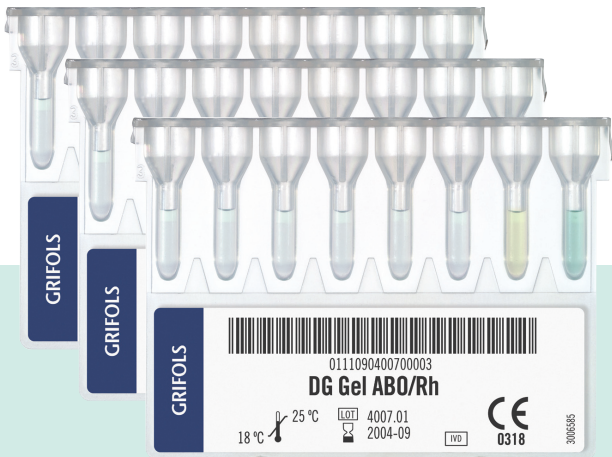




S E C O N D H A L F R E S U L T S 2 0 0 7

GRIFOLS



DG Gel® cards for diagnosis in immunohaematology laboratories

General evolution of the year 2007

Total revenue amounted to 703.3MM euros, up 8.4% on last year's figure. Stripping out the exchange rate effect this increase would have been 12.3%

The company's turnover was boosted by growth at all its divisions. Of particular note are the increases of around 12% of its main plasma derivatives both in terms of sales and prices. This trend is a clear indication of the strong performance of a non-cyclical sector which saw demand rise in 2007.

To 31 December 2007 the gross margin represented 44.9% of sales compared to 39.6% the previous year. This confirms Grifols' strategy of pursuing a vertically integrated business model able to guarantee the supply of its raw material, plasma, and also to control costs. This improvement is thanks to the company's control over plasma prices, the strong performance of plasma derivative prices and the development and roll out of more efficient processes which have improved the yield per litre of plasma used (such as that used in manufacturing the new intravenous immunoglobulin –IVIg– sold under the Flebogamma DIF® brand name).

In fact, at the end of 2007 Grifols successfully replaced sales of its traditional IVIG with the new version (Flebogamma DIF®) in the US and expects to do the same in Europe approximately in the next eighteen months.

Operating expenses amounted to 24.1% of total sales, 2bp less than the previous year. However, global R&D expenditure rose 11.9%, a clear indication of Grifols' commitment to research and development in order to obtain licences and procedure patents.

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Net profit for 2007 climbed 93.4% to 87.8MM euros compared to the 45.4MM euros in 2006. However, if we were to deduct the impact of amortizing the shares without voting rights which had been included as financial costs in 2006 for a total of 17.6MM euros, the increase in net profit would have been 39.3%

EBITDA totalled 177.9MM euros and accounts for 25.3% of sales, which is 37% higher than the previous year.

Despite rising interest rates, financial expenses performed well. Financial leverage at year-end 2007 was 1.9x EBITDA, compared to 2.3x in 2006. This marked improvement gives Grifols a greater leverage margin with which to carry out planned investment. Net financial debt at 31 December 2007 totalled 343.2MM euros.



Four new plasmapheresis centres were added to the North American network in 2007

Revenue performance by division

Turnover at the Bioscience Division in 2007 was 493MM euros, a 12% increase compared to 2006 and 70% of the group's total revenue. In 2007 the group saw an increase both in volume and prices of its main plasma derivatives: IVIG, Albumin and Factor VIII.

The addition of four new plasma collection centres and the enlargement of existing centres meant that in 2007 Grifols had 22% more raw material than in 2006. This increased availability will lead to higher sales in the future. The group has 77 plasmapheresis centres and fractionates over two million litres of plasma a year to be turned into plasma derivatives.

In August 2007 the European Medicines Agency (EMA) granted Grifols a licence to sell Flebogamma DIF® (IVIG) throughout the EU. This licence was granted just eight months after the product received authorisation for distribution in the United States. Approval has also been obtained from the US Food & Drug Administration (FDA) for a new indication for Alphanate® (Factor VIII): the Von Willebrand disease.

SUMMARY OF SALES BY DIVISION

In thousands of Euros	2007	2006	% var.	% var. @ Cons currency
BIOSCIENCE Division	493,099	440,334	12.0	16.6
HOSPITAL Division	74,683	62,901	18.7	19.4
DIAGNOSTIC Division	79,709	74,564	6.9	9.0
RAW MATERIALS + Others Division *	55,799	70,998	-21.4	-17.1
TOTAL	703,290	648,797	8.4	12.3

(*) PlasmaCare sales 2007: 8.1
(thousands of Euros) 2006: 31.2

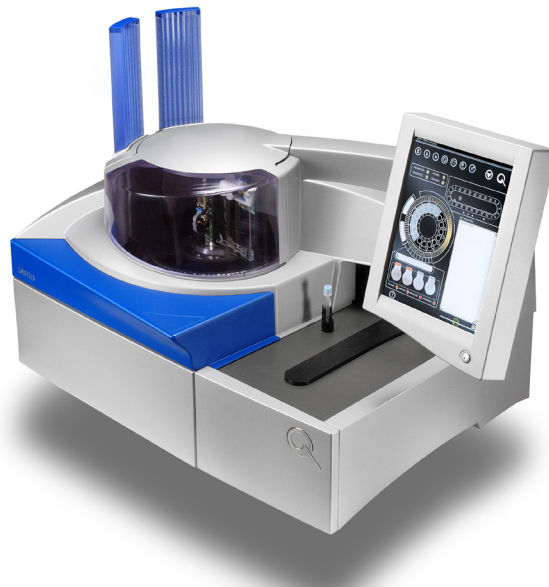
In 2007 sales at the Hospital division rose 18.7% to 74.7MM euros compared to 2006. The division currently contributes 10.6% of total revenue.

Of particular note within this division is the performance of the Hospital Logistics projects with turnover up practically two-fold. These logistics and control systems are being well received by various types of hospitals, public and private, in Spain, Portugal and Latin America.

The Diagnostic Division posted 79.7MM euros in sales revenues in 2007, up 6.9% on 2006. In revenue terms, this division represents 11.3% of the business. The sustained increase in sales of reagents is particularly noteworthy. These sales will be boosted in coming years by the start-up at the end of 2007 of a new production plant for gel cards for in vitro diagnosis, sold under the DG Gel® brand. Thanks to these facilities, production of these reagents will treble. It also has an automated warehouse for both intermediate and finished products.

This division has completed and launched the Q automatic coagulometer, which provides Grifols with a way to enter the coagulation market with its own instrumentation.

Finally the Raw Materials & Others division, which covers the sales of excess intermediate products and the sale of special albumin for industrial use and as a culture medium, generated sales of over 55MM euros. In the first quarter of 2007 the company cancelled the contract it had acquired with PlasmaCare in 2006 and no longer sells plasma directly to a competitor. As a result, turnover at this division is lower than the previous year and in line with the company's estimates.



The Q automated haemostasis analyser was launched in 2007

Performance by region

At the end of 2007, Grifols' revenue in international markets accounted for 72.6% of total turnover. International sales totalled 510.5MM euros, up 5.8% on the previous year. By region, the US generated 33.5% of group revenue while Europe generated 53.6%.

This even growth of revenue is a result of the company's strategic plan for 2003-2007 which had allocated investments to some 300MM euros. The aim was to gradually increase the group's reach in the US, the world's leading plasma derivatives market. This strategy brought Grifols 235.9MM euros worth of revenue in 2007.

As of 2008, the group will again strengthen its reach in other markets where it is currently present such as Latin America and Asia. In fact, in 2007 growth of 42.6% and 22.6% in these regions led to 50.7MM and 28MM euros of revenue, respectively.

SUMMARY OF SALES BY REGION

In thousands of Euros	2007	% on sales	2006	% var.
European Union	376,905	53.6	335,111	12.5
US *	235,929	33.5	242,978	-2.9
ROW	90,456	12.9	70,708	27.9
TOTAL	703,290	100.0	648,797	8.4

(*) PlasmaCare sales 2007: 8.1
(thousands of Euros) 2006: 31.2

Investment Plan 2008-2012

In December, Grifols approved an investment plan totalling 400MM euros to ensure growth in the coming years.

Grifols is aiming for long-term sustained growth. In 2007 the Board of Directors approved a 400MM euro investment plan aimed at increasing the company's capacity to fractionate plasma and purify proteins (hemoderivatives), as well as increasing its plasma supply.

The 2008-2012 Investment Plan has earmarked 230MM euros to guarantee increased output and sales in the period, with some 170MM euros to be used to guarantee growth after 2013 (although investments will be also made from 2008 to 2012). The company is preparing to obtain sustained increases over the next eight to ten years.

PROFIT AND LOSS ACCOUNT

In thousands of Euros	2007	2006	% var.
Net Sales	699,431	644,724	8.5
Other Operating Income	3,859	4,073	-5.2
TOTAL OPERATING INCOME	703,290	648,797	8.4
Cost of Sales	387,632	391,923	-1.1
GROSS PROFIT	315,659	256,874	22.9
% on Sales	44,9	39,6	
R&D	28,725	25,675	11.9
SG&A	140,580	132,284	6.3
OPERATING EXPENSES	169,305	157,959	7.2
OTHER OPERATING EXPENSES (INCOME)	0	(1,575)	—
OPERATING PROFIT	146,354	100,490	45.6
% on Sales	20.8	15.5	
Financial Expenses	22,786	15,180	50.1
Financial Expenses related to Non Voting Shares	0	21,877	—
FINANCIAL RESULT	22,786	37,057	-38.5
Interest in Associates	(19)	(76)	-75.0
PROFIT BEFORE TAXES	123,587	63,509	94.6
% on Sales	17.6	9.8	
Tax Provision	35,239	17,824	97.7
NET PROFIT BEFORE MINORITY INTEREST	88,348	45,685 *	93.4
Minority Interest	574	291	97.3
NET PROFIT	87,774	45,394	93.4
E B I T D A	177,882	129,847	37.0
% on Sales	25.3	20.0	

(*) Net effect from dividends to non-voting shares 17.6 millions of euros

BALANCE SHEET

In thousands of Euros	2007	2006
ASSETS		
Total Non Current Assets	444.042	440.380
Total Current Assets	495.527	473.294
TOTAL ASSETS	939.569	913.674
LIABILITIES		
Total Stockholders Equity	384.166	368.352
Total Non Current Liabilities	238.827	262.558
Total Current Liabilities	316.576	282.764
TOTAL LIABILITIES	939.569	913.674

CASH FLOW

In thousands of Euros	2007	2006
Net Income	87,774	45,394
D&A	31,528	29,357
Net Provisions	156	101
Non-Cash Adjustments / Other	5,239	2,615
Change in Inventory	(45,516)	7,456
Change in Accounts Receivable	(4,562)	(40,832)
Change in Accounts Payable	14,025	4,984
<i>Change in Working Capital</i>	<i>(36,053)</i>	<i>(28,393)</i>
Cash Flow from Operations	88,644	49,075
Capex	(49,931)	(26,070)
R&D / Other Intangible Assets	(5,532)	(8,883)
<i>Free Cash Flow</i>	<i>27,786</i>	<i>11,406</i>
Acquisition Plasma Centers (Baxter)	0	(9,962)
Acquisition PlasmaCare	0	(50,495)
Other	(15,251)	117
Cash flow from Investing Activities	(70,714)	(95,293)
Purchase / Sale of Treasury Shares	(28,893)	(279,803)
Capital Increase	0	300,796
Debt Increase / (Decrease)	19,793	52,694
Other Payables Capex Increase / (Decrease)	(20,345)	(17,313)
Dividends Paid	(12,805)	(7,000)
Foreign Exchange Differences	4,122	1,037
Cash Flow from Financing Activities	(38,128)	50,411
Total Cash Flow	(20,198)	4,193
Cash, Beginning Balance	26,883	22,855
FX Rate Effect in Cash	(995)	(169)
Cash, Ending Balance	5,690	26,880

Performance of key figures for fourth quarter 2007

Revenue in the fourth quarter advanced 7.9% to 179.2MM euros. On a like-for-like basis and stripping out sales at PlasmaCare in the fourth quarter of 2006, the increase is 15.8%.

Turnover at the Bioscience division totalled 126.8MM euros, an increase of 14.2% while the Hospital and Diagnostic divisions saw turnover rise 12.8% and 10.3% to 18.8MM and 20.6MM, respectively. EBITDA for the quarter amounted to 46MM euros, 53.4% more than the same quarter the previous year.

Net profit totalled 22.9MM euros. This represents 12.7% of sales and is 34.6% more than the amount obtained a year previously.

SUMMARY OF SALES. FOURTH QUARTER 2007

BY REGION

In thousands of Euros	4th Q 2007	% on sales	4th Q. 2006	% var.
European Union	96,264	53.7	83,956	14.7
US *	57,984	32.3	65,792	-11.9
ROW	24,997	13.9	16,426	52.2
TOTAL	179,244	100.0	166,174	7.9

BY DIVISION

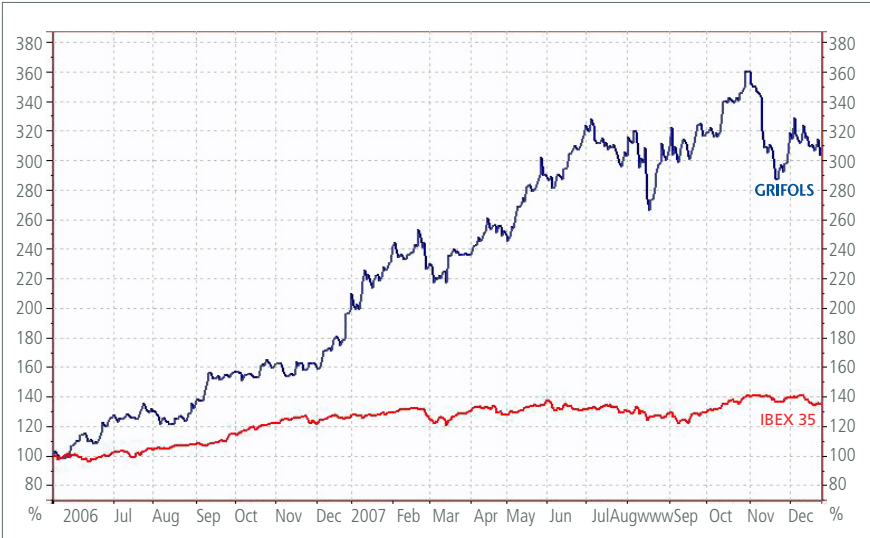
In thousands of Euros	4th Q 2007	4th Q 2006	% var.	% var. @ Cons currency
BIOSCIENCE Division	126,787	111,025	14.2	22.1
HOSPITAL Division	18,834	16,690	12.8	13.3
DIAGNOSTIC Division	20,589	18,671	10.3	13.2
RAW MATERIALS + Others Division *	13,035	19,786	-34.1	-30.3
TOTAL	179,244	166,174	7.9	14.0

(*) 4th quarter 2007 PlasmaCare sales: 0
(millions of Euros) 2006: 11.4

Grifols – Main events in 2007

- Addition of four new plasma collection centres in the US
- The EMEA granted a licence to sell next generation IVIG, Flebogamma DIF® 5% in Europe
- The FDA approved the indication of von Willebrand disease for Alphanate®, the first and only high-purity complex concentrate of Factor VIII and von Willebrand Factor
- Approval of a 400MM euro Investment Plan for 2008-2012
- The Technical Committee of the IBEX-35 approved Grifols’ entry to the Spanish benchmark index as of 2 January 2008

Grifols’ daily share price vs IBEX 35
 (Base 100, from May 17 2006 to December 31 2007)



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