

## Grifols signs term loan agreements related to Talecris acquisition for USD 3.4 billion

- The excellent acceptance of the transaction, led to the successful placement of the USD 3.4 billion initially guaranteed, improving the maturities and cost of debt
- The syndicated tranche for financial institutions totals USD 1.5 billion, and USD 1.6 billion for institutional investors. Bonds will be issued for USD 1.1 billion and the revolving credit line remains at USD 300 million

**Barcelona, 24 November, 2010** – Grifols, the Spanish business group specializing in the pharmaceutical and healthcare industry, today announced that it has signed the term loan agreements for the secured senior debt included in the financing package related to the proposed acquisition of Talecris (pending approval by the US anti-trust authorities among others). Investors and financial institutions understanding and positive assessment of both, the transaction's strategic purpose and Grifols' long-term plans, has led the group to obtain USD 3.1 billion term loans and a USD 300 million revolving credit line with a significant oversubscription, improving the maturities and cost of debt.

The USD 4.5 billion that had been previously guaranteed by the 6 financial entities acting as book runners, Deutsche Bank, Nomura, BBVA, BNP Paribas, HSBC and Morgan Stanley, has been allocated as follows:

Secured senior debt totals USD 3.4 billion:

- **Long Term syndicated financing with financial institutions:** USD 1.5 billion five-year amortizing loan with an interest rate of US LIBOR plus 375 basis points on the dollar denominated portion and EURIBOR plus 400 basis points on the euro denominated portion. The loan is rated Ba3 by Moody's and BB by S&P.
- **Long Term syndicated financing with institutional investors:** USD 1.6 billion six-year bullet loan (payment of the full amount of principal upon maturity) with an interest rate of US LIBOR plus 425 basis points on the dollar denominated portion and EURIBOR plus 450 basis points on the euro denominated portion. The loan is rated Ba3 by Moody's and BB by S&P.
- **Senior secured revolving credit facility:** USD 300 million, rated Ba3 by Moody's and BB by S&P.

Furthermore, Grifols bond issue will amount USD 1.1 billion (rated B3 by Moody's and B by S&P). The issuance is scheduled to take place in the next few weeks. This will complete the maximum estimated financing of USD 4.5 billion.

# GRIFOLS

The company anticipates that following the Talecris acquisition, its leverage level will be approximately 5x net financial debt/EBITDA. The leverage will be quickly reduced due to the combined company's increased cash flow and the benefit of the expected operating synergies. It is anticipated the leverage ratio will decline to approximately 3x EBITDA by 2012 and to 2x EBITDA by 2014.

These agreements conclude one of the stages on the anticipated calendar to finalize the transaction, currently subject to obtaining authorizations from the regulators and competition authorities.

## **About the proposed acquisition of Talecris**

In June 2010, Grifols entered into a definitive agreement to acquire Talecris Biotherapeutics ( NASDAQ: TLCR) , a U.S.-based biotherapeutics products company, that will create a global leader in the hemoderivatives sector.

Once the transaction is approved by the competition authorities in the U.S. among others, Grifols will acquire all of the common stock of Talecris for \$19.00 in cash and 0.641 newly-issued non-voting Grifols' shares for each Talecris share. The total implied offer value for Talecris is \$3.4bn (approximately €2.8bn) and the resulting transaction value, including net debt, is approximately US\$4.0 billion (€3.3 billion).

The combination of Grifols and Talecris will create a vertically integrated and diversified international plasma protein therapies company, bringing together complementary geographic footprints and products, as well as increased manufacturing scale.

Grifols' available manufacturing capacity in the U.S will enable Talecris to increase production to better meet the needs of more patients worldwide. Grifols international presence will be enhanced by the established position of Talecris in United States and Canada.

## **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 since 2008. 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.

## Disclaimer

This release contains “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “will,” “should” and similar expressions, as they relate to us, are intended to identify forward-looking statements. These statements reflect management’s current beliefs, assumptions and expectations and are subject to a number of factors that may cause actual results to differ materially. These factors include but are not limited to: the unprecedented volatility in the global economy; the risk that the future business operations of Talecris will not be successful; the risk that we will not realize all of the anticipated benefits from our acquisition of Talecris; the risk that customer retention and revenue expansion goals for the Talecris transaction will not be met and that disruptions from the Talecris transaction will harm relationships with customers, employees and suppliers; the risk that unexpected costs will be incurred; the outcome of litigation and regulatory proceedings to which we may be a party; actions of competitors; changes and developments affecting our industry; quarterly or cyclical variations in financial results; development of new products and services; interest rates and cost of borrowing; our ability to protect our intellectual property rights; our ability to maintain and improve cost efficiency of operations, including savings from restructuring actions; changes in foreign currency exchange rates; changes in economic conditions, political conditions, trade protection measures, licensing requirements and tax matters in the foreign countries in which we do business; reliance on third parties for manufacturing of products and provision of services; and other factors that are set forth in the “Risk Factors” section, the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section and other sections of and Talecris’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2010 filed with the Securities and Exchange Commission. Neither Grifols nor Talecris assume any obligation to update any forward-looking statements as a result of new information or future events or developments, except as required by law. Forward-looking statements are not guarantees of future performance. They have not been reviewed by the auditors of Grifols.

The proposed merger transaction involving Grifols and Talecris will be submitted to the stockholders of Talecris for their consideration. In connection with the proposed merger, Grifols will file with the SEC a registration statement on Form F-4 that will include a joint proxy statement/prospectus of Grifols and Talecris. Talecris will mail the joint proxy statement/prospectus to its stockholders. Talecris urges investors and security holders to read the joint proxy statement/prospectus regarding the proposed transaction when it becomes available because it will contain important information regarding Grifols, Talecris and the proposed business combination. You may obtain a free copy of the joint proxy statement/prospectus, as well as other filings containing information about Talecris, without charge, at the SEC’s website (<http://www.sec.gov>). You may also obtain these documents, without charge, from Talecris’s website, <http://www.talecris.com>, under the tab “Investor Relations” and then under the heading “Financial Information and SEC Filings”. Grifols will also file certain documents with the Spanish Comision Nacional del Mercado de Valores (the “CNMV”) in connection with its shareholders’ meeting to be held in connection with the proposed business combination, which will be available on the CNMV’s website at [www.cnmv.es](http://www.cnmv.es).

Grifols, Talecris and their respective directors, executive officers and certain other members of management and employees may be deemed to be participants in the solicitation of proxies from the respective stockholders of Grifols and Talecris in favor of the merger. Information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of the respective stockholders of Grifols and Talecris in connection with the proposed merger will be set forth in the joint proxy statement/prospectus when it is filed with the SEC. You can find information about Talecris’s executive officers and directors in its Form S-1/A filed with the SEC on September 11, 2009. You can obtain free copies of this document from Talecris’s website.

This press release is not an offer to sell or the solicitation of an offer to buy common stock, which is made only pursuant to a prospectus forming a part of a registration statement, nor shall there be any sale of common stock in any state in which such offer, solicitation or sale would be unlawful before registration or qualification under the securities laws of any such state. The Grifols shares have not been registered under the Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. This document does not constitute an offer or invitation to purchase or subscribe shares, in accordance with the provisions of the Spanish Securities Market Law (Law 24/1988, of July 28, as amended and restated from time to time), Royal Decree-Law 5/2005, of March 11, and/or Royal Decree 1310/2005, of November 4, and its implementing regulations.