

Speech

by

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Chief Executive Officer
of Gerresheimer AG

on the occasion of the
Annual General Meeting
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at the Rheinterrassen Duesseldorf

– Check against delivery –

Ladies and Gentlemen, good morning.

I would like to extend a warm welcome—also on behalf of my colleagues on the Management Board—to the Annual General Meeting of Gerresheimer AG here at the Rheinterrassen in Duesseldorf. Thank you for coming.

Gerresheimer AG is a great company. And I am delighted to be able to play a role in stepping up the pace of the Company's sustainable growth and thus increasing the Company's value, which is certainly also in your interests.

By its very nature, an Annual General Meeting is chiefly about the past financial year. All the facts and figures are already out there. If you agree, I would like to give you a brief overview of 2018 and then go into a bit more detail about our plans for the onward development of the Company.

Just as the title of this slide says: During the course of my first six months at Gerresheimer, my high expectations were definitely met. I have seen a number of plants, spoken with employees and managers and met with many customers.

Gerresheimer is well positioned in a dynamic growth market and I see a great deal of potential for future growth. Our Company has a strong and very dedicated team worldwide. And we have a broad product portfolio and plenty of know-how in the relevant production processes. Thanks to our global production network, we can manufacture and deliver to customers locally in all the key markets. And the Company's financial foundations are solid and healthy. Going forward, we have all the room to maneuver that goes along with that.

After what was in many respects a demanding 2017, the financial year 2018 was guided by the goal of returning to a growth trajectory. At the Annual General Meeting a year ago, Rainer Beaujean presented to you the four growth areas: regional expansion, customers, products and innovation, and value proposition—in other words, expanding the value chain. We made progress in all four areas in 2018. A few examples: In Brazil, we commenced operations at a new plant that produces plastic pharmaceutical products. For the same product groups, we also started building up production lines in China and the USA to tap into these markets step by step. We acquired the remaining shares in our subsidiary Triveni in India. So we are now the sole owner of that company.

In terms of onward growth and our planning for the coming years, two major contracts we won last summer are key: At our Peachtree City plant, we delivered proof positive that we are capable of very successfully manufacturing a latest-generation complex inhaler for the US market. As a result, we also won the product for the European market. This was an important step confirming our competitiveness in the inhaler market that is so important to us. In addition, we secured a large, initial contract for the production of prefillable syringes from one of the biggest heparin manufacturers. Both of these large-scale projects will impact our investment requirements in the coming years, as you will see later on.

The acquisition of Sensile Medical marked a milestone in 2018, of course, which I will also talk more about later. In Wackersdorf, we have expanded our expertise in small-batch production and built up capacities for prefillable syringes. And we have broadened our finishing capabilities for cosmetic glass, a good and profitable market going forward.

This brings me to the overview of our key figures for the financial year 2018. After 2017, Gerresheimer grew again in the financial year 2018. Revenues rose by 1.4% to EUR 1.367bn, with notably the US dollar costing us some growth here. On a like-for-like exchange rate basis, the growth was 4.3%. Adjusted EBITDA at constant exchange rates dropped slightly by 0.9% to EUR 308m. Two factors contributing to this were the unexpectedly high prices for resin and natural gas. We need special resin to produce plastic packaging. The price increases can only be passed on to customers after a certain period of delay. Producing glass takes energy, especially gas, so the high gas prices drove costs up. Apart from that, there was also a one-off expense impacting EBITDA that resulted from the EU decision regarding the exemption from network charges. As I mentioned before, we purchased the remaining shares in our Indian subsidiary Triveni.

The adjusted EBITDA margin came to 21.8%. Adjusted earnings per share stood at EUR 5.67. This also reflects the one-off effect of the 2018 US tax reform.

Gerresheimer succeeded in demonstrating its good, balanced financial situation yet again in 2018. Capital expenditure was some EUR 115m. The operating cash flow margin amounted to 12.3% at constant exchange rates, with equity at EUR 890m. Net financial debt rose—particularly as a result of the purchase of Sensile Medical—to EUR 886m. Adjusted EBITDA leverage stood at 3.1x at the end of the year.

Sustainability, or corporate social responsibility as it is often called, is a factor gaining in importance. The principles of sustainability and corporate responsibility are firmly rooted in our corporate philosophy, our vision, our mission and our values. At all our sites around the world, we work and act in accordance with those principles.

In our analysis of the key, high-priority topics that fall under the broad umbrella of sustainability, energy efficiency and emissions along with occupational health and safety play a particularly significant role. That is why we work continuously on energy-efficient production and have been applying the rigorous standards of the international Carbon Disclosure Project organization as our emissions yardstick for many years. It goes without saying that occupational health and safety are a focus in a producing company such as ours. We are well aware of our responsibility for our employees and never let up in our efforts to improve still further.

Many of our customers audit us according to sustainability criteria. One of the leading sustainability auditing agencies is EcoVadis. In 2018, we achieved “Silver” level in the annual EcoVadis assessment for the first time, scoring 46 out of a possible 100 points. This put us well above the average for all companies audited by EcoVadis. Gerresheimer is among the top 25% of the companies audited by EcoVadis in the relevant pharma supplier and medical technology sector.

Additionally, we covered all the new European Union requirements in terms of sustainability reporting in our 2018 Annual Report, as confirmed by the Deloitte accounting and auditing firm. So you can rest assured that sustainability will remain high on our corporate agenda.

Now to our share price performance. The 2018 stock market year was generally characterized by a certain degree of turbulence. After starting at over EUR 66, Gerresheimer

shares rose to nearly EUR 80 in September. This was followed in the fall by increased pressure on the international financial markets to which our shares were not immune. Our share price temporarily fell to just under EUR 52. In the following months, it climbed again, most recently settling above EUR 60. Compared with the MDAX trends in the same time period, our shares fared well, and even outperformed the index at times.

Ladies and Gentlemen,

your participation in our financial success is important to us. We propose raising the dividend from EUR 1.10 per share in the prior year to EUR 1.15 per share this year, representing an increase of 4.5% and the seventh consecutive dividend rise. With EUR 1.15 per share, we remain within our dividend policy. We distribute between 20% and 30% of the adjusted net income after non-controlling interests to shareholders. I hope you approve of this proposed dividend.

Now, however, as I indicated earlier, I would like to go into our plans for the next phase in the Gerresheimer journey.

All in all, we have a solid base as a springboard for our next steps. There are quite a number of potential growth opportunities. And these are in our existing core businesses—meaning glass pharmaceutical primary packaging, cosmetic glass, plastic pharmaceutical packaging and drug delivery devices. On top of that, we see further growth potential in new business areas. This is precisely why we set up the new Advanced Technologies Division and integrated Sensile Medical into it, making us a one-stop shop for the pharma industry. We are expanding our business model in this segment, going from a contract manufacturer to a solution provider with a high level of product development expertise.

The first steps in executing these growth projects have been taken. Accordingly, we will be making higher investments in implementing these growth projects and our ambitious plan over the next two years.

Over the past six months, I have visited many locations in the Gerresheimer world. Everywhere I went, I encountered very dedicated and skilled employees. Each and every one of them is putting all their efforts into helping us enhance health and well-being with our products. They are all strongly focused on quality, driven to continuously improve the Company and its processes as well as to boost productivity. The managers are also instrumental in driving this forward, bringing their in-depth industry experience into play.

The Management Board, as Dr. Herberg just explained, has undergone some changes. Our Management Board is now complete. Dr. Burkhardt has been running the Primary Packaging Glass Division successfully since January 2018. Dr. Metzner joined in mid-May, somewhat earlier than originally anticipated. The three of us form a strong Management Board, which will bring stability back to our Company's leadership following the changes of the past 24 months. The new momentum is tangible, and I look forward to joining forces with my colleagues and the entire Gerresheimer team in driving the Company's success.

One of my first tasks here at Gerresheimer was to see where we as a company currently stood and how the markets and customers were developing around us.

Our foundations are strong. We enjoy good leadership positions in many markets. Our customer base is broad and balanced. Our production facilities are well equipped and we

produce in close harness with customers. We constantly fine-tune our product portfolio, and the same goes for our product mix and value creation.

The established megatrends coupled with our customers' and patients' expectations offer a wealth of opportunities. Let's take self-medication as an example: This trend is driving a growing need for smart, easy-to-use drug delivery products. Such products allow us to deliver true value added for users and make a major contribution to health. Going forward, the significant growth in demand for intelligent solutions when it comes to correctly administering drugs, their effect and data gathering will be met to a lesser extent by the drugs themselves. Much of this will be implemented right in the primary packaging and drug delivery devices—which is right where our core competency lies. This is a great opportunity for us.

Another example: Our response to increasing regulation by the health authorities is better and better quality. That improves our competitive position while at the same time raising the entry barriers for our competitors.

You may recognize this overview from the last Annual General Meeting. That is because its importance is undiminished. The figures tell an important and positive story: We are active in large, attractive markets. And those markets are growing.

We have precisely defined our target markets. If you look at the entire pharma industry value chain, you will see that we are active in primary packaging as well as delivery systems and assembly. Gerresheimer is already represented by a host of products and services in both these areas. We also regularly conduct a thorough review of other adjoining markets with similar profiles. That is because, given our core competencies, those markets may well prove attractive in the future.

The same goes for our other target market—the cosmetics industry—where we are also well positioned, especially in Europe. Not that there is any shortage of opportunities for further growth on the global cosmetics markets—be it through regional expansion in Asia or rounding out our value chain with finishing options and system solutions. As was already the case with the automotive industry in the past, our customers also increasingly expect their suppliers to have an international footprint. While that is good news for a global company like Gerresheimer, it also means that we sometimes have to harness local resources to boost our capacity.

We bundle our new technologies and competencies in Advanced Technologies. This division holds great potential and we intend to further expand it. With our existing expertise in R&D, engineering and production as a launch pad, we are evolving into an end-to-end solution provider for the pharma industry. Now, we are bringing together additional product savvy, product development know-how and the new world of connectivity under one roof.

This is our response to a number of clearly emerging industry trends:

1. Treatment options, such as biotech and biosimilars, will play a major role and require maximum injection precision. That applies equally to large and small volumes.
2. Digitalization and networking devices will enhance the health system and boost the added value of drugs.
3. To that end, drug delivery devices as well as all related systems must be not only extremely reliable but also highly user-friendly.

The market for smart, networked drug delivery devices and solutions is growing very rapidly and offers us attractive future opportunities. I feel confident that Advanced Technologies will grow by degrees as ideas and businesses accumulate. Sensile Medical is the first building block. With respimetrix, we have now added another promising technology to the Advanced Technologies portfolio. A few comments about both:

We acquired Swiss tech business Sensile Medical in summer 2018. With its highly attractive patented micro pump technology, the company opens up a range of potential applications in various therapeutic fields. A pump for Parkinson's is already available on the European market. Next in line is a high-priority cooperation with Sanofi to develop a micro pump for diabetics. The third partner in this R&D joint venture in the field of diabetes is Verily, the medical technology arm of Google's parent company Alphabet. As you can see, this is about a lot more than just drug delivery. It encompasses patient convenience, maximizing injection precision as well as digitalization and connectivity. As I have already explained, these aspects of the value chain are becoming increasingly important.

We originally acquired Sensile Medical for around EUR 350m. The purchase price is contingent on meeting certain conditions and project milestones. Since American company scPharmaceuticals has terminated a project, the purchase price has been reduced by about EUR 90m. We are nevertheless already exploring additional projects to compensate for this and stimulate further growth.

As was hoped at the time of the acquisition, Gerresheimer Medical Systems' existing process and industrialization expertise is the perfect complement to Sensile Medical. Gerresheimer Medical Systems in Wackersdorf and Pfreimd is able to industrialize production processes for large or small batches of whatever Sensile Medical develops.

Let's now move on to the latest technology with which we are expanding our Advanced Technologies portfolio. A few months ago, we acquired a majority stake in start-up respimetrix, which is developing an intelligent inhalation measuring system. In the future, we aim to capture data not only on inhaler use but also on whether and to what extent the medication is proving effective. It is also possible to ascertain whether the inhaler is being used correctly. This information is crucial to ensuring the treatment's success. Together with respimetrix, we are developing a solution to measure respiratory airflow, which will allow us to draw conclusions about the issues I have just outlined. This data can then be sent to an app on the patient's mobile as well as to their doctor, health insurance fund or the drug manufacturer.

Since the project is still at an early developmental stage, the purchase price was low. I consider the acquisition to be extremely promising and another meaningful addition to our Advanced Technologies Division.

As an added bonus, the new businesses are breathing a bit of their start-up mentality—fresh, agile and solution-oriented thinking—into our corporate culture, which will help us with our onward planning.

I have now spoken at length about the new Advanced Technologies Division and the future growth areas associated with it, but we still have a way to go before unlocking them. As for our short to medium-term growth targets, we will be harnessing our existing core business to

achieve them. Here, too, we see distinct potential. We have a range of highly promising growth projects and major orders, including the large European inhaler contract and the syringe contract I have already mentioned. This year, we plan to invest about 12% of revenues. That is a lot, but it will pave the way for growth in the coming years as well as projected productivity improvements.

By way of illustration, here are a few examples: We will take advantage of the next furnace overhaul in Essen to also expand capacity and do the same when overhauling the furnace in Lohr next year. A manufacturing execution system (MES), networking all machinery, is being rolled out gradually in Primary Packaging Glass. By investing in our product portfolio, we are also boosting value creation through, for instance, the new Innosafe needle safety system, break-resistant Elite glass and washed, tested and sterilized injection vials. We are expanding our decorative capabilities for the cosmetics sector. In Brazil, China and the United States, we are investing in plastic packaging. As a result of the major inhaler contract, we are enlarging the Horsovsky Tyn plant. The syringe plant in Buende is being equipped with state-of-the-art technology to give us the ultimate competitive edge. Many of our plants are operating at full capacity. That is why we are building a new facility in Skopje in the north of the Republic of Macedonia to produce medical plastic systems and, in the medium term, also prefillable syringes. Construction work is already under way. Production is scheduled to start in the second half of 2020. As you can see, there is a lot on the go. All of which is very exciting and will provide a firm foundation for the future.

Since we are already mid-way into the financial year 2019, I would like to say a few words about the first quarter. Revenues increased by 6.3% to EUR 308.5m in the first quarter. Adjusted EBITDA in the same period came to EUR 145.9m. This figure comprises EUR 53.6m from operating business and EUR 92.3m in one-off effects resulting from scPharmaceuticals' termination of its contract with Sensile Medical. Another positive outcome of this is the reduction of our leverage to 2.4 times adjusted EBITDA.

In the first quarter, our glass packaging business performed well in both the pharmaceuticals and cosmetics sectors. Revenues from prefillable syringes picked up significantly—even more than we had anticipated—clearly validating our plans to expand syringe production. The plastic pharmaceutical packaging business is also developing well in Europe and Brazil.

In the United States, the packaging for prescription medication business slipped slightly from the prior year because the 2018 flu season was especially severe, which translated into an above-average surge in revenues last year.

That brings me to the outlook and financial targets for 2019. Our 2019 revenues are projected at EUR 1.4bn to EUR 1.45bn.

We anticipate adjusted EBITDA of EUR 295m. Add to that the previously mentioned EUR 92m derecognition of the contingent purchase price components from the acquisition of Sensile Medical in the first quarter.

The indicative medium-term guidance for 2020 to 2022 suggests that the Company will achieve annual revenue growth of some 4% to 7% at constant exchange rates. In 2020, we expect an adjusted EBITDA margin of around 21%, rising to about 23% in 2021 and 2022. To pave the way for growth and productivity improvements, we plan to invest roughly 12% of revenues in 2019.

Before I finish up, I would like to take this opportunity to thank our 10,000 employees. Day in, day out during the working week, as well as at weekends and during night shifts, our colleagues are highly committed to performing their duties. Gerresheimer's success rests entirely on their dedication. For that—also on behalf of my colleagues on the Management Board—I extend my heartfelt thanks.

Of course, the relationships built on mutual trust with our customers, suppliers and other business partners as well as the cooperation and good faith demonstrated by the Supervisory Board and works councils are also vital. I would similarly like to thank all of you for your support.

Let me conclude.

At Gerresheimer, our foundations are strong. After making a good start to 2019, we need to keep up the pace in the coming quarters in order to achieve our goals for the year. And systematically realize each and every growth project in order to speed up our onward growth still further. Our plan for the coming years is strong and sound.

I stepped up at Gerresheimer with the objective of putting the Company on a path to sustained, profitable growth.

We will:

- Continue to strive for excellence.
- Sharpen our customer focus and boost our innovative resourcefulness.
- Shift the Company into assault mode—and up a gear.
- Identify new projects and areas, which will drive sustainable, profitable growth.

That is also what the strategic process we started in the winter is aimed at. Managers from the business units and all regions and functions have begun discussing with the Management Board the direction of thrust and the measures necessary to achieving our objectives. Developing and implementing a strategy does not happen in one go—it is a continuous process of change within the Company. The first two workshops showed me that, together, we can and will truly galvanize Gerresheimer. We are all jointly committed to significantly accelerating profitable growth.

As the Management Board, we will be measured by the promises we deliver on. Today, we already have a wide and wonderful range of products and solutions for the pharma and cosmetics industries that we can build on, fine-tune and add to. And step boldly toward growth markets with the aid of Advanced Technologies.

I am happy in the knowledge that the Management Board is now once again complete. Together with Lukas Burkhardt and Bernd Metzner, we make a strong, highly motivated team driven by passion. Our aim is to significantly boost profitable growth in the years to come, making the Company even more successful and increasing its value. I look forward to taking on this exciting challenge.

Many thanks.