Speech
by

Uwe Röhrhoff
Chief Executive Officer
Gerresheimer AG

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– Check against delivery –
Shareholders,
Guests and representatives of the media,
Ladies and Gentlemen,

It is my pleasure, also on behalf of my colleagues on the Management Board, to welcome you to the Annual General Meeting of Gerresheimer AG here at Congress Center Düsseldorf.

Ladies and Gentlemen,

The title of our Annual Report this year is “Perspectives of our Growth.” If you have the report in your hands or take a look here at one of the screens, you will see that we have chosen a very particular perspective. It is a perspective that might take some getting used to, but it is certainly fascinating. Fascinating not least because it is about the growth perspectives of our Group.

I would like to take a closer look at three such perspectives with you here today—namely, demographic change, population growth and ongoing environmental change.

Let us start with our growth prospects from the perspective of demographic change.

Demographic change is one of the biggest challenges facing the global economy. Birthrates have been dwindling for more than half a century, mirrored by a significant increase in life expectancy. A total of 810 million people on the planet today are over the age of 60. By 2050, that figure is set to grow to over two billion. Rising life expectancy generally goes hand in hand with growing demand for healthcare. Notably in the case of chronic diseases such as diabetes and asthma, but also in that of age-related illnesses requiring daily treatment, it is increasingly important for patients to be able to personally administer the care they need. We lead in the manufacture of related products. Our insulin pens, inhalers and glass syringes enable patients to effortlessly take their medication at any time. For us, this makes demographic change a long-term growth driver.

Which brings me to the next perspective,
population growth.

Today’s global population of seven billion is set to increase to ten billion by the year 2100. However, we live in a world where wealth is distributed unequally and where the industrialized nations have the most advanced healthcare systems. Experts from IMS Health project that annual per capita spending on medication in the US will be about USD 900 in 2016. In emerging markets, the corresponding amount is approximately USD 90—a tenth of the US figure. Given that two of out of three people in today’s seven billion-strong population live in emerging economies, it quickly becomes apparent that rising per capita medication outlay in those economies alone will create a vast market. All that medication has to be packaged. And increasingly, that packaging comes from Gerresheimer.

The third and final perspective I would like to spotlight in relation to our growth is ever more pronounced environmental change.

The shift in environmental conditions we are witnessing encompasses air pollution and global warming combined with a rise in extreme weather events. In turn, all of these developments affect our living conditions and, ultimately, our health. A case in point is asthma, which is the most common chronic disease affecting the respiratory tract. Worldwide, 235 million people are regularly short of breath. This poses new challenges for the pharma and healthcare industry. Our products, such as inhalers, are indispensable for drug delivery. We thus view our opportunities for continuing to help people with chronic ailments such as allergies, asthma or diabetes in a correspondingly positive light.

Demographic change, population growth and environmental change—these all have a major impact on our growth perspectives and hence on the success of our business.

And that brings me to my review of our business performance in the context of the global economy in 2012.

Global economic review

In the course of the year 2012, the world economy lost some of its drive. The debt crisis, the bank crisis and the macroeconomic crisis in the euro area triggered significant uncertainties that curbed global economic development. As the months went by, industrialized nations stepped up
their efforts to reduce what were in some cases very high levels of national debt. Yet these efforts were insufficient to restore investor confidence. The weak demand in industrialized nations also dampened foreign trade with emerging markets (by which I mean Brazil, Russia, India and China). Having said that, the emerging markets, the US and Japan all played their part in stabilizing the world economy in 2012.

While the US economy grew at a much slower rate in the first six months of 2012, it picked up pace again in the second half of the year. There were downside risks to economic development in the US, mainly as a result of the uncertainty about the scope of the consolidation measures that would be necessary to reduce the budget deficit.

The economic trend in the euro area was strongly swayed by uncertainty about how the crisis would pan out. Developments in the EU member states differed considerably. Only five countries—one of which was Germany—managed to buck the negative trend.

German economic growth was relatively robust despite the escalating crisis in the euro area and recessions in some EU member states.

It seemed that, unlike in previous periods, the emerging markets were no longer as immune to the impact of developments in industrial nations. At the same time, the emerging markets continued to achieve far higher growth rates than those in industrialized nations.

Turning to our industry, the global pharma market once again proved robust in 2012. While industrialized countries showed relatively moderate growth rates, the trend in the emerging economies was considerably more dynamic. The pharma sector profited here from increased public spending on medical care as well as from higher private spending on prevention and health. In the aggregate, this is for us a very positive development.

Governments’ efforts to try and curb healthcare costs have not so far had a lasting impact on the pharmaceutical industry. All the same, producers of generics will become ever more important. Generally speaking, the pharmaceutical industry is considered to be largely impervious to crises, and one that profits from the kind of enduring growth drivers I spoke about at the beginning. Such growth drivers include demographic change, population growth and also the increasing numbers of patent-free drugs.

The market for high-quality cosmetic glass packaging recorded another good year. A recognizable trend toward highly sophisticated and hence premium-designed packaging made for strong positive development.
The higher demand for cosmetics can, for the large part, be ascribed to the emerging markets.

2012 was a satisfactory year for the laboratory glassware market. Good market growth in the first nine months of the year was followed by a contraction of the market in the fourth quarter.

The 2012 financial year

Ladies and Gentlemen,

In financial year 2012, our business with the pharmaceutical industry once again achieved strong growth rates and proved to be relatively immune to economic cycles. Sales of primary packaging glass as well as plastic products and drug delivery devices showed very dynamic development. The more cyclical cosmetic packaging and laboratory glassware businesses likewise reported increases in revenues and earnings.

Despite only moderate global economic growth, then, we are pleased to report a good year in 2012.

Compared to the prior year, our revenues increased by a substantial 11.4% to EUR 1,219m. On a like-for-like exchange rate basis, this corresponds to revenue growth of 9.8%. We also improved earnings. Adjusted EBITDA grew by nearly EUR 20m to reach EUR 236.5m. That corresponds to an adjusted EBITDA margin (operating margin) of 19.4%, compared to 19.9% in the prior year.

Net income rose by 22.2% to EUR 66.5 million in financial year 2012. Earnings per share increased by 19.3% to EUR 1.92.

I am pleased to report that we attained all targets for financial year 2012. 2012 was a good year for Gerresheimer AG.

Revenues by region

Europe and North America continue to be our most important target markets. We generated 57% of Group revenues in Europe. The figure for the American continent was 23%. The United States remains our second most important market because it has the highest per capita health expenditure. We now generate 18% of our revenues in emerging markets.
Revenues by market segment

As you know, we analyze revenues also by the market segments in which we operate. By this analysis, the share of revenues we generate in our business with the pharma and healthcare industry is 83%. Cosmetics revenues come to 12%, while other business accounts for only 5%.

Operating successes

So, what were our operating highlights in the past financial year?

Concerning our operational progress, I would like to draw your attention this year once again notably to the emerging markets. As you know, we aim to further increase our revenues above all in Brazil, India, China and Russia. This is based on the rising economic fortunes of the emerging economies as well as the associated growth in demand for healthcare products and services. To this end, we have acquired and successfully integrated two companies in India, one in the past financial year and one at the beginning of this current financial year. One of these is already familiar to you. The acquisition of Neutral Glass in the second quarter of 2012 had already taken place by the time of last year's Annual General Meeting; the second company, Triveni, one of the leading Indian producers of pharmaceutical plastic packaging and closures, was added in December 2012. We acquired a 75% stake in Triveni in December. We have parted company with our joint venture Kimble Bomex Glass in China, so we now have in total six plants in China, five in South America and two in India.

Going forward, we will continue to extend our market position with acquisitions of this nature as well as through organic growth. Attractive regions for us are first and foremost the emerging markets when it comes to pharmaceutical primary packaging, but also North America when it comes to pharmaceutical administration systems.

Capital expenditure

Ladies and Gentlemen,

Aside from the acquisitions, we also invested substantially in growth in financial year 2012. The main focus of this investment was on growth projects and capacity expansion, notably in the Plastic Systems Division, as well as scheduled general overhauls of furnaces. As planned, investment was also made to increase plant safety, for quality assurance
and quality improvement as well as to ensure compliance with environmental regulations.
An example in Germany is our location in Bünde, Westphalia, where we are building a new production facility for prefillable syringes. At this time, we are substantially expanding capacity at our medical plastic systems plant in Pfreimd, Bavaria. We have also added a further production building at our plant in the neighboring Czech Republic. In total, capital expenditure on property, plant and equipment as well as intangible assets ran to EUR 118.9m, 37.9% more than in the prior year. The regional focus of this investment was on Germany, accounting for some EUR 63m or 53%. This marks a clear commitment to Germany as an operating location, especially considering that we generate 23% of revenues here.

I would like now to give you an overview of our financial results.

Financial stability

Our net asset position remains very solid. Despite the outflow of funds on the acquisition of Neutral Glass in India, the dividend payout and high capital expenditure on property, plant and equipment, the ratio of interest-bearing net financial debt to adjusted EBITDA was 1.5, below the prior-year figure of 1.7. The equity ratio increased from 36.4% to 37.2% from one reporting date to the next. Standard & Poor’s most recently set our credit rating at investment grade, BBB-. Moody’s, too, reflected our improved credit standing with a rating of Ba1.

Dividend

Ladies and Gentlemen,

As you will have read in Item 2 of the Agenda, the Management Board and Supervisory Board are proposing a dividend for financial year 2012 of EUR 0.65 per share for approval at the Annual General Meeting. This equates to a payout ratio of 25% of adjusted net income and represents an increase of 8.3% compared with last year's dividend. This dividend distribution allows you to participate directly in the Company’s financial success. We are reinvesting a large proportion of the remaining funds in the organic growth of our Company. By purchasing Gerresheimer shares, you have opted for a growth stock that generally distributes to shareholders 20% to 30% of adjusted net income after non-controlling interests.
Share price

That brings me to my review of our share price performance. The price of Gerresheimer shares developed very favorably in financial year 2012. On the back of the sound figures announced for the second quarter of 2012 coupled with the upgrade of our full-year revenue guidance, the share price even managed to pass the EUR 40.00 mark in mid-July 2012. Gerresheimer shares brought the financial year to a close on November 30, 2012, with a share price of EUR 39.41. This represents a gain of 26.4%. The MDAX index also went up in financial year 2012. As of the November 30, 2012 reporting date, the index recorded a gain in value of 28.8%, slightly ahead of our share price.

Our shares sustained their upward trend through the first quarter of 2013. After a consolidation at the start of the first quarter, publication of the strong figures for financial year 2012 on February 14, 2013 gave new buoyancy to the share price. Ultimately, Gerresheimer shares finished the first quarter on February 28, 2013, with a share price of EUR 44.13, representing a 12.0% gain in value. The MDAX likewise rose over the same period and managed to rise by 14.5%.

Our share price has since reached a new all-time high in terms of the daily closing price, at EUR 45.97, on April 2, 2013. We will do our utmost to ensure the operating success needed to maintain this share price momentum into the future.

Corporate responsibility

Ladies and Gentlemen,

Among our duties as a corporate enterprise are taking a responsible approach to the use of natural resources, protecting the environment and avoiding waste. As a manufacturing company, we have a special responsibility in this regard. Many of our environmental initiatives therefore go beyond the statutory requirements in the countries where we operate.

Ten large production plants have already been certified as being compliant with the ISO 14001 standard for modern environmental management. Especially in our energy-intensive moulded glass plants, we ensure that cutting-edge energy management systems are installed. All German moulded glass plants are now certified as being compliant with the new ISO 50001 standard for energy management systems. I
would like to present to you two examples that highlight our initiative in environmental protection.

**First example: Energy supply**

We make partial use of renewable energy to power our plants. In the summer of 2012, our US plant in Vineland, New Jersey, put one of the biggest roof-mounted photovoltaic systems in the USA into operation and now manufactures pharmaceutical glass with eco-friendly energy. The 44,000 m² photovoltaic system covering an area around the size of seven soccer pitches only took nine months to install. Solar power has reduced our plant's CO₂ emissions by 1,350 tons per year.

**Second example: Using waste heat**

When we constructed a new two-story production building at our German plant in Pfreimd last year, we installed a novel kind of fan filter technology that saves energy. The new building also has a dual-circuit machine and tool cooling system. This allows the process water needed to cool the units to be kept at two different temperatures, thus reducing the use of cooling machines. At the same time, the waste heat can be used for heating purposes and less energy is required for the operation of fans. Natural ventilation, which means the use of cold outside air in winter, reduces the system load.

These are just two of many fascinating projects, and you will find more examples in the environment section of our Annual Report. I will be able to report back on more new projects next year.

**Q1 2013**

I would now like to take a look at how we have done at the beginning of the new financial year. Aside from that, you are doubtless keen to hear how we assess the onward development of our Company in the current financial year 2013, and I will come to that shortly.

Before going over the business results in detail, I need to mention that we elected early adoption of the new International Financial Reporting Standards on employee benefits with effect from December 1, 2012. We have restated the figures for the prior year for comparison and show them on a pro forma basis. This can be seen in our presentation. For further detail on the effects of the restatements, please see the Notes section of our Interim Report.

Now to the figures.

We achieved substantial revenue growth in the first quarter of the new financial year. Revenues increased by 10.4% to EUR 296.7m. At
constant exchange rates, revenues rose by 11.1%. The revenue growth was largely driven by our Plastic Systems Division. This recorded a sharp rise in revenues from development work and the tools business. Such development work and the tools business precede and pave the way for subsequent production of medical application systems such as insulin pens, asthma inhalers and skin-prick aids. These medical application systems sold well in the past quarter, as did plastic primary pharmaceutical packaging together with bottles and containers for eye drops, nasal drops and tablets. Of course, our most recent acquisition, Triveni in India, also contributed to revenue growth in our Plastic Systems Division.

In our Moulded Glass Division, we achieved further organic growth despite a weak start to the new financial year. The figures also include revenues from the Indian glass vials manufacturer acquired in spring 2012.

In the Tubular Glass Division, which produces glass tubes and then makes these into prefillable glass syringes, injection vials, ampoules and cartridges, we generated strong revenues, most notably with prefillable glass syringes. Revenues with pharmaceutical primary packaging such as injection vials and cartridges also developed strongly.

The adjusted EBITDA margin was 15.5% in the first quarter of 2013, which is lower than the 16.8% EBITDA margin in the prior-year quarter. This was mainly down to two factors: Firstly, the development and tools business, which has never been stronger than in the first quarter of this financial year, brought down earnings growth because of its low profitability. Secondly, the margin also reflects quality-related costs incurred in our Tubular Glass Division.

Net income after tax came to EUR 10.2m in the first quarter of 2013, surpassing the prior-year quarter by 41.7%. Earnings per share increased by 50% to EUR 0.27.

Capital expenditure on property, plant and equipment as well as intangible assets increased by 11.4% to EUR 16.6m.

Our net asset position remains very solid. The ratio of interest-bearing net financial debt to adjusted EBITDA in the last twelve months stood at 1.8, up from 1.7 at the February 29, 2012 reporting date largely due to the acquisition of Triveni.

Regarding equity, I once again need to point up the first-time application of the new standard on employee benefits, which resulted in a slight reduction in equity. The equity ratio consequently decreased as at the end of the first quarter of 2013 to 34.3%. Based on the pro forma figures, this had been 36.8% at the end of the first quarter of the prior year. With
the equity ratio at that kind of level, the change in the financial reporting standards poses no difficulty for us.

Outlook

This brings me to our outlook.

Our strategy is geared to sustained, profitable growth. Gerresheimer continues to anticipate revenue growth of 5% to 6% at constant exchange rates for financial year 2013, although given the strong revenue growth in the first quarter of 2013 this projection now looks a little more on the conservative side.

We expect that our operating margin—by which I mean the adjusted EBITDA margin—will be approximately 19.4% for financial year 2013. Largely due to the healthy growth prospects, capital expenditure in financial year 2013 will be on a par with the preceding financial year, representing some 9% to 10% of revenues at constant exchange rates.

Employees

Gerresheimer employees around the world, in Chicago, Bünde, Horovosky Tyn, Boleslawiec, Beijing, São Paulo, Mumbai and at all the other sites, make an immeasurable contribution to the Company's success. Our employees take on the daily challenges and have every right to be proud of their achievements. Thanks to their outstanding commitment and tireless efforts, they were instrumental to Gerresheimer's success in 2012. I would therefore like to thank them and express my sincere appreciation to all of our employees on behalf of the entire Management Board.

Many thanks too, similarly on behalf of all members of the Management Board, to our stakeholders, especially our business partners, our Supervisory Board members and our Works Council officials for the trust they place in us. We very much look forward to continuing our cooperative partnership in the future.

Conclusion

Allow me to sum up: Our strategy is in place for the years ahead.

We aim to extend our leading position in Europe and North America as well as to continue generating strong growth in emerging markets. Acquisitions may be an ancillary means to this end. Our priority,
however, is on investment in organic growth. We will channel all our efforts into attaining precisely these goals. In the process, we will benefit from the growth drivers in our business: demographic change, population growth and ongoing environmental change.

I would also like to express our sincere gratitude to you, Ladies and Gentlemen, for your confidence in us. We continue to be fully committed to ensuring that Gerresheimer shares remain a solid investment. I will be delighted if you continue to support us in our successful way forward.

Thank you for your attention.