

*Higher plasma derivative sales drive the group's growth, while prices remain steady*

## **Grifols reports a 14.9% increase in revenue in the first nine months of 2009 to 689.6 MM euros**

- ***EBITDA grew 18.8% from the prior year to 206.9 MM euros, boosting the EBITDA margin to 30.0%***
- ***Net profit rose 26.1% to 117.1 MM euros, driving net margin up to 17.0%***
- ***The trust of international investors endorses Grifols' competitive advantages within its sector, its solid balance sheet and the group's long-term growth strategy***

**Barcelona, 4 November 2009.-** Grifols, a holding company specialized in the pharmaceutical-hospital sector and one of the world's leading producers of plasma derivatives, has reported a **14.9% year-on-year increase in revenue to 689.6 MM euros** in the first nine months of 2009. Higher sales of the company's main plasma derivatives, namely factor VIII and albumin, were the main drivers of growth, along with increased revenue from the Diagnostic division. The Bioscience division posted a 15.6% year-on-year increase in revenue to 524.3 MM euros, the Diagnostic division rose 19.8% to 76.2 MM euros and the Hospital unit increased 2.3% to 63.4 MM euros.

**Revenues in foreign markets for the nine month period ended September 2009 represented 75.5% of the total**, and despite the adverse economic climate, international sales rose nearly 20% from the same period in the prior year to 520.9 MM euros.

Grifols is committed to its international diversification strategy, as the company is able to steadily raise production to meet demand. The main increases in revenue were in Latin America (+45.2%) and Asia (+61.4%), two of the group's growth target areas in the medium and long term. Revenue in the US market rose 12.0% to 231.5 MM euros, representing roughly a third of Grifols' total revenue. Europe accounted for 46.5% of the revenue mix, with a 3.8% year-on-year increase in revenue to 320.7 MM euros.

The company maintained the cost control policy followed in the first half of the year. As a result **EBITDA margin rose 100bp year-on-year to 30.0%. EBITDA was 206.9 MM euros, 18.8% higher than in the same period in 2008.**

**Net profit** in the first nine months of 2009 **rose 26.1% year-on-year to 117.1 MM euros**, driving net margin up to 17.0% compared to 15.5% in the same period last year.

Grifols' net financial debt at 30 September 2009 stood at 596.2 MM euros, or 2.2x EBITDA, in line with 2008 and maintaining the company's solid balance sheet.

Revenue in the third quarter of 2009 rose 13.5% year-on-year to 219.1 MM euros. EBITDA rose 18.1% in the third quarter of 2009 to 66.2 MM euros and net profit increased 15.2% to 35.4 MM euros. The EBITDA margin rose above 30%.

# GRIFOLS

## **GOOD PERFORMANCE IN ALL DIVISIONS**

The **Bioscience**<sup>1</sup> division posted further growth in line with demand in the market. Sales of plasma derivatives in the first nine months of 2009 **increased 15.6% year-on-year to 524.3 MM euros**. Mid term, Grifols also intends to raise R&D expenditure in this area and in new fields of medicine, which could deliver new therapeutic indications for plasma-derived proteins. The company has begun and will continue to promote several clinical trials. Some could pave the way for the potential use of albumin (a plasma derivative) in treating Alzheimer's disease. Grifols collected over 2.3 million litres of plasma through September, in line with 2009 forecast.

Revenue in the **Diagnostic** division **rose by 19.8% to 76.2 MM euros** in the nine months period ended September 2009. Noteworthy was the increase in sales of reagents (DG Gel® cards), in line with Grifols' expectations. These figures include 7.8 MM euros of revenue from the new Australian company acquired in March 2009.

**Hospital** division revenue totalled **63.4 MM euros, up 2.3%** from the same period in the prior year.

Revenue from the **Raw Materials & Others** division totalled 25.6 MM euros. This division includes third-party sales of raw materials and revenue generated from other services.

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<sup>1</sup> Since the first quarter of 2009, sales of albumin for non-therapeutic uses and intermediate products, previously recorded under the Raw Materials division, are accounted for as part of the Bioscience division's sales. Because of this accounting change, 8.4 MM euros must be added to the Bioscience division's revenue in the first nine of 2008 for comparability with the 2009 figure.

## Nine months ended September 2009

(millions of euros)	Q3 2009 (YTD)	Q3 2008 (YTD)	% 2009 / 2008
<b>Total revenue:</b>	<b>689.6</b>	<b>600.2</b>	<b>+14.9%</b>
Bioscience Division	524.3	453.6	+15.6%
Diagnostic Division	76.2	63.6	+19.8%
Hospital Division	63.4	62.0	+2.3%
<b>EBITDA</b>	<b>206.9</b>	<b>174.1</b>	<b>+18.8%</b>
<b>EBITDA margin</b>	<b>30.0%</b>	<b>29.0%</b>	
<b>Net Profit</b>	<b>117.1</b>	<b>92.9</b>	<b>+26.1%</b>
<b>Net profit margin</b>	<b>17.0%</b>	<b>15.5%</b>	

## Third Quarter 2009 Highlights

The main events carried out by Grifols in the third quarter of 2009 highlight the Company's solvency and the trust of investors, as well as the commitment to shareholders and planned investments:

### **600 MM US dollar corporate bond issue in the US**

In early October, Grifols completed its first private corporate bond issue in the US, totalling 600 MM US dollars (410 MM euros). The issue was subscribed by qualified investors mainly in US dollars, with a 10% balance in pounds and euros. This has been one of the largest issues so far in 2009. The bond's long-term maturity and heavy oversubscription, endorses investors' trust in Grifols and in the plasma derivatives sector.

### **Launch of Niuliva®, an anti-hepatitis B intravenous immunoglobulin (IVIG), in Spain and Italy**

Grifols has begun the commercialisation in Spain and Italy of **Niuliva® 250 U.I./ml**, the first anti-hepatitis B immunoglobulin for intravenous administration (IVIG) registered and sold in Spain. It intends to gradually introduce the product in other countries where it markets its plasma derivatives. The manufacturing process of Niuliva® produces a high purity, pasteurized solution with a high titer of specific anti-hepatitis B antibodies.

### **"Minifrac" obtains FDA approval to begin fractionation**

The approval will allow the "Minifrac" facility at the Los Angeles plasma derivatives plant to start operating. Grifols' maximum plasma fractionation capacity in the US will potentially increase by 700,000 litres per annum to 2.2 million litres.

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## **About Grifols**

Grifols is a Spanish holding company specialized in the pharmaceutical-hospital sector and is present in more than 90 countries. Since 2006, the company has been listed on the Spanish Stock Exchange (“Mercado Continuo”) and is part of the Ibex-35. Currently it is the first company in the European sector in plasma derivatives and the fourth in production worldwide. In upcoming years, the company will strengthen its leadership in the industry as a vertically integrated company thanks to recent 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.