0	3	3
Reclassifications	0	0	0	1,470	1,470
Amortization	0	33,925	245	1,690	35,860
Carrying amount	**374,380**	**119,507**	**2,776**	**5,424**	**502,087**
Cost	376,777	193,039	3,180	10,545	583,541
Accumulated amortization and write-downs	2,397	73,532	404	5,121	81,454
Carrying amount	**374,380**	**119,507**	**2,776**	**5,424**	**502,087**

The amortization of the customer base, brand names, technologies and similar assets that resulted from fair value adjustments made in connection with acquisitions is presented separately in Note (14) as amortization of fair value adjustments. The amortization was chiefly recognized in the cost of sales. Significant intangible assets result from business combinations. While brand names with a carrying amount of EUR 29.6m have indefinite useful lives, the other identifiable assets will be written off by 2018.

Goodwill is assigned to the five cash-generating units as follows:

in EUR m	Nov. 30, 2010	Nov. 30, 2009
Tubular Glass	138.3	139.0
Plastic Packaging	29.7	29.5
Medical Plastic Systems	81.9	81.9
Moulded Glass	114.0	114.0
Life Science Research	10.0	10.0
	373.9	**374.4**

The brand names existing as of November 30, 2010 were allocated as follows: Tubular Glass EUR 18.2m (prior year: EUR 16.4m), Plastic Packaging EUR 9.9m (prior year: EUR 9.8m) and Life Science Research EUR 1.5m (prior year: EUR 1.3m).

Instead of amortizing goodwill and brand names with indefinite useful lives, they are subject to an impairment test at least once a year.

The impairment test on goodwill was carried out in all five cash-generating units (Tubular Glass, Plastic Packaging, Medical Plastic Systems, Moulded Glass and Life Science Research) on the basis of the business plan approved by management for the years 2011 to 2015 (prior years: 2010 to 2014), which was prepared with historical developments and current market expectations in mind. A growth rate of 1.0 % was considered as sustainable in subsequent years. This rate does not exceed the assumed average growth rate for the market or segment. The recoverable amount was determined by applying the value in use concept and cash flow forecasts based on the planning for the years 2011 to 2015. Future cash flows were discounted using the weighted average cost of capital (WACC). To determine the cost of capital, the beta factor for Gerresheimer AG was used. Borrowing costs were determined by analyzing the credit lines that had been used. The effects of a potential increase or decrease in borrowing costs on the underlying value of goodwill were reviewed by means of a sensitivity analysis. An iterative procedure was applied to the weighted average cost of capital after tax to determine the weighted average cost of capital before tax, which breaks down as follows for the five cash-generating units to mandatory reporting:

in %	2010	2009
Tubular Glass	7.1	6.8
Plastic Packaging	7.0	6.6
Medical Plastic Systems	6.8	6.6
Moulded Glass	6.6	6.2
Life Science Research	6.7	6.4

As in the prior year, the impairment test carried out on goodwill and brand names did not result in the need for any impairment losses to be recognized.

In the five cash-generating units, management is of the opinion that no adjustment on the basis of prudent business judgment made with regard to the basic assumptions used to determine the value in use could lead to a situation in which the carrying amount of the cash-generating unit significantly exceeds the recoverable amount.

In the financial year, EUR 3.5m (prior year: EUR 2.9m) was spent on research and development. In 2010, research and development costs of EUR 1.4m (prior year: EUR 0.9m), which fulfill the criteria of IAS 38, were capitalized.

Other intangible assets relate in particular to standard IT programs and prepayments on intangible assets.

(24) Property, Plant and Equipment and Investment Property

Property, plant and equipment and investment property break down as follows:

in EUR k	Land, land rights and buildings (used commercially)	Investment property	Plant and machinery	Other equipment and machinery	Payments on account and assets under construction	Property, plant and equipment and investment property
As of November 30, 2010						
Prior year carrying amount	125,843	3,544	279,830	22,820	32,799	464,836
Exchange differences	4,499	0	16,780	736	2,010	24,025
Additions	2,002	0	30,338	4,538	31,033	67,911
Disposals	46	0	1,602	0	0	1,648
Reclassifications	5,200	0	25,337	4,179	-35,467	-751
Depreciation	7,408	0	66,918	6,658	0	80,984
Carrying amount	**130,090**	**3,544**	**283,765**	**25,615**	**30,375**	**473,389**
Cost	161,570	3,803	512,437	44,624	30,375	752,809
Accumulated depreciation and write-downs	31,480	259	228,672	19,009	0	279,420
Carrying amount	**130,090**	**3,544**	**283,765**	**25,615**	**30,375**	**473,389**
As of November 30, 2009						
Cost	136,665	3,804	405,358	32,418	61,616	639,861
Accumulated depreciation and write-downs	16,864	259	125,793	11,580	0	154,496
Prior year carrying amount	**119,801**	**3,545**	**279,565**	**20,838**	**61,616**	**485,365**
Exchange differences	-4,153	0	-16,210	-831	-2,276	-23,470
Additions	5,659	0	42,475	4,912	31,208	84,254
Disposals	197	1	946	24	30	1,198
Reclassifications	12,650	0	39,541	4,058	-57,719	-1,470
Depreciation	7,917	0	64,595	6,133	0	78,645
Carrying amount	**125,843**	**3,544**	**279,830**	**22,820**	**32,799**	**464,836**
Cost	149,261	3,803	455,773	37,054	32,799	678,690
Accumulated depreciation and write-downs	23,418	259	175,943	14,234	0	213,854
Carrying amount	**125,843**	**3,544**	**279,830**	**22,820**	**32,799**	**464,836**

Property, plant and equipment include leased assets of EUR 18.1m (prior year: EUR 19.7m). At the end of the reporting period, these comprised the finance lease for production, storage and administrative property and buildings (EUR 8.2m; prior year: EUR 8.5m), the finance lease for plant and machinery (EUR 9.4m; prior year: EUR 9.9m) and the finance lease for other equipment (EUR 0.5m; prior year: EUR 1.2m).

Land and buildings with a carrying amount of EUR 6.7m (prior year: EUR 7.0m) serve as senior collateral for two (prior year: two) loans. As in the prior year, this does not include any investment property. In addition, other equipment and machinery with a carrying amount of EUR 0.6m (prior year: EUR 2.2m) serve as senior collateral for loans.

The land not used for commercial purposes, i.e. "investment property" as defined by IAS 40, mainly relates to land subject to hereditary building rights with a carrying amount of EUR 0.2m (fair value EUR 1.7m) as well as non-operating property. The fair value was calculated based on estimates by independent experts. The fair values of the other non-operating property are the same as the carrying amounts.

Rental income from the land amounted to EUR 14k in the financial year 2010 (prior year: EUR 14k). Expenses of EUR 7k were incurred (prior year: EUR 15k). These related almost exclusively to land that does not generate rental income.

(25) Financial Assets and Investments Accounted for Using the Equity Method

Financial assets comprise investments in entities. The costs of acquisition with an amount of EUR 3,337k are unchanged. No write-downs were recognized.

The following tables summarize the balance sheet items as determined under local commercial law as well as data from the income statements of the equity-accounted investments:

in EUR k	**Nov. 30, 2010**	Nov. 30, 2009
Equity	8,696	6,566
Assets	15,461	13,786
Liabilities	6,765	7,220
Sales	16,642	14,645
Profit or loss	534	245

The development of the investments accounted for using the equity method is shown in the table below:

in EUR k	Investments accounted for using the equity method
As of November 30, 2010	
Prior year carrying amount	3,018
Exchange differences	556
Share of profit/loss of associated companies	250
Carrying amount	**3,824**
As of November 30, 2009	
Prior year carrying amount	3,606
Change in the consolidated group	-116
Exchange differences	-508
Share of profit/loss of associated companies	36
Carrying amount	**3,018**

No write-downs on investments accounted for using the equity method were recognized.

In the financial year 2009, the investment in Gerresheimer Wilden Bulgaria OOD, Kazanlak, Bulgaria, (48 %) was sold at a loss of EUR 75k and Wilden Wise Asia Corporation Ltd., Hong Kong, China, (40 %) was liquidated. The proportion of cash and cash equivalents of EUR 40k which flowed back to the Gerresheimer Group corresponded to the carrying value of the investment disposed of.

(26) Financial Assets

Financial assets break down as follows:

	Nov. 30, 2010		Nov. 30, 2009	
in EUR k	**Total**	**Thereof current**	Total	Thereof current
Fair value of derivative financial instruments	28	28	124	124
Investments	203	0	203	0
Refund claims for pension benefits	3,713	220	3,331	220
Loans to investments accounted for using the equity method	1,400	0	2,200	0
Other loans	6,255	0	7,286	0
Other financial assets	1,306	0	1,705	0
Other financial assets	**12,905**	**248**	**14,849**	**344**
Trade receivables	145,495	145,495	135,356	135,356
Cash and cash equivalents	60,546	60,546	56,137	56,137
Financial assets	**218,946**	**206,289**	**206,342**	**191,837**

Other financial assets include securities used to secure accrued phased retirement credit.

As of the balance sheet date, no other financial assets which had not been written down were overdue.

Allowances of EUR 0k (prior year: EUR 19k) exist on loans to investments accounted for using the equity method and EUR 15k (prior year: EUR 4k) on other loans.

The carrying value of the financial assets recorded in the Group generally represents the credit risk for the entire Group. Trade receivables were about 27 % (prior year: about 37 %) covered by credit insurance in the financial year.

For further details on the market values of derivative financial instruments, please see our explanations in Note (39).

(27) Other Receivables

	Nov. 30, 2010		Nov. 30, 2009	
in EUR k	**Total**	**Thereof current**	Total	Thereof current
Other tax receivables	6,909	6,909	7,799	7,799
Prepaid expenses	1,890	1,890	3,126	3,126
Other assets	9,074	9,074	5,051	5,051
Other receivables	**17,873**	**17,873**	**15,976**	**15,976**

Prepaid expenses mainly contain payments made prior to the balance sheet date for tax, personnel and insurance expenses in the following financial year.

The disclosed carrying amounts of the monetary assets disclosed under this item correspond to their fair values.

(28) Deferred Tax Assets

Deferred tax assets break down as follows:

	Nov. 30, 2010		Nov. 30, 2009	
in EUR k	**Realization expected within 12 months**	**Realization expected after 12 months**	Realization expected within 12 months	Realization expected after 12 months
Tax advantages				
Tax loss carryforwards	1,145	11,382	775	16,574
Tax credits	1,384	5,714	1,073	3,847
	2,529	**17,096**	**1,848**	**20,421**
Temporary differences				
Fixed assets	2,034	2,230	2,254	4,897
Receivables and other assets	633	848	1,904	685
Provisions for pensions	550	17,646	520	16,144
Other provisions	5,056	2,322	3,380	2,124
Liabilities and other payables	1,164	3,071	2,572	776
Cash flow hedge	0	728	2,543	0
	9,437	**26,845**	**13,173**	**24,626**
	11,966	**43,941**	**15,021**	**45,047**
Netting	-43,091		-42,819	
Recognized as non-current in the balance sheet pursuant to IAS 12	**12,816**		**17,249**	

The deferred tax assets and liabilities have been netted by company or income tax group.

The deferred tax assets on the cash flow hedge were netted directly against the relevant reserve in equity.

(29) Inventories

Inventories break down as follows:

in EUR k	**Nov. 30, 2010**	Nov. 30, 2009
Raw materials, consumables and supplies	36,959	30,941
Work in process	12,384	10,653
Finished goods and merchandise	82,869	80,843
Advanced payments on inventories	6,158	3,369
	138,370	**125,806**

Write-downs are recognized based on age structure and technical usefulness. The write-downs amounted to:

	Nov. 30, 2010		Nov. 30, 2009	
	in EUR k	**in %**	in EUR k	in %
Write-downs on raw materials, consumables and supplies	3,108	8	2,625	8
Write-downs on work in process	957	7	521	5
Write-downs on finished goods and merchandise	16,435	17	13,983	15

In the period under review, write-downs of EUR 3.4m were recognized on inventories (prior year: EUR 2.8m).

As in the prior year, no inventories had been pledged as security for liabilities as of November 30, 2010.

(30) Trade Receivables

in EUR k	**Nov. 30, 2010**	Nov. 30, 2009
Trade receivables	150,164	139,540
Less bad debt allowances	4,669	4,184
Net trade receivables	**145,495**	**135,356**

Trade receivables contain receivables of EUR 12.1m (prior year: EUR 6.4m) determined on the basis of the percentage of completion method pursuant to IAS 11. Costs amounting to EUR 4.3m (prior year: EUR 3.6m) and realized gains amounting to EUR 1.4m (prior year: losses of EUR 0.2m) were recorded in the reporting period.

Bad debt allowances are set up for doubtful receivables. The aging structure of receivables and past experience of receivable write-offs, customers' credit rating as well as changes in the payment terms are the basis for determining the appropriateness of bad debt allowances on receivables.

As of the balance sheet date, the aging structure of trade receivables breaks down as follows:

in EUR k	Total	Neither overdue nor written down	Overdue, but not written down by less than 30 days	31 to 60 days	61 to 90 days	91 to 120 days	more than 121 days
Nov. 30, 2010	**144,860**	126,049	11,639	3,978	1,486	301	1,407
Nov. 30, 2009	137,562	119,182	11,895	1,752	983	370	3,380

In the financial year 2010, specific bad debt allowances of EUR 2,590k (prior year: EUR 1,820k) and generalized allowances of EUR 2,079k (prior year: 2,364k) were recognized on trade receivables.

The development of the bad debt allowances was as follows:

in EUR k	**2010**	2009
Bad debt allowances as of December 1	4,184	5,168
Allowances recognized in profit or loss	1,639	2,326
Utilization	-743	-502
Release	-206	-3,167
Exchange differences	-205	359
Bad debt allowances as of November 30	**4,669**	**4,184**

(31) Cash and Cash Equivalents

Cash and cash equivalents include cash and other non-restricted bank balances with a term of up to three months that are not subject to fluctuations in value.

(32) Equity and Non-Controlling Interests

On June 11, 2007, Gerresheimer AG was successfully listed on the regulated market in the Prime Standard segment of the Frankfurt Stock Exchange. The Gerresheimer AG shares are traded under the stock ticker "GXI" and the ISIN "DE000A0LD6E6". A total of 22.8 million shares were issued. 11.4 million thereof stemmed from a capital increase, 10.6 million from the departing shareholder BCP Murano, and a further 0.8 million shares owned by BCP Murano from a greenshoe option granted by a syndicate of banks. Based on an issue price of EUR 40 per share, the placement volume therefore amounted to around EUR 912m (including greenshoe options). Since December 22, 2008, the Gerresheimer share has been listed on the MDAX.

As of November 30, 2010, subscribed capital remained unchanged at EUR 31.4m and capital reserves came to EUR 513.8m. The capital reserves contain premiums from the IPO in 2007 and cash contributions from the years 2004 and 2007.

As of the balance sheet date, the number of shares outstanding amounted to 31,400,000, each with a nominal value of EUR 1.00. The proposed dividend was calculated on the basis of Gerresheimer AG's retained earnings.

Proposal for profit appropriation
We propose to the Annual General Meeting to appropriate the retained earnings of Gerresheimer AG for the financial year 2010 as follows:

in EUR	
Retained earnings before dividend distribution	60,696,192.66
Payment of a dividend of EUR 0.50 per share	15,700,000.00
Carryforward to new account	**44,996,192.66**

Non-controlling interests break down as follows:

in %	Non-controlling interests
Entity	
Kimble Chase Life Science and Research Products LLC., Vineland, NJ (USA)	49.0
Gerresheimer Shuangfeng Pharmaceutical Glass (Danyang) Co. Ltd., Danyang, Jiangsu (China)	40.0
Gerresheimer Shuangfeng Pharmaceutical Packaging (Zhenjiang) Co. Ltd., Zhenjiang, Jiangsu (China)	40.0
Kimble Bomex (Beijing) Glass Co. Ltd., Beijing (China)	30.0
Kimble Bomex (Beijing) Labware Co. Ltd., Beijing (China)	30.0
Gerresheimer Momignies S.A., Momignies (Belgium)	1.0
Gerresheimer Zaragoza S.A., Epila (Spain)	0.2
Gerresheimer Valencia S.L.U., Valencia (Spain)	0.2
Gerresheimer Buenos Aires S.A., Buenos Aires (Argentina)	0.2

Please see the consolidated statement of changes in equity for more details on the development of non-controlling interests.

(33) Deferred Tax Liabilities

Deferred tax liabilities break down as follows:

	Nov. 30, 2010		Nov. 30, 2009	
in EUR k	**Realization expected within 12 months**	**Realization expected after 12 months**	Realization expected within 12 months	Realization expected after 12 months
Temporary differences				
Fixed assets	11,900	68,025	19,684	63,149
Inventories	3,261	0	2,231	9
Receivables and other assets	935	1,891	606	4,769
Provisions for pensions	0	0	0	502
Other provisions	1,874	1,333	2,337	1,130
Other	0	0	0	171
	17,970	**71,249**	**24,858**	**69,730**
Netting	-43,091		-42,819	
Recognized as non-current in the balance sheet pursuant to IAS 12	**46,128**		**51,769**	

The deferred tax assets and liabilities have been netted by company or tax group.

(34) Provisions for Pensions and Similar Obligations

Provisions for pensions developed as follows:

in EUR k	**2010**	2009
As of December 1	152,234	160,404
Utilization	14,895	13,843
Addition	10,476	10,950
Exchange differences	4,620	-5,277
As of November 30	**152,435**	**152,234**
Thereof current	*15,852*	*15,158*
Thereof non-current	*136,583*	*137,076*

The Group's pension scheme comprises both defined benefit and defined contribution plans. Provisions for pensions are set up for obligations from future and current benefit entitlements to current and former employees and their surviving dependents. The structure of the plans depends on the framework prevalent in the respective country and is usually based on the employee's length of service, salary, and position. Provisions of EUR 118m (prior year: EUR 122m) were recognized in connection with various pension plans and individual agreements entered into by German group entities; EUR 34m (prior year: EUR 30m) relate to US group entities. The provision also comprises the obligations of the US entities to assume the medical expenses of retired employees.

The benefits are mainly financed through the systematic accrual of provisions for pensions by the entities. External funds that fulfill the definition of plan assets exist both in Germany and abroad. The weighted composition of the plan assets earmarked to cover pension obligations break down as follows as of the balance sheet date:

	Germany		Abroad	
in %	**Nov. 30, 2010**	Nov. 30, 2009	**Nov. 30, 2010**	Nov. 30, 2009
Shares (held directly)	26	33	49	45
Fixed-interest securities	71	65	26	25
Insurance contracts	0	0	14	17
Property	0	0	10	10
Liquidity	2	2	1	3
Other	1	0	0	0
Plan assets	**100**	**100**	**100**	**100**

When accounting for defined benefit plans, all expenses and income are disclosed in the operating result, with the exception of interest components and the expected return on plan assets. The interest components and the expected return on plan assets are disclosed in the financial result.

The following assumptions were made when determining the pension provision and plan assets:

	Germany		Abroad	
in %	**Nov. 30, 2010**	Nov. 30, 2009	**Nov. 30, 2010**	Nov. 30, 2009
Interest rate	4.50	5.50	2.50 – 5.50	3.25 – 5.75
Expected return on plan assets	4.50 – 6.70	4.50 – 6.30	3.50 – 8.00	3.00 – 8.50
Increase in salaries	2.63 – 3.25	2.50 – 3.25	1.50 – 3.00	1.50 – 3.50
Increase in pensions	2.00	2.00	–	–
Increase in medical expenses	–	–	5.00 – 7.50	5.00 – 8.00

The present value of the pension obligation breaks down as follows:

in EUR k	**Nov. 30, 2010**	Nov. 30, 2009
Present value of the pension obligation as of December 1	201,097	191,984
Service costs of the financial year	1,459	1,217
Interest expense for earned benefits	10,538	11,353
Employee contributions	477	458
Benefit payments	-17,054	-14,178
Actuarial gains/losses	8,671	18,752
Past service costs	189	0
Curtailment	-54	0
Settlement	-70	0
Exchange rate and other changes	11,237	-8,489
Present value of the pension obligation as of November 30	**216,490**	**201,097**

The funds break down as follows:

in EUR k	**Nov. 30, 2010**	Nov. 30, 2009
Fair value of plan assets as of December 1	33,118	31,061
Expected return on plan assets	2,027	1,765
Employee contributions	477	458
Contributions by employer	3,851	2,707
Benefit payments	-6,007	-3,042
Actuarial gains/losses	-560	2,832
Settlement	-93	0
Other changes (primarily exchange differences)	4,479	-2,663
Fair value of plan assets as of November 30	**37,292**	**33,118**

The expected return on plan assets is determined by our actuaries on the basis of capital market studies which are available to the public.

The contributions to be paid into the fund in the coming financial year are estimated at EUR 3.8m.

The expenses break down as follows:

in EUR k	**2010**	2009
Service costs of the financial year	1,459	1,217
Interest expense for earned benefits	10,360	11,087
Expected return on plan assets	-2,027	-1,765
Effect of recognized past service costs	38	0
Effect of recognized actuarial gains and losses	442	0
Effect of settlement	-385	145
	9,887	**10,684**
Expense of pension obligations for which corresponding refund claims exist	589	266
	10,476	**10,950**
Actual return on plan assets	*-1,467*	*-4,597*

Contributions of EUR 1.3m (prior year: EUR 1.6m) were paid into defined contribution plans in the financial year, mainly in the US.

The pension provision also comprises the obligations of the US entities to assume the medical expenses of retired employees. A cost increase rate of 7.5 % was used to determine the obligation. This will fall incrementally to 5.0 % by 2015. A change in the rate of increase of medical bills by a single percentage point would have the following effects:

in EUR k	Increase by 1 % point	Decrease by 1 % point
Effect on the pension expense	136	-140
Effect on the provision for pensions	2,175	-2,226

The pension obligations and the plan assets have developed as follows in recent financial years:

in EUR k	**Nov. 30, 2010**	Nov. 30, 2009	Nov. 30, 2008	Nov. 30, 2007	Nov. 30, 2006
Present value of funded benefit obligations	48,975	43,110	41,825	38,556	26,783
Less fair value of plan assets	37,292	33,119	31,061	34,240	20,467
Fund shortfall	11,683	9,991	10,764	4,316	6,316
Present value of unfunded benefit obligations	163,802	154,657	147,093	152,848	173,714
Present value of pension obligations for which corresponding refund claims exist	3,713	3,331	3,065	3,149	2,486
Adjustment due to unrecognized past service costs	-151	0	0	0	0
Adjustment due to the non-recognition of actuarial gains/losses	-26,612	-15,745	-518	-290	-9,940
	152,435	**152,234**	**160,404**	**160,023**	**172,576**
Experience adjustments	*-8,124*	*-1,807*	*11,288*	*5,754*	*4,108*

The experience adjustments based on past experience reflect the effects on the existing obligation amounts and plan assets which stem from the discrepancy between the actual portfolio growth in the financial year and the assumptions made at the beginning of the financial year. These include the development of increases in income, increases in pensions, employee turnover, as well as deaths and invalidity.

With effect from May 1, 2007, the pension obligations to active members of the Management Board were transferred to a pension fund. The value of the pension fund was netted with the pension provision.

The refund claims for pension benefits are disclosed under other financial assets. Please see Note (26).

(35) Other Provisions

Other provisions developed as follows:

in EUR k	As of Dec. 1, 2009	Reclas-sifica-tions	Utiliz-ation	Release	Addition	Ex-change differ-ences	**As of Nov. 30, 2010**	*Thereof current*	*Thereof non-current*
Tax provisions	819	0	425	0	1,226	18	1,638	*1,638*	*0*
Personnel obligations	23,870	0	14,076	524	12,928	1,727	23,925	*18,361*	*5,564*
Warranties	7,734	0	2,294	1,289	5,695	153	9,999	*9,999*	*0*
Sales bonuses, rebates and discounts	5,313	0	1,778	384	3,258	398	6,807	*6,807*	*0*
Other	13,809	0	8,834	316	10,620	1,072	16,351	*15,649*	*702*
	51,545	**0**	**27,407**	**2,513**	**33,727**	**3,368**	**58,720**	***52,454***	***6,266***

in EUR k	As of Dec. 1, 2008	Reclas-sifica-tions	Utiliz-ation	Release	Addition	Ex-change differ-ences	**As of Nov. 30, 2009**	*Thereof current*	*Thereof non-current*
Tax provisions	1,711	0	1,096	325	529	0	819	*819*	*0*
Personnel obligations	21,894	0	8,724	508	12,691	-1,483	23,870	*18,611*	*5,259*
Warranties	8,866	0	3,709	1,714	4,339	-48	7,734	*7,734*	*0*
Sales bonuses, rebates and discounts	7,841	-300	3,647	338	2,256	-499	5,313	*5,313*	*0*
Other	21,117	300	13,224	1,261	8,249	-1,372	13,809	*12,961*	*848*
	61,429	**0**	**30,400**	**4,146**	**28,064**	**-3,402**	**51,545**	***45,438***	***6,107***

Provisions for personnel obligations include in particular expected obligations from management bonuses, long-service awards and phased retirement agreements, and a group health insurance program at the US subsidiaries.

The provisions for sales bonuses, rebates and discounts relate to unpaid compensation granted on revenue recognized prior to the balance sheet date.

The other provisions include restructuring provisions. The restructuring provisions relate to cost-cutting measures and restructuring to boost efficiency in production, sales and administration. The restructuring provisions of EUR 4.2m (prior year: EUR 3.2m) reported at the end of the financial year are based on a conclusively defined plan. All the criteria set forth in IAS 37 for the recognition of a restructuring provision have been met. In addition, other provisions comprise expected expenses for premiums, arbitration proceedings and numerous individual items with amounts of secondary importance.

Cash out based on provisions will be approximately EUR 52.4m (prior year: EUR 45.4m) within the next year, EUR 6.3m (prior year: EUR 5.9m) between one and five years and EUR 0.0m (prior year: EUR 0.2m) after five years.

(36) Financial Liabilities

	Nov. 30, 2010			Nov. 30, 2009		
in EUR k	**Total**	***Thereof current***	***Thereof non-current***	Total	*Thereof current*	*Thereof non-current*
Bonds	138,277	*0*	*138,277*	137,649	*0*	*137,649*
Liabilities to banks	207,516	*62,890*	*144,626*	259,468	*94,055*	*165,413*
unsecured	12,884	*11,431*	*1,453*	14,092	*10,611*	*3,481*
secured	194,632	*51,459*	*143,173*	245,376	*83,444*	*161,932*
Fair value of derivative financial instruments	2,039	*239*	*1,800*	7,279	*7,235*	*44*
Other financial liabilities	30,185	*12,175*	*18,010*	37,240	*13,712*	*23,528*
Other financial liabilities	**378,017**	***75,304***	***302,713***	**441,636**	***115,002***	***326,634***
Trade payables	111,089	*111,089*	*0*	103,721	*103,721*	*0*
Financial liabilities	**489,106**	***186,393***	***302,713***	**545,357**	***218,723***	***326,634***

The carrying amounts of the monetary liabilities disclosed under this item correspond to their fair values.

For further details on the market values of derivative financial instruments, please see our explanations in Note (39).

The table below shows the liabilities to banks including bonds and the underlying terms and interest rates:

Nov. 30, 2010 (Currency in k)		Amount	Due by	Interest rate %	Carrying amount (EUR)	Fair value (EUR)
Bonds	EUR	123,277	2015[1]	7.88	123,277	126,113[3]
	EUR	15,000	2011[1]	7.50	15,000	15,000
					138,277	**141,113**
Liabilities to banks	USD[2]	227,698	2013	0.70	174,853	173,177[3]
	EUR	8,554	2011	1.33	8,554	8,505[3]
	EUR	9,673	2010	1.30	9,673	9,571[3]
	EUR	10,521	2010 – 2021	1.63 – 6.79	10,521	10,521
	ARS	2,335	2010 – 2012	16.60 – 22.19	452	452
	BRL	338	2011 – 2012	18.00 – 20.00	151	151
	PLN	13,476	2011	4.21	3,312	3,312
					207,516	**205,689**
					345,793	**346,802**

Nov. 30, 2009 (Currency in k)		Amount	Due by	Interest rate %	Carrying amount (EUR)	Fair value (EUR)
Bonds	EUR	122,649	2015[1]	7.88	122,649	127,059[3]
	EUR	15,000	2011[1]	7.50	15,000	15,000
					137,649	**142,059**
Liabilities to banks	USD[2]	226,997	2013	0.85	151,100	146,553[3]
	USD	32,554	2009	0.79	21,669	21,010[3]
	USD	250	2010	2.56	166	166
	EUR[2]	49,676	2011	1.33	49,676	49,176[3]
	EUR	17,757	2009	0.98	17,757	17,217[3]
	EUR	14,508	2009 – 2021	1.65 – 6.79	14,508	14,508
	ARS	736	2010 – 2011	13.32 – 24.06	129	129
	BRL	664	2011 – 2012	18.00 – 20.00	253	253
	PLN	17,039	2010	4.34	4,112	4,112
	RMB	1,000	2010	5.31	98	98
					259,468	**253,222**
					397,117	**395,281**

[1] Bullet.
[2] Interest rate fixed until 2012 (prior year until 2010) through the interest rate swap; last interest rate fixing of the loans shown here. Due to the long term agreement of the interest rate swaps, higher interest expenses arose during the reporting period.
[3] Except for the loans labeled, the carrying amounts correspond to their fair values due to the current interest rates.

The financial liabilities with a fixed interest rate are subject to the risk that changes to the market interest rate and the issuer's credit standing may lead to changes in the fair value.

The interest rates disclosed are the interest rates valid on the balance sheet date. In addition to the market interest rate, they comprise the financing margins agreed with the banks. Current interest expenses were higher in the financial year due to the long-term interest rate hedges in place for the major loans.

In March 2005, the subsidiary Gerresheimer Holdings GmbH issued a senior note with a volume of EUR 150m which is currently listed on the Luxembourg Stock Exchange (ISIN: XS0213359671; senior notes sold in accordance with regulation 144A are listed under ISIN: XS0213359754). The senior note has a fixed coupon rate of 7.875 % and is payable on March 1, 2015. In December 2005, the note volume was increased by a further EUR 60m, mainly to finance an acquisition. In June 2007, Gerresheimer Holdings GmbH repaid 40 % of the notes at a repurchase price of 107.875 % of the nominal amount plus accrued interest, such that the note volume is currently EUR 126m. Net of the translation costs related to the issue of the senior note of Gerresheimer Holdings GmbH, which still has to be distributed over the remaining term of the senior note; the volume is EUR 123.3m.

In June 2007, on the date of the admission of the Gerresheimer AG shares to trading, Gerresheimer AG concluded a new agreement on credit facilities totaling EUR 450m with Commerzbank Aktiengesellschaft and The Royal Bank of Scotland plc as the mandated lead arrangers. The new credit facilities comprise two long-term loans totaling EUR 275m and a revolving loan of EUR 175m, whereby the new credit facilities may be utilized in either euro or US dollar, as well as other international currencies. The loans were originally repayable in June 2012 and are secured by the pledge of shares in Gerresheimer Group GmbH. In addition to the aforementioned repayment of 40 % of the senior note, in June 2007 the long-term loans and the issue proceeds from the IPO of Gerresheimer AG were used to repay the vendor note with Glass Holdings Limited fully and the financial liabilities under the old senior credit facility. In May 2008, Gerresheimer obtained a one-year extension for EUR 412m of the syndicated credit facility under the same conditions. The residual term for the main part of the bank liability is therefore about two and a half years.

The revolving loan of EUR 175m is available for investments, acquisitions and other operating purposes; the Group had drawn EUR 10.0m of the credit facility as of November 30, 2010.

The other financial liabilities also include liabilities from finance leases. Please see our explanations in Note (38) for information on the finance leases.

(37) Other Liabilities

in EUR k	Nov. 30, 2010	Nov. 30, 2009
Payments received on account of orders	21,490	13,047
Liabilities from other taxes	4,373	4,201
Liabilities from social security obligations	4,637	5,115
Miscellaneous other liabilities	39,040	28,952
Other liabilities	**69,540**	**51,315**

As in the prior year, all other liabilities are current.

Included in the payments received on account of orders are EUR 12,485k (prior year: EUR 8,499k) relating to construction contracts, which are valued in accordance with the percentage of completion method pursuant to IAS 11.

Miscellaneous other liabilities primarily comprise obligations to employees.

(38) Other Financial Obligations

Other financial obligations break down as follows:

in EUR m	Nov. 30, 2010	Nov. 30, 2009
Obligations under rental and lease agreements	45.8	23.2
Capital expenditure commitment	6.0	13.8
Other financial obligations	**51.8**	**37.0**

The obligations from rental and lease liabilities mainly relate to technical equipment and land and buildings used for operations.

Furthermore, guarantees in favor of leasing companies of EUR 1.3m and one guarantee in favor of an insurance company of EUR 1.4m exist.

Obligations from finance leases and from rental and operating lease agreements fall due as follows:

	Finance leases			Rental and operating lease agreements
in EUR m	Minimum lease payments	Interest component	Present value	Nominal value
Due up to 1 year	4.4	0.6	3.8	10.7
Due 1 to 5 years	6.1	1.1	5.0	17.3
Due after 5 years	4.1	0.5	3.6	17.8
Total Nov. 30, 2010	**14.6**	**2.2**	**12.4**	**45.8**

In the financial year 2010, the income statement included expenses of EUR 7.4m (prior year: EUR 7.4m) in connection with operating leases.

(39) Reporting on Capital Management and Financial Instruments

The aims of the Group with regard to capital management primarily lie in maintaining and ensuring a best possible capital structure to reduce capital costs by generating cash and cash equivalents and through the active management of working capital. As at November 30, 2010 net financial debt amounted to EUR 311.0m (prior year: EUR 373.3m) and net working capital amounted to EUR 151.2m (prior year: EUR 144.4m).

The Gerresheimer Group's risk management system for the credit risk, liquidity risk and individual market risks, in particular interest risks, currency risks and price risks is described, including its objectives, policies and processes, in the risk section of the management report. Please see Note (6) for further explanations.

Information on financial instruments by category and class

The fair values of financial assets and financial liabilities were determined on the basis of the following hierarchy:

Level 1: The fair values are determined on the basis of published market prices, as an active market gives the best possible objective indication of the fair value of a financial asset or financial liability.

Level 2: If no active market for a financial asset or a financial liability exists, valuation models are used to determine the fair values. In the Gerresheimer Group, the fair values were determined by applying the information available from recent business transactions with willing and independent business partners as well as on information available from observable current market transactions in the same instrument.

Level 3: The determination of the fair values is based on models, where the parameters are not based on observable market values.

	Nov. 30, 2010				**Nov. 30, 2009**			
in EUR k	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets of category "available for sale"								
Securities	1,306	–	–	1,306	1,705	–	–	1,705
Financial assets of category "at fair value through profit and loss"								
Derivative financial assets	–	28	–	28	–	124	–	124
Valuation at fair value	**1,306**	**28**	**–**	**1,334**	**1,705**	**124**	**–**	**1,829**
Financial liabilities of category "at fair value through profit and loss"								
Derivative financial liabilities	–	239	–	239	–	173	–	173
Financial liabilities of category "at fair value – changes in cash flow hedge reserve"								
Derivative financial liabilities	–	1,800	–	1,800	–	7,106	–	7,106
Valuation at fair value	**–**	**2,039**	**–**	**2,039**	**–**	**7,279**	**–**	**7,279**

The following table shows the carrying amounts and fair values of the individual financial assets and liabilities for each individual category of financial instruments and breaks them down into the relevant balance sheet items:

	At amortized cost		At fair value	
Nov. 30, 2010 in EUR k	Carrying amount	*For information purposes: Fair value*	Carrying amount	Balance sheet value
Trade receivables	133,382	*133,382*	–	133,382[2]
Loans and receivables	133,382	*133,382*	–	
Other financial assets	11,571	*11,368*	1,334	12,905
Available-for-sale financial assets[1]	203	–	1,306	
At fair value through profit or loss	–	–	28	
Loans and receivables	11,368	*11,368*	–	
Cash and cash equivalents	60,546	*60,546*	–	60,546
Total financial assets	**205,499**	***205,296***	**1,334**	**206,833**
Other financial liabilities	375,978	*376,987*	2,039	378,017
At amortized cost	375,978	*376,987*	–	
At fair value through profit or loss	–	–	239	
At fair value – changes in cash flow hedge reserve	–	–	1,800	
Trade payables	111,089	*111,089*	–	111,089
At amortized cost	111,089	*111,089*	–	
Total financial liabilities	**487,067**	***488,076***	**2,039**	**489,106**

1) Due to the non-availability of a market value, we do not specify the fair value of the equity investments amounting to EUR 203k.
2) In the balance sheet, trade receivables contain receivables determined on the basis of the percentage of completion method amounting to EUR 12,113k (prior year: EUR 6,395k).

	At amortized cost		At fair value	
Nov. 30, 2009 in EUR k	Carrying amount	*For information purposes: Fair value*	Carrying amount	Balance sheet value
Trade receivables	128,961	*128,961*	–	128,961[2]
Loans and receivables	128,961	*128,961*	–	
Other financial assets	13,020	*12,817*	1,829	14,849
Available-for-sale financial assets[1]	203	–	1,705	
At fair value through profit or loss	–	–	124	
Loans and receivables	12,817	*12,817*	–	
Cash and cash equivalents	56,137	*56,137*	–	56,137
Total financial assets	**198,118**	***197,915***	**1,829**	**199,947**
Other financial liabilities	434,357	*438,767*	7,279	441,636
At amortized cost	434,357	*438,767*	–	
At fair value through profit or loss	–	–	173	
At fair value – changes in cash flow hedge reserve	–	–	7,106	
Trade payables	103,721	*103,721*	–	103,721
At amortized cost	103,721	*103,721*	–	
Total financial liabilities	**538,078**	***542,488***	**7,279**	**545,357**

1) Due to the non-availability of a market value, we do not specify the fair value of the equity investments amounting to EUR 203k.
2) In the balance sheet, trade receivables contain receivables determined on the basis of the percentage of completion method amounting to EUR 12,113k (prior year: EUR 6,395k).

Liabilities measured at amortized cost include finance lease liabilities for which the Company is the lessee and which are thus measured in accordance with IAS 17. As of November 30, 2010, these liabilities amount to EUR 12,4m (prior year: EUR 16.3m).

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, taking into account the respective maturity of the asset or the residual term of the liabilities.

Due to the short terms of cash and cash equivalents, trade receivables, trade payables, and other financial assets and liabilities, the fair values as of the balance sheet date do not differ significantly from the carrying amounts.

The receivables resulting from the application of the percentage of completion method (EUR 12.1m; prior year: EUR 6.4m) are not within the scope of IAS 39 and are therefore not financial assets.

The fair value of the financial assets available for sale has not changed, compared to the prior year. No values were withdrawn from equity and recognized in the income statement. In the financial year 2009, the equity investment in Rapid Pathogen Screening Inc., South Williamsport, USA, of EUR 125k was withdrawn from equity and recognized in the income statement as this investment was disposed of.

Maturities

The Group continually monitors the risk of potential liquidity shortages. The table below summarizes the maturity profile of the Group's financial liabilities as of November 30, 2010. The disclosures are made on the basis of the contractual, non-discounted payments.

Nov. 30, 2010 in EUR k	Due or due in 1 month	Up to 3 months	3 to 12 months	1 to 5 years	More than 5 years	**Total**
Bonds and liabilities to banks	11,554	3,651	48,865	283,477	1,818	349,365
Interest payments on bonds and liabilities to banks	104	5,259	6,115	37,873	512	49,863
Interest from interest rate swaps	152	300	1,206	1,172	0	2,830
Trade payables	83,072	24,927	3,090	0	0	111,089
Finance lease liabilities	334	884	3,171	6,136	4,078	14,603
Other financial liabilities	2,141	596	1,909	5,303	4,318	14,267
	97,357	**35,617**	**64,356**	**333,961**	**10,726**	**542,017**

Nov. 30, 2009 in EUR k	Due or due in 1 month	Up to 3 months	3 to 12 months	1 to 5 years	More than 5 years	**Total**
Bonds and liabilities to banks	40,750	4,195	50,265	178,922	127,668	401,800
Interest payments on bonds and liabilities to banks	3,873	3,493	18,003	59,759	3,097	88,225
Interest from interest rate swaps	2,442	0	6,957	0	0	9,399
Trade payables	72,180	30,377	1,164	0	0	103,721
Finance lease liabilities	344	905	3,719	9,443	4,539	18,950
Other financial liabilities	2,072	164	1,863	6,755	4,920	15,774
	121,661	**39,134**	**81,971**	**254,879**	**140,224**	**637,869**

Hedges

Derivative financial instruments are used exclusively for hedging purposes. The Group's financial risks are monitored centrally as part of Group-wide financial risk management. Identified potential risks are managed using suitable hedging measures on the basis of clearly defined guidelines.

The following table provides an overview of hedging transactions as of the balance sheet date:

	Nov. 30, 2010		Nov. 30, 2009	
in EUR k	**Exchange rate hedges**	**Interest rate derivatives**	Exchange rate hedges	Interest rate derivatives
Nominal value (gross)	29,367[1)]	175,882	32,046[1)]	202,758
Fair value (net)	-514	-1,818	-5	-7,150
Residual term	05/2011	09/2012	02/2010	09/2010
Carrying amount (underlying assets)	11,701	0	7,987	0
Carrying amount (underlying liabilities)	426	175,556	1,377	201,968

1) This also includes forward currency contracts for receivables and liabilities between consolidated companies which have been eliminated within the scope of consolidation.

The derivative financial instruments are measured at fair values determined by banks. As hedging transactions, they are generally related to underlying operating transactions.

Cash flow hedges

As of November 30, 2010, the Gerresheimer Group concluded payer interest rate swaps to hedge the cash flow risk of floating-rate loans. The changes in the cash flow of the hedged item which stem from changes to the reference interest rate (Euribor or USD Libor) are offset by cash flow changes relating to the interest rate swap. This hedge aims to transform the floating-rate bank loans into fixed-rate liabilities.

As the essential conditions of the interest rate swap match those of the liability, it is probable that the changes to fair value or cash flow of the hedged item and the hedging instrument offset each other in full. As a result, in accordance with IAS 39 prospective effectiveness may be accepted without a notional presentation.

The retrospective effectiveness is measured using the dollar offset method in the form of the hypothetical derivative method. In this case, the cumulative absolute change in the fair value of the swap designated as a hedge is compared to the cumulative absolute change in fair value of the hypothetical swap. As the "representative" of the hedged item, the hypothetical swap's relevant terms should be identical to the terms of the hedged item and it should include all measurement-relevant conditions and be measured using the current market conditions. If the conditions of the hedged item and hedging instrument (of the hypothetical swap and the swap contracted as a hedging instrument) match completely, as is the case at Gerresheimer, the changes in value are generally identical in absolute terms.

The gains and losses from hedging transactions are initially recognized directly in consolidated equity in the cash flow hedge reserve and then reposted to the income statement as soon as the cash flows affect earnings for the period under review.

Only bank loans with fixed terms and repayment agreements can be considered as risk exposures with fixed interest rates. The hedging rate in relation to syndicated loans comes to 95 % (prior year: 100 %). The cash flow hedges of the future interest payments were assessed as effective; as a result, an unrealized loss (less deferred taxes) of EUR 1.1m from these hedging instruments was recognized in consolidated equity. In the financial year 2010, losses of EUR 10.4m recognized in equity (prior year: losses of EUR 7.4m) were transferred to the financial result.

Gains and losses from the ineffective portions of these hedging transactions are recognized immediately in profit or loss. As in the prior year, there was no ineffectiveness in 2010.

Exchange risk hedges
In accordance with internal financing guidelines, the Gerresheimer Group used forward currency contracts and currency swaps to secure currency risks from receivables and liabilities in foreign currencies in the financial year 2010. In connection with currency management, only transaction risks can be considered risk exposures. The currency derivatives are used to hedge precisely defined hedged items and are classified as effective hedging instruments in accordance with the requirements of IAS 39.

Gains from derivative financial instruments of EUR 1.0m (prior year: EUR 3.3m gains) were included in the net result of the financial year 2010.

Sensitivity analyses
In accordance with IFRS 7, interest rate risks are indicated by means of sensitivity analyses. The following section describes the sensitivity of net income before taxes and the cash flow hedge reserve included in equity to a reasonable possible change in interest rates.

The interest rate sensitivity analyses are based on the following assumptions:

Changes to the market interest rate of primary financial instruments with fixed interest rates only affect earnings when they are measured at fair value. In the Gerresheimer Group, all primary liabilities are measured at amortized costs; as a result, all financial liabilities with fixed interest rates are not subject to interest rate risks within the meaning of IFRS 7.

In the case of interest rate swaps for hedging interest rate fluctuations, the value changes of hedged items and hedging instruments due to changes in interest rates offset each other almost in full within the same period. As a result, these financial instruments are also not subject to any interest rate risks.

The interest analysis on the market valuation assumes a parallel shift of the interest rate curves in the EUR and USD area of 100 basis points higher and 20 basis points lower interest rates and is therefore unchanged, compared with the prior year.

If the market interest rate were 100 basis points higher or 20 basis points lower as of November 30, 2010, the result would have been EUR 295k lower or EUR 59k higher (prior year: EUR 549k lower, EUR 110k higher).

If the market interest rate were 100 basis points higher or 20 basis points lower as of November 30, 2010, the cash flow hedge reserve would be positive and would have been EUR 1,595k higher or EUR 319k more negative (prior year: less negative by EUR 938k or more negative by EUR 189k).

The following section describes the sensitivity of net income before taxes (due to the change in the fair values of monetary assets and liabilities) to a reasonable possible change in the exchange rates. In doing so, Gerresheimer AG is only exposed to exchange rate change risks from unsecured monetary financial instruments. All other variables remain constant.

If the currency rates as of November 30, 2010 had increased (ordecreased) by 10 %, the net income before taxes would have increased by EUR 1,718k or decreased by EUR 2,219k (prior year using the same sensitivities: Increase of EUR 3,200k and decrease of EUR 2,085k).

(40) Segment Reporting

Under the new IFRS 8 (Operating Segments), segment reporting is based on the "management approach". External reporting is oriented toward the internal reporting. For reasons of comparability, the prior year was adjusted accordingly.

At Gerresheimer, the Management Board, as chief operating decision maker, allocates resources to the operating segments and assesses their performance. The reportable segments and regions and the disclosed key data are in line with the internal financial reporting system.

The Gerresheimer Group is managed by strategic business entities as divisions. The activities are aggregated into the reportable segments according to economic characteristics, especially products and their production processes but also customer relationships.

Services of the Gerresheimer AG, mandatory consolidation measures and transition between the divisions are presented in segment reporting as "Head office/Consolidation". The measurement principles for the segment reporting structure are based on the IFRSs adopted in the consolidated financial statements.

The performance of the segments is estimated and calculated according to the folllowing criteria:

- The intra-group revenues effected at transfer prices fixed on an arm's-length basis.
- The adjusted EBITDA and adjusted EBITA are not defined in the IFRSs, but they represent key performance indicators for the Gerresheimer Group. The adjusted EBITDA is defined as earnings before income taxes, financial result, amortization of fair value adjustments, extraordinary depreciation, depreciation and amortization, restructuring expenses and one-off income and expenses. The adjusted EBITA equates to the adjusted EBITDA reduced by the depreciation and amortization of intangible and tangible assets.

- The net working capital is defined as the balance of inventories, trade receivables and advanced payments reduced by payments received on account of orders and trade payables.
- The operating cash flow as a key performance indicator starts with the adjusted EBITDA and considers the change in net working capital and capital expenditure less investments of finance leases.
- The capital expenditure comprises all additions to the intangible and tangible assets measured at cost.
- The non-current assets do not include financial instruments, deferred tax assets, post-employment benefit assets and rights arising from insurance contracts.

Revenues from transactions with a single external customer do not amount to 10 % either for the financial year 2010 or for the prior year.

By division in EUR m		Tubular Glass	Plastic Systems	Moulded Glass	Life Science Research	Head office/Consolidation	Group
Segment revenues	2010	310.4	307.9	327.3	95.0	0.0	1,040.6
	2009	302.9	314.9	307.9	87.4	0.0	1,013.1
Thereof intra-group revenues	2010	-14.8	-0.2	-0.7	-0.1	0.0	-15.8
	2009	-12.3	0.0	-0.5	-0.1	0.0	-12.9
Revenues third parties	2010	295.6	307.7	326.6	94.9	0.0	1,024.8
	2009	290.6	314.9	307.4	87.3	0.0	1,000.2
Adjusted EBITDA	2010	70.3	74.1	67.9	11.7	-19.5	204.5
	2009	73.3	68.7	54.0	8.2	-18.3	185.9
Depreciation and amortization	2010	-27.5	-18.9	-31.3	-2.9	-0.4	-81.0
	2009	-25.7	-18.8	-28.9	-2.5	-0.3	-76.2
Adjusted EBITA	2010	42.8	55.2	36.6	8.8	-19.9	123.5
	2009	47.6	49.9	25.1	5.7	-18.6	109.7
Net working capital	2010	47.5	28.0	50.7	25.8	-0.8	151.2
	2009	47.1	24.1	50.3	24.3	-1.4	144.4
Operating cash flow[1)]	2010	54.9	38.6	49.7	10.2	-19.9	133.5
	2009	42.7	47.0	16.3	9.2	-19.7	95.5
Capital expenditure[2)]	2010	18.3	32.2	19.8	2.5	0.4	73.2
	2009	25.4	29.3	28.8	2.7	0.2	86.4

1) In 2009, operating cash flow includes the disposal group.
2) In 2009, capital expenditure includes EUR 0.3m attributable to the disposal group.

By region in EUR m		Germany	Europe excl. Germany	Americas	China	Other regions	Group
Revenues by target region	2010	240	410	311	26	38	1,025
	2009	273	386	283	23	35	1,000
Revenues by region of origin	2010	447	237	314	27	0	1,025
	2009	465	238	276	21	0	1,000
Non-current assets	2010	603	170	165	23	0	961
	2009	629	176	143	19	0	967

(41) Audit and Consulting Fees

The auditor's fees recorded in the financial year for the audit of the financial statements, EUR 484k (prior year: EUR 478k), for other assurance services EUR 7k (prior year: EUR 0k), for tax advisory services EUR 15k (prior year: EUR 17k) and for other services EUR 152k (prior year: EUR 0k).

(42) Related Party Disclosures (IAS 24)

Within the scope of our operations, we conduct business with legal and individual persons that are able to influence Gerresheimer AG or their subsidiaries or over which Gerresheimer AG or its subsidiaries practice control or have significant influence.

These include companies related to members of the Supervisory Board of Gerresheimer AG, non-consolidated companies and associated companies as well as the members of the Supervisory Board and Management Board of Gerresheimer AG, whose remuneration is reported in Note (43) and in the Remuneration Report in the Combined Management Report.

Business with companies which related to members of the Supervisory Board of Gerresheimer AG mainly relates to trade relations at arm's length prices and conditions and totaled EUR 4.9m in the financial year 2010 (prior year: EUR 4.9m). At the balance sheet date, trade receivables amounted to EUR 0.0m (prior year: EUR 0.1m) and goods received to EUR 0.0m (prior year: EUR 0.1m). In addition, the Gerresheimer Group was invoiced EUR 0.0m (prior year: EUR 0.7m) for services received.

Business with associated companies and non-consolidated companies also mainly relates to trade relations at arm's length prices and conditions and totaled EUR 1.9m in the financial year 2010 (prior year: EUR 1.7m). At the balance sheet date, trade receivables amounted to EUR 0.4m (prior year: EUR 0.5m), trade payables amounted to EUR 1.9m (prior year: EUR 1.8m) and recognized expenses amounted to EUR 0.2m (prior year: EUR 0.2m).

(43) Total Remuneration of the Members of the Supervisory Board and Management Board

Remuneration of the members of the Supervisory Board of Gerresheimer AG for the financial year 2010 totaled EUR 889k (prior year: EUR 567k).

Remuneration of the active Management Board members and of one Management Board member who left the company during the financial year, made up of fixed salary (incl. fringe benefits), success-dependent bonuses and other remuneration, came to EUR 4,097k (prior year: EUR 3,079k). Other remuneration includes payment of EUR 166k to the retired Management Board member in connection with the termination of his contract. In the employment contract, a two-year non-competition clause in case of termination of this occupation had been agreed upon. Moreover, it was stipulated that in connection with the non-competition clause a waiting allowance has to be paid to that Board Member dependent on their fixed salary received in the year before the termination. Payment is made monthly. In addition, there is an entitlement to a partial success-dependent bonus for the year of retirement. Entitlements to appreciation rights expired with the termination of the contract.

The German Act on the Appropriateness of Management Remuneration (VorstAG), which came into effect on August 5, 2009, has substantially changed the company-law regulations on the principles of remuneration of Management Board members; variable remuneration components must thereby have a multi-year assessment basis. Therefore, the tranches given to the Management Board so far for the years 2010 – 2014 were cancelled and replaced by new tranches. In this context, the Management Board members were granted a total of 1,230,000 appreciation rights (tranches 4 to 8), which relate to a multi-year period until 2014 and were not cash-effecting in the financial year 2010. The fair value at the grant date amounted to EUR 1,837k.

The fair value of the stock appreciation rights of the Management Board for the tranches 2011 – 2014 (tranches 5 to 8) amounted to EUR 1,575k (prior year: EUR 2,590k). Expenses from the addition to the provision for stock appreciation rights (tranche 4) for the Management Board amounted to EUR 267k (prior year: EUR 760k). For further information see Note (21).

With effect from May 1, 2007, the pension obligations to active members of the Management Board were transferred to a pension fund. Vested benefits arising since May 1, 2007 are processed through a provident fund. In the reporting period, one additional member of the Management Board received a pension commitment that should also be processed through a provident fund. The pension obligations to active members of the Management Board, before offset with plan assets, amounted to EUR 2,240k (prior year: EUR 5,073k). Provisions of EUR 21,126k (prior year: EUR 16,283k) have been recognized for pension obligations to former members of management and their surviving dependents. Current pension payments amounted to EUR 1,339k (prior year: EUR 1,331k).

On May 14, 2007, the Annual General Meeting adopted a resolution not to disclose the remuneration of the individual Management Board members for a period of five years.

(44) Corporate Governance

The term corporate governance relates to a company's entire management and monitoring system, including its organization, business policies and guidelines, and its internal and external control mechanisms. The aim of good corporate governance is to foster responsible and transparent management and control of companies focused on long-term added value. It promotes the confidence of national and international investors, business partners, financial markets, employees and the public in the management and control of Gerresheimer AG.

Under sec. 161 AktG ("Aktiengesetz": German Stock Corporation Act), as a listed company, Gerresheimer AG is obliged to publish its compliance with the recommendations as well as an explanation as to recommendations it did or does not apply ("comply or explain").

On September 14, 2010, the Management Board and Supervisory Board of Gerresheimer AG issued a joint declaration of compliance with the recommendations of the German Corporate Governance Code pursuant to sec. 161 AktG in the version dated May 26, 2010. The declaration is available on the Company's website (www.gerresheimer.com).

(45) Events After the Balance Sheet Date

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

These financial statements were prepared by the Management Board during its meeting on January 17, 2011, authorized for issue and will be submitted by the Audit Committee to the Supervisory Board for approval in its meeting on February 9, 2011.

Duesseldorf, Germany, January 17, 2011
The Management Board

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles, the Consolidated Financial Statements give a true and fair view of assets, liabilities, financial position and profit or loss of the Group, and the Group combined management report 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.

Duesseldorf, January 17, 2011

The Management Board

Uwe Röhrhoff   Hans-Jürgen Wiecha   Dr. Max Raster   Andreas Schütte

Audit Opinion

"We have audited the consolidated financial statements prepared by Gerresheimer AG, Duesseldorf/Germany, – comprising the income statement, statement of comprehensive income, the balance sheet, statement of changes in equity, cash flow statement and the notes to the financial statements – and the Group management report combined with the report of the Directors for the financial year from December 1, 2009 to November 30, 2010. The preparation of the consolidated financial statements and the combined Group management report in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315a (1) HGB are the responsibility of the Company's Board of Directors. Our responsibility is to express an opinion on the consolidated financial statements and on the Group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with § 317 HGB ("German Commercial Code") and generally accepted German standards for the audit of financial statements promulgated by the Institut der Wirtschaftspruefer. Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting framework and in the Group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by the Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements and the group management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit, the consolidated financial statements of Gerresheimer AG, Duesseldorf/Germany comply with IFRS, as adopted by the EU, and the additional requirements of German commercial law pursuant to § 315a (1) HGB and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The Group management report is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development."

Duesseldorf, Germany, January 17, 2011

Deloitte & Touche GmbH
Wirtschaftspruefungsgesellschaft

(Harnacke)	(Bork)
Wirtschaftspruefer	Wirtschaftspruefer
[German Public Auditor]	[German Public Auditor]

Supervisory Board and Management Board

SUPERVISORY BOARD
Financial Year 2010 (December 1, 2009 to November 30, 2010)

Gerhard Schulze
Chairman of the Supervisory Board
Diplom-Betriebswirt, Moenchengladbach
b) Wickeder Westfalenstahl GmbH (Chairman)
(until December 20, 2009)
Wickeder Holding GmbH (Chairman)
(since December 21, 2009)
WiBo Holding GmbH (Chairman)
Hitschler Verwaltungsrat GmbH
(since September 10, 2010)
Hitschler International GmbH & Co. KG
(since September 10, 2010)

Gottlieb Förster
Deputy Chairman of the Supervisory Board, Union Secretary, IG Bergbau, Chemie, Energie (Mining, Chemical and Energy Industrial Union), Hanover
a) Aurubis AG

Lydia Armer
Chairwoman of the Company Works Council of Gerresheimer Regensburg GmbH, Pfreimd
a) Gerresheimer Regensburg GmbH

Günter Fehn
Member of the Company Works Council of Gerresheimer Tettau GmbH, Tettau

Olaf Grädler
Head of Personnel, Gerresheimer Buende GmbH, Buende
b) AG der Wirtschaft fuer berufliche Weiterbildung im Kreis Herford e.V.
Arbeitgeberverband der deutschen Glasindustrie (Member of the Social Panel)

Dr. Axel Herberg
(since September 1, 2010)
Senior Managing Director The Blackstone Group Germany GmbH, Duesseldorf
b) KP Germany Erste GmbH
(Kloeckner Pentaplast Group)

Reiner Ludwig
Chairman of the Company Works Council of Gerresheimer Lohr GmbH, Lohr

Hans Peter Peters
Vice Chairman Lincoln International Group, London
b) Lincoln International S.A.S., France (Chairman)
Lincoln International LLP, United Kingdom
Lincoln Spain SL, Spain
(Chairman) (since May 1, 2010)
Deutsches Aktieninstitut e.V.
German Mid-cap Fonds (GMF) (Chairman)
Ondas Media SL, Spain

Dr. Gerhard Prante
Retired Agricultural Scientist, Hofheim
a) Bayer CropScience AG
AllessaChemie GmbH
b) Lincoln International AG

Doug Rogers
(until August 31, 2010)
Managing Partner,
International Healthcare Partners, New York
b) Charles River Laboratories International Inc., USA

Harald Sikorski
Deputy Head, Landesbezirk Bayern, IG Bergbau, Chemie, Energie (Mining, Chemical and Energy Industrial Union), Munich
a) Suedsalz GmbH

Theodor Stuth
Auditor and Certified Tax Advisor, Neuss
b) Wickeder Westfalenstahl GmbH
(until December 20, 2009)
Wickeder Holding GmbH
(since December 21, 2009)
WiBo Holding GmbH

Udo J. Vetter
Pharmacist und General Partner of UV-Cap GmbH & Co. KG, Ravensburg
a) EDT AG (Chairman)
ITM AG (Chairman)
b) Vetter Pharma Fertigungs GmbH & Co. KG
(Chairman)
Paschal Werk G. Maier GmbH (Chairman)
Medisynthana GmbH (Chairman)
Atoll GmbH (Chairman)
HSM GmbH & Co. KG
K & M Praezisionstechnik GmbH
(since January 1, 2010)
SeaLionPharma Pte. Ltd., Singapore (Chairman)
Gland Pharma Pte. Ltd., India
Paschal India, Pvt. Ltd., India
(Chairman) (since April 1, 2010)
Biopharm Services Ltd., United Kingdom
(since February 1, 2010)

a) Membership of Supervisory Boards according to German legal regulations.
b) Membership of comparable domestic and foreign control boards of economic enterprises.

MANAGEMENT BOARD

Financial Year 2010 (December 1, 2009 to November 30, 2010)

Uwe Röhrhoff
Chairman (since June 22, 2010)
a) Gerresheimer Tettau GmbH (Chairman)
Gerresheimer Regensburg GmbH (Chairman) (since May 31, 2010)
b) Gerresheimer Glass Inc., USA (Chairman)
Gerresheimer Momignies S.A., Belgium (Chairman)
Gerresheimer Queretaro S.A., Mexico (since April 16, 2010)
Beijing Gerresheimer Glass Co. Ltd., China (until April 7, 2010)
Kimble Bomex (Beijing) Glass Co. Ltd., China (Chairman) (until May 27, 2010)
Kimble Bomex (Beijing) Labware Co. Ltd., China (Chairman) (until May 27, 2010)
Kimble Chase Life Science and Research Products LLC., USA

Dr. Axel Herberg (until June 21, 2010)
Chairman
a) Gerresheimer Tettau GmbH (Deputy Chairman) (until May 28, 2010)
Gerresheimer Regensburg GmbH (Chairman) (until May 28, 2010)
b) Gerresheimer Pisa S.p.A., Italy (until June 21, 2010)
Gerresheimer Glass Inc., USA (Chairman) (until May 12, 2010)
Gerresheimer Momignies S.A., Belgium (until January 21, 2010)
Gerresheimer Queretaro S.A., Mexico (until April 16, 2010)
Gerresheimer Denmark A/S, Denmark (until May 2, 2010)
Gerresheimer Vaerloese A/S, Denmark (until April 27, 2010)
Gerresheimer Zaragoza S.A., Spain (until May 26, 2010)

Dr. Max Raster
b) Gerresheimer Boleslawiec S.A., Poland (Chairman)
Gerresheimer Pisa S.p.A., Italy (Chairman)
Gerresheimer Chalon S.A., France
Gerresheimer Glass Inc., USA
Gerresheimer Queretaro S.A., Mexico (Chairman)
Kimble Bomex (Beijing) Glass Co. Ltd., China (Chairman) (since May 27, 2010)
Kimble Bomex (Beijing) Labware Co. Ltd., China (Chairman) (since May 27, 2010)
Kimble Chase Life Science and Research Products LLC, USA (Chairman) (since May 19, 2010)
Gerresheimer Shuangfeng Pharmaceutical Glass (Danyang) Co. Ltd., China (Chairman)
Gerresheimer Shuangfeng Pharmaceutical Packaging (Zhenjiang) Co. Ltd., China (Chairman)

Andreas Schütte
a) Gerresheimer Regensburg GmbH (Chairman) (until December 31, 2009)
b) Gerresheimer Denmark A/S, Denmark (Chairman)
Gerresheimer Vaerloese A/S, Denmark (Chairman)
Gerresheimer Zaragoza S.A., Spain (Deputy Chairman)
Gerresheimer Plasticos Sao Paulo Ltda., Brazil
Gerresheimer Boleslawiec S.A., Poland (Deputy Chairman)

Hans-Jürgen Wiecha
a) Gerresheimer Tettau GmbH (Deputy Chairman)
Gerresheimer Regensburg GmbH (Deputy Chairman)
b) Gerresheimer Boleslawiec S.A., Poland
Gerresheimer Pisa S.p.A., Italy
Gerresheimer Chalon S.A., France
Gerresheimer UK Ltd., United Kingdom
Gerresheimer Glass Inc., USA
Gerresheimer Momignies S.A., Belgium
Gerresheimer Queretaro S.A., Mexico
Gerresheimer Denmark A/S, Denmark
Gerresheimer Vaerloese A/S, Denmark
Gerresheimer Zaragoza S.A., Spain
Gerresheimer Plasticos Sao Paulo Ltda., Brazil
Gerresheimer Shuangfeng Pharmaceutical Glass (Danyang) Co. Ltd., China
Gerresheimer Shuangfeng Pharmaceutical Packaging (Zhenjiang) Co. Ltd., China

a) Membership of Supervisory Boards according to German legal regulations.
b) Membership of comparable domestic and foreign control boards of economic enterprises.

Locations of Gerresheimer AG

Production locations

USA and Mexico

- Gerresheimer Glass Inc., Chicago Heights Plant, Chicago Heights, IL (USA)
- Gerresheimer Glass Inc., Forest Grove Plant, Vineland, NJ (USA)
- Gerresheimer Glass Inc., Millville Plant, Millville, NJ (USA)
- Gerresheimer Glass Inc., Morganton Plant, Morganton, NC (USA)
- Gerresheimer Glass Inc., Vineland Plant, Vineland, NJ (USA)
- Gerresheimer Queretaro S.A., Queretaro (Mexico)
- Gerresheimer Peachtree City (USA), L.P., Peachtree City, GA (USA)
- Kimble Chase Life Science and Research Products LLC., Rochester Plant, Rochester, NY (USA)
- Kimble Chase Life Science and Research Products LLC., Rockwood Plant, Rockwood, TN (USA)
- Kimble Chase Life Science and Research Products LLC., Vineland Plant, Vineland, NJ (USA)
- Kontes Mexico S. de R.L. de C.V., Queretaro (Mexico)

South America

- Gerresheimer Buenos Aires S.A., Buenos Aires (Argentina)
- Gerresheimer Plasticos Sao Paulo Ltda., Butanta Plant, Sao Paulo (Brazil)
- Gerresheimer Plasticos Sao Paulo Ltda., Cotia Plant, Sao Paulo (Brazil)
- Gerresheimer Sistemas Plasticos Medicinais Sao Paulo Ltda., Indaiatuba (Brazil)

Europe

- Gerresheimer Boleslawiec S.A., Boleslawiec (Poland)
- Gerresheimer Buende GmbH, Buende/Westfalia (Germany)
- Gerresheimer Chalon S.A., Chalon-sur-Saone (France)
- Gerresheimer Essen GmbH, Essen (Germany)
- Gerresheimer Lohr GmbH, Lohr/Main (Germany)
- Gerresheimer Momignies S.A., Momignies (Belgium)
- Gerresheimer Pisa S.p.A., Pisa (Italy)
- Gerresheimer Tettau GmbH, Tettau/Upper Franconia (Germany)
- Gerresheimer Vaerloese A/S, Haarby (Denmark)
- Gerresheimer Vaerloese A/S, Vaerloese (Denmark)
- Gerresheimer Valencia S.L.U., Valencia (Spain)
- Gerresheimer Wertheim GmbH, Wertheim (Germany)
- Gerresheimer Kuessnacht AG Schweiz, Kuessnacht (Switzerland)
- Gerresheimer Horsovsky Tyn spol. s r.o., Horsovsky Tyn (Czech Republic)
- Gerresheimer Regensburg GmbH, Pfreimd (Germany)
- Gerresheimer Regensburg GmbH, Wackersdorf (Germany)
- Gerresheimer Zaragoza S.A., Epila (Spain)
- Scherf-Praezision Europa GmbH, Meiningen (Germany)

Asia

- Beijing Gerresheimer Glass Co., Ltd., Huangcun, Beijing (China) (minority interest)
- Gerresheimer Shuangfeng Pharmaceutical Glass (Danyang) Co. Ltd. (two plants), Danyang, Jiangsu (China)
- Gerresheimer Shuangfeng Pharmaceutical Packaging (Zhenjiang) Co. Ltd., Zhenjiang, Jiangsu (China)
- Gerresheimer Medical Plastic Systems Dongguan Co., Ltd., Wang Niu Dun Town, Dongguan City (China)
- Kimble Bomex (Beijing) Glass Co. Ltd., Beijing (China)
- Kimble Bomex (Beijing) Labware Co. Ltd., Beijing (China)

Other locations

- Gerresheimer AG, Duesseldorf (Germany)
- Gerresheimer Regensburg GmbH, Regensburg (Germany)
- Gerresheimer Pharmaceutical Packaging Mumbai Pvt. Ltd., Mumbai (India)
- Gerresheimer Glas GmbH, Representative Office Moscow (Russia)

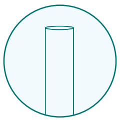
As of November 30, 2010

Product Overview
by Division

TUBULAR GLASS

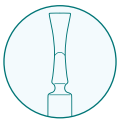
In the Tubular Glass Division in two separate process steps high-quality glass tubes are initially produced before being converted in a subsequent step into primary packaging such as ampoules, cartridges, vials or syringe systems.

Glass Tubes



Glass tubes as the preliminary stage for many pharma packaging forms such as ampoules, cartridges, vials and syringe barrels are created primarily from type I borosilicate glass.

Ampoules



An ampoule is a self-sealed container made of tubular glass in standardized ISO types. In the case of pharmaceutical ampoules, a distinction is made between various break-open methods such as the One Point Cut, Color Break and Score Ring procedures.

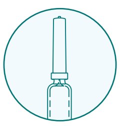
Vials

Vials are small-volume primary packaging containers made of tubular glass. The filling volume of vials for pharmaceutical applications ranges from 1 to 50 ml.

Cartridges

The cartridge is a glass cylinder which is closed at the front end by an aluminum cap with a membrane which is penetrated by an injection needle for the actual injection. The rear end of the cartridge is closed by a rubber stopper. Cartridges are used primarily in dental medicine as a primary packaging form for local anesthetics and, in diabetes therapy, for insulin pens.

Prefillable Syringe Systems

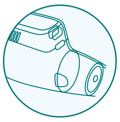


Prefillable syringe systems made of glass are supplied to customers in the pharmaceutical and biotech industry for filling with drugs. Gerresheimer offers a widely diversified range of sterile and non-sterile syringe systems. RTF® (Ready to Fill) syringes are delivered to the customer washed, siliconized, assembled with a closure cap and sterilized, i.e. completely ready to fill.

PLASTIC SYSTEMS

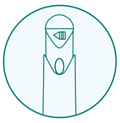
The Plastic Systems Division produces in its business area Medical Plastic Systems complex customer-specific plastic systems for pharmaceutics, diagnostics and medical technology. In the second business area of Plastic Packaging, it produces plastic containers, mainly as primary packaging for pharmaceutics and healthcare.

Drug Delivery Systems



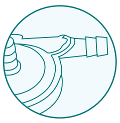
Drug delivery systems transport drugs simply and rapidly to or into the body. They include plastic systems such as inhalers, pen systems and injection systems.

Diagnostic Systems



Gerresheimer produces and assembles components for various analysis systems in labs and directly in doctors' practices, quick tests for patients in medical practices or hospitals and skin-prick aids and lancets for diabetics.

Medical Technology Products



Medical technology products include disposables and components for dialysis devices, home-care products, invasive disposables, surgical devices made of plastic and technical devices for therapeutic purposes in the orthopedics field.

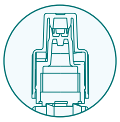
Containers for Solid Dosage

For non-liquid forms of delivery such as tablets and powder, Gerresheimer offers a wide spectrum of high-quality, user-friendly products which are complemented by a multi-faceted range of alternatives in terms of specific closures, tamper-evident closures and other design options.

Containers for Liquid Dosage

For liquid applications in the field of pharma and healthcare, Gerresheimer has a host of container types made of PET, PE and PP in its range. Numerous system accessories allow individual tailoring to the customer's needs.

Containers for Ophthalmic and Rhinological Applications



Gerresheimer also produces special plastic-based vials for eye drops and nasal sprays. These user-friendly containers which can be complemented by different drop, spray or pump system components facilitate precise drug dosage and application.

Multilayer Plastic Vials

These pharmaceutical primary packaging vials are made from COP plastic and PA (polyamide). COP stands for Cyclic Olefin Polymer, a glass-clear, break-resistant and biocompatible type of plastic which is particularly suitable for long-term storage of sensitive parenteral medicines. Due to the triple-layer structure (COP/PA/COP), these Gerresheimer vials have barrier properties which are unique for plastic.

MOULDED GLASS

The Moulded Glass Division produces glass primary packaging in a continuous process. The containers are used for pharmaceutics, cosmetic products and specialty beverages and foods.

Bottles and Jars for Pharmaceutics

Glass containers for pharmaceutical use are available from Gerresheimer in widely varied forms: Syrup and dropper bottles, tablet jars, wide-neck jars and injection, infusion and transfusion bottles.

Flacons and Pots for Cosmetics

Gerresheimer produces flacons and pots in the widest possible variety of forms and finishes for fragrances, deodorants, care cosmetics and decorative cosmetics, etc.

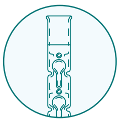
Bottles and Jars for Beverages and Food

Gerresheimer supplies customer-specific and specialty containers for spirits and food.

LIFE SCIENCE RESEARCH

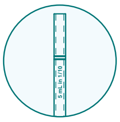
The product spectrum of the Life Science Research Division consists of laboratory glassware for research, development and analytics.

Reusable Laboratory Glassware



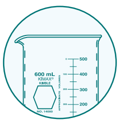
Reusable laboratory glassware is employed primarily in general research, test procedures and quality control. Examples of reusable laboratory glassware include beakers, Erlenmeyer flasks, precision burettes, pharmaceutical graduates and cylinders.

Disposable Laboratory Glassware



Disposable glass articles are used primarily in test procedures, quality laboratories and the clinical health sector. Examples of disposable laboratory glassware include serological pipettes, culture tubes, chromatography vials and scintillation vials.

Special Laboratory Glassware



Special laboratory glassware is used in a large number of applications. Examples of special laboratory glassware include NMR tubes, chromatography columns and products for tissue preparation.

Glossary

Ampoule
Self-sealed container made of tubular glass in three standardized ISO types (B, C and D). In the case of pharmaceutical ampoules, a distinction is made between various systems for breaking open the ampoule: For example the One Point Cut, the Color Break and the Score Ring method.

Backstop
As a smart addition to its syringe range, Gerresheimer offers a Backstop. This system component is made of plastic and is machine-clipped to the existing finger flange of the glass syringe, thereby reducing its aperture diameter and preventing the plunger head from being pulled out of the syringe. At the same time, the ergonomically shaped wings enlarge the finger flange to facilitate application.

'Baked-On RTF'®
'Baked-On RTF'® optimizes RTF® syringes for sensitive biotech medicines. This Gerresheimer process is patented in Europe and the USA. It consists of baked-on siliconization which fixes the silicone oil to the glass surface permanently and almost completely.

Biopharmaceuticals
Biopharmaceuticals are substances produced by means of biotechnology in genetically modified organisms. Biopharmaceutics is one of the fastest growing product categories in the pharma and biotechnology industry.

Borosilicate glass ➤ Type I borosilicate glass tubing

Bulk syringes
The term bulk syringes is used to describe syringe barrels supplied to the customer in an unsterilized state with or without a premounted needle. Washing, sterilization and mounting of the closure cap/needle shield before filling is carried out by the pharma company.

Cartridge
The cartridge is a cylinder made of tubular glass which is closed at the front end by an aluminum cap with a membrane which is penetrated by the injection needle to draw in the injection solution.

Camera inspection systems
During and after production, the quality of Gerresheimer products is monitored by means of in-process controls. Modern optical camera systems and mechanical examination systems supported by special computer technology and digital image processing help to detect trends and variances and pick out defective articles at an early stage.

Clean room
In a clean room, special processes and equipment types control particle contamination. This is a key requirement for production of a wide range of drug delivery systems, primary packaging and certain pharmaceutical production processes.

Clearject™
Brand name of our Japanese partner Taisei Kako Co. Ltd. for sterile prefillable plastic syringes made of crystal-clear COP (Cyclic Olefin Polymer). These are particularly suitable for use in the demanding field of cytostatics and biopharmaceutics.

COP syringe ➤ Clearject™

Cytostatics
Cytostatics are natural or synthetic substances which inhibit cell growth or division. They are used particularly in cancer treatment (chemotherapy) and sometimes also in the treatment of autoimmune disease.

Diabetes care
Medical specialism covering diabetes diagnosis and therapy. In this business field, Gerresheimer concentrates on development and production of highly innovative lancets, skin-prick aids and insulin pen systems.

Diagnostic systems
Systems for the analysis of organic liquids and materials outside the body (in vitro). In such systems, patient samples can be examined for specific parameters – on a fully automated basis in many cases.

Disposable syringe systems ➤ Prefillable syringe systems

Dropper bottle system
Special bottle system made of glass or plastic for delivery of medications in drop form, consisting of bottle, dropper and closure.

Drug delivery system
A drug delivery system transports the active substance in various ways (via pulmonary or nasal inhalation, through the skin, via the mucous membranes or orally) precisely to those areas in the body where it is intended to be effective. Examples: Inhalers for the treatment of respiratory disease and prefillable syringes for injection drugs.

Heat transfer printing
Heat transfer printing allows multicolor elements to be applied to glass syringes and cartridges in a single efficient process. Product information, calibrations and barcodes distinguished by different colors help to avoid confusion and application errors.

Hydrolytic resistance
Criterion for the resistance of glass containers. Defined in terms of resistance against leaching of alkaline glass components through ultra-pure water.

Inhaler
An inhaler is a device used in the treatment of asthma, bronchitis and other chronic respiratory ailments. It transports aerosol and powder-based medications into the upper and lower respiratory tracts.

Injection vial ➤ vial

Insulin pen system
An insulin pen is a special injection system for safe and less painful delivery of insulin from a cartridge.

Lancet
A lancet is a blood-sampling needle which is extrusion-coated with plastic. It is inserted into a skin-prick aid for diabetic patients.

Lancet magazine
Magazine with integrated lancets in a drum housing.

Laser coding
With the new method of laser coding for syringes, a tiny data matrix code containing individual data about the nature and origin of the respective glass packaging is indelibly applied by laser to the finger flange. Gerresheimer thereby offers an innovative track-and-trace solution for pharma containers and also helps combat the problem of drug counterfeiting.

Life science
Life science is the field in which research institutes work primarily on the application of scientific findings in modern biology, chemistry and medicine as well as related areas, with a highly interdisciplinary and also market-based orientation.

Molecular diagnostics
Molecular diagnostics refers to analysis methods based on examination of the genetic substance (DNA or RNA). These allow more precise information to be obtained than with traditional diagnostic procedures so that illnesses can be detected faster.

Moulded glass
Moulded glass packaging is produced in a single continuous work process directly after the melting process.

Multilayer plastic vials
These pharmaceutical primary packaging vials are made from COP plastic and PA (polyamide). COP stands for Cyclic Olefin Polymer, a glass-clear, break-resistant and biocompatible plastic type which is particularly suitable for long-term storage of sensitive parenteral medicines. With the new multilayer development combining two COP outer layers with a middle layer of polyamide, Gerresheimer has substantially enhanced the barrier properties against gas permeation to several times that of vials consisting of COP alone.

Needle trap
Label with integrated needle shield to avoid needle-prick injuries from syringes.

Ophthalmology
The specialist medical field of ophthalmology (study of the eye) also covers diseases and malfunctions of the optical organ and the sense of sight and their medical treatment.

Paste mould technology
Glass forming process using a rotation mould (blowing process) to form a round and seamless piece of glassware.

Pen system
Easy-to-handle injection system, mostly in ball-point-pen format, developed to make self-medication simpler.
➤ **Insulin pen system**

PharmaPlus™
Gerresheimer description for a whole range of high-caliber technical solutions in the forming of glass pharma containers, achieving a previously unattained level of precision. This includes the production of borosilicate tubes which Gerresheimer manufactures itself as intermediary products. The further refined equivalent for the forming processes has produced a new and outstanding quality category of tubular glass products – whether they be syringes, cartridges, vials or ampoules.

Plastic systems
Complex and technically demanding systems consisting of several plastic components.

Prefillable syringe systems/Disposable syringe systems
Syringe systems, such as Gerresheimer RTF® syringes, that are supplied to customers in the pharma and biotech industry for filling with prepared medications.

Primary packaging
Packaging with which the filling contents come into direct contact.

RTF® syringe systems
The leading Gerresheimer trademark RTF® stands for "Ready to Fill". RTF® syringe systems are delivered to the customer washed, siliconized, assembled with the closure cap, packed in nests and tubs and sterilized, in other words completely ready to fill. For the pharma manufacturer, this means that the whole chain of time-consuming process steps is avoided. The customer can therefore start filling the products straightaway. On high-speed production lines, this produces substantial cost and time advantages. Gerresheimer's RTF® syringe portfolio is oriented toward modern pharma production.

Siliconization

Silicone oil is used as a glide agent in the inner surface treatment of pharmaceutical containers. This facilitates the action of the plunger inside the syringe barrel, which is essential for proper functioning of a syringe system.

➤ **'Baked-On RTF'®**

Skin-prick aid

Device for diabetics by which a lancet can be inserted into the skin almost without pain. Some models permit different penetration depths to take account of the thickness of the skin.

Sterile syringes

Collective term for sterilized syringes supplied to the pharma industry completely ready to fill, for example RTF® syringes.

Surface treatment

Special finishing process on the inside of a pharmaceutical container, e.g. to ensure compatibility of the packaging material with the medication.

TCC

Technical Competence Center. Here, products and systems are developed and made ready for series production in collaboration with the customer.

TELC – Tamper-Evident Luerlock Closure

The TELC is a Gerresheimer development for prefilled syringes and combines a tamper-evident closure and a Luerlock adapter.

TERNS – Rigid Needle Shield with Thermoplastic Elastomer

TERNS is a closure developed by Gerresheimer for needle tips, with a soft sealing element made of thermoplastic elastomer (TPE) and a firm plastic shell.

TPE – Thermoplastic Elastomer

Plastic which behaves like a classical elastomer at room temperatures, can be deformed itself when heat is added and therefore displays thermoplastic behavior.

Tubular glass

Tubular glass packaging is produced in two separate process steps: Production of the tubular glass followed by forming.

Type I borosilicate glass tubing

Glass tubing made of the high-quality type I borosilicate glass which because of its chemical composition possesses the highest possible hydrolytic resistance and because of its low alkali emission is used particularly for injection substances.

Vials

Vials are small-volume pharmaceutical primary packaging containers. These vials are often also referred to as injection vials as the fluid to be injected is drawn up from the vial by means of an injection needle.

The definitions used here apply in connection with Gerresheimer's operations and should not be understood as generally applicable.

Multi-Year Overview

Financial Year end November 30	**2010**	2009	2008	2007	2006
Results from Operations during the Reporting Period in EUR m					
Revenues	1,024.8	1,000.2	1,060.1	957.7	646.7
Adjusted EBITDA [1]	204.5	185.9	206.4	181.6	122.6
in % of revenues	20.0	18.6	19.5	19.0	19.0
Adjusted EBITA [2]	123.5	109.7	135.6	116.6	73.8
in % of revenues	12.0	11.0	12.8	12.2	11.4
Result from operations	95.0	60.5	70.0	53.3	21.8
Net income	46.7	7.0	4.5	0.8	-25.0
Adjusted net income [3]	65.8	45.2	61.4	44.3	8.7
Net Assets as of the Reporting Date in EUR m					
Total assets	1,357.8	1,340.6	1,538.3	1,436.8	941.1
Equity	529.4	480.2	479.1	499.9	-26.3
Equity ratio in %	39.0	35.8	31.6	34.8	–
Net working capital	151.2	144.4	163.0	179.8	117.8
in % of revenues of the preceding 12 months	14.8	14.4	15.4	18.8	18.2
Capital expenditure	73.2	86.4	107.8	98.9	74.9
Net financial debt	311.0	373.3	421.6	390.6	574.7
Adjusted EBITDA leverage [4]	1.5	2.0	2.0	2.2	4.7
Financial and Liquidity Position during the Reporting Period in EUR m					
Cash flow from operating activities	159.8	117.4	165.3	54.1	62.3
Cash flow from investing activities	-69.5	-86.8	-133.4	-304.1	-134.5
thereof cash paid for capital expenditure	-73.1	-86.3	-103.3	-88.5	-77.5
Free cash flow before financing activities	90.3	30.7	31.9	-250.0	-72.2
Employees					
Employees as of the reporting date (total)	9,475	9,343	10,177	10,148	5,677
Stock Data					
Number of shares as of the reporting date in million	31.4	31.4	31.4	31.4	–
Share price [5] as of the reporting date in EUR	28.20	23.05	27.10	37.70	–
Market capitalization as of the reporting date in EUR m	885.5	723.8	850.9	1,183.8	–
Share price high [5] during the reporting period in EUR	29.85	27.05	38.20	39.65	–
Share price low [5] during the reporting period in EUR	22.09	13.24	23.99	32.65	–
Earnings per share in EUR	1.38	0.18	0.02	-0.04	–
Adjusted earnings per share [6] in EUR	1.95	1.34	1.83	1.34	–
Dividend per share in EUR	0.50 [7]	–	0.40	0.40	–

1) Adjusted EBITDA: Earnings before income taxes, financial result, amortization of fair value adjustments, extraordinary depreciation, depreciation and amortization, restructuring expenses and one-off income and expenses.

2) Adjusted EBITA: Earnings before income taxes, financial result, amortization of fair value adjustments, extraordinary depreciation, restructuring expenses and one-off income and expenses.

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

4) Adjusted EBITDA leverage: The relation of interest-bearing net debt to adjusted EBITDA of the preceding 12 months.

5) In each case Xetra closing price.

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

7) Proposed appropriation of net earnings.

Financial Calendar

February 10, 2011	Annual Report 2010
April 7, 2011	Interim Report 1st Quarter 2011
April 14, 2011	Annual General Meeting in Duesseldorf
July 13, 2011	Interim Report 2nd Quarter 2011
October 6, 2011	Interim Report 3rd Quarter 2011

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Note to the Annual Report
This Annual 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 Annual 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 Annual Report, no guarantee can be given that this will continue to be the case in the future.

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