



F I R S T   Q U A R T E R   R E P O R T   2 0 0 7

**GRIFOLS**

## Overall progress in the first quarter of 2007

Grifols has obtained a turnover of 181.8 million euros in the first quarter of the year, an increase of 20.4% compared to the same period of 2006. This result includes the one time income from the plasma sale agreements originally reached by PlasmaCare before the company was acquired by Grifols. If the effects of those sales were excluded, the income would have been 174.3 million euros, showing an increase of 15.2% compared to the previous year.

The key engine of growth in sales has continued to be the increase in demand and the rise in prices of the main plasma derivatives, such as albumin, Factor VIII and Intravenous Immunoglobulin (IVIG) in the United States, an important market in this sector. By geographic zone, significant increases have occurred in the United States (36.8%), which currently generates 37% of the overall company turnover and also in Spain and Portugal (9.3%), which contributes 27.2% of the income for the first quarter. In the first three months of the year Grifols has continued to strengthen its presence in the United States as part of the company's strategy defined after the acquisition of the Los Angeles manufacturing plant.

## SUMMARY OF SALES. FIRST QUARTER 2007

### BY REGION

In thousands of Euros	1st. Q 2007	% on sales	1st. Q 2006	% var.
European Union	94,364	51.9	84,993	11.0
US (*)	67,299	37.0	49,380	36.3
ROW	20,175	11.1	16,777	20.3
<b>TOTAL</b>	<b>181,838</b>	<b>100.0</b>	<b>151,150</b>	<b>20.3</b>

### BY DIVISION

In thousands of Euros	1st. Q 2007	1st. Q 2006	% var.
BIOSCIENCE Division	121,437	110,231	10.2
HOSPITAL Division	18,018	16,192	11.3
DIAGNOSTIC Division	21,161	20,023	5.7
RAW MATERIALS Division + Others (*)	21,222	4,703	351.2
<b>TOTAL</b>	<b>181,838</b>	<b>151,150</b>	<b>20.3</b>

\* Plasmacare sales 7,775 (000 EUR) in US

Operating expenses were 22.7% of sales compared to 24.2% of sales in the same period of 2006. This noteworthy improvement was mainly due to increased efficiency in the management of sales and distribution costs which were favored by the increase in synergies in the distribution of certain instruments from the Diagnostic division. The EBITDA reached 45.8 million euros through the end of March 2007, increasing 20.7% from the previous year.

The company's net profit accumulated through March 2007 rose to 23.6 million euros, reflecting an increase of 126.2% compared to the previous year. The net profit from the first three months of 2006 was impacted by the payment of dividends to the non-voting shares which, when considered as financial costs, reduced the profit by 8 million euros. If this one time effect is excluded, profits in 2006 would have been 18.6 million euros and the increase in this period would have been 27.4%.

## NET PROFIT

In thousands of Euros	2007	2006	% var.
First quarter	23,587	10,427	126.2

## Evolution of sales by division

Bioscience continues to have the strongest impact, with a turnover of 121.43 million euros, an increase of 10.2% compared to the same period of 2006. Sales in Factor VIII accounted for a significant increase and in general the plasma derivatives registered an overall increase in the average price compared to the first quarter of 2006.

Diagnostic has maintained its rhythm of growth in immunology and immunoematology. Turnover for this division reached 21 million euros, increasing 5.7% compared to the first three months of the previous year. This was due to the decrease in prices of blood bags. An important event was the agreement underwritten by Grifols to acquire the Italian company Diesse, a manufacturer of in vitro diagnostic products. The fulfillment of this operation depends upon the due diligence process, which will continue through June.

Hospital grew 11.3% to reach a figure of 18 million euros. Hospital logistics drove the turnover of this division with an increase of nearly 40%, concentrated in Spain, Portugal and Mexico.

The Raw Materials & Others division, with 21.2 million euros in turnover, has multiplied its sales by five times that of the previous period in 2006. This division combines the sales of intermediate products and raw materials (plasma) to third parties which were 7.8 million euros due to the sale commitments of PlasmaCare before it was bought by Grifols in 2006.

## Grifols increases its availability of raw material

Grifols has signed an agreement to manage 4 plasmapheresis centers in the United States. These centers are independent plasma donation centers which will be added to the 22 centers already incorporated into the company in 2006. In total, 77 plasma collection points in the United States will be supplying the company. The group will receive 150,000 additional liters of raw material to fractionate, which will add to the 2 million liters of plasma which are currently collected.

These agreements form part of the global strategy of the group to establish a vertical corporate structure in which one of the main goals is to strengthen the company's ability to ensure its plasma supply in coming years, increasing plasma derivative production and thereby meet growing demand on the world market.

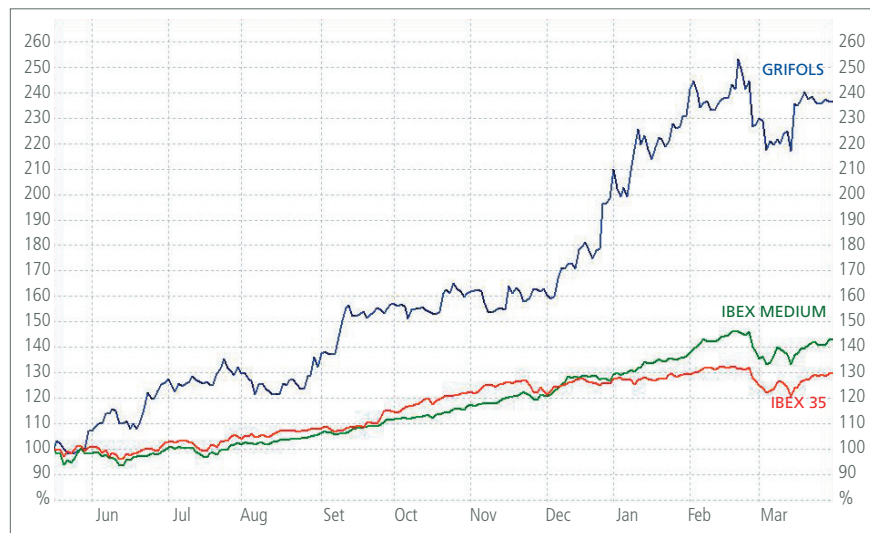
## The main events in the first quarter of 2007

**February 2007:** The FDA approves the plasma derivative Alphanate® for the indication of von Willebrand disease.

**March 2007:** Grifols begins the process of validating the Minifrac manufacturing plant, an existing plasma fractionation plant which would increase the company's fractionation capacity by 700,000 liters. The FDA license is expected to be granted in less than 2 years.

## Grifols' daily share price vs IBEX 35 & IBEX Medium

(Base 100, from May 17 to March 31 2007)



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