
FIRST
HALF
2013
REPORT
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.

THIS IS A TRANSLATION OF A SPANISH LANGUAGE ANNOUNCEMENT FILED WITH THE CNMV. IN CASE OF DISCREPANCIES, THE SPANISH VERSION WILL PREVAIL.

NET PROFIT
183 MILLION EUROS
+36.9% GROWTH
13.2% PROFIT MARGIN OF SALES

ADJUSTED EBITDA[1]
465 MILLION EUROS
+10.7% GROWTH
33.7% EBITDA MARGIN OF SALES

BUSINESS REVENUE:
1,381 MILLION EUROS
+4.9% GROWTH
92.1% OF SALES OUTSIDE 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.

KEY EVENTS OF THE FIRST HALF OF 2013:

Record sales revenue in absolute terms in the second quarter: 697.1 million euros

Six-monthly sales grow by 5.3% at constant currency exchange rate (cc)

Sales in the United States grew by 10.6% (cc) in the second quarter

Solid results based on continuing improvement of margins and profits

The geographic market mix, more efficient manufacturing processes and cost containment has boosted the EBITDA margin by 160 bp to 32.2% of sales

The company has boosted its global presence: income from areas outside the United States and the European Union, (ROW) have risen to 15.9% of total income

Ongoing commitment to reducing debt: the net financial debt ratio has fallen to 2.77 times adjusted EBITDA[1]

Moody's upgrades Grifols credit rating after quarter end

The company has resumed cash dividends for all of its shareholders (class A and B) and has paid an interim dividend on account of 2013 results

The company's target Pay-Out remains at 40% of net profit.

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

SALES PERFORMANCE

Sales grew by 5.3% (cc) during the first half of the year

From January to June 2013, Grifols' sales revenue was 1,380.8 million euros, a 4.9% increase compared to the same period of 2012. Geographical diversification of the company's sales has enabled it to reduce the potential impact of exchange rate volatility, and income grew by 5.3% on a constant currency exchange rate (cc) basis.

Increased dynamism of international markets

Sales outside of Spain grew by 6.2% (6.7% cc) to reach 1,272.4 million euros in the first six months of the year, accounting for 92.1% of the company's income.

Growth was fastest in Latin America and the Asia-Pacific region. Overall, recurring sales (excluding Raw Materials) from geographical regions other than the United States and the European Union, (ROW) rose by 21.9% (22.9% cc) and, with turnover of 220.6 million euros to June 2013, represent 15.9% of the total.

In the European Union, excluding Spain, recurring sales performed well, achieving growth of 6.8% (6.9% cc) to total 190.6 million euros. At the same time, demand for plasma proteins in the United States has continued to rise, with sales growing by 11.6% (cc) in the second quarter, enabling the company to absorb the effects of the new conditions attached to the contracts signed in Canada. Joint sales in the United States and Canada (excluding Raw Materials) grew by 1.5% (1.9% cc) to 835.2 million euros.

Grifols' commercial strategy continues to focus on regions with better economic prospects and shorter payment periods. In line with this strategy, income from Spain which represents 7.9% of total turnover, fell by 8.5% to stand at 108.5 million euros in the first half of 2013.

With respect to its internationalization strategy, Grifols continues to promote its presence as a global company and is planning the optimization of its operating and distribution infrastructure aiming at improving its efficiency and at delivering cost savings.

In addition, during the first six months of 2013, Grifols opened a new representative office in Dubai, which will provide a base for penetrating the Middle East market, replicating the approach taken in China, where the representative office that opened in 2010 became a subsidiary after the end of the second quarter of 2013.

Bioscience division leads growth

Achieving organic growth depends on supporting the products and services of the three Grifols divisions in their key markets. This has involved promoting a strategy of commercial integration in which the company's range of plasma protein therapies is complemented by other products and services related to diagnostics (Diagnostic division) and hospital logistics (Hospital division).

However, the Bioscience division remains the principal driver of growth, generating 88.4% of the company's sales. The increased sales volume of plasma-derived medicines in a stable price environment explains the 4.9% (5.4% cc) growth recorded during the first six months, with sales worth 1,220.9 million euros. Albumin has been the best performer, with growth close to 20%, followed by alpha-1 antitrypsin.

The Hospital division improves growth, with income of 53.0 million euros, a rise of 2.8% (2.9% cc). The company has continued to promote the geographical diversification of this division's sales by strengthening hospital logistics and the manufacture of injectable drugs for third parties, although Spain continues to account for approximately 70% of sales, and the country's health cost containment presents an obstacle to growth. In fact, excluding the Spanish market, the Hospital division's sales rose by 65.1%, thanks to the impressive performance of hospital logistics, primarily in Latin America.

The Diagnostic division saw a significant recovery in its sales during the second quarter of the year, as a result of which the fall of this division's slowed to 2.0% in comparable terms. However, the results for the six month period continued to be affected by the termination of a number of distribution contracts for third-party products and, from January to June, the division's total sales fell by 4.1% (3.8% cc) to 66.7 million euros. The company continues to work on obtaining licenses and authorizations to include new technologies from the companies in which it has share holdings (primarily Progenika Biopharma) to the division's product portfolio, while key areas such as immunohematology and clinical analysis continue to perform well. International sales have continued to perform well in Europe (excluding Spain) and other regions (ROW), with double digit growth in Latin America. In line with the Hospital division, sales in the Spanish market have also been impacted by the country's healthcare cost containment.

The Raw Materials & Others division achieved sales of 40.1 million euros during the six month period. This division includes, among others, royalties' income, income derived from manufacturing agreements with Kedrion, and third-party engineering projects performed by Grifols Engineering.

FIRST HALF 2013 - SALES BY DIVISION

IN THOUSANDS OF EUROS	1H 2013	%SALES	1H 2012	%SALES	% VAR	% VAR. CC*
BIOSCIENCE DIVISION	1,220,948	88.4%	1,163,696	88.4%	4.9%	5.4%
HOSPITAL DIVISION	53,040	3.8%	51,591	3.9%	2.8%	2.9%
DIAGNOSTIC DIVISION	66,726	4.8%	69,603	5.3%	-4.1%	-3.8%
RAW MATERIALS AND OTHERS	40,127	3.0%	31,815	2.4%	26.1%	26.7%
TOTAL	1,380,841	100.,0%	1,316,705	100.0%	4.9%	5.3%

FIRST HALF 2013 - SALES BY REGION

IN THOUSANDS OF EUROS	1H 2013	%SALES	1H 2012	%SALES	% VAR	% VAR. CC*
EU	299,034	21.7%	296,958	22.6%	0.7%	0.7%
US+CANADA	835,229	60.5%	822,715	62.5%	1.5%	1.9%
R.O.W.	220,617	15.9%	180,989	13.7%	21.9%	22.9%
SUBTOTAL	*1,354,880*	*98.1%*	*1,300,662*	*98.8%*	*4.2%*	*4.6%*
RAW MATERIALS	25,961	1.9%	16,043	1.2%	61.8%	62.6%
TOTAL	1,380,841	100.0%	1,316,705	100.0%	4.9%	5.3%

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

MARGINS AND PROFIT: SOLID RESULTS

EBITDA margin improves by 160 basis points (bp) to 32.2% of sales

The EBITDA margin continues to rise, standing at 32.2% of sales to June, an improvement of 160 bp compared to the first half of 2012. In absolute terms, EBITDA was 444.6 million euros, with growth of 10.5%.

This significant improvement in the gross operating result reflects the sales mix and the increased efficiency of the company's manufacturing processes, as a result both of lower plasma costs and the more cost-effective fractionation and purification of proteins, confirming the delivery of many of the synergies projected as a result of the recent merger process. In addition, the company has maintained its cost containment policy.

Adjusted EBITDA[1], excluding costs associated with the purchase of Talecris and other non-recurring costs, was 464.7 million euros from January to June 2013, growing 10.7% and representing a ratio to sales of 33.7%.

Net profit rises by 36.9% to 182.8 million euros

During the first half of 2013, lower financial costs, which have fallen by 11.2% mainly as a result of the improved funding conditions negotiated at the start of 2012, have contributed to the group's net profit. The good results achieved, the improvements in the financial ratios and in the credit rating mean the company is able to study the possibility of undertaking a new financial restructuring in 2014.

Net profit rose by 36.9% for the first half of the year, to 182.8 million euros. This represents 13.2% of sales, compared to 10.1% for the same period of 2012, while net adjusted profit[2] rose by 24.2% to 230.5 million euros.

The effective tax rate for the first half of 2013 was lower due to inclusion of all North Carolina (United States) companies in a single corporation tax return (State Corporate Tax), leading to a reduction in the effective rate of taxation. In the first quarter deductions for R&D in the United States corresponding to 2012 were also applied.

MAIN FIGURES FOR THE FIRST HALF OF 2013

MILLIONS OF EUROS	1H 2013	1H 2012	% VAR.
NET REVENUES (NR)	1,380.8	1,316.7	4.9%
EBITDA	444.6	402.5	10.5%
% NR	*32.2%*	*30.6%*	
ADJUSTED[1] EBITDA	464.7	419.7	10.7%
% NR	*33.7%*	*31.9%*	
NET PROFIT	182.8	133.5	36.9%
% NR	*13.2%*	*10.1%*	
ADJUSTED[2] NET PROFIT	230.5	185.5	24.2%
% NR	*16.7%*	*14.1%*	

2. PROFIT AND LOSS ACCOUNT: MAIN INDICATORS DURING THE SECOND QUARTER OF 2013

Between April and June 2013, Grifols achieved quarterly record sales revenue in absolute terms. Income earned during the second quarter totaled 697.1 million euros, growth of 7.2% (7.1% cc) compared to the 650.0 million euros earned during the same period of 2012.

Growth in sales in the United States has been particularly impressive, rising by 10.6% (cc) due to increased demand for plasma proteins. This has made up for the effects of the new conditions associated with the contracts with Canada, under which Grifols retains its position as the primary supplier to the country, with a slight volume decrease of total finished product provided to the Canadian market as a result of the new contracts.

By geographical region, North America led sales, with recurring sales (excluding Raw Materials) of 425.3 million euros, equivalent to 61.0% of income.

The European Union, with 149.8 million euros, and other regions (ROW), with 105.7 million euros, account for 21.5% and 15.2% of total income, respectively.

The Bioscience division contributed 88.4% of sales revenue, with growth of 6.9% (6.7% cc), representing a total of 616.2 million euros. The Hospital division generated 25.9 million euros, while Diagnostic accounted for 34.2 million euros. These figures represent 3.7% and 4.9% of the group's total income, respectively.

SECOND QUARTER 2013 - SALES BY DIVISION

IN THOUSANDS OF EUROS	2Q 2013	%SALES	2Q 2012	%SALES	% VAR	% VAR. CC*
BIOSCIENCE DIVISION	616,162	88.4%	576,487	88.7%	6.9%	6.7%
HOSPITAL DIVISION	25,885	3.7%	24,544	3.8%	5.5%	5.7%
DIAGNOSTIC DIVISION	34,167	4.9%	34,853	5.4%	-2.0%	-1.9%
RAW MATERIALS AND OTHERS	20,929	3.0%	14,139	2.1%	48.0%	47.7%
TOTAL	697,143	100.0%	650,023	100.0%	7.2%	7.1%

SECOND QUARTER 2013 - SALES BY REGION

IN THOUSANDS OF EUROS	2Q 2013	%SALES	2Q 2012	%SALES	% VAR	% VAR. CC*
EU	149,760	21.5%	145,603	22.4%	2.9%	3.1%
US+CANADA	425,291	61.0%	405,907	62.4%	4.8%	4.5%
R.O.W.	105,761	15.2%	90,145	13.9%	17.3%	17.4%
SUBTOTAL	680,812	97.7%	641,655	98.7%	6.1%	6.0%
RAW MATERIALS	16,331	2.3%	8,368	1.3%	95.2%	94.9%
TOTAL	697,143	100.0%	650,023	100.0%	7.2%	7.1%

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

3. KEY BALANCE SHEET INDICATORS TO JUNE 2013

MODERATE REDUCTION IN INVENTORY AND INCREASED CASH FLOW

Total consolidated assets at June 2013 were 5,846.2 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 incorporation of Progenika.

Inventory levels have fallen slightly to 8.4 million, with stock turnover improving to 278 days, at adequate levels to meet global requirements for plasma and intermediate pastes to produce plasma derived proteins.

The improvement in cash flows seen in preceding quarters continued as a result of Grifols' greater exposure to countries with shorter payment periods improving its working capital management.

THE NET FINANCIAL DEBT RATIO HAS FALLEN TO 2.77 TIMES ADJUSTED EBITDA[1]

Grifols is committed to the rapid reduction of its debt leverage levels. The group's net financial debt fell by 46.2 million euros during the first half of 2013 to stand at 2,442.3 million euros. This represents a net debt leverage ratio (NFD/adjusted EBITDA[1]) of 2.77 in June 2013, down from the 2.94 times in March and from the 2.87 times recorded in December 2012. These multiples are significantly lower that the levels required by the credit agreement, currently at 4 times.

MOODY'S UPGRADES GRIFOLS' CREDIT RATING

The ongoing reduction of debt as a key objective for the group, together with high and sustainable levels of operating activity and continuing progress towards achieving the synergies derived from the acquisition of Talecris, have both contributed to Moody's decision, after the end of the second quarter, to improve Grifols' credit rating in its latest review.

As a result, the company has been given an overall corporate family rating of Ba2, with senior secured bank debt rated Ba1 and senior unsecured debt (bonds) at B1. The agency has also rated the group's outlook as stable.

The improvement in the ratings also reflects the ongoing improvement in Grifols' profitability, enabling it to generate positive cash flows and increase its cash positions. Moody's decision to assign a stable outlook to Grifols' ratings assumes that the company will allocate part of its high and rising cash balance during 2014 to reduce its level of leverage, and that the company will optimize its funding costs by a new debt restructuring.

The updated Moody's credit ratings are as follows:

	Current (July 15, 2013)	Previous (July 9, 2012)
Senior secured debt	Ba1	Ba2
Corporate rating	Ba2	Ba3
Senior unsecured debt	B1	B2
Outlook	Stable	Positive

PERFORMANCE OF NET EQUITY

Company resumes payment of cash dividend

Grifols' net equity in the first half of 2013 rose to 1,944.8 million euros.

The company had share capital of 119.6 million euros at June 2013, represented by 213,064,899 ordinary shares (Class A) with a nominal value of 0.50 euros per share, and 130,712,555 non-voting shares (Class B) each with a nominal value of 0.10 euros. This includes a 20.5 million euros share capital increase related to the purchase of Progenika Biopharma that meant the issue of 884,997 new non-voting Class B shares.

During the first half of 2013, following ratification at the Ordinary General Meeting of Shareholders in May, Grifols resumed the payment of cash dividends to remunerate all shareholders (holders of Class A and Class B shares). The dividend will be paid in two installments: an interim dividend on account of the current year financial results and a final one. An ordinary dividend of 0.20 euros (gross) for each Class A and Class B share on account of 2013 results has already been paid during the second quarter of 2013, for a total of 68.75 million euros, reflected in the group's accounts.

Grifols' dividend policy remains unchanged, with a target pay-out of 40% of net profit, the same level held prior to the acquisition of Talecris.

4. INVESTMENTS:

CAPITAL EXPENDITURE (CAPEX): INVESTMENT PLANS MAINTAINED

During the first half of 2013, Grifols continued with its investment plan (CAPEX) for the 2012-2015 period, and between January and June 2013 the company invested over 64 million euros.

The main objective of this plan is the gradual expansion of its manufacturing facilities in Spain and the United States, with key achievements including completion of the new intravenous immunoglobulin (IVIG) purification plant, part of Grifols' industrial complex in Los Angeles (California, United States). The new facilities were officially opened in the second quarter of the year by the city mayors of Barcelona and Los Angeles, and are currently undergoing validation. The plant has a total floor area of 9,000 m^2 and an initial purification capacity of 10 million grams of IVIG per year, with the option to double it in a second phase.

The plasma fractionation plants at Parets del Vallés (Barcelona, Spain) and Clayton (North Carolina, United States) are also at the validation stage, reflecting Grifols' plans to expand its installed fractionation capacity from the current volume of 8.5 million liters of plasma/year to more than 12 million liters by 2015.

Another major development during the second quarter was the transfer of the management of the Melville plasma fractionation plant (New York, United States) to Kedrion, with effect from July 1, 2013. This operation was one of the conditions imposed on Grifols by the Federal Trade Commission as part of the authorization to purchase Talecris.

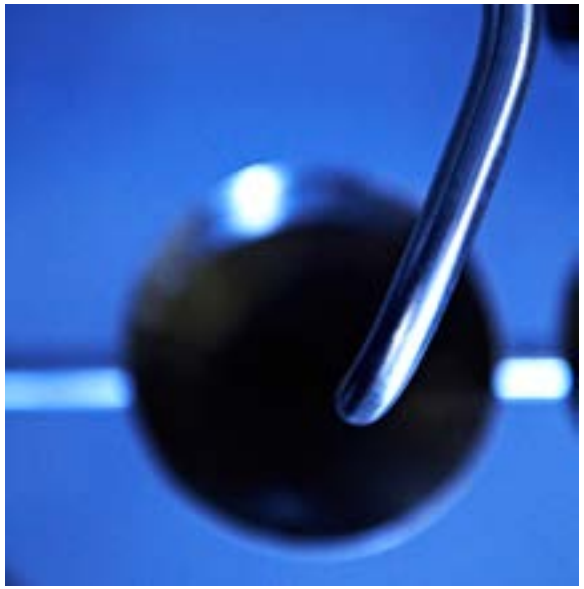
Management of the plant has been transferred, although fractionation continues at the New York facility.

Investments have also continued to be made in a number of other areas such as those relating to improve and relocate the company's plasma donor centers in the United States; and those committed with respect to other group companies as well as those relating to the Diagnostic and Hospital divisions, such as the start of a new plant in Curitiba (Brazil) or the expansion of the Las Torres de Cotilla plant (Murcia, Spain).

59 RESEARCH PROJECTS AT THE DEVELOPMENT STAGE

Grifols' commitment to research is clearly reflected in its results, with 58.5 million euros spend on R&D, representing 4.2% of sales income.

Grifols presented the results of its SPARK study at the annual meeting of the American Thoracic Society (ATS) in May. The study found that higher doses of Prolastin®C normalize levels of alpha-1-antitrypsin in patients with a congenital deficiency of this protein, a rare disease affecting approximately 200,000 people in Europe and North America. In addition, during the second half of 2013 the company will launch a second trial, the SPARTA study, designed to quantify the degree of lung tissue preservation obtained with Prolastin®-C.



As a pioneer in the research and development of therapeutic alternatives designed to contribute to both scientific and social development, Grifols was the main sponsor of the *4th International Alpha-1 Patient Congress and International Research Conference on Alpha-1 Antitrypsin* (AAT). Held in Barcelona in April, this event was attended by patient associations from 25 countries and by scientists from across the globe.

At the end of June 2013, Grifols had 59 research projects under development. Among others, the company continues to enroll Alzheimer's patients in the AMBAR study (Alzheimer Management by Albumin Replacement) and continues with the studies into the use of albumin to treat liver diseases such as cirrhosis.

In this context Grifols has increased its collaboration with the Chronic Liver Failure European Consortium with a new three million euro contribution in the next four years, in addition to the two million euros committed since 2009.

Grifols' R&D portfolio includes the projects of the companies in which it has major holdings, such as Araclon Biotech's tests for the early diagnosis of Alzheimer's or Progenika Biopharma's studies of diagnosis and personalized medicine.

Grifols, through Araclon, is the owner of a license to exploit the patent for the S-14 molecule, developed by Spain's Council for Scientific Research (CSIC). This compound shows potential therapeutic applications in neurogenerative diseases like Alzheimer's and Parkinson's. The results of the study were presented in the second quarter of 2013 at the *11th International Congress on Alzheimer's and Parkinson's Disease in Florence* (Italy).

PURCHASE OF 35% OF ARADIGM CORPORATION AS PART OF A STRATEGIC GLOBAL AGREEMENT

In the second quarter, Grifols agreed the purchase of 35% of the equity of US pharmaceutical firm Aradigm Corporation (OTC BB: ARDM.OB), specializing in the development and sale of drugs delivered by inhalation for the treatment and prevention of serious respiratory diseases, including cystic fibrosis (CF) and non-cystic fibrosis bronchiectasis (BE). The operation is due to be completed during the second half of the year, and will involve Grifols investing 25.7 million dollars in an equity offering with a total value of 40.7 million dollars.

5. ANALYSIS BY BUSINESS AREA AND KEY EVENTS OF THE QUARTER

BIOSCIENCE DIVISION: 88.4% OF INCOME

Grifols consolidates its direct commercial presence in new emerging markets

Having consolidated its leadership position in the North American and European markets, Grifols is strengthening its sales in the Latin America and Asia-Pacific regions. The company is also preparing for long-term penetration in new, emerging markets in which demand for plasma proteins is on the rise. As part of this strategy, during the first half of 2013 the company opened a representative office for the Middle East in Dubai and also plans to expand into countries such as Turkey, India and Russia. All of these markets represent important growth opportunities for the group.

Strategic agreement with Aradigm will position Grifols in the respiratory diseases field

The acquisition of 35% of Aradigm Corporation is part of a wider strategic agreement that also includes Grifols being granted the exclusive global license to market inhaled ciprofloxacin (Pulmaquin™ and Lipoquin™) for the treatment of severe respiratory diseases, including non-cystic fibrosis bronchiectasis (BE), for which phase 2b clinical trials have already been completed. The transaction will enable Grifols to expand its portfolio of pulmonary products, which currently includes Prolastin® and Prolastin®-C for the treatment of alpha-1-antitrypsin deficiency, and will position the company within the respiratory diseases field, a therapeutic area with significant growth potential.

HOSPITAL DIVISION: 3.7% OF TURNOVER

Grifols implements its first automated carousel system for hospital pharmacy in the United States

The automated carousel system is a technological solution for hospital pharmacy that enables better inventory control for drugs and hospital products by facilitating the supply processes and optimizing both space and time. This system has been installed at Emory University Hospital in Atlanta (Georgia, United States).

Hospital Division international sales increase close to 70%

Grifols has been driving the internationalization of the Hospital division through the manufacture of injectable drugs for third parties and hospital logistics, where it is Spain's leading supplier of logistical systems to optimize hospital pharmacy services. During the first half of 2013, international sales rose by 69.3%, making a significant contribution to the growth of the division's income during the period.

DIAGNOSTIC DIVISION: 4.9% 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, and is the key driver of the division.

Latin american presentation of its blood genotyping test, BLOODChip®

Grifols presented its BLOODchip® molecular biology blood typing test at the 8th Congress of the Latin American Cooperative Group for Transfusion Medicine, which brought together 85 specialists from hospital transfusion services, blood banks and reference laboratories from across Latin America. The BLOODchip® test, developed by Grifols Company Progenika Biopharma, is part of the division's immunohematology area, whose product portfolio is designed to ensure the quality and safety of the blood transfusions by millions of patients throughout the world every day.

Launch of development phase for AlphaKit® QuickScreen, a test used to speed up the identification of patients with Alpha-1-antitrypsin deficiency

Ninety percent of alpha-1-antitrypsin deficiency suffers are undiagnosed, and the symptoms are usually the same as those of chronic obstructive pulmonary disease (COPD). This innovative test, currently at the development stage, offers health staff a simple yet reliable means of identifying this condition, without the need to send the results to specialist laboratories.

ORDINARY GENERAL MEETING OF SHAREHOLDERS

In the general meeting held last May, the company's shareholders approved the management of the executive team and the proposal to resume payment of a cash dividend. The distribution of an interim dividend on account of 2013 results of 0.20 euros for each Class A and Class B share was approved. In addition, the annual accounts were approved, the number of directors was increased to 12, and Belén Villalonga Morenés was appointed as the new external, independent director and member of the Audit Committee.

ANNUAL MEETING WITH INVESTORS AND ANALYSTS

At the end of May, Grifols held its annual meeting with investors and analysts in San Marcos (Texas, United States). CEO and President of Grifols, Víctor Grifols, accompanied by the company's senior executives, met with experts and professionals interested in finding out about the group's performance. The attendees visited the new testing laboratories recently opened in San Marcos, which have increased the total testing capacity to 15 million donations per year. Currently Grifols performs approximately 250,000 daily tests.

6. CORPORATE RESPONSIBILITY:

ENVIRONMENTAL MANAGEMENT

Grifols approves new environmental policy and integrates its systems for reporting and evaluating environmental indicators for all sites

January 2013 saw approval of the company's new environmental policy. This will apply to all the company's centers and reflects the environmental issues faced by the main plants and the company's highly diverse workforce.

In addition, the start of the year saw the launch of a new campaign to collect environmental indicators through the SAP Sustainability Performance Management program, recently introduced as a unified system for the collection and evaluation of environmental indicators for all Grifols centers worldwide.

During the first half of 2013 Grifols published its Environmental Management Report for 2012, detailing the company's performance in terms of key environmental indicators. This records the company's success in achieving the environmental targets for the period 2011–2013, including measures to reduce the consumption of water and energy per unit of finished product. The company's carbon footprint has also fallen, with CO^2 emissions down by 3.7% over the last year. The report can be viewed at www.grifols.com

Grifols Therapeutics in North Caroline (USA), as a member of Wildlife Habitat Council, has submitted an application to be recertified as a Wildlife at Work site. This program provides a structure for corporate-driven cooperative efforts between management, employees and community members to create, conserve and restore wildlife habitats on corporate lands.

A FIRM COMMITMENT TO HUMAN RESOURCES

Grifols average workforce rose by 4.7% to June 2013

In June 2013, Grifols' average workforce stood at 11,630 members of staff, an increase of 4.7% compared to the end of 2012. The recruitment of new staff by Grifols has been global. In Spain, there was a 5% increase, to 2,597 members of staff. However, approximately 78% of the company's employees are located in other countries. In the United States the average workforce rose by 4.7% over the year. The number of Grifols staff in the rest of the world rose by 4.1%.

Grifols is a model employer and provides equal opportunities for male and female staff. Average length of service is 6 years, equally distributed by gender (47% men and 53% women), and the average age of staff is 38.

One of Grifols' key commitments as an employer is to the safety of its staff. To achieve this, it applies continuous improvement processes based on the accurate definition of objectives, careful monitoring of technical and organizational planning in prevention issues, and the application of controls and internal and external audits.

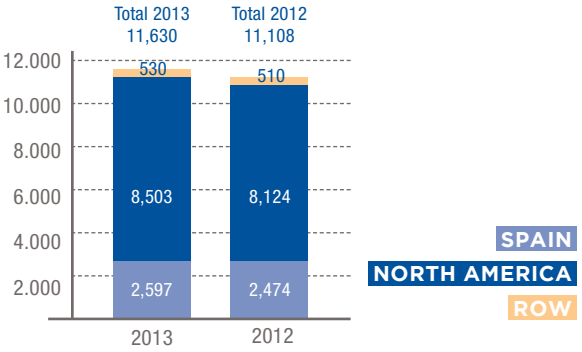
Training is key to ensuring that every employee, regardless of the job he or she performs, or the nature and length of the employment contract, is fully aware of prevention issues and implements this knowledge. The company also complies with national and international legislation.

Grifols has technical and scientific training plans, and programs to develop its staff's business and personal skills, delivered by the "Grifols Academy", in its premises at Phoenix, Indianapolis and Barcelona. The Academy's activities during the first half of the year included a workshop on "New trends in diagnostics", hands-on leadership and courses on responsibility and teamwork.

The first half of 2013 has also seen the continuation of a number of projects started during 2012, such as the implementation of SAP Training across the organization, the performance evaluation system and the company's online training platform.

The breakdown of the average number of employees is shown below:

Average number of employees by region



PROFIT AND LOSS ACCOUNT

IN THOUSANDS OF EUROS	1H 2013	1H 2012	% VAR.
NET REVENUE	1,380,841	1,316,705	4.9%
COST OF SALES	(670,259)	(650,698)	3.0%
GROSS PROFIT	710,582	666,007	6.7%
% ON SALES	*51.5%*	*50.6%*	
R&D	(58,471)	(58,702)	-0.4%
SGA	(271,748)	(268,410)	1.2%
OPERATING EXPENSES	(330,219)	(327,112)	0.9%
OPERATING PROFIT	380,363	338,895	12.2%
% ON SALES	*27.5%*	*25.7%*	
FINANCIAL RESULT	(118,772)	(133,780)	-11.2%
SHARE OF PROFIT OF EQUITY ACCOUNTED INVESTEES	(1,313)	(758)	-
PROFIT BEFORE TAX	260,278	204,357	27.4%
% ON SALES	*18.8%*	*15.5%*	
INCOME TAX EXPENSE	(79,843)	(70,907)	12.6%
NET PROFIT FOR THE YEAR	180,435	133,450	35.2%
PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	2,365	46	-
GROUP NET PROFIT	182,800	133,496	36.9%
% ON SALES	*13.2%*	*10.1%*	
EBITDA	444,572	402,484	10.5%
% ON SALES	*32.2%*	*30.6%*	
ADJUSTED EBITDA [1]	464,677	419,672	10.7%
% ON SALES	*33.7%*	*31.9%*	

BALANCE

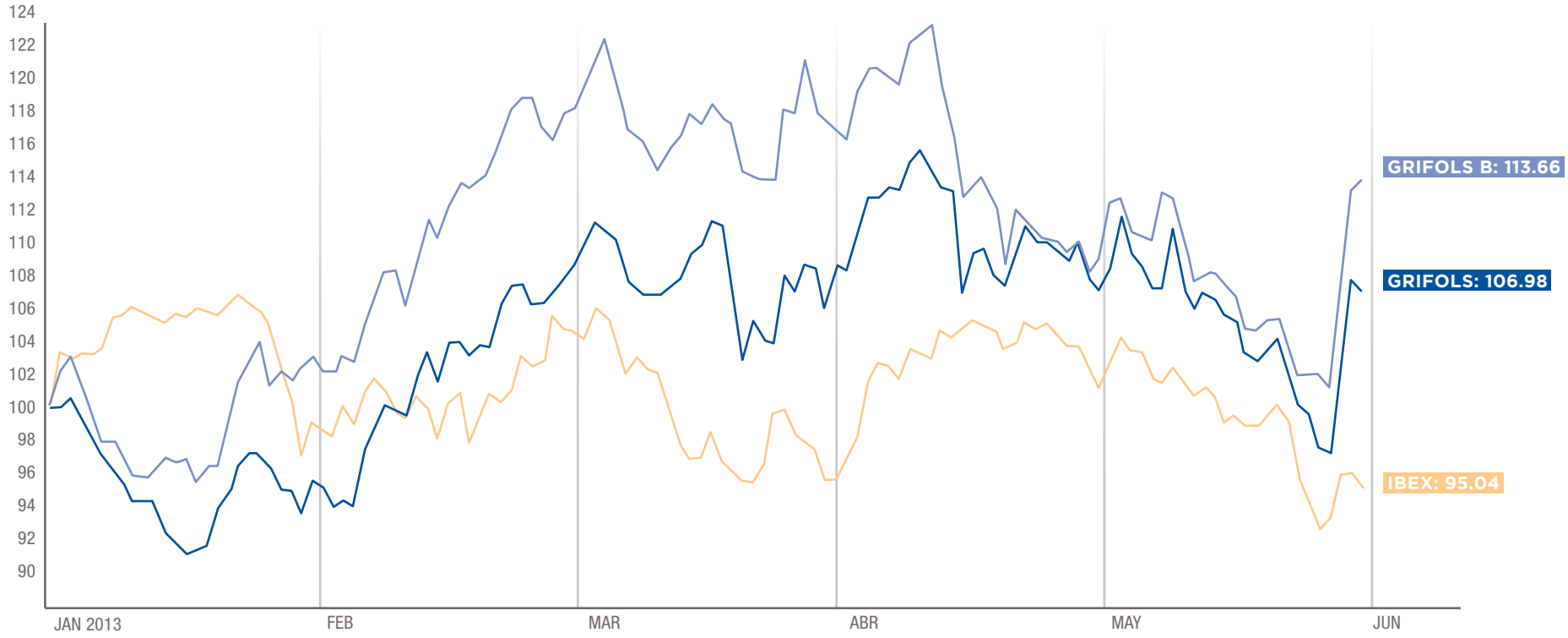
IN THOUSANDS OF EUROS	JUNE 2013	DECEMBER 2012
ASSETS		
NON-CURRENT ASSETS	3,806,846	3,692,910
GOODWILL AND OTHER INTANGIBLE	2,911,709	2,838,994
PROPERTY PLANT & EQUIPMENT	840,880	810,107
NON-CURRENT INVESTMENTS IN RELATED COMPANIES	300	-
OTHER NON-CURRENT ASSETS	53,957	43,809
CURRENT ASSETS	2,039,313	1,934,564
INVENTORIES	990,232	998,644
TRADE AND OTHER RECEIVABLES	553,504	447,173
OTHER CURRENT FINANCIAL ASSETS	757	460
OTHER CURRENT ASSETS	15,663	14,960
CASH AND CASH EQUIVALENTS	479,157	473,327
TOTAL ASSETS	5,846,159	5,627,474
EQUITY & LIALIBITITIES		
EQUITY	1,944,760	1,880,741
CAPITAL	119,604	117,882
SHARE PREMIUM RESERVE	910,728	890,355
RESERVES	872,213	620,144
TREASURY STOCK	(88,909)	(3,060)
INTERIM DIVIDENDS	(68,755)	-
EARNINGS	182,800	256,686
NON-CONTROLLING INTEREST	7,839	3,973
OTHER COMPREHENSIVE INCOME	9,240	(5,239)
NON-CURRENT LIABILITIES	3,158,988	3,153,868
FINANCIAL LIABILITIES	2,697,647	2,690,819
OTHER NON-CURRENT LIABILITIES	461,341	463,049
CURRENT LIABILITIES	742,411	592,865
FINANCIAL LIABILITIES	238,886	195,578
OTHER CURRENT LIABILITIES	503,525	397,287
TOTAL EQUITY AND LIABILITIES	5,846,159	5,627,474

CASH FLOW

IN THOUSANDS OF EUROS	1H 2013	1H 2012
NET INCOME	182,800	133,496
DEPRECIATION AND AMORTITZATION	64,209	63,589
NET PROVISIONS	4,928	4,815
OTHER ADJUSTMENTS	41,297	44,699
CHANGES IN INVENTORIES	13,071	13,767
CHANGES IN TRADE RECEIVABLES	(44,959)	(4,912)
CHANGES IN TRADE PAYABLES	18,915	(40,924)
CHANGE IN OPERATING WORKING CAPITAL	*(12,973)*	*(32,069)*
NET CASH FLOW FROM OPERATING ACTIVITIES	280,261	214,530
BUSINESS COMBINATIONS AND INVESTMENTS IN GROUP COMPANIES	(36,093)	(7,642)
CAPEX	(64,070)	(71,931)
R&D/OTHER INTANGIBLE ASSETS	(5,282)	(6,632)
OTHER CASH INFLOW /(OUTFLOW)	2,599	84,811
NET CASH FLOW FROM INVESTING ACTIVITIES	(102,846)	(1,394)
FREE CASH FLOW	*177,415*	*213,136*
ISSUE (PURCHASE) OF EQUITY	(85,348)	(2)
PROCEEDS FROM ISSUE OF SHARE CAPITAL	(20,461)	-
ISSUE (REPAYMENT) OF DEBT	(45,937)	(191,559)
DIVIDENDS	(69,138)	-
OTHER CASH FLOWS FROM FINANCING ACTIVITIES	6,107	(54,206)
NET CASH FLOW FROM FINANCING ACTIVITIES	(173,855)	(245,767)
TOTAL CASH FLOW	3,560	(32,631)
CASH AND CASH EQUIVALENTS AT THE START OF THE YEAR	473,327	340,586
EFFECT OF EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	2,270	6,685
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	479,157	314,640

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

(BASE 100, FROM JANUARY 1 TO JUNE 30 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.