



THIRD QUARTER REPORT ■ ■ ■ ■ ■
2011

GRIFOLS

DISCLAIMER

The facts and figures contained in this report which do not refer to historical data are “projections and forward-looking statements”. The words and expressions like “believe”, “hope”, “anticipate”, “predict”, “expect”, “intend”, “should”, “try to achieve”, “estimate”, “future” and similar expressions, insofar as they are related to Grifols Group, are used to identify projections and forward-looking statements. These expressions reflect the assumptions, hypothesis, expectations and anticipations of the management team at the date of preparation of this report, which are subject to a number of factors that could make the real results differ considerably. The future results of Grifols Group could be affected by events related to its own activity, such as shortages of raw materials for the manufacture of its products, the launch of competitive products or changes in the regulations of markets in which it operates, among others. At the date of preparation of this report Grifols Group has adopted the measures it considers necessary to offset the possible effects of these events. Grifols, S.A. does not assume any obligation to publicly inform, review or update any projections and forward-looking statements to adapt them to facts or circumstances following the preparation of this report, except as specifically required by law. 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 24/1988, of July 28, the Royal Decree-Law 5/2005, of March 11, and/or Royal Decree 1310/2005, of November 4, and its implementing regulations.

GRIFOLS STRENGTHENS THE INTEGRATION WITH A NEW OPERATING AND COMMERCIAL STRUCTURE IN USA AND CANADA

ACHIEVING SYNERGIES: GRIFOLS OBTAINS FDA APPROVAL TO USE INTERMEDIATE PRODUCT (FRACTION II+III) OF LOS ANGELES PLANT IN THE PRODUCTION OF GAMUNEX® IVIG

ALL DIVISIONS DELIVER GROWTH IN SALES VOLUME

THE BIOSCIENCE DIVISION GENERATES OVER 88%¹ OF THE GROUP'S INCOME

CLOSE TO 90% OF GRIFOLS SALES¹ GENERATED IN INTERNATIONAL MARKETS. THE WEIGHT OF SALES IN SPAIN DECREASED TO 10.5%¹

SALES IN USA AND CANADA EXCEED 1,000 MILLION EUROS¹ INCOME IN EUROPE AND SPAIN REMAINS STABLE

SALES¹ GROW 8% IN CONSTANT CURRENCY TERMS. EURO-DOLLAR EXCHANGE RATE AFFECTS GRIFOLS RESULTS

NET FINANCIAL DEBT STABLE AT 4.6 TIMES ADJUSTED EBITDA², LOWER THAN ESTIMATED

GRIFOLS AVERAGE WORKFORCE EXCEEDS 11,200 EMPLOYEES

1. Unaudited pro-forma financial statements, provided for guidance purposes only, prepared from the consolidated statements of both companies.

2. Excluding costs associated to the acquisition of Talecris and non-recurring costs

3. The first month of consolidation of Talecris after the purchase took effect was June 2011. The results included for Talecris therefore correspond to a 4-month period (June–September 2011).

THIRD QUARTER 2011 RESULTS

The group's sales have risen by 8% in constant currency terms to 1,712.6 million euros¹

Adjusted EBITDA² reaches 469.7¹ million euros, 27.4% of sales

Net adjusted profit² totals 194.8¹ million euros, 11.4% of income

PROFIT AND LOSS: MAIN INDICATORS DURING THE FIRST 9 MONTHS OF 2011

SALES PERFORMANCE: PRO-FORMA RESULTS¹

Grifols sales revenue rose by 8% during the first nine months of 2011 in constant currency terms (cc) to reach 1,712.6 million euros to September, compared with an equivalent figure of 1,642.8 million euros for the same period of 2010 taking into account the pro-forma¹ joint income of Grifols and Talecris. The increased sales volume, confirmed across all divisions, remained the principal driver of growth in the context of an environment with strong pressure on prices and a negative exchange rate effect, in

particular euro: dollar rates. In comparable terms, growth would be 4.2% after taking into account the exchange rate impact.

The new pro-forma¹ joint results corresponding to the first nine months of 2011 show the anticipated changes to the relative weight of each business area as a proportion of total group income. The sales of the Bioscience division, which currently accounts for 88.6% of Grifols sales revenue, total 1,517.4 million euros, an increase of 7.1% (cc). The sales of the Diagnostic division have grown by 8.7% (cc) to 87.5 million euros and the sales of the Hospital division amount to 70.7 million euros, 8.4% (cc) higher. As anticipated, both divisions have reduced their weight to 5.1% and 4.1% respectively as a result of the integration.

SALES BY DIVISION PROFORMA¹

IN THOUSANDS OF EUROS	9M2011	% sales	9M2010	% sales	% Var.	% Var. CC*
BIOSCIENCE	1,517,388	88.6	1,472,603	89.6	3.0	7.1
HOSPITAL	70,743	4.1	65,284	4.0	8.4	8.4
DIAGNOSTIC	87,480	5.1	81,001	4.9	8.0	8.7
RAW MATERIALS AND OTHERS	36,969	2.2	23,940	1.5	54.4	63.7
TOTAL	1,712,580	100.0	1,642,828	100.0	4.2	8.0

* Constant Currency (cc) Excludes de impact of exchange rate movements

Raw Materials & Others includes royalties and income derived from the agreements with Kedrion

The geographic distribution of income has also changed since the acquisition, although all the main regions where the company operates through its own commercial subsidiaries in 24 countries and through distribution agreements have seen growth.

The United States and Canada recorded an increase of 8.2% (cc), with sales revenue exceeding 1,000 million euros. As part of the integration process, a global operating framework has already been established, making it possible to centralize and promote the sales of plasma products in the United States market. To achieve this goal, Grifols has established separate, mixed commercial units (bringing together marketing and sales) for each of its main plasma products: IVIG (intravenous immunoglobulin), clotting factors (factor VIII, factor IX, anti-thrombin) and alpha1-antitrypsin.

This new operating structure is enabling the group to rapidly reposition itself in the United States and Canada as a leader in the sector among professionals working in the health and hospital sector, patients' associations, and with general purchasing organizations (GPOs).

In Europe sales have continued to rise, increasing by 3.2% (cc) to generate 447.4 million euros to September 2011. In line with forecasts, the group has strengthened its commercial presence in Germany, where the company hopes to continue to gain market share after the integration process has been completed.

Income in other geographic regions has also continued to rise. Joint sales in areas such as Latin America, Asia-Pacific and Australia, among others,

stood at 236.3 million euros, gradually growing in importance to show an average increase of 9.6% (cc).

The sales performance in Spain has remained at similar levels to those recorded for the same period of the previous year, despite the restrictions on public health expenditure.

However, nearly 90% of Grifols' activity¹ now occurs outside of Spain. The United States accounts for 59.1% of income, Europe represents 26.1%, and other geographic regions generate 13.8% of sales revenue. Taking into account sales³ for the four months period of joint activity, the relative weight of the Spanish market between January and September 2011 fell already to 14.8% compared to 23.2% for the same period of 2010.

SUMMARY OF SALES BY REGION PROFORMA¹

IN THOUSANDS OF EUROS	9M2011	% sales	9M2010	% sales	% Var	% Var. CC ²
EU	447,360	26.1	432,954	26.4	3.3	3.2
US + CANADA	1,011,724	59.1	986,757	60.0	2.5	8.2
R.O.W.	236,342	13.8	219,715	13.4	7.6	9.6
SUBTOTAL	1,695,426	99.0	1,639,426	99.8	3.4	7.1
RAW MATERIALS	17,154	1.0	3,402	0.2	404.2	460.2
TOTAL	1,712,580	100.0	1,642,828	100.0	4.2	8.0

* Constant Currency (cc) Excludes de impact of exchange rate movements

Raw Materials includes income derived from the agreements with Kedrion

SALES PERFORMANCE: REPORTED RESULTS TO SEPTEMBER 2011³

Grifols' sales revenue during the first nine months of 2011, including Talecris sales from June to September (4 months)³, was 1,205.5 million euros. This represents growth of 72.3% (cc) in relation to Grifols' turnover for the same period of 2010, which was 738.8 million euros. Taking into account the exchange rate effect, growth would be 63.2%.

During the first nine months of the year, and with four months of joint activity, the sales of the Bioscience division grew to 1,017.3 million euros, representing 84.4% of total sales revenue, while Diagnostic and Hospital reduced as expected their share of global income to 7.3% and 5.9%, respectively due to the integration.

Taking into account the geographical complementarity of the markets, including Talecris sales from June to September, Grifols achieved particularly impressive growth in the United States and Canada. From January to June 2011 sales rose to reach 596.5 million euros³, a 49.5% of total revenues. In Europe, sales grew to 385.4 million euros, while in other geographic areas income exceeded 206.5 million euros.

SUMMARY OF SALES BY REGION³

IN THOUSANDS OF EUROS	9M2011	% sales	9M2010	% sales	% Var	% Var. CC*
EU	385,376	32.0	323,167	43.7	19.2	19.3
US + CANADA	596,492	49.5	251,630	34.1	137.1	161.1
R.O.W.	206,518	17.1	160,624	21.7	28.6	31.4
SUBTOTAL	1,188,386	98.6	735,421	99.5	61.6	70.5
RAW MATERIALS	17,154	1.4	3,402	0.5	404.2	460.2
TOTAL	1,205,540	100.0	738,823	100.0	63.2	72.3

* Constant Currency (cc) Excludes de impact of exchange rate movements
Raw Materials includes income derived from the agreements with Kedrion

SALES BY DIVISION³

IN THOUSANDS OF EUROS	9M2011	% ventas	9M2010	% ventas	% Var.	% Var. CC*
BIOSCIENCE	1,017,281	84.4	578,756	78.3	75.8	86.9
HOSPITAL	70,743	5.9	65,285	8.8	8.4	8.4
DIAGNOSTIC	87,480	7.3	81,001	11.0	8.0	8.7
RAW MATERIALS AND OTHERS	30,036	2.4	13,781	1.9	118.0	135.1
TOTAL	1,205,540	100.0	738,823	100.0	63.2	72.3

* Constant Currency (cc) Excludes de impact of exchange rate movements
Raw Materials & Others includes royalties and income derived from the agreements with Kedrion

MARGINS AND PROFITS

During the first nine months of 2011, Grifols' pro-forma results¹ show how adjusted² EBITDA¹ remained stable at 469.7 million euros, representing 27.4% of sales, while net adjusted² profit¹ stood at 194.8 million euros or 11.4% of pro-forma sales¹.

Grifols' adjusted² EBITDA from January to September 2011, including 4 months of Talecris³, totaled 315.9 million euros, a figure which represents 26.2% of sales income and an increase of 49% with respect to the same period of 2010. Net adjusted² profit³ rose by 7.6% to reach 111.7 million euros, a 9.3% over sales. Taking into account the transaction costs associated with the acquisition of Talecris, the gross operating result would be 243.2 million euros³, a figure which represents 20.2% of sales, while net profit³ would be 43.8 million euros equivalent to 3.6% over sales.

In general terms, Grifols' margins have been affected by the negligible contribution of prices to income growth, higher cost of raw material, and the effect of health reforms in Germany and Spain not fully discounted in the comparable values for the same period of 2010.

The range of initiatives implemented in the context of the integration process which is currently under way are not yet reflected in the group's results. Some of these, such as the management integration of the group's plasma collection centers in the United States and other operational improvements in production, such as FDA approval to use an intermediate product (Fraction II+III) of the Los Angeles plant in the production of IVIG at the Clayton plant (Gamunex®), will make a positive contribution towards efficiency and margins in the medium term.

The results clearly show Grifols' commitment towards research, with over 5% of sales¹ committed to R&D in the period. It is worth highlighting the clinical trials using Plasmin, a new hemoderivative, in cases of acute arterial peripheral occlusion and the on going medical studies for the utilization of the Fibrin Sealant in several types of surgery. The production plant in Spain to purify this biological glue is already finished and currently under validation.



Pro-forma results¹ – Grifols 9 months

IN MILLIONS OF EUROS	9M2011	9M2010	% var.
SALES	1,712.6	1,642.8	4.2
ADJUSTED² EBITDA	469.7	469.1	0.1
<i>% ON SALES</i>	<i>27.4</i>	<i>28.6</i>	
ADJUSTED² NET PROFIT	194.8	234.0	-16.7
<i>% ON SALES</i>	<i>11.4</i>	<i>14.2</i>	

Reported results³ – Grifols 9 month

IN MILLIONS OF EUROS	9M2011	9M2010	% var.
EBITDA	243.2	202.3	20.2
<i>% ON SALES</i>	<i>20.2</i>	<i>27.4</i>	
ADJUSTED² EBITDA	315.9	212.1	49.0
<i>% ON SALES</i>	<i>26.2</i>	<i>28.7</i>	
NET PROFIT	43.8	97.0	-54.8
<i>% ON SALES</i>	<i>3.6</i>	<i>13.1</i>	
ADJUSTED² NET PROFIT	111.7	103.8	7.6
<i>% ON SALES</i>	<i>9.3</i>	<i>14.1</i>	

BALANCE SHEET INDICATORS TO SEPTEMBER 2011

GOODWILL VARIATION

Total consolidated assets to September amounted to 5,486.7 million euros, compared to 5,344.2 million euros reported in June 2011.

These differences are due, primarily, to the fair value adjustments of assets and foreign exchange impact, which have translated into a net increase in intangible fixed assets of approximately 300 million euros, to 2,767.8 million euros. Under this heading, it is important to note the reduction in the goodwill valuation, which is down to 1,862.5 million euros as a result of the allocation of the purchase price to different asset and liability classes. At the same

time, the valuation of intangible assets, subject to amortization, has risen to 905.3 million euros, although it is important to note these values remain provisional.

The management of working capital to September 2011, both in accounts due and in inventory, has also improved. Inventory levels remained stable at 997 million euros and stock turnover stands now approximately at 300 days. This trend was already under way in the first quarter of the year and with the acquisition of Talecris, will continue progressively, although the improvement would have been greater had it not been for the impact of the dollar:euro exchange rate.

INVESTMENT PLAN (CAPEX) FOR THE PERIOD 2012-2015. UNITED STATES WILL RECEIVE 75% OF GRIFOLS INVESTMENTS: AROUND 723 MILLION DOLLARS

In the period to September 2011 Grifols continued its investment plan (CAPEX) to expand and improve its production facilities. After the end of the third quarter, the company announced details of the investment plan to 2015, worth approximately 964 million dollars (700 million euros). 84% of these resources will go to the Bioscience division, while around 5% will go to the Diagnostic and Hospital divisions.

Grifols' main objective is to gradually expand the capacity of its manufacturing facilities in Spain and the United States, increasing in a balanced manner both the group's plasma fractionation facilities and the protein purification capacity which underpins production of plasma products. Part of the investment will also be allocated to the opening, expansion and relocation of plasma donor centers, and to improving testing laboratories and logistics centers.



For 2016, the group forecasts that its plasma fractionation capacity will be 12.3 million liters/year, while its purification facilities for IVIG, one of the main plasma proteins, will allow it to obtain a maximum of 48.5 million grams per year, which will be sold under the brands Flebogamma DIF® and Gamunex® almost doubling the current capacity. The investment plan also includes the expansion of facilities for the purification of albumin, plasmin and other plasma products.

During the third quarter and as part of the CAPEX program, Grifols started the construction of a new fractionation plant in Parets del Vallès, Spain, with capacity for 1 million liters expandable to 2 million.

The implementation of this investment plan will enable the group to generate savings worth over 280 million dollars until 2015, compared to the plans of each company on a standalone basis.



KEEPING NET FINANCIAL DEBT BELOW ESTIMATES

Grifols' net financial debt as at September 2011 stood at 2,761.6 million euros, slightly higher than the figure of 2,595.3 million euros reported in June 2011 as a consequence of the negative impact of the euro:dollar exchange rate. However, the ratio of 4.6 times adjusted² EBITDA means it remains below the group's forecast ratio of 5 times .

The predicted increase in short-term cash flows has enabled the company to keep its leverage. Specifically, on July 1, 2011, Grifols repurchased Talecris bonds to a total value of 430 million euros, leading to a decline in the group's cash positions, which stood at 162.6 million euros in September 2011. Grifols has sufficient resources to meet

its working capital requirements, however it anticipates that greater exposure to countries with shorter payment terms as a result of the planned geographical redistribution of sales will translate into reduced funding requirements and an improvement in working capital, among others.

At the same time, and despite currency impacts, Grifols estimates that the net financial debt ratio will fall to 3.5 times EBITDA in the next two years and will return to the debt levels prior to the acquisition once all the synergies have been obtained.

It is worth mentioning a 342 million euro increase in the deferred tax liability balance which now stands at 482.9 million euros. This relates to the fiscal impact of allocating the purchase price among the different assets and liabilities.



NET EQUITY

The purchase of Talecris saw a significant increase in the group's net equity, as a result of the issue of new Grifols non-voting shares (Class B) to meet the non-cash part of the payment. At September 2011, Grifols' net equity was 1,598.6 million euros, that compared to the figure of 1,513.6 million euros reported as at June 2011, meant an increase of 85 million euros.

In the third quarter of 2011 Grifols also purchased 51% of Australian-Swiss company Lateral-Medion for 9.5 million euros, making Grifols its sole owner. In 2009, Grifols acquired 49% of the capital of Lateral-Medion for 25 million euros, although it controlled 100% of the voting rights.

To September 2011, Grifols' share capital amounted to 114.9 million euros, represented by 213,064,899 ordinary shares (Class A), and 83,811,688 non-voting shares (Class B).

After the end of the quarter, the group announced the possibility of increasing its capital through the issue of 29,687,658 new Class B shares which, fully paid-up and charged to voluntary reserves, will be used to remunerate shareholders. These will receive free of charge 1 new Class B Grifols share for every 10 old shares regardless of whether they are Class A or Class B. Holders of Class A or Class B shares will receive Class B shares (GRF.P) listed in the Spanish Stock Exchange, while holders of ADR's will receive securities listed in NASDAQ (GRFS)

The proposal will be submitted for the approval of shareholders at the Extraordinary General Meeting scheduled for December 2, 2011. If the capital increase is approved, Grifols' share capital will be 117.9 million euros, represented by 213,064,899 ordinary shares (Class A) and 113,499,346 non-voting shares (Class B).

ANALYSIS BY BUSINESS AREA: POSITIVE PERFORMANCE IN ALL DIVISIONS

The operating results achieved by the group¹ reflect the positive performance of all divisions, and confirm Grifols' leadership in the plasma products sector as the world's third-largest company by sales volume. The integration plan will generate synergies by optimizing costs and improving efficiency at every stage of the production process. Grifols consolidates future growth by sustaining the company's internationalization, R&D, and investment as the strategic basis of its management strategy.

Bioscience division: 88% of income¹

Bioscience income, which includes pro-forma joint sales¹ for Grifols and Talecris from January to September 2011, totaled 1,517.4 million euros, an increase of 3% compared to the same period of 2010 and representing growth of 7.1% at constant exchange rate (cc). This business area has therefore sustained the upward trend recorded in preceding quarters, although the main engine of growth has been the increase in sales volume of plasma products, with the price factor and the euro:dollar exchange rate both having a negative impact. By product, the major contribution came from sales of intravenous immunoglobulin (IVIG) and alpha1-antitrypsin, a major plasma product for the group following the purchase of Talecris, with sales of other plasma proteins stable.

Including joint sales from June to September 2011³, revenues increased by 75.8% to 1,017.3 million euros, representing 84.4% of total group sales.

A major feature of the quarter has been the reorganization of the operating and commercial structure in the United States. While the portfolio of hemoderivatives expanded with the inclusion of Talecris products, the reorganization of the sales force into specific commercial units for each of the main plasma products is contributing to the rapid

consolidation of Grifols as a new leader in the sector among health and hospital professionals and patient associations.

With respect to the plasma collection centers, which are the source of the group's raw material, the new structure will deliver cost efficiencies. Grifols' 147 plasmapheresis centers, organized into 8 divisions (18 centers per area), will function as independent business areas from an operational perspective, while a single corporate structure will be established to provide global support and management. The aim is to minimize structural costs, and to diversify risk to ensure plasma supply at all times in the face of possible events of force majeure, to optimize costs relating to the logistics and distribution of raw material, to standardize high efficiency levels in plasma collection, to reduce reliance on third party services (such as testing), and to control inventory levels, among others.

In the third quarter Grifols obtained FDA approval to use an intermediate product, Fraction II+III from the Los Angeles plant, in the production of Gamunex® IVIG at the Clayton plant. This approval will allow higher yielding production to be increased, which over the medium term will led to improved margins and greater efficiency in the use of raw materials.



Diagnostic division: 5.1% of sales¹

Diagnostic increased its sales revenue by 8% to 87.5 million euros, with across-the-board increases in its main business areas. This division has a high degree of internationalization, and enjoys a wide range of possible routes to growth.

A major example of this is provided by the agreement reached with Japanese company Kainos, which will distribute Grifols' transfusional diagnostics equipment in Japan, including reagent and automatic instrumentation to determine blood types and perform donor-patient compatibility studies. In particular, Kainos will market WaDiana[®] and Erytra[®] instrumentation for the automatic processing of DG Gel[®] blood typing cards using gel agglutination technology, together with other associated reagents which will complement the activities of Kainos in the field of transfusion medicine. This agreement will strengthen the Diagnostic division in the Japanese market, where the procedure for blood typing has recently been standardized.

Another major development was the purchase by Grifols of 51% of the Australian-Swiss company Lateral-Medion for 9.5 million euros, making Grifols the company's sole owner.

Hospital division: 4.1% of turnover¹

The income of the Hospital division rose by 8.4% to September 2011, reaching 70.7 million euros. International growth and the strategy of geographical diversification through agreements have been the principle drivers of growth in an environment characterized by strong budgetary restrictions on public health expenditure.

Within the exclusive distribution agreement for Spain with Health Robotics it is worth noting the completion of the process of automating the pharmacy service of Vall d'Hebron University Hospital in Barcelona with the implementation of a Robot I.V. Station[®]. This project consolidates the leadership position of Grifols' Hospital division as a provider of automation services of this sort, which reduce the risk of medication errors and help avoid potential cross-contamination between different drug types, and prevent potential hospital infections.

Raw Materials & Others: 2.2% of turnover¹

Revenues in the Raw Materials & Others division totaled 36.9 million euros. The increase is explained by the allocation to the division of income relating to the agreements with Kedrion and of royalties previously included within Bioscience.

KEY EVENTS AT GRIFOLS DURING THIRD QUARTER OF 2011

Rating agencies confirm credit rating of Grifols corporate debt

Moody's and Standard and Poor's confirm Grifols' corporate rating at B1/BB- respectively and assign a rating of Ba3/BB to senior secured debt and B3/B to the group's unsecured debt.

Grifols reorganizes its Audit Committee and its Appointments and Remuneration Committee

The Audit Committee members are directors' Luís Isasi, Steven F. Mayer and W. Brett Ingersoll, with Tomás Dagá as secretary. The Appointments and Remuneration Commission is made up of Edgar D. Jannotta, Víctor Grifols and Anna Veiga, with Raimon Grifols filling the position of secretary.

First step towards realizing operating synergies: Grifols obtains FDA approval to use intermediate product in the production of Gamunex®

In the third quarter of 2011 Grifols obtained FDA approval to use an intermediate product, Fraction II+III from the Los Angeles plant, in the purification of IVIG at the Clayton plant, Gamunex®. This approval is a significant step in achieving the operating synergies the group seeks, relating to cost reduction by increasing the yield per liter of plasma over the medium term.



Ongoing commitment to Human Resources

In September 2011 Grifols' average workforce consisted of 11,225 members of staff, an increase of 88% compared to the end of 2010 as a result of the acquisition of Talecris. 74% of employees are located in North America, while 24% are based in Europe.

Grifols holds its annual meeting with investors and analysts in Barcelona

Following the end of the third quarter, Grifols held its annual meeting with analysts and investors. Over 80 experts and professionals interested in finding out about the company's progress attended the event, hosted by the President, Víctor Grifols and the company's senior management.

Grifols receives Institut d'Estudis Financers (IEF) prize for Financial Excellence 2011 in Corporate Communication

Grifols has been awarded the 2011 price for Financial Excellence in Corporate Communication by the Institut d'Estudis Financers (IEF). The members of the press jury, consisting of journalists specializing in financial information, recognize Grifols' communication policy, which is based on transparency, quality, and a commitment to both the market and a general audience

The Autonomous University of Barcelona and the Germans Tries i Pujol Institute license a gene therapy patent to Grifols

The therapy involves inserting a copy of a functional gene into the cells of patients who lack the gene or have a defective copy. This raises a wide range of therapeutic possibilities. The license will allow Grifols to develop a new specific, versatile, safe gene therapy method.

Grifols joins the Alliance for Research and Innovation in Health (ALINNSA) led by the Spanish Ministry for Science and Innovation, through the Carlos III Institute of Health.

This alliance to promote R&D+i in the health sector brings together the leading representatives of the Spanish biomedical sector, including institutions, public research centers, companies and business organizations. It will help to define a national strategy for biomedical research and innovation, and will promote international visibility.

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PROFIT AND LOSS ACCOUNT³

IN THOUSANDS OF EUROS	9M2011	9M2010	% Var.
TOTAL REVENUE	1,205,540	738,823	63.2
COST OF SALES	655,062	389,113	68.3
GROSS PROFIT	550,478	349,710	57.4
<i>% ON SALES</i>	<i>45.7</i>	<i>47.3</i>	
R&D	58,387	24,754	135.9
SGA	308,665	155,869	98.0
OPERATING EXPENSES	367,052	180,623	103.2
OPERATING PROFIT	183,426	169,087	8.5
<i>% ON SALES</i>	<i>15.2</i>	<i>22.9</i>	
FINANCIAL RESULT	121,011	39,714	204.7
SHARE OF ASSOCIATES' RESULTS	942	787	19.7
PROFIT BEFORE TAX	61,473	128,586	-52.2
<i>% ON SALES</i>	<i>5.1</i>	<i>17.4</i>	
INCOME TAX EXPENSE	17,795	32,800	-45.7
NET PROFIT BEFORE MINORITY INTEREST	43,678	95,786	-54.4
NON-CONTROLLING INTEREST	(115)	(1,235)	-90.7
GROUP NET PROFIT	43,793	97,021	-54.9
<i>% ON SALES</i>	<i>3.6</i>	<i>13.1</i>	
EBITDA	243,191	202,338	20.2
<i>% ON SALES</i>	<i>20.2</i>	<i>27.4</i>	
ADJUSTED EBITDA	315,900	212,051	49.0
<i>% ON SALES</i>	<i>26.2</i>	<i>28.7</i>	

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BALANCE SHEET³

THOUSANDS OF EUROS

	30 sep. 2011	30 jun. 2011
ASSETS		
NON-CURRENT ASSETS	3,806,826	3,234,553
FIXED ASSETS	868,331	639,735
GOODWILL AND OTHER INTANGIBLE	2,767,823	2,410,170
OTHER NON-CURRENT ASSETS	170,672	184,648
CURRENT ASSETS	1,679,898	2,109,666
INVENTORIES	997,024	997,826
TRADE AND OTHER RECEIVABLES	482,080	495,450
OTHER CURRENT FINANCIAL ASSETS	24,543	19,254
OTHER CURRENT ASSETS	13,636	13,344
CASH AND CASH EQUIVALENTS	162,615	583,792
TOTAL ASSETS	5,486,724	5,344,219
LIABILITIES		
EQUITY	1,598,610	1,513,594
CAPITAL	114,914	114,914
SHARE PREMIUM	890,355	890,355
RESERVES	571,640	569,682
TREASURY STOCK	(1,927)	(1,927)
EARNINGS FOR THE PERIOD	43,793	19,269
NON-CONTROLLING INTEREST	2,372	12,941
OTHER COMPREHENSIVE INCOME	(22,537)	(91,640)
NON-CURRENT LIABILITIES	3,332,631	2,867,695
NON CURRENT FINANCIAL LIABILITIES	2,838,299	2,715,344
OTHER NON-CURRENT LIABILITIES	494,332	152,351
CURRENT LIABILITIES	555,483	962,930
CURRENT FINANCIAL LIABILITIES	121,650	524,710
OTHER CURRENT LIABILITIES	433,833	438,220
TOTAL LIABILITIES	5,486,724	5,344,219

CASH FLOW³

IN THOUSANDS OF EUROS	30 sep. 2011	30 sep. 2010
NET PROFIT	43,793	97,021
DEPRECIATION AND AMORTITZATION	59,765	33,251
NET PROVISIONS	17,781	825
OTHER ADJUSTMENTS	15,815	(20,059)
CHANGES IN INVENTORIES	8,059	(14,496)
CHANGES IN TRADE RECEIVABLES	(30,833)	(19,168)
CHANGES IN TRADE PAYABLES	(53,422)	(5,527)
CHANGE IN OPERATING WORKING CAPITAL	(76,196)	(39,191)
NET CASHFLOW FROM OPERATING ACTIVITIES	60,958	71,847
BUSINESS COMBINATIONS AND INVESTMENTS IN GROUP COMPANIES	(1,624,869)	(3,728)
CAPEX (PROPERTY.PLANT & EQUIP)	(98,911)	(67,915)
R&D/OTHER INTANGIBLE ASSETS	(6,348)	(7,131)
OTHER CASH INFLOW /(OUTFLOW)	75,572	(1,102)
NET CASHFLOW FROM INVESTING ACTIVITIES	(1,654,556)	(79,876)
FREE CASH FLOW	(1,593,598)	(8,029)
CAPITAL INCREASES	(2,473)	-
ISSUE (PURCHASE) OF TREASURY STOCK	-	(1,250)
ISSUE (REPAYMENT) OF DEBT	1,511,360	27,619
DIVIDENDS	0	(27,282)
OTHER	347	323
NET CASHFLOW FROM FINANCING ACTIVITIES	1,509,234	(590)
TOTAL CASH FLOW	(84,364)	(8,619)
CASH AND CASH EQUIVALENTS AT THE START OF THE YEAR	239,649	249,372
EFFECT OF EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	7,330	13,742
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	162,615	254,495



GRIFOLS' DAILY ORDINARY SHARE PRICE VS IBEX 35

(BASE 100, FROM JANUARY 1 TO SEPTEMBER 30 2011)

