
FIRST
QUARTER
2013
REPORT
GRIFOLS

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NET PROFIT
91.0 MILLION EUROS
+34.8% GROWTH
13.3% PROFIT TO SALES RATIO

ADJUSTED[1] EBITDA
230.1 MILLION EUROS
+7.9% GROWTH
33.7% EBITDA/SALES RATIO

BUSINESS REVENUE:
683.7 MILLION EUROS
+2.6% GROWTH
8% OF SALES IN SPAIN

1 Excluding non-recurring costs and costs associated with the purchase of Talecris.

2 Excluding costs associated with the purchase of Talecris as well as the amortization of intangibles and of deferred financial costs related to the acquisition.

HIGHLIGHTS OF THE QUARTER

Grifols achieves its highest quarterly sales revenue in absolute terms

Significant improvement in operating margins due to greater efficiency of manufacturing processes and sales mix: EBITDA rises by 150 bp to 31.9% of sales

Financial costs fall as a result of the improved funding conditions negotiated at the start of 2012

The financial net debt ratio remained stable at 2.9 times EBITDA[1]

8.0% of sales generated in Spain

Regions such as Latin America and the Asia-Pacific region have gained in importance, and 16.8% of sales are generated in R.O.W. The USA and Canada account for 60.0%, with Europe generating 21.8%

Volume growth led by sales of albumin and alpha-1-antitrypsin. Bioscience revenues grow 3.0%

Internationalization of the Hospital division continues. Record quarterly sales achieved.

1. PROFIT AND LOSS: MAIN INDICATORS DURING THE FIRST QUARTER OF 2013

SALES PERFORMANCE:

International sales generate 92% of income, driving organic growth

Sales in Europe, excluding Spain, increase 6%

Between January and March 2013, Grifols achieved its highest quarterly sales revenue in absolute terms. Income totaled 683.7 million euros, growing 2.6% with respect to the 666.7 million euros earned during the same period of 2012. The impact of currency fluctuations, particular the euro: dollar rate had a limited impact on sales, which grew by 3.5% in comparable terms at constant currency exchange rate (cc).

Grifols' activity on international markets has driven the company's sales, with the Spanish market now representing 8.0% of total sales revenue. Sales in foreign markets rose by 4.0%, exceeding 628.9 million euros. With sales already rising in 2012, growth has continued into the first three months of 2013, with particularly impressive performances in regions such as Latin America and Asia, recording growth of 50.6% cc and 40.7% cc, respectively. In Europe, excluding Spain, sales revenue has grown by 6% to 94.5 million euros, while in North America, where demand for plasma proteins continues to rise, sales stand around 410 million euros. This represents a fall of 1.6% (0.5% at cc) as a result of the new conditions attached to contracts in Canada, which have only had a limited impact on the period and due to the effect of comparison with sales reported in the first quarter of 2012, which were exceptionally high. Overall,

92% of Grifols' income was generated outside of Spain, and the company's commercial strategy continues to focus on regions with better economic prospects, shorter payment periods, and higher margins.

The group's strong international presence is confirmed by its commercial presence in over 100 countries, with subsidiaries in 24 of these. In addition, with the purchase of Talecris, geographic diversification continues to be fundamental to the group's growth strategy. Grifols has developed a new integrated global strategy for its logistics and operations systems, designed to optimize distribution infrastructure, improve the efficiency of its operations, and deliver a reduction in costs. Grifols is also undertaking a range of other initiatives, including the restructuring of its logistic centers.

By business area, the **Bioscience division** generated 88.5% of income, and continued to be the principal driver of growth. This division's sales rose by 3.0% (4.0% cc) to 604.8 million euros as a result of the significant increases in sales volumes, led by albumin and alpha-1-antitrypsin in an environment characterized by price moderation.

The **Hospital division** achieved its highest ever quarterly sales revenue. Its internationalization strategy enables growth in an environment of lower demand for intravenous solutions as a result of the rationalization of healthcare

expenditure in Spain. The geographical diversification of sales in this division through its hospital logistics area and third-party agreements for the manufacture of injectable medicines helped to achieve a moderate sales growth of 0.4% to 27.2 million euros. For the first time, sales of Hospital Logistics in Latin America outperformed Spain.

Positive performance of two of the key areas of the **Diagnostic division,** Molecular biology and Immunohematology instrumentation, whose DG Gel® blood group typing reagents have established a new standard. During the first quarter of 2013, some third-party distribution contracts were terminated by the company, impacting the division's total sales that fell by 6.3% to 32.6 million euros. These contracts will be replaced by direct sales once the necessary licenses have been obtained. The recent acquisition of 60% of Progenika Biopharma will enable the rapid incorporation of new technologies to this division's product portfolio, including molecular diagnostics tools for immunohematology, cardiovascular, autoimmunity, oncology and diseases of the central nervous system. As a result of these events, 1Q 2013 sales cannot be extrapolated to the rest of the year.

The **Raw Materials & Others division** achieved sales of 19.2 million euros during the quarter. This division includes, among other items, royalties, income derived from manufacturing agreements with Kedrion, and third-party engineering projects performed by Grifols Engineering.

REPORTED SALES BY REGION

IN THOUSANDS OF EUROS	1Q 2013	% ON SALES	1Q 2012	% ON SALES	% VAR.	% VAR. CC*
EU	149,274	21.8%	151,356	22.7%	-1.4%	-1.5%
US+CANADA	409,938	60.0%	416,808	62.5%	-1.6%	-0.5%
R.O.W.	114,855	16.8%	90,844	13.6%	26.4%	28.4%
SUBTOTAL	*674,067*	*98.6%*	*659,008*	*98.8%*	*2.3%*	*3.3%*
RAW MATERIALS	9,631	1.4%	7,674	1.2%	25.5%	27.4%
TOTAL	683,698	100.0%	666,682	100.0%	2.6%	3.5%

REPORTED SALES BY DIVISION

IN THOUSANDS OF EUROS	1Q 2013	% ON SALES	1Q 2012	% ON SALES	% VAR.	% VAR. CC*
BIOSCIENCE	604,786	88.5%	587,209	88.1%	3.0%	4.0%
HOSPITAL	27,155	4.0%	27,047	4.0%	0.4%	0.3%
DIAGNOSTIC	32,559	4.8%	34,750	5.2%	-6.3%	-5.7%
RAW MATERIALS AND OTHERS	19,198	2.7%	17,676	2.7%	8.6%	10.0%
TOTAL	683,698	100.0%	666,682	100.0%	2.6%	3.5%

* Constant currency (CC) excludes the impact of exchange rate movements.

SOLID RESULTS: MARGINS AND PROFITS CONTINUE TO IMPROVE

EBITDA margin rises by 150 base points to 31.9% of sales

Net profit rises by 34.8% to 91 million euros

The policy of operating costs control continues in place, and gross margin improved by 150 base points (bp) as a result of the optimization of raw material and manufacturing costs. Both factors combined with the sales mix contributed to EBITDA to sales margin rising to 31.9%, compared to 30.4% for the same quarter of 2012. EBITDA for the quarter stood at 218.4 million euros, with growth of 7.8%, evidencing the improved efficiency of the company's manufacturing processes as a result of forecast synergies in the fractionation and purification of proteins.

Adjusted[1] EBITDA, excluding costs associated with the purchase of Talecris and other non-recurring costs, was 230.1 million euros to March 2013, 7.9% higher than in the first quarter of the prior year and representing a ratio to sales of 33.7%.

During the first quarter of 2013 lower financial costs contributed to the group's net profit. This is a result of the improved funding conditions negotiated at the start of 2012, carrying lower interest rates and a modification of the tranches of the credit agreement with the various institutions involved in funding the purchase of Talecris.

Net profit rose by 34.8% for the quarter, to 91.0 million euros. This represents 13.3% of sales, compared to the figure of 10.1% for the same period of 2012, while net adjusted[2] profit rose by 19.0% to 115.7 million euros.

In contrast with the previous year, this result does not include the amortization of deferred financial costs related to the acquisition of Talecris.

The effective tax rate for this quarter was lower mainly due to North Caroline (US) companies filing a combined state corporate tax return and reducing their effective tax rate. It has also benefitted from the availability of deductions for R&D in the United States corresponding to financial year 2012 that were not available previously due to the budgetary situation of the US government.

RESULTS FOR THE FIRST QUARTER OF 2013

IN MILLIONS OF EUROS	1Q 2013	1Q 2012	% VAR.
REVENUES	683.7	666.7	*2.6%*
EBITDA	218.4	202.6	*7.8%*
% ON SALES	*31.9%*	*30.4%*	
ADJUSTED[1] EBITDA	230.1	*213.1*	*7.9%*
% ON SALES	*33.7%*	*32.0%*	
NET PROFIT	91.0	*67.5*	*34.8%*
% ON SALES	*13.3%*	*10.1%*	
ADJUSTED[2] NET PROFIT	115.7	97.2	*19.0%*
% ON SALES	*16.9%*	*14.6%*	

2. BALANCE SHEET MARCH 2013

TOTAL CONSOLIDATED ASSETS AT SIMILAR LEVELS TO DECEMBER 2012

Inventory levels remain stable, in line with manufacturing requirements

Total consolidated assets at March 2013 amounted to 5,784.3 million euros, with no significant changes with respect to the figure of 5,627.5 million euros reported in December 2012. The differences are primarily due to the exchange rate effect on existing assets and liabilities.

Inventory levels have remained stable and at levels adequate to meet overall plasma requirements to produce plasma proteins. This reflects the effectiveness of Grifols' recent initiatives to rationalize and optimize stocks, supported by achieving operating synergies related to raw materials and the sale of more products per liter of plasma processed. Stock turnover was 284 days at the end of the period, in line with the December 2012 level.

DEBT LEVELS REMAIN STABLE

Grifols' net financial debt was 2,511.8 million euros, a ratio of 2.9 times adjusted[1] EBITDA

Cash flows continued to improve during the first quarter of 2013 due to Grifols' greater exposure to countries with lower payment periods. This has enabled the company to pay off over 30 million euros worth of debt and purchase non-voting shares (Class B), reducing the group's net cash positions.

Grifols has purchased 4,402,986 American Depositary Shares (ADSs) from various funds and accounts managed by Cerberus Capital Management, each ADS equivalent to one non-voting share (Class B). These shares have a total value of 118.9 million dollars, or 27 dollars per ADS. The company's intention is to hold them as treasury stock to be used in possible corporate operations in the future.

The net financial debt to March 2013 was 2,511.8 million euros, slightly up from the figure of 2,396.1 million euros for December 2012. The group's debt ratio (NFD/adjusted EBITDA) is 2.94 times EBITDA[1], broadly in line with the figure of 2.87 times EBITDA for December 2012, and significantly lower than the ratio of 3.79 times recorded in the first quarter of the previous year.

PERFORMANCE OF NET EQUITY

The share capital increase fully paid against voluntary reserves approved by the Extraordinary Meeting of shareholders in December 2012 has been implemented

Grifols' net equity in the first quarter of 2013 rose to 1,958.2 million euros.

The company's share capital at March 2013 totaled 119.5 million euros, represented by 213,064,899 ordinary shares (Class A) with a nominal value of 0.50 euros per share, and 129,827,558 non-voting shares (Class B) each with a nominal value of 0.10 euros. This increase is the result of the equity offering approved by the shareholders as an alternative to the payment of cash dividends, which has seen 16,328,212 new non-voting shares (Class B) being issued.

Ordinary Grifols shares (Class A) are listed on the Spanish stock exchange, and a component of the Ibex-35 (GRF), while its non-voting shares (Class B) are also listed on the Spanish stock exchange (GRF.P) and on the NASDAQ (GRFS) via ADRs (American Depositary Receipts). The exchange ratio is 1 Grifols ADR for 1 Class B share.

3. INVESTMENTS

CAPITAL EXPENDITURE

Groundbreaking for the new plant in Brazil to manufacture blood extraction and conservation bags

Completion of the conversion project to produce Gamunex® (IVIG) in Los Angeles

During the first quarter of 2013 Grifols continued with its investment plan (CAPEX) for the 2012-2015 period. The main objective of this plan is the gradual expansion of its manufacturing facilities in Spain and the United States. During the first quarter of 2013, the company had invested over 30.5 million euros.

The project to convert and adapt the Los Angeles plant to produce intravenous immunoglobulin (IVIG) Gamunex® has been completed, and the plant will come on stream in the second quarter. The plant is currently under process validation. Construction work for the new plasma fractionation plants at Parets del Vallés (Barcelona, Spain) and Clayton (North Carolina, United States) has been completed as well, and the remaining validation processes are adequately progressing.

Grifols has also started construction of a new plant in Brazil for the manufacture of bags for the extraction and conservation of blood components. With a total built area of over 5,400 m^2 on a plot of land of 26,000 m^2, the plant will have an initial manufacturing capacity of 2 million units, with the possibility of expanding this by a further 2 million. The project has been implemented by Gri-Cei S.A., in which Grifols has a 60% share, with the remaining 40% share held by Brazilian company, CEI (Comércio Exportação e Importação de Materiais Médicos Ltda.). It represents an investment of 5 million euros and is scheduled for completion in 2014.

RESEARCH AND DEVELOPMENT

Enrollment of patients with Alzheimer's for the AMBAR study, which involves a combined therapy of apheresis (plasma extraction) and the administration of albumin continues

Grifols' commitment to research is clearly reflected in the results, with R&D spending 3.4% higher than for the same quarter of 2012, at 29.3 million euros, representing 4.3% of sales income.

As a pioneer in the research and development of treatments designed to contribute both to scientific progress and to society, in 2013 Grifols commemorates the 25th Anniversary of the United States launch of Prolastin®, the first therapy approved by the Food and Drug Administration (FDA) for the treatment of alpha-1-antitrypsin deficiency by increasing patients' levels of alpha-1-antitrypsin.

Grifols continues to enroll Alzheimer's patients in the AMBAR study (Alzheimer Management by Albumin Replacement) in both Spain and the United States. This multi-center trial, with an innovative approach that builds on two previous studies, involves combining hemapheresis treatment with the administration of albumin in varying doses and at different intervals.

4: ANALYSIS BY BUSINESS AREA AND KEY EVENTS OF THE QUARTER

BIOSCIENCE DIVISION: 88.5% OF INCOME

Consolidation in Latin America and the Asia-Pacific region

Having consolidated its leadership position in the North American and European markets, Grifols has also increased its sales in the Latin America and Asia-Pacific regions, where there is increasing demand for products such as albumin from countries like China.

Integration of the logistics and financial processes of all the plasma donor centers into a unified management system completed

The inclusion of TPR (Talecris Plasma Resources) into the global corporate management platform has been the final step to complete the integration of the logistics (purchasing function) and financial activities of plasma donor centers into a unified management system for the entire Grifols company in the United States. This is another milestone in the system unification process within the organization.

Capacity expansion: New approvals to transfer intermediate pastes

Grifols continues with its strategy to optimize manufacturing processes by achieving maximum flexibility of its production capacity. During the first quarter It has obtained approval to purify Fraction IV-1 (intermediate paste) obtained at Los Angeles, in order to produce Alpha-1 antitrypsin (Prolastin® -C) in its Clayton facility. Grifols is the market leader for this plasma derived protein. The albumin purification plant in Barcelona has also been recently approved by the European Medicines Agency (EMA). This increases albumin purification capacity by 1.1 million litres and it will enable the company to meet the growing market demand for this protein.

HOSPITAL DIVISION: 4.0% OF SALES REVENUE

Manufacturing and distribution agreement between Cadence Pharmaceuticals and Grifols

Cadence Pharmaceuticals has contracted Grifols to manufacture its Ofirmev® acetaminophen (paracetamol) in flexible container for intravenous perfusion, boosting Grifols third-party manufacturing activities as a strategy for promoting the geographical diversification of the division.

Hospital Logistic sales momentum in Latin America

Grifols is the Spanish leader in logistic systems to optimize the operations of hospital pharmacies, improve its efficiency and reduce costs. For the first time, income from Latin American countries, such as Argentina, Chile or Brazil, jointly exceed revenues in Spain, where despite reductions in public expenditure, has also increased its revenues.

First product manufactured for the U.S. market as part of a third party manufacturing agreement.

Grifols starts production of the first hospital division product for the United States with FDA license. Grifols will produce as part of a third party manufacturing agreement, zoledronic acid for its worldwide distribution by a U.S company.

DIAGNOSTIC DIVISION: 4.8% OF SALES

Sales of gel reagent cards for blood typing continue to increase

The sales volumes of DG Gel® blood group typing cards have continued to rise in every market in which Grifols has a presence, becoming one of the key drivers of the division.

The purchase of 60% of Progenika Biopharma has consolidated the division's portfolio of products and R&D projects

This acquisition helps Grifols to strengthen the division's product portfolio by giving the Immunohematology area access to the very latest technology. Progenika specializes in the design and manufacture of genomic and proteomic tests for the in vitro diagnosis and prognosis of diseases, and to predict and monitor the response to pharmacological treatment. It is also a leader in the development of molecular diagnostic technologies.

Groundbreaking ceremony for the new plant in Brazil to manufacture bags for the extraction and conservation of blood components

The plant is scheduled to become operational in the fourth quarter of 2014, with a planned investment of 5 million euros. The construction will enable Grifols to strengthen its direct presence in Latin America and to take forward its plans for internationalizing the division

PROFIT AND LOSS ACCOUNT

IN THOUSAND OF EUROS	1Q 2013	1Q 2012	% VAR.
NET REVENUE	683,698	666,682	*2.6%*
COST OF SALES	(333,712)	(335,493)	*-0.5%*
GROSS PROFIT	349,986	331,189	*5.7%*
% ON SALES	*51.2%*	*49.7%*	
R&D	(29,308)	(28,334)	*3.4%*
SGA	(133,274)	(131,785)	*1.1%*
OPERATING EXPENSES	(162,582)	(160,119)	*1.5%*
OPERATING PROFIT	187,404	171,070	*9.5%*
% ON SALES	*27.4%*	*25.7%*	
FINANCIAL RESULT	(61,846)	(68,293)	*-9.4%*
SHARE OF PROFIT OF EQUITY ACCOUNTED INVESTEES	(270)	112	-
PROFIT BEFORE TAX	125,288	102,889	*21.8%*
% ON SALES	*18.3%*	*15.4%*	
INCOME TAX EXPENSE	(35,741)	(35,380)	*1.0%*
NET PROFIT FOR THE YEAR	89,547	*67,509*	*32.6%*
PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	1,455	20	-
GROUP NET PROFIT	91,002	67,529	*34.8%*
% ON SALES	*13.3%*	*10.1%*	
EBITDA	218,435	202,640	*7.8%*
% ON SALES	*31.9%*	*30.4%*	
ADJUSTED EBITDA [1]	230,069	213,137	*7.9%*
% ON SALES	*33.7%*	*32.0%*	

CASH FLOW

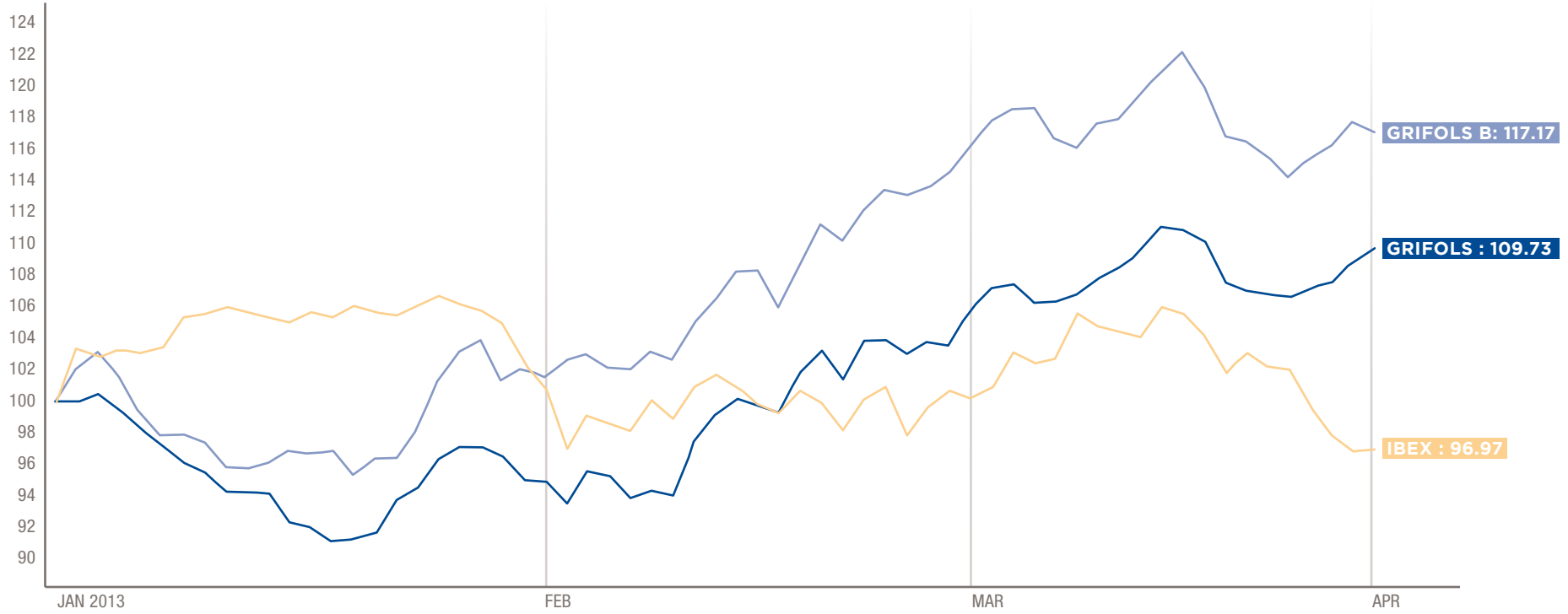
IN THOUSANDS OF EUROS	1Q 2013	1Q 2012
NET INCOME	91,002	67,529
DEPRECIATION AND AMORTIZATION	31,030	31,570
NET PROVISIONS	1,193	934
OTHER ADJUSTMENTS	40,613	(10,086)
CHANGES IN INVENTORIES	18,838	12,704
CHANGES IN TRADE RECEIVABLES	(75,766)	(4,551)
CHANGES IN TRADE PAYABLES	(14,532)	(18,297)
CHANGE IN OPERATING WORKING CAPITAL	*(71,460)*	*(10,144)*
NET CASH FLOW FROM OPERATING ACTIVITIES	92,378	79,803
BUSINESS COMBINATIONS AND INVESTMENTS IN GROUP COMPANIES	(29,770)	(12,009)
CAPEX	(30,549)	(35,198)
R&D/OTHER INTANGIBLE ASSETS	(1,891)	(2,851)
OTHER CASH INFLOW /(OUTFLOW)	3,982	(76)
NET CASH FLOW FROM INVESTING ACTIVITIES	(58,228)	(50,134)
FREE CASH FLOW	*34,150*	*29,669*
ISSUE (PURCHASE) OF EQUITY	(83,286)	(2)
ISSUE (REPAYMENT) OF DEBT	(30,433)	(167,868)
OTHER CASH FLOWS FROM FINANCING ACTIVITIES	1,192	(30,078)
NET CASH FLOW FROM FINANCING ACTIVITIES	(112,527)	(197,948)
TOTAL CASH FLOW	(78,377)	(168,279)
CASH AND CASH EQUIVALENTS AT THE START OF THE YEAR	473,327	340,586
EFFECT OF EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	10,038	(7,339)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	404,988	164,968

BALANCE SHEET

IN THOUSANDS OF EUROS	1Q. 2013	DECEMBER 2012
ASSETS		
NON-CURRENT ASSETS	3,843,578	3,692,910
GOODWILL AND OTHER INTANGIBLE	2,915,448	2,838,994
PROPERTY PLANT & EQUIPMENT	835,705	810,107
NON-CURRENT INVESTMENTS IN GROUP AND RELATED COMPANIES	48,575	-
OTHER NON-CURRENT ASSETS	43,850	43,809
CURRENT ASSETS	1,940,745	1,934,564
INVENTORIES	1,002,229	998,644
TRADE AND OTHER RECEIVABLES	517,776	447,173
OTHER CURRENT FINANCIAL ASSETS	482	460
OTHER CURRENT ASSETS	15,270	14,960
CASH AND CASH EQUIVALENTS	404,988	473,327
TOTAL ASSETS	5,784,323	5,627,474
EQUITY & LIALIBITITIES		
EQUITY	1,958,188	1,880,741
CAPITAL	119,515	117,882
SHARE PREMIUM RESERVE	890,355	890,355
RESERVES	895,925	620,144
TREASURY STOCK	(88,909)	(3,060)
EARNINGS	91,002	256,686
NON-CONTROLLING INTEREST	2,699	3,973
OTHER COMPREHENSIVE INCOME	47,601	(5,239)
NON-CURRENT LIABILITIES	3,214,540	3,153,868
FINANCIAL LIABILITIES	2,741,379	2,690,819
OTHER NON-CURRENT LIABILITIES	473,161	463,049
CURRENT LIABILITIES	611,595	592,865
FINANCIAL LIABILITIES	192,333	195,578
OTHER CURRENT LIABILITIES	419,262	397,287
TOTAL EQUITY AND LIABILITIES	5,784,323	5,627,474

GRIFOLS' DAILY SHARE PRICE, CLASS A & CLASS B VS IBEX 35

(BASE 100, FROM JANUARY 1 TO MARCH 31 2013)



1 Excluding non-recurring costs and costs associated with the purchase of Talecris.

2 Excluding costs associated with the purchase of Talecris as well as the amortization of intangibles and of deferred financial costs related to the acquisition.