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Revenues in the Bioscience division increased 10.6% to 204.2 million Euros

Grifols' sales grow 10.0% to 261.4 million Euros in the first quarter of 2011

- ***Strong growth in the United States where sales increased by 24.8% during the quarter***

- ***Higher sales volumes of plasma derivatives such as IVIG and factor VIII confirm the upward trend in the sector***

- ***Recurrent EBITDA[1] grows sequentially reaching 68.8 million Euros. It represents 26.3% over sales and shows an improvement over the last quarter of 2010***

- ***Net profit for the quarter totals 33.6 million euros, a 7.9% decrease due to the impact of the transaction costs related to the proposed acquisition of Talecris.***

Barcelona, 5 May 2011.- Grifols increased its turnover in the first quarter of 2011 by 10.0% to 261.4 million Euros. Higher sales volumes in all divisions contributed to overall revenue growth. In this respect, Bioscience posted a 10.6% increase compared to the first three months of 2010 while the Diagnostic and Hospital divisions recorded 9.7% and 10.1% growth, respectively.

The balance of the sales' geographical mix remained stable in the first quarter of 2011, in line with the 2010 trend. International markets accounted for over 75% of turnover. Turnover in the United States increased 24.8% to 88.2 million Euros. Sales in Europe, which generates 44.3% of revenues, were up 6.4% to 115.9 million Euros. The consolidation in other regions such as Latin America and Asia-Pacific that already account for 20% of total revenues continued.

The Group maintained its cost savings policy with the objective of optimizing margins. Recurrent EBITDA[1] increased sequentially, reaching 68.8 million Euros and representing 26.3% of sales. However it fell by 4.7% year-on-year due to the timing of international tenders not called until March 2011 that had positively impacted 2010 first quarter sales. It was also influenced by the impact of the Spanish Health Reform (Royal Decree 8/2010), not effective until the second half of 2010.

The measures implemented by Grifols made it possible to reduce stocks, reaching a balance between the sales of the main plasma derivatives and the raw material required for its production. This trend will remain in place throughout the year in order to optimize revenues per liter of used plasma.

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[1]Excluding the costs associated with the agreement to purchase Talecris Biotherapeutics

Taking into account the transaction costs relating to the proposed Talecris acquisition, EBITDA was 64.8 million Euros, 10.2% lower year-on-year.

Similarly, taking into account Talecris acquisition related costs, net profit was 33.6 million Euros compared to 36.5 Euros reported on the first quarter of 2010. This represents a 7.9% decrease and a 12.9% sales margin.

The net financial debt of Grifols at the end of first quarter 2011 stood at 654.6 million Euros, representing a ratio of 2.6x EBITDA.

Positive performance in all divisions

The **Bioscience Division** continues with the upward trend seen in previous quarters and contributed 78.1% to the Group's total turnover. Plasma derivatives sales were up 10.6% in the first quarter of 2011, totaling 204.2 million Euros. Intravenous immunoglobulin (IVIG) demand was particularly strong in the United States and in Australia where Grifols increased its market share. Sales of other plasma derivatives such as factor VIII also recorded strong performance.

Grifols is laying the groundwork to be able to respond to the trend expected in the sector over the coming years. To this end, it started building a new plasma fractionation plant in Parets del Vallès (Barcelona-Spain) during the quarter. The new facilities will have the capacity to fractionate 1 million liters of plasma per year (with potential to expand to 2 million), allowing the Group to double its existing fractionation capacity in Spain from 2.1 million liters to a maximum of 4.1 million liters. This maximum capacity plus the installed capacity in the United States (2.2 million liters) will enable Grifols to have a total capacity of 6.3 million liters by 2014.

All areas in the **Diagnostic Division**, recorded growth, particularly the blood bank (15.9%) and pathogen inactivation (33.1%) activities. The excellent performance of all the business lines contributed to a 9.7% revenue growth of this division which amounted to 29.9 million Euros in the first quarter of 2011. International expansion is essential in order to ensure organic growth. This was the reason behind the long-term cooperative agreement that Grifols entered with the diagnostic division of Novartis for the commercialization of some of Grifols' main immunohaematology diagnostic products, including reagents, automated blood typing products developed by Grifols and the BLOODchip® tests manufactured by the Spanish biotechnology firm Progenika Biopharma already being distributed by Grifols.

Revenues at the **Hospital Division** as at 30 March 2011 were up 10.1%, reaching 24.1 million Euros. The increased sales of Medical Devices (12.8%) and Hospital Logistics (21.7%) within the context of restrictive hospital budgets were two of the factors driving this positive revenue performance. It is worth mentioning the development of a new automated system to optimize hospitals' management of healthcare material restocking and replacement, the StocKey® system.

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Grifols' first quarter of 2011 figures

In million Euros	Q1 – 2011	Q1 - 2010	% var
Total revenues	**261.4**	**237.7**	**10.0%**
Bioscience Division	204.2	184.6	10.6%
Diagnostic Division	29.9	27.3	9.7%
Hospital Division	24.1	21.9	10.1%
Raw Materials & Others	3.2	3.9	-19.5%
Adjusted EBITDA *	**68.8**	**72.1**	**- 4.7%**
% of sales	*26.3%*	*30.3%*	
EBITDA	**64.8**	**72.1**	**-10.2%**
% of sales	*24.8%*	*30.3%*	
Net Profit	**33.6**	**36.5**	**- 7.9%**
% of sales	*12.9%*	*15.4%*	

***Excluding the costs associated with the agreement to purchase Talecris Biotherapeutics**

Main events of the quarter

Grifols successfully concludes all tranches of the financial structure for the acquisition of Talecris with the closing of a USD 1.1 billion bond issue
The corporate bond issue, together with the USD 3.4 billion long-term syndicated finance, provides the Group with USD 4.5 billion, the maximum estimated finance required for the Talecris acquisition. The bonds, with a 7-year maturity, were fully subscribed by qualified investors in the United States and other countries. Final demand resulted in a strong over-subscription. The excellent acceptance of this transaction allowed the Group to culminate the finance process in line with the anticipated calendar, improving the maturity schedule and cost of debt.

Grifols starts construction of a new plasma fractionation plant in Spain
Grifols expects to have in place a combined fractionation capacity of 6.3 million liters per year by 2014 at its facilities in Spain and the United States.
The new plant will be located at Grifols industrial park in Parets del Vallès (Barcelona) and it will enable the company to increase its current fractionation capacity in Spain by 1 million liters (with potential to expand to 2 million) to a total of 4.1 million liters. Grifols has facilities in Los Angeles (United States) with a fractionation capacity of 2.2 million liters of plasma per year. Investment, estimated at a total of 20 million Euros, is part of the investment plan (CAPEX) aimed at ensuring Grifols' growth from 2014.

Agreement with the diagnostic division of Novartis
The Novartis diagnostic division will be marketing in the United States some of Grifols' main immunohaematology diagnostic products as it secures the pertinent approvals. These include reagents, automated blood typing instruments developed by Grifols, and the BLOODchip® tests manufactured by the Spanish biotechnology firm Progenika Biopharma, already being distributed by Grifols.

Grifols establishes an Expert Advisory Council in Transfusion Medicine
A panel of renowned professionals, initially comprising 9 members, will provide technical advice and collaborate with Grifols in identifying requirements for the development of new diagnostic and therapeutic tools so as to improve Haemovigilance, transfusion safety, and patients' quality of life. The creation of this advisory body underscores Grifols' commitment to promote the development of Transfusion Medicine and boost its Diagnostic division.

Development of a new automated system to optimize hospital management of healthcare material restocking: the StocKey® system
StocKey®, based on the use of radiofrequency devices, will make it possible to reduce warehouse stocks by 50% and the time spent by nursing staff in replacing healthcare materials by 90%. La Salle, through its Salle Tecnova innovation park in Barcelona collaborated in this project which has already been implemented at the Cruces Hospital in Biscay where its performance has been assessed.

Firm commitment to Human Resources
To ensure jobs and wager on the excellence of all the professionals who work at Grifols are two of the main objectives of Human Resources. The total average workforce of Grifols at 30 March 2011 was 6,109, slightly up from the 5,968 employees at the end of 2010.

From a training perspective, the Group is currently working on launching a "*Grifols Academy*" in Spain, similar to the one in the United States, which will be inaugurated in the next few months.

About Grifols

Grifols is a Spanish holding company specialized in the pharmaceutical-hospital sector and is present in more than 90 countries. Since 2006, the company has been listed on the Spanish Stock Exchange ("Mercado Continuo") and is part of the Ibex-35. Currently it is the first company in the European sector in plasma derivatives and the fourth in production worldwide. In upcoming years, the company will strengthen its leadership in the industry as a vertically integrated company, thanks to recent planned investments. In terms of raw materials, Grifols has ensured its plasma supply with 80 plasmapheresis centers in the United States and in terms of fractionation, its plants in Barcelona (Spain) and Los Angeles (United States) will allow the company to respond to the growing market demand. Nevertheless, the company is preparing for sustained growth in the following 8-10 years and has launched an ambitious investment plan.

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