



# Q3 2016 Results Presentation

Uwe Röhrhoff, CEO  
Rainer Beaujean, CFO  
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# Business Review Q3 2016

Uwe Röhrhoff, CEO

# Disposal of Life Science Research for an enterprise value of USD 131m to further focus on our core business

- Kimble Chase, the joint venture (51/49%) between Gerresheimer and Chase Scientific Glass, Inc., is to be sold to Duran Group, a portfolio company of One Equity Partners
- Total enterprise value is USD 131m, the transaction will be an all-cash acquisition
- Key figures of Life Science Research division (FY 2015):
  - ▢ Revenues: EUR 100.7m
  - ▢ EBITDA margin: 15.2%
- We focus on our core competence: primary packaging products and drug delivery devices for the pharmaceutical, healthcare and cosmetics industry

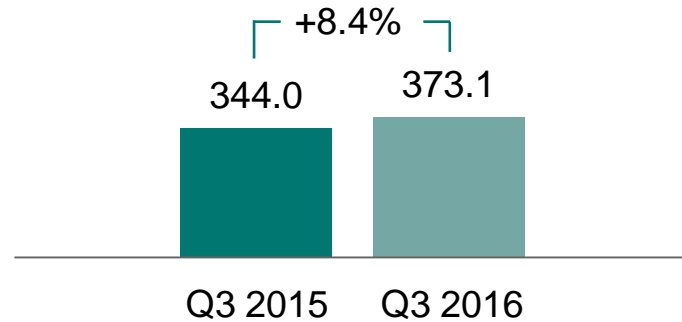


# Review Q3 2016: again excellent earnings with an adjusted EPS increase by 40 percent

Key Group figures in EUR m, adj. EPS in EUR

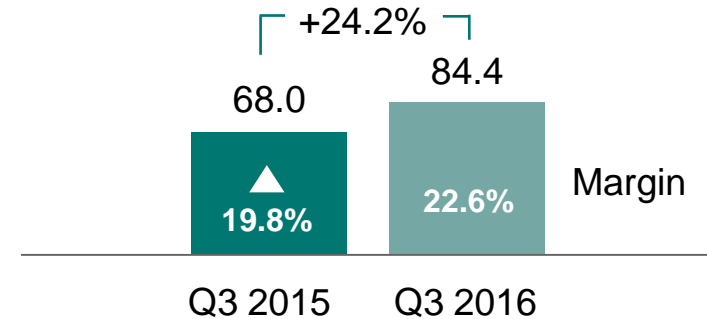
## Revenues

Organic FXN: +1.4%

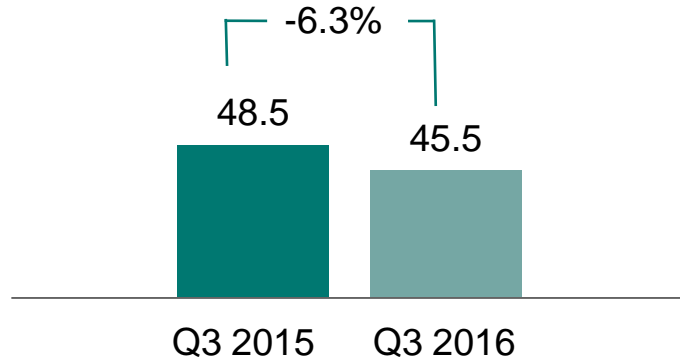


## Adjusted EBITDA

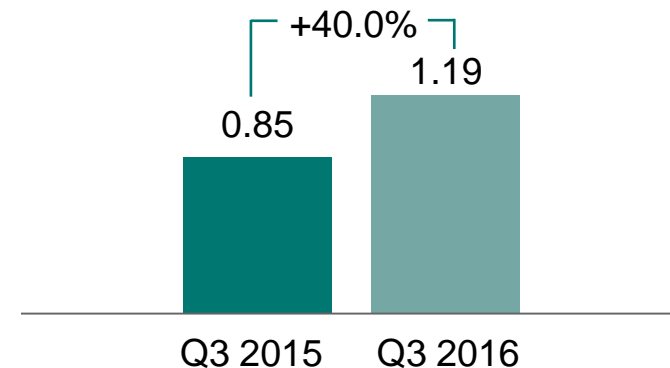
Q3 2016 FXN: EUR 81.2m



## Operating cash flow



## Adjusted EPS





# Financial Overview Q3 2016

Rainer Beaujean, CFO

# Q3 2016 revenues show 8.4% growth driven by Plastics & Devices

## Revenues by division

	Q3 2016 EUR m	Q3 2015 EUR m	Growth in %
Total Group	373.1	344.0	+8.4
Plastics & Devices	195.2	153.1	+27.5
Primary Packaging Glass	155.2	170.5	-8.9
Life Science Research	24.1	25.8	-6.5

# Adjusted EBITDA in Q3 2016: excellent earnings performance driven by Centor and productivity improvements

## Adjusted EBITDA<sup>1</sup> by division

	Q3 2016		Q3 2015	
	EUR m	Margin in %	EUR m	Margin in %
Total Group	84.4	22.6	68.0	19.8
Plastics & Devices	54.4	27.9	31.6	20.6
Primary Packaging Glass	32.0	20.6	38.4	22.5
Life Science Research	3.3	13.5	3.7	14.3

1. Earnings before income taxes, net finance expense, amortization of fair value adjustments, depreciation and amortization, impairments, restructuring expenses and one-off income and expenses.



## Q3 2016 shows strong improvements in EBIT and net income

in EUR m	Q3 2016	Q3 2015	Change in %
<b>Adjusted EBITDA</b>	<b>84.4</b>	<b>68.0</b>	<b>+24.2</b>
Depreciation	-22.0	-19.8	-
<b>Adjusted EBITA</b>	<b>62.4</b>	<b>48.2</b>	<b>+29.3</b>
Total one-off effects	-0.9	-8.4	-
Amortization of fair value adjustments	-9.5	-3.6	-
<b>Result from operations (EBIT)</b>	<b>52.0</b>	<b>36.2</b>	<b>+43.9</b>
Net finance expense <sup>2</sup>	-8.8	-7.3	-
<b>Result before income taxes</b>	<b>43.2</b>	<b>28.9</b>	<b>+50.0</b>
Income taxes	-11.2	-8.7	-
Income tax rate	26.0%	30.1%	-
<b>Net income</b>	<b>32.0</b>	<b>20.2</b>	<b>+58.7</b>

1. The one-off income/expenses item consists of one-off items that cannot be taken as an indicator of ongoing business. These comprise, for example, various reorganization and restructuring measures that are not included in restructuring expenses under IFRS.
2. Net finance expense comprises interest income and expenses in relation to the net financial debt of the Gerresheimer Group. It also includes net interest expenses for pension provisions together with exchange rate effects from financing activities and from related derivative hedges.

## Q3 2016: 40% increase in adjusted EPS

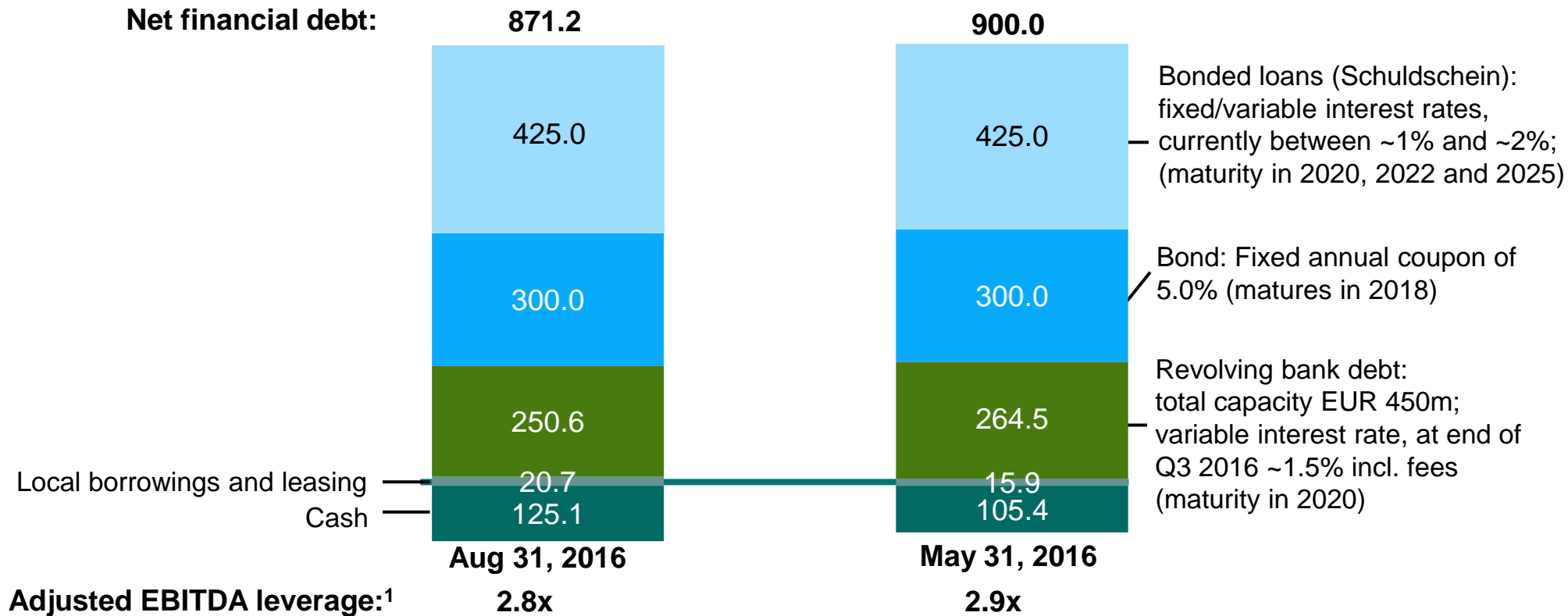
### Reconciliation from net income to adjusted EPS

in EUR m	Q3 2016	Q3 2015	Change in %
<b>Net income</b>	<b>32.0</b>	<b>20.2</b>	<b>+58.7</b>
Total one-off effects (net of related tax effects)	+0.4	+6.4	-
Amortization of fair value adjustments (net of related tax effect)	+6.3	+2.6	-
<b>Adjusted net income<sup>1</sup></b>	<b>38.7</b>	<b>29.2</b>	<b>+33.1</b>
Adjusted net income attributable to non-controlling interests	1.4	2.6	-
<b>Adjusted net income (attributable to GXI shareholders)</b>	<b>37.3</b>	<b>26.6</b>	<b>+40.5</b>
<b>Adjusted EPS in EUR</b>	<b>1.19</b>	<b>0.85</b>	<b>+40.0</b>

1. Adjusted net income: Consolidated net income before non-cash amortization of fair value adjustments, non-recurring effects of restructuring expenses, impairments, the balance of one-off income and expenses (including significant non-cash expenses) and related tax effects.

# Net financial debt slightly improved

## Comparison of debt/cash positions in EUR m



1. The relation of net financial debt to adjusted EBITDA of the last twelve months, according to the credit line agreement currently in force.

## Average NWC in % of LTM revenues on our target level of 17%

	Aug 31, 2016 EUR m	May 31, 2016 EUR m	Change in %
Total assets	2,398.9	2,359.4	+1.7
Equity	725.1	687.8	+5.4
<i>Equity ratio</i>	30.2%	29.2%	-
Net working capital <sup>1</sup>	243.7	230.7	+5.6
<i>NWC in % of LTM revenues</i>	16.7%	16.1%	-
<i>average NWC in % of LTM revenues</i>	16.6%	17.2%	-
	Q3 2016	Q3 2015	Change in %
Operating cash flow <sup>2</sup>	45.5	48.5	-6.3
Free cash flow before financing	34.1	29.3	+16.1
Capital expenditure	32.4	37.9	-14.4

1. Inventories (incl. prepayments made) and trade receivables, less trade payables and payments received on account of orders.

2. Adjusted EBITDA plus/minus change in net working capital, minus capex.

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# Guidance FY 2016

Uwe Röhrhoff, CEO

# Adjustment of Guidance FY 2016 as a consequence of Life Science Research divestment

- Life Science Research divestment has to be reported as discontinued operation according to IFRS 5
  - ▢ All income and expense positions are retroactively adjusted for FY 2015 and FY 2016 and reported as net income from discontinued operations
  - ▢ Starting September 1, 2016, all assets and liabilities are recognized in the separate balance sheet positions assets and liabilities held for sale
- Guidance
  - ▢ Sales and adjusted EBITDA of Life Science Research are excluded both from FY 2015 and FY 2016

	FY 2015 (EUR m)			FY 2016
	Group	Adjustment LSR	Group ex. LSR	Guidance <sup>1)</sup>
Revenues	1,377.2	-100.7	1,276.5	EUR 1.4bn (plus/minus EUR 25m)
Adjusted EBITDA	277.9	-15.3	262.6	EUR 305m (plus/minus EUR 10m)

1. Present Guidance: Sales approx. EUR 1.5bn (plus/minus EUR 25m); adjusted EBITDA approx. EUR 320m (plus/minus EUR10m)

# Adjusted Guidance for FY 2016 due to the classification of the segment LSR as discontinued operation

	Guidance FY 2016	Indication FY 2016-2018
<b>Revenues (FXN)<sup>1</sup></b> <b>FXN growth<sup>1,2</sup></b> <b>Organic growth<sup>1,3</sup></b>	Approx. EUR 1.4bn (plus/minus EUR 25m) Approx. +10% Approx. +4% to +5%	+4% to +5% CAGR (organic)
<b>Adjusted EBITDA (FXN)<sup>1</sup></b>	Approx. EUR 305m (plus/minus EUR 10m)	Adjusted EBITDA margin over 22% by FY 2018
<b>Capex (FXN)<sup>1</sup></b>	Approx. 8% of revenues	Approx. 8% of revenues

1. Average budgeted exchange rate assumption: EUR 1.00 = USD 1.12

2. FXN growth: At const. FX rates, based on FY 2015 reported numbers

3. Organic growth: At const. FX rates, FY 2015 including Centor on a pro-forma basis for 12 months, excluding the recently disposed Glass Tubing business in FY 2015 and based on the assumption that measures to optimize the business portfolio had already been implemented in FY 2015.

## Key takeaways

- ✓ We have stable and highly diversified growth prospects based on long-term megatrends
- ✓ Profitability significantly improved – Q3 2016 figures make this visible once again
- ✓ The disposal of our Life Science Research division as a consequent step to strengthen our core business
- ✓ We focus on deleveraging while continuing to invest in the future of the business, to generate high shareholder returns also in the future





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**Q&A Session**

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**Backup**

## Favorable development of net working capital<sup>1</sup>

	Aug 31, 2016 EUR m	Aug 31, 2015 EUR m
Inventories <i>thereof prepayments made</i>	188.0 4.6	202.5 6.5
Trade receivables	238.4	202.1
Trade payables	136.3	114.6
Payments received on account of orders	46.4	35.7
<b>Net working capital</b> <i>in % of LTM revenues</i> <i>average NWC in % of</i> <i>LTM revenues</i>	<b>243.7</b> 16.7% 16.6%	<b>254.3</b> 19.0% 19.9%

1. Inventories (incl. prepayments made) and trade receivables, less trade payables and payments received on account of orders.

# GXI Key Data

in EUR per share	2008	2009	2010	2011	2012	2013	2014	2015
EPS	0.02	0.18	1.38	1.61	1.98	1.98	2.11	3.32
Adjusted EPS	1.83	1.34	1.95	2.44	2.62	3.08	2.89	3.41
Cash flow from operations per share	5.26	3.74	5.09	4.13	5.53	4.67	5.04	6.49
Dividend	0.40	-	0.50	0.60	0.65	0.70	0.75	0.85
Dividend yield	1.5%	-	1.8%	1.9%	1.7%	1.4%	1.7%	1.2%
Payout ratio	22%	-	26%	25%	25% <sup>1</sup>	23%	26%	25%
Share price high	38.20	27.05	29.85	36.62	41.34	50.14	56.42	76.32
Share price low	23.99	13.24	22.09	28.30	31.00	37.60	42.31	41.99
Share price at FY end	27.10	23.05	28.20	31.17	39.41	49.67	44.44	73.90
Book value per share	15.26	15.29	16.86	17.59	17.14	17.94	19.25	22.23
P/E ratio	14.81	17.20	14.46	12.77	15.04	16.13	15.38	21.67
Market cap in EUR m	851	724	886	979	1,238	1,560	1,395	2,321
MDAX weighting year end	11.48% <sup>2</sup>	1.33%	1.24%	1.40%	1.47%	1.33%	1.01%	1.42%
Number of shares in million	31.4	31.4	31.4	31.4	31.4	31.4	31.4	31.4

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

2. SDAX weighting at year end

## Financial calendar and contact details

February 15, 2017	Annual Report Financial Year 2016
April 6, 2017	Interim Report 1st Quarter 2017
April 26, 2017	Annual General Meeting 2017
July 13, 2017	Interim Report 2nd Quarter 2017
October 11, 2017	Interim Report 3rd Quarter 2017

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