

24 de octubre de 2011

COMISIÓN NACIONAL DEL MERCADO DE VALORES  
CNMV  
Dirección General de Mercados  
Departamento de Informes Financieros y Corporativos  
C/. Serrano, 47  
28001 Madrid

Señores:

Por la presente les informamos que la Sociedad Grifols, S.A., presentará en el día de hoy ante la Securities and Exchange Commission (SEC), un Folleto F-4, Registration Statement (F-4), para la emisión de unos bonos, por importe de \$ 1.100.000 cuyo emisor será Grifols Inc.

Esta emisión de bonos y registro de F-4, forma parte de los compromisos adquiridos por Grifols, S.A. con las entidades financieras que intervinieron en el proceso de financiación para la compra por parte de Grifols, S.A. de Talecris Biotherapeutics Holding Corp. (Talecris).

Para dar cumplimiento a la normativa de la SEC en relación al registro del F-4, Grifols, S.A. ha tenido que actualizar los Estados financieros Consolidados (EEFF) ya emitidos en marzo de 2011 de los ejercicios 2008, 2009 y 2010, incluyendo información adicional, así como la información periódica del primer semestre del 2011 emitida en julio de 2011.

La información adicional solicitada por la SEC, es la consistente en i) la explicación de los hechos posteriores acaecidos desde la emisión de los últimos EEFF; ii) información financiera de las filiales de Grifols que están actuando como garantes en la financiación relacionada con la adquisición de Talecris.

Los hechos posteriores que se describen en el F-4 ya están descritos, o bien en la información semestral presentada por la Sociedad o bien, en su caso, comunicados como Hechos Relevantes a esta Comisión.

A los efectos de que sea tratada como Información Pública, les adjuntamos como anexo a la presente carta, la información financiera Condensada Consolidada de las sociedades filiales de Grifols que actúan como garantes a la financiación que se adjuntará al F-4 a presentar en la SEC en el día de hoy.



COMISIÓN NACIONAL DEL MERCADO DE VALORES

CNMV

24 de octubre de 2011

2

A los mismos efectos de Información Pública, acompañamos Información Financiera proforma, no auditada, por el ejercicio cerrado a 31 de diciembre 2010 y por el período de seis meses de 1 de enero a 30 de junio de 2011 preparada como si la adquisición de Talecris hubiese tenido lugar el 1 de enero de 2010. Esta información proforma también se incorpora al F-4.

Así pues, les rogamos esta información que se adjunta a esta carta como anexo, sea incluida en sus registros, junto con la última Información Financiera semestral presentada por la Sociedad.

Aprovecho la ocasión para saludarles,

Muy atentamente,

Nuria Martín

Vicesecretaria del Consejo de Administración Grifols, S.A.

## GRIFOLS, S.A. AND SUBSIDIARIES

Condensed Consolidated Balance Sheets  
at 31 December 2010

Assets	Parent	Issuer	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
	(expressed in thousands of euros)					
<b>Non-current assets</b>						
Intangible assets						
Goodwill	0	0	29.895	15.123	144.430	189.448
Other intangible assets	5.731	3.162	49.120	4.725	15.561	78.299
Total intangible assets	5.731	3.162	79.015	19.848	159.991	267.747
Property, plant and equipment	95.452	28.150	231.728	78.801	0	434.131
Investments in Subsidiaries	345.025	222.273	2.532	958	(570.768)	0
Advances and notes between parent and subsidiaries	0	21.005	0	0	(21.005)	0
Investments in equity accounted investees	0	0	0	0	598	598
Non-current financial assets	709	5.804	734	288	0	7.535
Deferred tax assets	1.091	2.076	9.534	2.932	19.256	34.889
<b>Total non-current assets</b>	<b>448.008</b>	<b>282.470</b>	<b>323.543</b>	<b>102.807</b>	<b>(411.928)</b>	<b>744.900</b>
<b>Current assets</b>						
Inventories	796	0	538.311	59.401	(70.643)	527.865
Trade and other receivables						
Trade receivables	8.946	11.561	209.758	100.719	(106.629)	224.355
Other receivables	3.157	201	27.612	11.971	1.091	44.032
Current income tax assets	6.168	6.071	297	2.071	0	14.607
Trade and other receivables	18.271	17.833	237.667	114.761	(105.538)	282.994
Advances and notes between parent and subsidiaries	238.262	(1.311)	14.699	22.860	(274.510)	0
Other current financial assets	267	224	8	12.447	0	12.946
Other current assets	13.460	60.568	5.150	1.450	0	80.628
Cash and cash equivalents	25	227.456	1.444	10.724	0	239.649
<b>Total current assets</b>	<b>271.081</b>	<b>304.770</b>	<b>797.279</b>	<b>221.643</b>	<b>(450.691)</b>	<b>1.144.082</b>
<b>Total assets</b>	<b>719.089</b>	<b>587.240</b>	<b>1.120.822</b>	<b>324.450</b>	<b>(862.619)</b>	<b>1.888.982</b>

The accompanying note forms an integral part of the consolidated financial statements

## GRIFOLS, S.A. AND SUBSIDIARIES

Condensed Consolidated Balance Sheets  
at 31 December 2010

Equity and liabilities	Parent	Issuer	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
	(expressed in thousands of euros)					
<b>Equity</b>						
Share capital	106.532	0	21.497	36.340	(57.837)	106.532
Share premium	121.802	72.932	106.854	5.703	(185.489)	121.802
Reserves	73.076	190.844	175.221	59.636	(95.173)	403.604
Own shares	(1.927)	0	0	0	0	(1.927)
Interim dividend	0	0	0	(152)	152	0
Profit for the year attributable to the Parent	63.226	(10.726)	112.853	23.906	(73.746)	115.513
<b>Total equity</b>	<b>362.709</b>	<b>253.050</b>	<b>416.425</b>	<b>125.433</b>	<b>(412.093)</b>	<b>745.524</b>
Cash flow hedges	0	(1.751)	0	0	0	(1.751)
Translation differences	0	20.449	(18.544)	11.123	(63.961)	(50.733)
Accumulated other comprehensive income	0	18.698	(18.544)	11.123	(63.961)	(52.484)
<b>Equity attributable to the Parent</b>	<b>362.709</b>	<b>271.748</b>	<b>398.081</b>	<b>136.556</b>	<b>(476.054)</b>	<b>693.040</b>
Non-controlling interests	0	0	0	0	14.350	14.350
<b>Total equity</b>	<b>362.709</b>	<b>271.748</b>	<b>398.081</b>	<b>136.556</b>	<b>(461.704)</b>	<b>707.390</b>
<b>Liabilities</b>						
<b>Non-current liabilities</b>						
Grants	142	187	1.683	76	0	2.088
Provisions	0	0	1.127	251	0	1.378
<b>Non-current financial liabilities</b>						
Loans and borrowings, bonds and other marketable securities	133.982	441.203	40.350	49.695	155	665.385
Advances and notes between parent and subsidiaries	15.875	0	0	5.130	(21.005)	0
Other financial liabilities	200	0	9.596	678	0	10.474
<b>Total non-current financial liabilities</b>	<b>150.057</b>	<b>441.203</b>	<b>49.946</b>	<b>55.503</b>	<b>(20.850)</b>	<b>675.859</b>
Deferred tax liabilities	11.907	2.860	62.718	1.519	137	79.141
<b>Total non-current liabilities</b>	<b>162.106</b>	<b>444.250</b>	<b>115.474</b>	<b>57.349</b>	<b>(20.713)</b>	<b>758.466</b>
<b>Current liabilities</b>						
Provisions	257	0	30	4.078	0	4.365
<b>Current financial liabilities</b>						
Loans and borrowings, bonds and other marketable securities	103.131	7.364	41.453	39.862	(155)	191.635
Advances and notes between parent and subsidiaries	42.863	(162.772)	385.947	9.017	(275.055)	0
Other financial liabilities	8.830	0	9.316	90	0	18.236
<b>Total current financial liabilities</b>	<b>154.824</b>	<b>(155.408)</b>	<b>436.696</b>	<b>48.969</b>	<b>(275.210)</b>	<b>209.871</b>
Debts with associates	1.162	0	0	0	0	1.162
<b>Trade and other payables</b>						
Suppliers	33.426	24.766	146.861	60.617	(104.992)	160.678
Other payables	1.141	12	5.288	3.627	1.860	11.928
Current income tax liabilities	0	0	2.369	3.663	(1.860)	4.172
<b>Total trade and other payables</b>	<b>34.567</b>	<b>24.778</b>	<b>154.518</b>	<b>67.907</b>	<b>(104.992)</b>	<b>176.778</b>
Other current liabilities	3.464	1.872	16.023	9.591	0	30.950
<b>Total current liabilities</b>	<b>194.274</b>	<b>(128.758)</b>	<b>607.267</b>	<b>130.545</b>	<b>(380.202)</b>	<b>423.126</b>
<b>Total liabilities</b>	<b>356.380</b>	<b>315.492</b>	<b>722.741</b>	<b>187.894</b>	<b>(400.915)</b>	<b>1.181.592</b>
<b>Total equity and liabilities</b>	<b>719.089</b>	<b>587.240</b>	<b>1.120.822</b>	<b>324.450</b>	<b>(862.619)</b>	<b>1.888.982</b>

## GRIFOLS, S.A. AND SUBSIDIARIES

Condensed Consolidated Balance Sheets  
at 30 June 2011

Assets	Parent	Issuer	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
(expressed in thousands of euros)						
<b>Non-current assets</b>						
<b>Intangible assets</b>						
Goodwill	0	0	147.240	14.884	2.119.572	2.281.696
Other intangible assets	4.856	4.668	97.924	5.638	15.388	128.474
<b>Total intangible assets</b>	<b>4.856</b>	<b>4.668</b>	<b>245.164</b>	<b>20.522</b>	<b>2.134.960</b>	<b>2.410.170</b>
Property, plant and equipment	60.139	25.515	517.262	36.799	0	639.735
Investments in Subsidiaries	1.132.109	2.790.820	19.856	1.654	(3.944.439)	0
Advances and notes between parent and subsidiaries	0	0	92.597	0	(92.597)	0
Investments in equity accounted investees	0	0	2.283	0	1.263	3.546
Non-current financial assets	756	37.830	2.261	820	0	41.667
Deferred tax assets	1.538	28.162	91.897	3.149	14.689	139.435
<b>Total non-current assets</b>	<b>1.199.418</b>	<b>2.886.995</b>	<b>971.520</b>	<b>62.944</b>	<b>(1.886.124)</b>	<b>3.234.553</b>
<b>Current assets</b>						
Inventories	861	0	992.913	72.362	(68.310)	997.826
<b>Trade and other receivables</b>						
Trade receivables	22.331	38.346	485.460	105.548	(246.235)	405.450
Other receivables	1.452	171	32.683	14.665	0	48.971
Current income tax assets	7.054	29.059	2.340	2.576	0	41.029
<b>Trade and other receivables</b>	<b>30.837</b>	<b>67.576</b>	<b>520.483</b>	<b>122.789</b>	<b>(246.235)</b>	<b>495.450</b>
Advances and notes between parent and subsidiaries	457.222	384.790	15.364	21.536	(878.912)	0
Other current financial assets	7.422	211	10	11.611	0	19.254
Other current assets	1.929	235	12.201	2.154	(3.175)	13.344
Cash and cash equivalents	46.027	40.056	486.482	11.228	(1)	583.792
<b>Total current assets</b>	<b>544.298</b>	<b>492.868</b>	<b>2.027.453</b>	<b>241.680</b>	<b>(1.196.633)</b>	<b>2.109.666</b>
<b>Total assets</b>	<b>1.743.716</b>	<b>3.379.863</b>	<b>2.998.773</b>	<b>304.624</b>	<b>(3.082.757)</b>	<b>5.344.219</b>

**GRIFOLS, S.A. AND SUBSIDIARIES**  
**Condensed Consolidated Balance Sheets**  
**at 30 June 2011**

Equity and liabilities	Parent	Issuer	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
	(expressed in thousands of euros)					
<b>Equity</b>						
Share capital	114.914	0	45.570	36.340	(81.910)	114.914
Share premium	890.355	849.867	623.197	6.125	(1.479.189)	890.355
Reserves	134.038	232.983	310.167	77.088	(184.594)	569.682
Own shares	(1.927)	0	0	0	0	(1.927)
Profit for the period/ year attributable to the Parent	31.802	(22.950)	81.268	(505)	(70.346)	19.269
<b>Total equity</b>	<b>1.169.182</b>	<b>1.059.900</b>	<b>1.060.202</b>	<b>119.048</b>	<b>(1.816.039)</b>	<b>1.592.293</b>
Available-for-sale financial assets	(575)	0	0	0	0	(575)
Cash flow hedges	0	(2.331)	0	0	0	(2.331)
Translation differences	0	(2.219)	(40.083)	5.838	(52.268)	(88.734)
Other comprehensive income	(575)	(4.550)	(40.085)	5.838	(52.268)	(91.640)
<b>Equity attributable to the Parent</b>	<b>1.168.607</b>	<b>1.055.350</b>	<b>1.020.117</b>	<b>124.886</b>	<b>(1.868.307)</b>	<b>1.500.653</b>
Non-controlling interests	0	0	0	0	12.941	12.941
<b>Total equity</b>	<b>1.168.607</b>	<b>1.055.350</b>	<b>1.020.117</b>	<b>124.886</b>	<b>(1.855.366)</b>	<b>1.513.594</b>
<b>Liabilities</b>						
<b>Non-current liabilities</b>						
Grants	159	170	1.408	78	0	1.815
Provisions	0	0	10.211	250	0	10.461
<b>Non-current financial liabilities</b>						
Loans and borrowings, bonds and other marketable securities	405.262	2.200.801	36.728	279	(126)	2.642.944
Advances and notes between parent and subsidiaries	0	0	479.210	0	(479.210)	0
Other financial liabilities	4.869	57.016	9.792	725	(2)	72.400
<b>Total non-current financial liabilities</b>	<b>410.131</b>	<b>2.257.817</b>	<b>525.730</b>	<b>1.004</b>	<b>(479.338)</b>	<b>2.715.344</b>
Deferred tax liabilities	8.625	45.540	83.551	2.218	141	140.075
<b>Total non-current liabilities</b>	<b>418.915</b>	<b>2.303.527</b>	<b>620.900</b>	<b>3.550</b>	<b>(479.197)</b>	<b>2.867.695</b>
<b>Current liabilities</b>						
Provisions	341	0	30	4.204	31.253	35.828
<b>Current financial liabilities</b>						
Loans and borrowings, bonds and other marketable securities	13.330	(20.002)	469.601	44.445	0	507.374
Advances and notes between parent and subsidiaries	36.901	22.625	390.957	41.816	(492.299)	0
Other financial liabilities	1.330	3.829	11.937	240	0	17.336
<b>Total current financial liabilities</b>	<b>51.561</b>	<b>6.452</b>	<b>872.495</b>	<b>86.501</b>	<b>(492.299)</b>	<b>524.710</b>
Debts with associates	2.352	0	0	0	0	2.352
<b>Trade and other payables</b>						
Suppliers	82.788	14.222	357.739	67.540	(255.896)	266.393
Other payables	13.511	10	6.911	3.466	1.720	25.618
Current income tax liabilities	2.327	(976)	24.144	3.452	(1.720)	27.227
<b>Total trade and other payables</b>	<b>98.626</b>	<b>13.256</b>	<b>388.794</b>	<b>74.458</b>	<b>(255.896)</b>	<b>319.238</b>
Other current liabilities	3.314	1.278	96.437	11.025	(31.252)	80.802
<b>Total current liabilities</b>	<b>156.194</b>	<b>20.986</b>	<b>1.357.756</b>	<b>176.188</b>	<b>(748.194)</b>	<b>962.930</b>
<b>Total liabilities</b>	<b>575.109</b>	<b>2.324.513</b>	<b>1.978.656</b>	<b>179.738</b>	<b>(1.227.391)</b>	<b>3.830.625</b>
<b>Total equity and liabilities</b>	<b>1.743.716</b>	<b>3.379.863</b>	<b>2.998.773</b>	<b>304.624</b>	<b>(3.082.757)</b>	<b>5.344.219</b>

## GRIFOLS, S.A. AND SUBSIDIARIES

Condensed Consolidated Income Statements  
for the Six Month Period Ended 30 June 2010

Profit and loss	Parent	Issuer	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
	(Expressed in thousands of Euros)					
Revenues	34.477	10.887	684.918	218.344	(460.817)	487.809
Changes in inventories of finished goods and work in progress	0	0	16.172	(1.200)	26.237	41.209
Self-constructed non-current assets	259	529	4.340	(500)	11.423	16.051
Supplies	(80)	0	(369.205)	(123.511)	335.689	(157.107)
Other operating income	41	0	335	55	0	631
Personnel expenses	(11.439)	(6.298)	(93.855)	(30.280)	0	(141.972)
Other operating expenses	(15.026)	(3.470)	(132.985)	(37.136)	90.337	(98.279)
Amortisation and depreciation	(3.634)	(475)	(13.231)	(3.917)	(177)	(21.434)
Transaction costs of Talecris business combination	(322)	(1.678)	(14)	(4)	0	(2.019)
Non-financial and other capital grants	325	0	227	0	0	550
Impairment and net losses on disposal of fixed assets	10	(1)	(68)	(362)	1.102	681
<b>Results from operating activities</b>	<b>4.609</b>	<b>(606)</b>	<b>96.834</b>	<b>21.489</b>	<b>3.794</b>	<b>126.120</b>
Finance income	1.875	7.158	1.468	355	(8.677)	2.179
Dividends	56.774	0	0	159	(56.933)	0
Finance expense	(3.868)	(15.610)	(11.955)	(2.534)	8.682	(25.285)
Change in fair value of financial instruments	(15.540)	0	0	3	133	(15.404)
Gains/ (losses) on disposal of financial instruments	0	0	0	(720)	720	0
Exchange gains/ (losses)	120	(910)	37	2.723	0	1.970
<b>Net Finance expense</b>	<b>39.361</b>	<b>(9.362)</b>	<b>(10.450)</b>	<b>(34)</b>	<b>(56.075)</b>	<b>(36.540)</b>
Share of loss of equity accounted investees	0	0	0	0	(728)	(728)
<b>Profit before income tax</b>	<b>43.970</b>	<b>(9.968)</b>	<b>86.384</b>	<b>21.475</b>	<b>(53.009)</b>	<b>88.852</b>
Income tax expense	4.510	3.820	(22.296)	(5.699)	(3.357)	(23.022)
<b>Consolidated profit for the year</b>	<b>48.480</b>	<b>(6.148)</b>	<b>64.088</b>	<b>15.776</b>	<b>(56.366)</b>	<b>65.830</b>
Profit attributable to equity holders of the Parent	48.480	(6.148)	64.175	15.776	(55.875)	66.408
Loss attributable to non-controlling interests	0	0	(87)	0	(491)	(578)

## GRIFOLS, S.A. AND SUBSIDIARIES

Condensed Consolidated Income Statements  
for the Six Month Period Ended 30 June 2011

Profit and loss	Parent	Issuer	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
	(Expressed in thousands of Euros)					
Revenues	28.108	11.547	872.666	218.750	(495.750)	635.341
Changes in inventories of finished goods and work in progress	0	0	(907)	2.598	1.066	2.757
Self-constructed non-current assets	288	792	23.826	2.492	4.948	32.346
Supplies	(234)	0	(438.787)	(136.825)	400.704	(175.142)
Other operating income	39	0	911	59	0	1.009
Personnel expenses	(13.045)	(7.390)	(130.255)	(33.037)	0	(183.727)
Other operating expenses	(17.211)	(4.642)	(176.397)	(38.666)	81.384	(155.532)
Amortisation and depreciation	(5.417)	(506)	(19.737)	(4.129)	(367)	(28.156)
Transaction costs of Talcetis business combination	(38.462)	(145)	0	0	0	(38.607)
Non-financial and other capital grants	333	0	409	0	0	742
Impairment and net losses on disposal of fixed assets	574	0	(4.379)	(5.497)	(13.000)	(22.302)
<b>Results from operating activities</b>	<b>(43.027)</b>	<b>(344)</b>	<b>127.350</b>	<b>5.745</b>	<b>(20.995)</b>	<b>68.729</b>
Finance income	3.446	7.804	1.407	697	(11.593)	1.761
Dividends	53.352	0	0	(357)	(52.995)	0
Finance expense	(8.949)	(40.034)	(14.223)	(3.408)	11.068	(55.546)
Change in fair value of financial instruments	16.023	(2.492)	414	0	0	13.945
Gains/ (losses) on disposal of financial instruments	0	0	0	(772)	772	0
Exchange gains/ (losses)	824	(1.155)	402	(2.193)	0	(2.122)
<b>Net Finance expense</b>	<b>64.696</b>	<b>(35.877)</b>	<b>(12.000)</b>	<b>(6.033)</b>	<b>(52.748)</b>	<b>(41.962)</b>
Share of loss of equity accounted investees	0	0	37	0	(844)	(807)
<b>Profit before income tax</b>	<b>21.669</b>	<b>(36.221)</b>	<b>115.387</b>	<b>(288)</b>	<b>(74.587)</b>	<b>25.960</b>
Income tax expense	10.133	13.271	(34.119)	(217)	3.585	(7.347)
<b>Consolidated profit for the year</b>	<b>31.802</b>	<b>(22.950)</b>	<b>81.268</b>	<b>(505)</b>	<b>(71.002)</b>	<b>18.613</b>
Profit attributable to equity holders of the Parent	31.802	(22.950)	81.268	(505)	(70.346)	18.269
Loss attributable to non-controlling interests	0	0	0	0	(656)	(656)

The accompanying note forms an integral part of the consolidated financial statements



## GRIFOLS, S.A. AND SUBSIDIARIES

Condensed Consolidated Statement of Cash Flows  
for the Six Month Ended 30 June 2010

	Parent	Issuer	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
(Expressed in thousands of Euros)						
<b>Cash flows from operating activities</b>						
Profit before tax	43.970	(9.968)	86.384	21.475	(53.009)	88.852
Adjustments for:	(36.258)	53.117	(14.924)	992	50.855	53.782
Amortisation and depreciation	3.634	475	13.231	3.917	177	21.434
Other adjustments:	(39.892)	52.642	(28.155)	(2.925)	50.678	32.348
Losses on equity accounted investments	0	0	0	0	728	728
Exchange differences	(120)	910	(37)	(2.723)	0	(1.970)
Net provision charges	0	0	222	611	(704)	129
(Profit) / loss on disposal of fixed assets	(10)	1	68	362	(1.102)	(681)
Government grants taken to income	(323)	0	(227)	0	0	(550)
Finance expense / income	(39.453)	15.292	(1.275)	1.924	56.898	33.386
Other adjustments	14	36.439	(26.906)	(3.099)	(5.142)	1.306
<b>Changes in capital and assets</b>	<b>(10.057)</b>	<b>(5.934)</b>	<b>(153.089)</b>	<b>(5.655)</b>	<b>188.435</b>	<b>13.700</b>
Change in inventories	(185)	0	(15.656)	1.417	2.442	(11.982)
Change in trade and other receivables	1.174	178.830	84.421	13.813	(257.999)	20.239
Change in current financial assets and other current assets	(14.769)	(154.124)	(6.038)	(15.249)	186.305	(3.875)
Change in current trade and other payables	3.723	(30.640)	(215.816)	(5.636)	257.687	9.318
<b>Other cash flows from operating activities</b>	<b>59.972</b>	<b>(10.669)</b>	<b>(18.577)</b>	<b>(7.085)</b>	<b>(58.106)</b>	<b>(34.465)</b>
Interest paid	(2.978)	(15.528)	(686)	(1.153)	544	(19.801)
Interest recovered	1.876	540	3.301	20	(1.876)	3.861
Dividends received	56.774	0	0	0	(56.774)	0
Income tax recovered	4.300	4.319	(21.192)	(5.952)	0	(18.525)
<b>Net cash from operating activities</b>	<b>57.627</b>	<b>26.546</b>	<b>(100.206)</b>	<b>9.727</b>	<b>128.175</b>	<b>121.869</b>
<b>Cash flows from investing activities</b>						
Payments for investments	(5.294)	(10.008)	(33.253)	(10.198)	1.757	(56.997)
Group companies and business units	(2.263)	0	(535)	(1.472)	543	(3.727)
Property, plant and equipment and intangible assets	(3.031)	(5.915)	(32.734)	(8.702)	1.214	(49.151)
Property, plant and equipment	(2.014)	(4.997)	(29.785)	(7.519)	1.169	(43.146)
Intangible assets	(999)	(918)	(2.950)	(1.183)	45	(6.005)
Other financial assets	(18)	(4.093)	16	(24)	0	(4.119)
Proceeds from the sale of property, plant and equipment	382	0	(1.467)	3.980	(32)	2.863
Group companies and business units	0	0	(1.464)	1.425	41	0
Property, plant and equipment	382	0	(3)	2.557	(73)	2.863
<b>Net cash used in investing activities</b>	<b>(4.912)</b>	<b>(10.008)</b>	<b>(34.720)</b>	<b>(6.218)</b>	<b>1.725</b>	<b>(54.134)</b>
<b>Cash flows from financing activities</b>						
Proceeds from and payments for equity instruments	(1.250)	0	0	540	(540)	(1.250)
Issue	0	0	0	540	(540)	0
Acquisition of own shares	(1.250)	0	0	0	0	(1.250)
Proceeds from and payments for financial liability instruments	(26.358)	3.364	191.273	9.182	(186.132)	(8.671)
Issue	(299)	(184)	29.580	21.970	0	51.067
Redemption and repayment	(28.016)	(5.417)	(24.265)	(2.040)	0	(59.738)
Debts with group companies	1.957	8.965	185.958	(10.748)	(186.132)	0
Dividends and interest on other equity instruments paid	0	0	(51.079)	(5.748)	56.774	(53)
Other cash flows from financing activities	324	0	(1)	0	0	323
Transaction costs of financial instruments issued in the acquisition of Talecris	0	0	0	0	0	0
Other amounts received from financing activities	324	0	(1)	0	0	323
<b>Net cash from / (used in) financing activities</b>	<b>(27.284)</b>	<b>3.364</b>	<b>140.193</b>	<b>3.974</b>	<b>(129.898)</b>	<b>(9.651)</b>
Effect of exchange rate fluctuations on cash	0	41.374	928	384	(2)	42.684
<b>Net increase in cash and cash equivalents</b>	<b>25.431</b>	<b>61.276</b>	<b>6.195</b>	<b>7.866</b>	<b>0</b>	<b>100.768</b>
<b>Cash and cash equivalents at beginning of the period</b>	<b>144</b>	<b>237.804</b>	<b>7.191</b>	<b>4.233</b>	<b>0</b>	<b>249.372</b>
<b>Cash and cash equivalents at end of period</b>	<b>25.575</b>	<b>299.080</b>	<b>13.386</b>	<b>12.099</b>	<b>0</b>	<b>350.140</b>

The accompanying note forms an integral part of the consolidated financial statements

## GRIFOLS, S.A. AND SUBSIDIARIES

Condensed Consolidated Statement of Cash Flows  
for the Six Month Ended 30 June 2011

	Parent	Issuer	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
	(Expressed in thousands of Euros)					
<b>Cash flows from operating activities</b>						
Profit before tax	21.669	(36.221)	115.387	(288)	(74.587)	25.960
Adjustments for:	(64.381)	43.007	(5.099)	29.999	89.112	92.638
Amortisation and depreciation	3.417	506	19.737	4.129	367	28.136
Other adjustments:	(67.798)	42.501	(24.836)	25.870	88.745	64.482
Losses / (Profit) on equity accounted investments	0	0	(36)	0	843	807
Exchange differences	(824)	1.155	(402)	2.193	0	2.122
Net provision charges	0	0	1.121	333	13.000	14.454
(Profit) / loss on disposal of fixed assets	(574)	0	10.006	(16)	0	9.416
Government grants taken to income	(333)	0	(409)	0	0	(742)
Finance expense / income	(66.067)	36.497	(32.416)	24.542	74.574	37.130
Other adjustments	0	4.849	(2.700)	(1.182)	328	1.295
Changes in capital and assets	(173.540)	(392.604)	(58.615)	(17.028)	576.628	(65.159)
Change in inventories	(63)	0	29.076	(14.981)	(13.280)	752
Change in trade and other receivables	(5.535)	(27.638)	(62.348)	(16.166)	44.726	(66.961)
Change in current financial assets and other current assets	(222.035)	(373.208)	(729)	5.604	589.917	(451)
Change in current trade and other payables	54.094	8.242	(24.614)	8.515	(44.735)	1.501
Other cash flows from operating activities	58.291	(13.635)	(26.294)	(420)	(54.687)	(36.745)
Interest paid	(5.498)	(26.733)	(2.727)	(124)	1.061	(34.021)
Interest recovered	2.395	126	874	0	(2.396)	999
Dividends received	53.352	0	0	0	(53.352)	0
Income tax recovered / (paid)	8.042	12.972	(24.441)	(296)	(0)	(3.723)
<b>Net cash from operating activities</b>	<b>(157.961)</b>	<b>(399.453)</b>	<b>25.378</b>	<b>12.263</b>	<b>536.467</b>	<b>16.694</b>
<b>Cash flows from investing activities</b>						
Payments for investments	(4.366)	(1.765.855)	132.900	(31.298)	(771)	(1.669.390)
Group companies and business units	(411)	(1.763.601)	149.695	(327)	(771)	(1.615.417)
Property, plant and equipment and intangible assets	(3.374)	(2.342)	(16.696)	(30.426)	(0)	(52.838)
Property, plant and equipment	(2.345)	(576)	(10.876)	(29.044)	(0)	(42.841)
Intangible assets	(1.029)	(1.766)	(5.820)	(1.382)	0	(9.997)
Other financial assets	(581)	88	(97)	(545)	0	(1.135)
Proceeds from the sale of investments	26.472	(1)	41.069	1.611	0	69.151
Property, plant and equipment	26.472	(1)	41.069	1.611	0	69.151
<b>Net cash used in investing activities</b>	<b>22.106</b>	<b>(1.765.856)</b>	<b>173.969</b>	<b>(29.687)</b>	<b>(771)</b>	<b>(1.600.239)</b>
<b>Cash flows from financing activities</b>						
Proceeds from and payments for equity instruments	(2.264)	0	0	0	0	(2.264)
Issue	(2.264)	0	0	0	0	(2.264)
Proceeds from and payments for financial liability instruments	206.299	2.259.181	333.225	25.217	(588.583)	2.235.339
Issue	465.722	2.517.783	9.907	(10.535)	(0)	2.982.877
Redemption and repayment	(243.297)	(431.704)	(80.975)	8.438	(0)	(747.538)
Debts with group companies	(16.126)	173.102	404.293	27.314	(588.583)	0
Dividends and interest on other equity instruments paid	0	0	(47.421)	(5.931)	53.352	0
Other cash flows from financing activities	(22.178)	(264.102)	(486)	(437)	0	(287.203)
Deferred acquisition costs of financial instruments related to acquisition of Talecris	(22.540)	(264.099)	(486)	(425)	0	(287.550)
Other amounts received from financing activities	362	(3)	0	(12)	0	347
<b>Net cash from financing activities</b>	<b>181.857</b>	<b>1.995.079</b>	<b>285.318</b>	<b>18.849</b>	<b>(535.231)</b>	<b>1.945.872</b>
Effect of exchange rate fluctuations on cash	0	(17.170)	373	(921)	(466)	(18.184)
Net increase / (decrease) in cash and cash equivalents	46.002	(187.400)	485.038	504	(1)	344.143
Cash and cash equivalents at beginning of the period	25	227.456	1.444	10.724	0	239.649
Cash and cash equivalents at end of period	46.027	40.056	486.482	11.228	(1)	583.792

The accompanying note forms an integral part of the consolidated financial statements

## GRIFOLS, S.A. AND SUBSIDIARIES

Condensed Consolidated Statements of Cash Flows  
for the year ended 31 December 2009

	Parent	Issuer	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
	(expressed in thousands of euros)					
<b><u>Cash flows from/(used in) operating activities</u></b>						
Profit before income tax	75.910	(4.786)	190.766	34.788	(92.684)	203.994
Adjustments for:	(64.395)	6.960	34.101	15.848	69.287	61.800
Amortisation and depreciation	5.659	850	27.319	5.726	0	39.554
Other adjustments:	(70.054)	6.110	6.782	10.122	69.287	22.246
(Profit) / losses on equity accounted investments	0	0	0	0	(51)	(51)
Exchange differences	723	858	242	(90)	(0)	1.733
Impairment of assets and net provision charges	15	0	(378)	857	(441)	53
(Profits) / losses on disposal of fixed assets	148	2	843	154	0	1.147
Government grants taken to income	(431)	0	(637)	(120)	0	(1.188)
Net finance expense	(71.094)	9.104	2.801	7.650	69.091	17.552
Other adjustments	585	(3.854)	3.911	1.671	688	3.001
<b>Change in operating assets and liabilities</b>	<b>64.484</b>	<b>(70.131)</b>	<b>(42.265)</b>	<b>(21.021)</b>	<b>(35.195)</b>	<b>(104.127)</b>
Change in inventories	31	0	(119.451)	(14.745)	21.061	(113.104)
Change in trade and other receivables	14.276	(44.627)	(71.598)	(20.188)	109.587	(12.549)
Change in current financial assets and other current assets	57.822	(52.577)	57.541	(6.128)	(57.945)	(1.287)
Change in current trade and other payables	(7.645)	27.073	91.243	20.040	(107.898)	22.813
<b>Other cash flows used in operating activities</b>	<b>51.198</b>	<b>(1.187)</b>	<b>(39.676)</b>	<b>(11.597)</b>	<b>(72.225)</b>	<b>(73.487)</b>
Interest paid	(9.889)	(2.362)	(2.265)	(7.135)	6.932	(14.719)
Interest received	6.932	0	2.256	253	(6.932)	2.509
Dividends received	72.226	0	0	0	(72.226)	0
Income tax paid	(18.070)	1.175	(39.667)	(4.715)	0	(61.277)
<b>Net cash from operating activities</b>	<b>127.197</b>	<b>(69.144)</b>	<b>142.926</b>	<b>18.018</b>	<b>(130.817)</b>	<b>88.180</b>
<b><u>Cash flows from/(used in) investing activities</u></b>						
Payments for investments	(45.238)	(6.092)	(72.920)	(19.379)	7.003	(136.626)
Group companies and business units	(32.497)	0	0	10.109	7.003	(15.385)
Property, plant and equipment and intangible assets	(12.490)	(4.081)	(72.770)	(29.429)	(0)	(118.770)
Other financial assets	(251)	(2.011)	(150)	(59)	(0)	(2.471)
Proceeds from the sale of investments	39	(1)	182	453	(0)	673
Property, plant and equipment	39	(1)	182	453	0	673
Other financial assets	0	0	0	0	(0)	0
Associates (note 2 ( c ))	0	0	0	0	0	0
<b>Net cash used in investing activities</b>	<b>(45.199)</b>	<b>(6.093)</b>	<b>(72.738)</b>	<b>(18.926)</b>	<b>7.003</b>	<b>(135.953)</b>
<b><u>Cash flows from/(used in) financing activities</u></b>						
Proceeds from and payments for equity instruments	26.730	0	6.923	60	(7.058)	26.655
Issue	0	0	6.923	60	(7.059)	(76)
Acquisition of own shares	(25.186)	0	0	0	0	(25.186)
Disposal of treasury shares	51.917	0	0	0	0	51.917
Proceeds from and payments for financial liability instruments	(28.061)	318.419	(14.808)	10.136	58.727	344.413
Issue	78.933	406.807	22.614	16.724	(0)	525.078
Redemption and repayment	(95.331)	(39.510)	(34.533)	(11.291)	0	(180.665)
Debts with group companies	(11.662)	(48.878)	(2.889)	4.703	58.726	0
Dividends and interest on other equity instruments paid	(80.651)	(5.552)	(57.404)	(9.456)	72.150	(80.913)
Other cash flows from financing activities	54	174	431	82	0	741
Other amounts received from financing activities	54	174	431	82	0	741
<b>Net cash from/(used in) financing activities</b>	<b>(81.928)</b>	<b>313.041</b>	<b>(64.858)</b>	<b>822</b>	<b>123.818</b>	<b>290.896</b>
Effect of exchange rate fluctuations on cash	0	0	(54)	(65)	0	(119)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>71</b>	<b>237.804</b>	<b>5.276</b>	<b>(151)</b>	<b>4</b>	<b>243.004</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>73</b>	<b>0</b>	<b>1.915</b>	<b>4.384</b>	<b>(4)</b>	<b>6.368</b>
<b>Cash and cash equivalents at end of year</b>	<b>144</b>	<b>237.804</b>	<b>7.191</b>	<b>4.233</b>	<b>0</b>	<b>249.372</b>

**Condensed Consolidated Statements of Cash Flows  
for the year ended 31 December 2010**

	Parent	Issuer	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
	(expressed in thousands of euros)					
<b><u>Cash flows from/(used in) operating activities</u></b>						
Profit before income tax	57.190	(17.235)	158.035	31.247	(71.453)	157.784
Adjustments for:	(59.557)	49.580	23.077	6.508	72.743	92.351
Amortisation and depreciation	7.384	992	28.623	8.222	555	45.776
Other adjustments:	(66.941)	48.588	(5.546)	(1.714)	72.188	46.575
(Profit) / losses on equity accounted investments	0	0	0	0	879	879
Exchange differences	(75)	455	389	(2.385)	0	(1.616)
Impairment of assets and net provision charges	(1.097)	0	(160)	518	1.652	913
(Profits) / losses on disposal of fixed assets	2	139	756	578	(1.751)	(276)
Government grants taken to income	(259)	0	(470)	1	0	(728)
Net finance expense	(65.578)	30.875	2.513	2.731	76.901	47.442
Other adjustments	66	17.119	(8.574)	(3.157)	(5.493)	(39)
<b>Change in operating assets and liabilities</b>	<b>2.233</b>	<b>145.612</b>	<b>(199.272)</b>	<b>7.902</b>	<b>(35.242)</b>	<b>(78.767)</b>
Change in inventories	(92)	0	(23.919)	8.854	(3.149)	(18.306)
Change in trade and other receivables	4.915	170.362	54.428	13.110	(266.361)	(23.546)
Change in current financial assets and other current assets	(20.490)	(13.649)	(2.979)	(1.263)	(34.641)	(73.022)
Change in current trade and other payables	17.900	(11.101)	(226.802)	(12.799)	268.909	36.107
<b>Other cash flows used in operating activities</b>	<b>77.492</b>	<b>(26.404)</b>	<b>(28.009)</b>	<b>(13.704)</b>	<b>(76.491)</b>	<b>(67.116)</b>
Interest paid	(5.891)	(31.361)	(4.404)	(2.525)	4.052	(40.129)
Interest received	4.052	1.110	4.326	0	(4.052)	5.436
Dividends received	76.491	0	0	0	(76.491)	0
Income tax paid	2.840	3.847	(27.931)	(11.179)	0	(32.423)
<b>Net cash from operating activities</b>	<b>77.358</b>	<b>151.553</b>	<b>(46.169)</b>	<b>31.953</b>	<b>(110.443)</b>	<b>104.252</b>
<b><u>Cash flows from/(used in) investing activities</u></b>						
Payments for investments	(7.854)	(16.042)	(67.863)	(19.020)	2.191	(108.588)
Group companies and business units	(8)	0	(884)	(1.523)	941	(1.474)
Property, plant and equipment and intangible assets	(7.788)	(12.405)	(67.006)	(17.453)	1.250	(103.402)
Other financial assets	(58)	(3.637)	27	(44)	0	(3.712)
Proceeds from the sale of investments	109	946	(2.169)	5.555	91	4.532
Property, plant and equipment	109	946	(1.289)	4.054	91	3.911
Other financial assets	0	0	(880)	1.501	0	621
Associates	0	0	0	0	0	0
<b>Net cash used in investing activities</b>	<b>(7.745)</b>	<b>(15.096)</b>	<b>(70.032)</b>	<b>(13.465)</b>	<b>2.282</b>	<b>(104.056)</b>
<b><u>Cash flows from/(used in) financing activities</u></b>						
Proceeds from and payments for equity instruments	(1.250)	0	0	890	(890)	(1.250)
Issue	0	0	0	890	(890)	0
Acquisition of own shares	(1.250)	0	0	0	0	(1.250)
Disposal of treasury shares	0	0	0	0	0	0
Proceeds from and payments for financial liability instruments	(41.495)	(165.388)	165.287	8.437	32.093	(1.066)
Issue	63.226	(2.616)	30.546	27.082	0	118.238
Redemption and repayment	(99.505)	0	(16.672)	(3.127)	0	(119.304)
Debts with group companies	(5.216)	(162.772)	151.413	(15.518)	32.093	0
Dividends and interest on other equity instruments paid	(27.229)	0	(55.298)	(21.713)	76.958	(27.282)
Other cash flows from financing activities	242	0	56	25	0	323
Other amounts received from financing activities	242	0	81	0	0	323
<b>Net cash from/(used in) financing activities</b>	<b>(69.732)</b>	<b>(165.388)</b>	<b>110.045</b>	<b>(12.361)</b>	<b>108.161</b>	<b>(29.275)</b>
Effect of exchange rate fluctuations on cash	0	18.583	409	364	0	19.356
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(119)</b>	<b>(10.348)</b>	<b>(5.747)</b>	<b>6.491</b>	<b>0</b>	<b>(9.723)</b>
Cash and cash equivalents at beginning of the year	144	237.804	7.191	4.233	0	249.372
<b>Cash and cash equivalents at end of year</b>	<b>25</b>	<b>227.456</b>	<b>1.444</b>	<b>10.724</b>	<b>0</b>	<b>239.649</b>

**Condensed Consolidated Statements of Cash Flows  
for the year ended 31 December 2008**

	Parent	Issuer	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
	(expressed in thousands of euros)					
<b><u>Cash flows from/(used in) operating activities</u></b>						
Profit before income tax	61.891	23.810	182.378	36.048	(131.858)	172.269
Adjustments for:	(56.619)	(16.796)	35.898	13.009	90.542	66.034
Amortisation and depreciation	4.245	497	24.178	4.270	66	33.256
Other adjustments:	(60.864)	(17.293)	11.720	8.739	90.476	32.778
(Profit) /losses on equity accounted investments	0	0	0	0	(24)	(24)
Exchange differences	1.335	(752)	(2.395)	4.637	0	2.825
Impairment of assets and net provision charges	0	0	1.800	194	0	1.994
(Profits) / losses on disposal of fixed assets	31	0	1.960	10	0	2.001
Government grants taken to income	0	0	(2.941)	(2)	0	(2.943)
Net finance expense	(62.437)	(23.139)	4.416	1.587	107.464	27.891
Other adjustments	207	6.598	8.880	2.313	(16.964)	1.034
<b>Change in operating assets and liabilities</b>	<b>(112.558)</b>	<b>(138.087)</b>	<b>(15.842)</b>	<b>(4.178)</b>	<b>184.115</b>	<b>(86.550)</b>
Change in inventories	(117)	0	(120.261)	(18.933)	40.791	(98.520)
Change in trade and other receivables	4.579	(133.431)	36.498	(12.003)	96.406	(7.951)
Change in current financial assets and other current assets	(123.479)	27.683	(49.701)	2.913	142.989	405
Change in current trade and other payables	6.459	(32.339)	117.622	23.845	(96.071)	19.516
<b>Other cash flows used in operating activities</b>	<b>66.654</b>	<b>22.420</b>	<b>(40.647)</b>	<b>(18.107)</b>	<b>(107.630)</b>	<b>(77.310)</b>
Interest paid	(17.206)	(1.818)	(16.641)	(1.478)	11.171	(25.972)
Interest received	11.171	0	2.213	0	(11.171)	2.213
Dividends received	72.172	25.035	10.382	41	(107.630)	0
Income tax paid	517	(797)	(36.601)	(16.670)	0	(53.551)
<b>Net cash from operating activities</b>	<b>(40.632)</b>	<b>(108.653)</b>	<b>161.787</b>	<b>26.772</b>	<b>35.169</b>	<b>74.443</b>
<b><u>Cash flows from/(used in) investing activities</u></b>						
Payments for investments	(36.693)	(8.282)	(48.123)	(39.752)	1.927	(130.923)
Group companies and business units	(1.927)	0	(632)	0	1.927	(632)
Property, plant and equipment and intangible assets	(34.212)	(8.250)	(47.434)	(39.672)	0	(129.568)
Other financial assets	(554)	(32)	(57)	(80)	0	(723)
Proceeds from the sale of investments	1.740	0	(6)	102	(1.679)	157
Property, plant and equipment	61	0	(6)	102	0	157
Other financial assets	0	0	0	0	0	0
Associates	1.679	0	0	0	(1.679)	0
<b>Net cash used in investing activities</b>	<b>(34.953)</b>	<b>(8.282)</b>	<b>(48.129)</b>	<b>(39.650)</b>	<b>248</b>	<b>(130.766)</b>
<b><u>Cash flows from/(used in) financing activities</u></b>						
Proceeds from and payments for equity instruments	(4.212)	41.179	(1.619)	1.926	(41.486)	(4.212)
Issue	0	41.179	(1.619)	1.926	(41.486)	0
Acquisition of own shares	(4.880)	0	0	0	0	(4.880)
Disposal of treasury shares	668	0	0	0	0	668
Proceeds from and payments for financial liability instruments	114.565	76.084	(29.551)	38.775	(103.524)	96.349
Issue	306.325	27.058	21.262	39.223	241	394.109
Redemption and repayment	(250.641)	0	(41.516)	(5.603)	0	(297.760)
Debts with group companies	58.881	49.026	(9.297)	5.155	(103.765)	0
Dividends and interest on other equity instruments paid	(34.767)	0	(81.473)	(28.141)	109.589	(34.792)
Other cash flows from financing activities	0	0	0	0	0	0
Other amounts received from financing activities	0	0	0	0	0	0
<b>Net cash from/(used in) financing activities</b>	<b>75.586</b>	<b>117.263</b>	<b>(112.643)</b>	<b>12.560</b>	<b>(35.421)</b>	<b>57.345</b>
Effect of exchange rate fluctuations on cash	0	(18)	(90)	(236)	0	(344)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>1</b>	<b>310</b>	<b>925</b>	<b>(554)</b>	<b>(4)</b>	<b>678</b>
Cash and cash equivalents at beginning of the year	72	(310)	991	4.938	0	5.691
<b>Cash and cash equivalents at end of year</b>	<b>73</b>	<b>0</b>	<b>1.916</b>	<b>4.384</b>	<b>(5)</b>	<b>6.368</b>

**Condensed Consolidated Income Statements  
for the year ended 31 December 2010**

Profit and loss	Parent	Issuer	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
	(expressed in thousands of euros)					
Revenues	66.966	21.313	1.351.397	428.832	(877.778)	990.730
Changes in inventories of finished goods and work in progress	0	0	25.189	(1.872)	22.432	45.749
Self-constructed non-current assets	580	1.208	10.165	2.672	18.888	33.513
Supplies	(464)	0	(732.316)	(247.988)	673.909	(306.859)
Other operating income	93	0	1.014	89	0	1.196
Personnel expenses	(23.931)	(13.651)	(189.100)	(62.326)	0	(289.008)
Other operating expenses	(43.753)	(7.417)	(260.686)	(77.041)	168.679	(220.218)
Amortisation and depreciation	(7.384)	(992)	(28.623)	(8.222)	(555)	(45.776)
Non-financial and other capital grants	259	0	470	(1)	0	728
Impairment and net losses on disposal of fixed assets	(2)	(139)	(756)	(578)	1.103	(372)
<b>Results from operating activities</b>	<b>(7.636)</b>	<b>322</b>	<b>176.754</b>	<b>33.565</b>	<b>6.678</b>	<b>209.683</b>
Finance income	4.054	15.172	2.856	1.243	(18.799)	4.526
Dividends	76.491	0	0	160	(76.651)	0
Finance expense	(8.124)	(32.274)	(22.759)	(5.304)	18.801	(49.660)
Change in fair value of financial instruments	(7.670)	0	0	77	0	(7.593)
Gains/ (losses) on disposal of financial instruments	0	0	1.573	(879)	(603)	91
Exchange gains/ (losses)	75	(455)	(389)	2.385	0	1.616
<b>Net Finance expense</b>	<b>64.826</b>	<b>(17.557)</b>	<b>(18.719)</b>	<b>(2.318)</b>	<b>(77.252)</b>	<b>(51.020)</b>
Share of profit/ (loss) of equity accounted investees	0	0	0	0	(879)	(879)
<b>Profit before income tax from continuing operations</b>	<b>57.190</b>	<b>(17.235)</b>	<b>158.035</b>	<b>31.247</b>	<b>(71.453)</b>	<b>157.784</b>
Income tax expense	6.036	6.509	(45.182)	(7.445)	(2.435)	(42.517)
<b>Profit after income tax from continuing operations</b>	<b>63.226</b>	<b>(10.726)</b>	<b>112.853</b>	<b>23.802</b>	<b>(73.888)</b>	<b>115.267</b>
<b>Consolidated profit for the year</b>	<b>63.226</b>	<b>(10.726)</b>	<b>112.853</b>	<b>23.802</b>	<b>(73.888)</b>	<b>115.267</b>
Profit attributable to equity holders of the Parent	63.226	(10.726)	112.853	23.906	(73.746)	115.513
Profit/ (loss) attributable to non-controlling interests	0	0	0	(104)	(142)	(246)



**Condensed Consolidated Income Statements  
for the year ended 31 December 2008**

Profit and loss	Parent	Issuer	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
	(expressed in thousands of euros)					
Revenues	54.725	17.424	1.211.130	320.481	(789.449)	814.311
Changes in inventories of finished goods and work in progress	0	0	64.328	482	(33.752)	31.058
Self-constructed non-current assets	1.731	0	9.823	2.395	11.845	25.794
Supplies	(288)	0	(670.916)	(177.875)	642.341	(206.738)
Other operating income	68	0	1.171	50	0	1.289
Personnel expenses	(20.483)	(8.708)	(162.901)	(46.067)	0	(238.159)
Other operating expenses	(31.786)	(8.305)	(243.732)	(53.113)	144.648	(192.288)
Amortisation and depreciation	(4.245)	(497)	(24.178)	(4.270)	(66)	(33.256)
Non-financial and other capital grants	0	0	2.941	0	0	2.941
Impairment and net losses on disposal of fixed assets	(31)	0	(1.960)	0	0	(1.991)
<b>Results from operating activities</b>	<b>(309)</b>	<b>(86)</b>	<b>185.706</b>	<b>42.083</b>	<b>(24.433)</b>	<b>202.961</b>
Finance income	11.184	1	2.411	1.151	(12.065)	2.682
Dividends	72.172	25.035	10.382	48	(107.637)	0
Finance expense	(18.626)	(1.892)	(18.443)	(2.597)	12.253	(29.305)
Change in fair value of financial instruments	(1.195)	0	(73)	0	0	(1.268)
Exchange gains/ (losses)	(1.335)	752	2.395	(4.637)	0	(2.825)
<b>Net Finance expense</b>	<b>62.200</b>	<b>23.896</b>	<b>(3.328)</b>	<b>(6.035)</b>	<b>(107.449)</b>	<b>(30.716)</b>
Share of profit/ (loss) of equity accounted investees	0	0	0	0	24	24
<b>Profit before income tax from continuing operations</b>	<b>61.891</b>	<b>23.810</b>	<b>182.378</b>	<b>36.048</b>	<b>(131.858)</b>	<b>172.269</b>
Income tax expense	2.755	448	(50.673)	(10.295)	7.612	(50.153)
<b>Profit after income tax from continuing operations</b>	<b>64.646</b>	<b>24.258</b>	<b>131.705</b>	<b>25.753</b>	<b>(124.246)</b>	<b>122.116</b>
<b>Consolidated profit for the year</b>	<b>64.646</b>	<b>24.258</b>	<b>131.705</b>	<b>25.753</b>	<b>(124.246)</b>	<b>122.116</b>
Profit attributable to equity holders of the Parent	64.646	24.258	131.705	25.753	(124.634)	121.728
Profit/ (loss) attributable to non-controlling interests	0	0	0	0	388	388

**Condensed Consolidated Income Statements  
for the year ended 31 December 2009**

Profit and loss	Parent	Issuer	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
	(expressed in thousands of euros)					
Revenues	64.981	19.074	1.367.208	373.372	(911.449)	913.186
Changes in inventories of finished goods and work in progress	0	0	103.193	989	(31.089)	73.093
Self-constructed non-current assets	2.406	571	11.605	6.973	19.587	41.142
Supplies	(449)	0	(809.640)	(215.708)	739.523	(286.274)
Other operating income	59	0	678	706	0	1.443
Personnel expenses	(23.337)	(12.781)	(181.298)	(55.763)	11	(273.168)
Other operating expenses	(31.633)	(5.727)	(258.789)	(67.898)	160.666	(203.381)
Amortisation and depreciation	(5.659)	(850)	(27.319)	(5.726)	0	(39.554)
Non-financial and other capital grants	431	0	637	120	0	1.188
Impairment and net losses on disposal of fixed assets	(148)	(2)	(843)	(154)	0	(1.147)
<b>Results from operating activities</b>	<b>6.651</b>	<b>285</b>	<b>205.432</b>	<b>36.911</b>	<b>(22.751)</b>	<b>226.528</b>
Finance income	9.395	6.054	3.699	1.384	(13.465)	7.067
Dividends	72.226	0	0	165	(72.391)	0
Finance expense	(10.660)	(10.267)	(16.787)	(3.762)	14.389	(27.087)
Change in fair value of financial instruments	(979)	0	146	0	246	(587)
Gains/ (losses) on disposal of financial instruments	0	0	(1.482)	0	1.237	(245)
Exchange gains/ (losses)	(723)	(858)	(242)	90	0	(1.733)
<b>Net Finance expense</b>	<b>69.259</b>	<b>(5.071)</b>	<b>(14.666)</b>	<b>(2.123)</b>	<b>(69.984)</b>	<b>(22.585)</b>
Share of profit/ (loss) of equity accounted investees	0	0	0	0	51	51
<b>Profit before income tax from continuing operations</b>	<b>75.910</b>	<b>(4.786)</b>	<b>190.766</b>	<b>34.788</b>	<b>(92.684)</b>	<b>203.994</b>
Income tax expense	(2.987)	1.810	(52.913)	(8.124)	5.790	(56.424)
<b>Profit after income tax from continuing operations</b>	<b>72.923</b>	<b>(2.976)</b>	<b>137.853</b>	<b>26.664</b>	<b>(86.894)</b>	<b>147.570</b>
<b>Consolidated profit for the year</b>	<b>72.923</b>	<b>(2.976)</b>	<b>137.853</b>	<b>26.664</b>	<b>(86.894)</b>	<b>147.570</b>
Profit attributable to equity holders of the Parent	72.923	(2.976)	137.853	26.664	(86.492)	147.972
Profit/ (loss) attributable to non-controlling interests	0	0	0	0	(402)	(402)

## GRIFOLS, S.A. AND SUBSIDIARIES

Condensed Consolidated Balance Sheets  
at 31 December 2010

Assets	Parent	Issuer	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
(expressed in thousands of euros)						
<b>Non-current assets</b>						
Intangible assets						
Goodwill	0	0	29.895	15.123	144.430	189.448
Other intangible assets	5.731	3.162	49.120	4.725	15.561	78.299
Total intangible assets	5.731	3.162	79.015	19.848	159.991	267.747
Property, plant and equipment	95.452	28.150	231.728	78.801	0	434.131
Investments in Subsidiaries	345.025	222.273	2.532	938	(570.768)	0
Advances and notes between parent and subsidiaries	0	21.005	0	0	(21.005)	0
Investments in equity accounted investees	0	0	0	0	598	598
Non-current financial assets	709	5.804	734	288	0	7.535
Deferred tax assets	1.091	2.076	9.534	2.932	19.256	34.889
<b>Total non-current assets</b>	<b>448.008</b>	<b>282.470</b>	<b>323.543</b>	<b>102.807</b>	<b>(411.928)</b>	<b>744.900</b>
<b>Current assets</b>						
Inventories	796	0	538.311	59.401	(70.643)	527.865
Trade and other receivables						
Trade receivables	8.946	11.561	209.758	100.719	(106.629)	224.355
Other receivables	3.157	201	27.612	11.971	1.091	44.032
Current income tax assets	6.168	6.071	297	2.071	0	14.607
Trade and other receivables	18.271	17.833	237.667	114.761	(105.538)	282.994
Advances and notes between parent and subsidiaries	238.262	(1.311)	14.699	22.860	(274.510)	0
Other current financial assets	267	224	8	12.447	0	12.946
Other current assets	13.460	60.568	5.150	1.450	0	80.628
Cash and cash equivalents	25	227.456	1.444	10.724	0	239.649
<b>Total current assets</b>	<b>271.081</b>	<b>304.770</b>	<b>797.279</b>	<b>221.643</b>	<b>(450.691)</b>	<b>1.144.082</b>
<b>Total assets</b>	<b>719.089</b>	<b>587.240</b>	<b>1.120.822</b>	<b>324.450</b>	<b>(862.619)</b>	<b>1.888.982</b>

The accompanying note forms an integral part of the consolidated financial statements

## GRIFOLS, S.A. AND SUBSIDIARIES

Condensed Consolidated Balance Sheets  
at 31 December 2010

Equity and liabilities	Parent	Issuer	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
	(expressed in thousands of euros)					
<b>Equity</b>						
Share capital	106.532	0	21.497	36.340	(57.837)	106.532
Share premium	121.802	72.932	106.854	5.703	(185.489)	121.802
Reserves	73.076	190.844	175.221	59.636	(95.173)	403.604
Own shares	(1.927)	0	0	0	0	(1.927)
Interim dividend	0	0	0	(152)	152	0
Profit for the year attributable to the Parent	63.226	(10.726)	112.853	23.906	(73.746)	115.513
<b>Total equity</b>	<b>362.709</b>	<b>253.050</b>	<b>416.425</b>	<b>125.433</b>	<b>(412.093)</b>	<b>745.524</b>
Cash flow hedges	0	(1.751)	0	0	0	(1.751)
Translation differences	0	20.449	(18.344)	11.123	(63.961)	(50.733)
Accumulated other comprehensive income	0	18.698	(18.344)	11.123	(63.961)	(52.484)
<b>Equity attributable to the Parent</b>	<b>362.709</b>	<b>271.748</b>	<b>398.081</b>	<b>136.556</b>	<b>(476.054)</b>	<b>693.040</b>
Non-controlling interests	0	0	0	0	14.350	14.350
<b>Total equity</b>	<b>362.709</b>	<b>271.748</b>	<b>398.081</b>	<b>136.556</b>	<b>(461.704)</b>	<b>707.390</b>
<b>Liabilities</b>						
<b>Non-current liabilities</b>						
Grants	142	187	1.683	76	0	2.088
Provisions	0	0	1.127	251	0	1.378
<b>Non-current financial liabilities</b>						
Loans and borrowings, bonds and other marketable securities	133.982	441.203	40.350	49.695	155	665.385
Advances and notes between parent and subsidiaries	15.875	0	0	5.130	(21.005)	0
Other financial liabilities	200	0	9.596	678	0	10.474
<b>Total non-current financial liabilities</b>	<b>150.057</b>	<b>441.203</b>	<b>49.946</b>	<b>55.503</b>	<b>(20.850)</b>	<b>675.859</b>
Deferred tax liabilities	11.907	2.860	62.718	1.519	137	79.141
<b>Total non-current liabilities</b>	<b>162.106</b>	<b>444.250</b>	<b>115.474</b>	<b>57.349</b>	<b>(20.713)</b>	<b>758.466</b>
<b>Current liabilities</b>						
Provisions	257	0	30	4.078	0	4.365
<b>Current financial liabilities</b>						
Loans and borrowings, bonds and other marketable securities	103.131	7.364	41.433	39.862	(155)	191.635
Advances and notes between parent and subsidiaries	42.863	(162.772)	385.947	9.017	(275.055)	0
Other financial liabilities	8.830	0	9.316	90	0	18.236
<b>Total current financial liabilities</b>	<b>154.824</b>	<b>(155.408)</b>	<b>436.696</b>	<b>48.969</b>	<b>(275.210)</b>	<b>209.871</b>
Debts with associates	1.162	0	0	0	0	1.162
<b>Trade and other payables</b>						
Suppliers	33.426	24.766	146.861	60.617	(104.992)	160.678
Other payables	1.141	12	5.288	3.627	1.860	11.928
Current income tax liabilities	0	0	2.369	3.663	(1.860)	4.172
<b>Total trade and other payables</b>	<b>34.567</b>	<b>24.778</b>	<b>154.518</b>	<b>67.907</b>	<b>(104.992)</b>	<b>176.778</b>
Other current liabilities	3.464	1.872	16.023	9.591	0	30.950
<b>Total current liabilities</b>	<b>194.274</b>	<b>(128.758)</b>	<b>607.267</b>	<b>130.545</b>	<b>(380.202)</b>	<b>423.126</b>
<b>Total liabilities</b>	<b>356.380</b>	<b>315.492</b>	<b>722.741</b>	<b>187.894</b>	<b>(400.915)</b>	<b>1.181.592</b>
<b>Total equity and liabilities</b>	<b>719.089</b>	<b>587.240</b>	<b>1.120.822</b>	<b>324.450</b>	<b>(862.619)</b>	<b>1.888.982</b>

## GRIFOLS, S.A. AND SUBSIDIARIES

Appendix V

Condensed Consolidated Balance Sheets  
at 31 December 2009

Assets	Parent (unaudited)	Issuer	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
<b>Non-current assets</b> (expressed in thousands of euros)						
Intangible assets						
Goodwill	0	0	27.165	12.465	134.370	174.000
Other intangible assets	8.111	950	44.251	3.405	12.668	69.385
Total intangible assets	8.111	950	71.416	15.870	147.038	243.385
Property, plant and equipment	94.683	18.508	187.213	72.299	(998)	371.705
Investments in Subsidiaries	342.810	206.165	16.356	273	(565.604)	0
Advances and notes between parent and subsidiaries	0	21.748	0	0	(21.748)	0
Investments in equity accounted investees	0	0	0	0	383	383
Non-current financial assets	650	2.125	727	229	0	3.731
Deferred tax assets	953	1.774	9.218	1.604	19.846	33.395
<b>Total non-current assets</b>	<b>447.207</b>	<b>251.270</b>	<b>284.930</b>	<b>90.275</b>	<b>(421.083)</b>	<b>652.599</b>
<b>Current assets</b>						
Inventories	704	0	495.542	62.006	(73.790)	484.462
Trade and other receivables						
Trade receivables	9.419	182.073	270.117	118.660	(372.429)	207.840
Other receivables	8.344	51	23.989	7.156	0	39.540
Current income tax assets	4.178	2.139	508	2.476	(1.499)	7.802
Trade and other receivables	21.940	184.263	294.613	128.292	(373.926)	255.182
Advances and notes between parent and subsidiaries	222.829	44.522	13.522	21.840	(302.713)	0
Other current financial assets	1.921	123	1	6.172	0	8.217
Other current assets	2.707	318	3.156	1.164	0	7.345
Cash and cash equivalents	144	237.804	7.191	4.233	0	249.372
<b>Total current assets</b>	<b>250.245</b>	<b>467.030</b>	<b>814.025</b>	<b>223.707</b>	<b>(750.429)</b>	<b>1.004.578</b>
<b>Total assets</b>	<b>697.452</b>	<b>718.300</b>	<b>1.098.955</b>	<b>313.982</b>	<b>(1.171.512)</b>	<b>1.657.177</b>

## GRIFOLS, S.A. AND SUBSIDIARIES

Condensed Consolidated Balance Sheets  
at 31 December 2009

Equity and liabilities	Parent	Issuer	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Consolidating Adjustments	Consolidated
	(unaudited)					
	(expressed in thousands of euros)					
<b>Equity</b>						
Share capital	106.532	0	21.497	36.080	(57.577)	106.532
Share premium	121.802	72.932	123.317	5.703	(201.952)	121.802
Reserves	59.342	193.822	92.666	52.597	(83.524)	314.903
Own shares	(677)	0	0	0	0	(677)
Interim dividend	(31.960)	0	0	(208)	208	(31.960)
Profit for the year attributable to the Parent	72.923	(2.976)	137.853	26.664	(86.492)	147.972
Total equity	327.962	263.778	375.333	120.836	(429.337)	658.572
Cash flow hedges	0	(1.948)	0	0	0	(1.948)
Translation differences	0	(44)	(34.796)	(478)	(54.935)	(90.253)
Accumulated other comprehensive income	0	(1.992)	(34.796)	(478)	(54.935)	(92.201)
<b>Equity attributable to the Parent</b>	<b>327.962</b>	<b>261.786</b>	<b>340.537</b>	<b>120.358</b>	<b>(484.272)</b>	<b>566.371</b>
Non-controlling interests	0	0	0	86	12.071	12.157
<b>Total equity</b>	<b>327.962</b>	<b>261.786</b>	<b>340.537</b>	<b>120.444</b>	<b>(472.201)</b>	<b>578.528</b>
<b>Liabilities</b>						
<b>Non-current liabilities</b>						
Grants	77	174	2.000	60	0	2.311
Provisions	0	0	989	243	0	1.232
<b>Non-current financial liabilities</b>						
Loans and borrowings, bonds and other marketable securities	236.733	410.550	21.577	34.327	0	703.187
Advances and notes between parent and subsidiaries	16.854	0	0	7.089	(23.943)	0
Other financial liabilities	367	0	11.565	620	0	12.552
Total non-current financial liabilities	253.954	410.550	33.142	42.036	(23.943)	715.739
Deferred tax liabilities	11.231	1.349	44.503	4.172	(931)	60.324
Total non-current liabilities	265.262	412.073	80.634	46.511	(24.874)	779.606
<b>Current liabilities</b>						
Provisions	291	0	30	4.381	0	4.702
<b>Current financial liabilities</b>						
Loans and borrowings, bonds and other marketable securities	35.579	6.907	42.988	28.517	0	113.991
Advances and notes between parent and subsidiaries	43.768	0	234.177	22.576	(300.521)	0
Other financial liabilities	3.594	0	7.496	1.140	0	12.230
Total current financial liabilities	82.941	6.907	284.661	52.233	(300.521)	126.221
Debts with associates	0	0	0	0	0	0
<b>Trade and other payables</b>						
Suppliers	10.583	35.919	371.086	75.744	(372.423)	120.909
Other payables	7.464	8	7.116	3.244	0	17.832
Current income tax liabilities	0	0	946	3.805	(1.493)	3.258
Total trade and other payables	18.047	35.927	379.148	82.793	(373.916)	141.999
Other current liabilities	2.949	1.607	13.945	7.620	0	26.121
Total current liabilities	104.228	44.441	677.784	147.027	(674.437)	299.043
<b>Total liabilities</b>	<b>369.490</b>	<b>456.514</b>	<b>758.418</b>	<b>193.538</b>	<b>(699.311)</b>	<b>1.078.649</b>
<b>Total equity and liabilities</b>	<b>697.452</b>	<b>718.300</b>	<b>1.098.955</b>	<b>313.982</b>	<b>(1.171.512)</b>	<b>1.657.177</b>



## UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following summary unaudited pro forma condensed combined financial information is intended to illustrate the effect of the transaction between Grifols and Talecris. We have accounted for the transaction as an acquisition under IFRS No. 3 (revised), Business Combinations.

Presented below are the unaudited pro forma condensed combined statements of income of Grifols for the year ended December 31, 2010 and the six months ended June 30, 2011. The unaudited pro forma condensed combined income statements for the year ended December 31, 2010 and the six months ended June 30, 2011 have been prepared as though the acquisition of Talecris occurred as of January 1, 2010.

The assumptions underlying the pro forma adjustments are described in the accompanying notes.

The unaudited pro forma condensed combined financial information has been prepared based upon information derived from the following:

- The audited consolidated financial statements of Grifols as of and for the year ended December 31, 2010, which have been prepared in accordance with IFRS as issued by the IASB and included elsewhere in this prospectus;
- The unaudited condensed consolidated interim financial statements of Grifols as of and for the six month period ended June 30, 2011, which have been prepared in accordance with IAS 34, *Interim Financial Reporting* and included elsewhere in this prospectus;
- The audited consolidated financial statements of Talecris as of and for the year ended December 31, 2010, which have been prepared in accordance with U.S. GAAP and are included elsewhere in this prospectus. These consolidated financial statements have been adjusted to IFRS and translated to euros for purposes of presentation in the unaudited pro forma condensed combined financial information.
- The unaudited consolidated financial information of Talecris as of and for the five month period ended May 31, 2011. This consolidated financial information has been adjusted to IFRS and translated to euros for purposes of presentation in the unaudited pro forma condensed combined financial information.

The purchase price for the acquisition of Talecris was €2.6 billion based on the per share merger consideration of \$19.00 in cash (translated to euros using a U.S. dollar/euro exchange rate as of May 31, 2011 of \$1.4408 per €1.00) and 0.6485 (or 0.641 for Talecris specified affiliated stockholders) of a non-voting (Class B) ordinary share of Grifols and cash in lieu of fractional Class B shares and any cash representing dividends or other distributions payable in accordance with the Merger Agreement, for each share of Talecris common stock held at the time of the transaction. The value of the Class B shares has been determined based on the average of the daily median trading price of the ADSs on the NASDAQ Global Select Market from June 6 through June 28, 2011 (€9.9). The Class B shares started quotation on June 2, 2011. The purchase price is calculated using Talecris diluted shares as of May 27, 2011.

The transaction has been accounted for by Grifols using the acquisition method pursuant to IFRS 3 (revised), Business Combinations. Under the acquisition method, assets and liabilities are recorded at their fair value on the date of purchase and the total purchase price is allocated to the tangible and intangible assets acquired and liabilities assumed. As of the date of this prospectus, the valuation studies necessary to finalize the fair values of the assets acquired and liabilities assumed and the related allocation of the purchase price have not been completed. Accordingly, Grifols has allocated the difference between total estimated purchase price, calculated as described under "Notes to Unaudited Pro Forma Condensed Combined Financial Information", and net assets acquired at book value as of May 31, 2011 to "Preliminary Goodwill". A final determination of these fair values will reflect, among other things, Grifols' consideration of a final valuation based on the actual net tangible and intangible assets, such as acquired in-process research and development, customer relationships, developed and core technology, intellectual property, patents and trade names and contingent liabilities, that exist as of the closing date of the acquisition. Any final adjustment will change the allocation of the purchase price, which will affect the fair value assigned to the assets and liabilities and could result in a material change to the unaudited pro forma condensed combined financial information.

The unaudited pro forma condensed combined financial information is presented for information purposes only and reflects estimates and assumptions made by Grifols' management that it considers reasonable. It does not purport to represent what Grifols' actual results of operations or financial condition would have been had the acquisition occurred on the dates indicated, nor is it necessarily indicative of future results of operations or financial condition. The unaudited pro forma adjustments give effect to events that are directly attributable to the acquisition and are factually supportable. In

addition to the matters noted above, the unaudited condensed combined pro forma financial information does not reflect the effect of anticipated synergies and efficiencies associated with combining Grifols and Talecris.

Material nonrecurring profits and losses that result directly from the transaction have not been included in the unaudited pro forma condensed combined statement of income. Furthermore, the costs and the transaction costs related to the incremental funding needed in relation to the transaction in the form of additional debt have been included in the unaudited pro forma condensed combined statement of income. For a discussion of the such items, see "Notes to Unaudited Pro Forma Condensed Combined Financial Information".

The unaudited condensed combined pro forma financial information should be read in conjunction with the information contained in "Selected Historical Consolidated Financial Data", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements of Grifols and Talecris appearing elsewhere in this prospectus.

**UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF INCOME**  
**Six Month Period Ended June 30, 2011**

	Historical GRIFOLS IFRS Six Month Period Ended June 30 2011 (Note 1)	Historical TALECRIS IFRS Five Month Period Ended May 31 2011 (Note 2)	Pro forma Adjustments (Note 3)	Pro Forma Combined GRIFOLS
(In thousands of Euros, except share amounts)				
Revenues . . . . .	635,341	504,051		1,139,392
Changes in inventories of finished goods and work in . . . . .	2,757	(21,862)		(19,105)
Self-constructed non-current assets . . . . .	32,346	6,192		38,538
Supplies . . . . .	(175,142)	(91,731)		(266,873)
Other operating income . . . . .	1,009	—		1,009
Personnel expenses . . . . .	(183,727)	(149,571)	14,810(c)	(318,488)
Other operating expenses . . . . .	(155,532)	(125,456)		(280,988)
Amortisation and depreciation . . . . .	(28,156)	(16,387)		(44,543)
Transition costs of Talecris business combination . . . . .	(38,607)	(16,756)	55,363(b)	—
Non-financial and other capital grants . . . . .	742	—		742
Impairment and gains/(losses) on disposal of fixed assets . . . . .	(22,302)	—		(22,302)
<b>Results from operating activities . . . . .</b>	<b><u>68,729</u></b>	<b><u>88,480</u></b>	<b><u>70,173</u></b>	<b><u>227,382</u></b>
Finance income . . . . .	1,761	146		1,907
Finance expenses . . . . .	(55,546)	(13,163)	(45,898)(a)	(114,607)
Change in fair value of financial instruments . . . . .	13,945	1,880		15,825
Exchange gains/(losses) . . . . .	(2,122)	(2,989)		(5,111)
<b>Financial income and expense . . . . .</b>	<b><u>(41,962)</u></b>	<b><u>(14,126)</u></b>	<b><u>(45,898)</u></b>	<b><u>(101,986)</u></b>
Share of (loss) profit of equity accounted investees . . . . .	(807)	234		(573)
<b>Profit before income tax from continuing Operations . . . . .</b>	<b><u>25,960</u></b>	<b><u>74,588</u></b>	<b><u>24,275</u></b>	<b><u>124,823</u></b>
Income tax (expense) benefit . . . . .	(7,347)	(24,991)	(9,152)(d)	(41,490)
<b>Profit after income tax from continuing operations . . . . .</b>	<b><u>18,613</u></b>	<b><u>49,597</u></b>	<b><u>15,123</u></b>	<b><u>83,333</u></b>
Profit attributable to equity holders of the Parent . . . . .	19,269	49,597	15,123	83,989
Profit attributable to minority interest . . . . .	(656)	—		(656)
<b>Consolidated profit for the three month period . . . . .</b>	<b><u>18,613</u></b>	<b><u>49,597</u></b>	<b><u>15,123</u></b>	<b><u>83,333</u></b>
Basic earnings per share . . . . .	0.09			0.39
Weighted average number of share in issue(B) . . . . .	213,064,899			213,064,899
Diluted earnings per share . . . . .	0.09			0.39
Weighted average number of share on fully diluted basis . . . . .	213,064,899			213,064,899

(B) The weighted average number of shares outstanding during the period has been adjusted to give effect to shares issued as consideration for the transaction as if the acquisition had taken place as of January 1, 2010.

**UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF INCOME**  
**Year Ended December 31, 2010**

	GRIFOLS IFRS (Note 1)	TALECRIS IFRS (Note 2)	Pro forma Adjustments (Note 3)	Pro Forma GRIFOLS
(In thousands of Euros, except share amounts)				
Revenues	990,730	1,207,766		2,198,496
Changes in inventories of finished goods and work in	45,749	27,932		73,681
Self-constructed non-current assets	33,513	15,292		48,805
Supplies	(306,859)	(319,563)		(626,422)
Other operating income	1,196	—		1,196
Personnel expenses	(289,008)	(352,803)	12,422(c)	(629,389)
Other operating expenses	(220,218)	(292,504)	37,911(b)	(474,811)
Amortisation and depreciation	(45,776)	(39,235)		(85,011)
Non-financial and other capital grants	728	—		728
Impairment and gains/(losses) on disposal of fixed assets	(372)	(1,124)		(1,496)
<b>Results from operating activities</b>	<b>209,683</b>	<b>245,761</b>	<b>50,333</b>	<b>505,777</b>
PCA Adjustment		(32,946)		(32,946)
Finance income	4,526	255		4,781
Finance expenses	(49,660)	(34,301)	(113,978)(a)	(197,939)
Change in fair value of financial instruments	(7,593)	—		(7,593)
Impairment of gains/(losses) on disposal of financial instruments	91	—		91
Exchange gains	1,616	3,565		5,181
<b>Financial income and expense</b>	<b>(51,020)</b>	<b>(63,427)</b>	<b>(113,978)</b>	<b>(228,425)</b>
Share of (loss) profit of equity accounted investees	(879)	747		(132)
<b>Profit before income tax from continuing operations</b>	<b>157,784</b>	<b>183,081</b>	<b>(63,645)</b>	<b>277,220</b>
Income tax (expense) benefit	(42,517)	(59,543)	23,994(d)	(78,066)
<b>Profit after income tax from continuing operations</b>	<b>115,267</b>	<b>123,538</b>	<b>(39,651)</b>	<b>199,154</b>
Profit attributable to equity holders of the Parent	115,513	123,538	(39,651)	199,400
Profit attributable to minority interest	(246)	—		(246)
<b>Consolidated profit for the year</b>	<b>115,267</b>	<b>123,538</b>	<b>(39,651)</b>	<b>199,154</b>
Basic earnings per share	0.54			0.94
Weighted average number of share in issue(B)	212,909,162			212,909,162
Diluted earnings per share	0.54			0.94
Weighted average number of share on fully diluted basis	212,909,162			212,909,162

(B) The weighed averaged number of shares outstanding during the period has been adjusted to give effect to shares issued as consideration for the transaction as if the acquisition had taken place as of January 1, 2010.

## NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

### 1. Historical Grifols Information

Represents the historical condensed consolidated statement of income for the six month period ended June 30, 2011 and for the year ended December 31, 2010, which have been extracted from the financial statements of Grifols, as follows:

- unaudited condensed consolidated interim financial statements as of and for the six month period ended June 30, 2011; and
- audited consolidated financial statements as of and for the year ended December 31, 2010.

The condensed consolidated statement of income of Grifols for the six month period ended June 30, 2011, include Talecris' figures from the date of the acquisition June 2, 2011.

### 2. Talecris Reconciliation to IFRS in Euros

Talecris' unaudited consolidated income statement for the five-month period ended May 31, 2011 and the audited consolidated financial statements for the year ended December 31, 2010 have been prepared in accordance with U.S. GAAP, which differs in certain material respects from IFRS. In addition, certain reclassifications are required to conform the presentation of Talecris' historical financial information to that of Grifols under IFRS. Furthermore, the referenced Talecris' financial statements were prepared in U.S. dollars and have been translated to euros, the currency in which the Grifols financial statements have been prepared. The effects of the applications of IFRS, reclassifications and translation to euros are as follows:

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION — (Continued)

Statement of Income Data:

	Historical TALECRIS US GAAP Cost by Function		Reclassifications to Cost by Nature(f)	Statement of Income Five Month Period Ended May 31, 2011					Historical TALECRIS IFRS as Shown in the Pro Forma	
	A	B		Historical TALECRIS US GAAP Cost by Nature	Inventory Recovery (b)	Capitalize R&D Cost (c)	Income Taxes (e)	TALECRIS IFRS Cost by Nature		Ex. Rate (d)
Net revenue . . . . .	691,609									
Product . . . . .										
Other . . . . .										
<b>Total</b> . . . . .	<b>691,609</b>		Revenues	691,609			691,609		504,051	
Cost of goods sold . . . . .	(399,219)	399,219								
<b>Gross profit</b> . . . . .	<b>292,390</b>									
Operating expenses										
Selling, general and administrative . . . . .	(135,617)	135,617								
Research and development . . . . .	(32,206)	32,208								
<b>Total</b> . . . . .	<b>(167,375)</b>									
<b>Income from operations</b> . . . . .	<b>125,015</b>									
		(29,635)	Changes in inventories of finished goods and work in progress	(29,635)	(362)		(29,997)		(21,862)	
		4,199	Self-constructed non-current assets	4,199		4,297	8,496		6,192	
	(125,864)		Supplies	(125,864)			(125,864)		(91,731)	
	(205,227)		Personnel expenses	(205,227)			(205,227)		(149,571)	
	(172,138)		Other operating expenses	(172,138)			(172,138)		(124,456)	
	(13,417)		Amortization and depreciation	(13,417)		(9,067)	(22,484)		(16,387)	
	(22,991)		Transition costs of TALECRIS business combin	(22,991)			(22,991)		(16,756)	
			<b>Results from operating activities</b>	<b>126,536</b>	<b>(362)</b>	<b>(4,770)</b>	<b>—</b>	<b>144,395</b>	<b>88,480</b>	
Other non-operating (expense) income										
Interest expense, net . . . . .	(17,659)	17,859								
Equity in earnings of affiliate . . . . .	320	(320)								
<b>Total</b> . . . . .	<b>(17,339)</b>									
		(825)	PCA judgment	(825)			(825)		(601)	
		202	Finance income	201			201		146	
	(17,236)		Finance expenses	(17,236)			(17,236)		(12,562)	
	2,580		Changes in FV of financial instruments	2,580			2,580		1,880	
	(4,101)		Exchange gains	(4,101)			(4,101)		(2,989)	
			<b>Financial income and expense</b>	<b>(19,381)</b>	<b>—</b>	<b>—</b>	<b>(19,381)</b>		<b>(14,126)</b>	
		321	Share of profit of equity accounted investees	321			321		234	
<b>Income before income taxes</b> . . . . .	<b>107,476</b>		<b>Profit before income tax from continuing operations</b>	<b>107,476</b>	<b>(362)</b>	<b>(4,770)</b>	<b>—</b>	<b>125,335</b>	<b>74,588</b>	
(Provision) benefit for income taxes . . . . .	(35,882)	0	Income tax (expense) benefit	(35,882)			1,593	(34,289)	(24,991)	
<b>Net income</b> . . . . .	<b>71,594</b>		<b>Profit after income tax from continuing operations</b>	<b>71,594</b>	<b>(362)</b>	<b>(4,770)</b>	<b>1,593</b>	<b>91,046</b>	<b>49,597</b>	





NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION — (Continued)

*Adjustments for IFRS:*

For purpose of the unaudited pro forma condensed combined financial information, the historical financial information of Talecris has been converted to IFRS. The adjustments deemed necessary to carry out the conversion are:

*(a) Debt Issuance Costs*

The debt issuance cost adjustment reflects both (i) amounts capitalized under U.S. GAAP related to a 2009 Revolving Loan amendment that would be charged to operating expenses under IFRS; and (ii) amounts reported as long-term assets under U.S. GAAP reclassified as a reduction of long-term debt under IFRS. This adjustment resulted in an increase in profit for 2010 of \$0.688 million.

*(b) Inventory Impairment Recoveries*

According to U.S. GAAP, inventory impairment provisions create a new cost basis for inventory. These provisions are only recoverable upon the sale of the related inventory. IFRS permits a recovery of previous inventory impairment charges at the time the related inventory asset value is determined to be recoverable. The IFRS adjustment resulted in a decrease in profit for 2010 of \$0.606 million and of \$0.362 million in profit for the five-month period ended May 31, 2011.

*(c) Capitalized Research and Development Costs*

Talecris expensed all research and development costs under U.S. GAAP. Certain development project costs, which represent a probable future economic benefit that may be capitalized under IFRS and amortized over the expected useful economic life of the asset, are captured in this adjustment. This adjustment resulted in a decrease in profit for 2010 of \$4.431 million and of \$4.770 million for the five-month period ended May 31, 2011.

*(d) Share-Based Payments*

Talecris' Long Term Incentive Plan provided for the grant of awards in the form of incentive stock options, nonqualified stock options, share appreciation rights, restricted stock, restricted stock units, unrestricted shares of common stock, deferred shared units and performance awards. Talecris' employees, directors and consultants were eligible to receive awards under the 2009 Plan.

The fair value of Talecris' time-based equity awards was amortized to compensation expense on a straight-line basis over the vesting period under U.S. GAAP, while such awards are amortized on an accelerated methodology under IFRS including the remeasurement of annual compensation expense at year end for the succeeding year. This adjustment resulted in a decrease in personnel expenses of \$2.585 million in 2010.

*(e) Income Taxes*

The income tax adjustment reflects the application of the Talecris 2009 and 2010 consolidated effective income tax rate determined under U.S. GAAP to (i) all the adjustments for IFRS that are not permanent differences for U.S. income tax provision purposes; (ii) the determination of any deferred tax assets for share-based compensation using the intrinsic value of share-based compensation considering the graded vesting methodology under IFRS and reflecting the best estimate of the actual tax benefits reasonably expected to be realized when the options are exercised; and (iii) the difference in the tax basis of intercompany profits on sales to Talecris GmbH.

The IFRS adjustment resulted in a decrease in profit in 2010 of \$0.581 million and an increase of \$1.593 million for the five month period ended May 31, 2011.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION — (Continued)

(f) *Reclassifications*

Talecris' U.S. GAAP consolidated statements of income for the year 2010 and for the five-month period ended May 31, 2011 were prepared on a cost by activity format and the reclassification adjustments reflected are necessary to report the statement of income in accordance with a cost by nature format under IFRS.

*Currency Translation*

(g) *Translation to Euros*

Talecris' U.S. dollar consolidated statements of income for the year 2010 and for the five-month period ended May 31, 2011 were translated to euros using the average euro/U.S. dollar exchange rate for the year 2010 and for the five-month period ended May 31, 2011, respectively.

**3. Pro forma Adjustments**

*Adjustments to reflect the accounting for the acquisition of Talecris by Grifols*

(a) *Debt interest expenses*

The acquisition of Talecris by Grifols occurred on June 1, 2011. Upon the consummation of the transaction, holders of Talecris common stock received, for each share of Talecris common stock held at the time of the transaction, a combination of (1) \$19.00 in cash and (2) 0.6485 (or 0.641 for specified Talecris affiliated stockholders) of a non-voting (Class B) ordinary share of Grifols and cash in lieu of fractional Class B shares and any cash representing dividends or other distributions payable in accordance with the Merger Agreement.

The components of the purchase price are as follows:

	(In thousands of Euros)
Purchase price:	
Cash(i) . . . . .	1,763,601
Fair value of shares issued(ii) . . . . .	<u>829,799</u>
	<u>2,593,400</u>

(i) *Cash*

Cash Consideration per Talecris Share(\$) <sup>(1)</sup> . . . . .	19
Total Talecris Shares Outstanding . . . . .	126,107,617
Cash for Talecris Shares Outstanding(\$). . . . .	2,396,044,723
Cash for Talecris Options / Awards (Net Method)(\$) . . . . .	76,327,737
Cash in Lieu for Fractional Talecris Options /Awards (Net Method)(\$). . . . .	4,525
Cash for Talecris Options / Awards (Net Method)(\$) . . . . .	76,332,262
Additional Cash Consideration per Fractional Share(\$). . . . .	19.693
Fractional Shares (from Talecris Shares Outstanding) . . . . .	21.9095
Cash for Fractional Shares (Talecris Shares Outstanding)(\$). . . . .	431
Cash(\$) . . . . .	2,472,377,417
Taxes Withheld on Cash Consideration (Options / Awards)(\$). . . . .	41,142,748
Taxes Withheld on Stock Consideration (Options / Awards)(\$) . . . . .	27,476,748
Cash for Tax Payments (Options / Awards)(\$) . . . . .	68,619,495
Total Cash(\$) . . . . .	2,540,996,912
Exchange rate \$/Euro <sup>(2)</sup> . . . . .	1.4408
Cash in thousands of euros . . . . .	<b>1,763,601</b>

(1) Based on the Merger Agreement

(2) Exchange rate \$/Euro at May 31, 2011 based on the exchange rate included elsewhere in this prospectus.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION — (Continued)

(ii) *Estimated fair value of shares issued*

Talecris Shares Outstanding (Affiliated Shareholders) . . . . .	62,517,962	
Exchange Ratio (Talecris Affiliated Shareholders) <sup>(1)</sup> . . . . .	0.6410	
Grifols Class B Shares (Talecris Affiliated Shareholders) . . . . .	40,074,014	
Fractional Shares (Talecris Affiliated Shares Outstanding) . . . . .	(3.6420)	
<i>Grifols Class B Shares to be Issued (Talecris Affiliated Shareholders)</i> . . . . .	<i>40,074,010</i>	
Talecris Shares Outstanding (Unaffiliated Shareholders) . . . . .	63,589,655	
Exchange Ratio (Talecris Unaffiliated Shareholders) <sup>(2)</sup> . . . . .	0.6485	
Grifols Class B Shares (Talecris Unaffiliated Shareholders) . . . . .	41,237,891	
Fractional Shares (Talecris Unaffiliated Shares Outst.) . . . . .	(18.2675)	
<i>Grifols Class B Shares to be Issued (Talecris Unaffiliated Shareholders)</i> . . . . .	<i>41,237,873</i>	
<i>Grifols Class B Shares for Talecris Shares Outstanding (included Affiliated/Unaffil.)</i> . . . . .	<i>81,311,883</i>	
Grifols Class B Shares for Talecris Options/Awards (Net Method) . . . . .	2,499,805	
<i>Total Grifols Class B Shares (to be Issued by Grifols)</i> . . . . .	<i>83,811,688</i>	
Price of Grifols Class B Shares(\$) <sup>(3)</sup> . . . . .	14.2650	
<b>Estimated fair value of Class B Shares issued in thousands of \$</b> . . . . .	<b>1,195,574</b>	
Exchange rate \$/Euros <sup>(4)</sup> . . . . .	1.4408	
<b>Estimated fair value of Class B Shares issued in thousands of Euros</b> . . . . .		<b>829,799</b>

(1) Based on the Merger Agreement

(2) Based on Amendment No. 1 to the Merger Agreement

(3) The fair value of the Class B shares has been determined based on the average of the daily median trading price of the ADSs on the NASDAQ Global Select Market from June 6 through June 28, 2011. The Class B shares started quotation on June 2, 2011.

(4) Exchange rate \$/Euro at May 31, 2011 based on the exchange rate included elsewhere in this prospectus.

(iii) *Preliminary Goodwill*

The preliminary purchase price allocation to assets and liabilities is assumed to be as follows:

	(In thousands of Euros)
Net assets acquired provisional (book value) as at May 31, 2011 . . . . .	469,318
Purchase price . . . . .	<u>2,593,400</u>
Preliminary goodwill <sup>(1)(2)</sup> . . . . .	<u>2,124,082</u>

(1) As of the date of the preparation of this unaudited pro forma condensed combined financial information, a purchase price allocation, in accordance with IFRS 3 (revised), could not be completed. When the purchase price allocation is completed, other intangible assets may be identified (i.e. licenses, in process research and development, customer relationships, etc.), which could result in a reduction of goodwill. The identification of such intangible assets could generate an amortization charge, which could have an impact on the unaudited pro forma condensed combined statement of income.

Based on preliminary assumptions for the fair value adjustments of tangible and intangible assets in connection with the purchase price allocation, such allocation represents approximately 40% of the estimated goodwill of €2,124 million as of June 30, 2011. On this basis the amount of the annual depreciation and amortization expense net of the tax effect (calculated based on statutory rates of 37.7%) would be approximately between €50 million and €60 million.

For purposes of a potential income statement adjustment, the depreciation expense of assets was estimated based on the following residual lives, approximately 20 to 25 years for buildings, 5 to 8 years for machinery and equipment and 20 to 30 years for intangible assets. Those estimated useful lives are management's best estimate based on the available information.

(2) Goodwill will be denominated in U.S. Dollars and will be approximately \$3.060 billion. The effect of future currency fluctuations between the Euro, which is the functional currency of Grifols, and the U.S. Dollar will be accounted for as a currency translation adjustment.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION — (Continued)

(iv) *Cash required*

The cash required is the following:

	(In thousands of Euros)
Cash and cash equivalents at Grifols .....	149,693
Incremental debts .....	<u>1,613,908</u>
Purchase price in cash in connection with the transaction .....	<u>1,763,601</u>

(v) *Interest expenses on the incremental debt in relation to the acquisition*

The financial liabilities of Grifols, S.A. and subsidiaries as at June 30, 2011 amount to €3,240 million (\$4,683 million) included the incremental debt issued in June 2011 in relation to the acquisition of Talecris for an amount of €1,614 million (\$2,325 million). The interest expense on this incremental debt of €113.978 million in 2010 and €45.898 million for the five month period ended May 31, 2011 were adjusted in the pro forma condensed combined statement of income for the year 2010 and six month period ended June 30, 2011 to give the effect that the transaction occurred on January 1, 2010.

<i>Calculation of interest expenses on the incremental debt in relation to the acquisition</i>	\$ Thousands	Exchange rate \$/Euros	Euros Thousands
Purchase price in cash in connection with the transaction .....	2,540,997	1.4408	1,763,601
Cash and cash equivalents at Talecris .....	<u>(215,678)</u>	1.4408	<u>(149,693)</u>
Incremental debt to be issued in relation to the acquisition .....	2,325,319		1,613,908
Average interest rate <sup>(1)</sup> .....	6.50%		
Period of five months ended May 31, 2011 finance expenses .....	62,977	1.3721	45,898
2010 Annual finance expenses .....	151,146	1.3261	113,978

(1) Assumed weighted average interest rate on incremental debt. A 25 basis point increase in the interest rate on the incremental debt would increase interest expense on an annual basis by €4.4 million.

(b) *Acquisition related costs*

Acquisition related costs are estimated as follows:

	Grifols	Talecris	Total
	(In thousands of Euros)		
Acquisition related costs 2010 <sup>(2)</sup> .....	17,000	20,911	37,911
Acquisition related costs 2011 <sup>(2)</sup> .....	38,607	16,756	55,363
Related with debt issuance <sup>(1)</sup> .....	152,880		152,880
Related with capital increase and transaction related expenses .....	<u>2,264</u>		<u>2,264</u>
Total acquisition related costs considered in the pro formas .....	<u>210,751</u>	<u>37,667</u>	<u>248,418</u>

The acquisition costs already incurred in the year 2010 and in the six month period ended June 30, 2011 amounts to €37.911 million (Grifols €17.000 and Talecris \$27.730 million (€20.911 million)) and €55.363 million (Grifols €38.607 and Talecris \$22.991 million (€16.756 million)) respectively were adjusted in the unaudited pro forma condensed combined statement of income for the year 2010 and six month period ended June 30, 2011 to give the effect that the transaction occurred on January 1, 2010.

- (1) The acquisition costs related to debt issuance are estimated based on the incremental debt
- (2) These acquisition costs may relate to the income statement; however, as they could represent material non-recurring charges that result directly from the transaction, these expenses have not been included in the unaudited condensed combined pro forma statement of income.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION — (Continued)

*Pro forma adjustments to Talecris' Unaudited Condensed Combined Statement of Income*

*(c) Personnel expenses:*

This adjustment includes the following items:

- Non-cash equity compensation expense of €10.845 million in 2010 and €11.252 million for the five month period ended May 31, 2011. The Merger Agreement contemplated that, upon completion of the acquisition, all the Talecris stock based awards would become fully vested and be cancelled. As this is a material nonrecurring charge that results directly from the transaction, these expenses have not been included in the corresponding unaudited condensed combined pro forma statements of income for the periods presented.
- Compensation expense associated with special recognition bonus awards and retention related costs including fringe benefits granted to certain Talecris employees and senior executives of €1.577 million in 2010 and €3.558 million for the five-month period ended May 31, 2011 paid upon the transaction closing. As this is a material nonrecurring charge that results directly from the transaction, this expense has not been included in the unaudited pro forma condensed combined statement of income for the periods presented.

*(d) Tax effect:*

The tax effect on the pro forma adjustments has been calculated using the U.S. statutory Federal income tax rate of 37.7%.