

First Quarter 2016 Performance Summary

GRIFOLS

Operational and Financial Highlights - 1Q 2016

- Grifols' revenues increase by +5.6% to Euros 959 million, driven by growth of +10.9% for the Bioscience Division
- The Bioscience Division grows by +10.9% (+6.3% cc*) and generates revenues of Euros 754.9 million. Positive growth of sales of the main plasma proteins
- Recurring revenues (excluding Raw Materials and Others) rise by +7.1% (+2.9% cc) to Euros 938.8 million
- The company continues to strengthen its geographical expansion: sales in ROW (Rest of World) increase by +15.6% (+15.8 cc)
- Solid operating results: EBITDA rises to Euros 282.5 million (+0.9%) and the EBITDA margin stands at 29.5% of revenues

* Constant currency (cc) excludes exchange rate variations

Operational and Financial Highlights - 1Q 2016

- Increased depreciation charges for the new fractionation plant and a higher effective tax rate have a negative impact on net profit, which amounts to Euros 125.2 million and represents 13.1% of revenues
- The progressive reduction of leverage continues. The net debt to EBITDA ratio stands at 3.10x in March 2016 compared to 3.19x in December 2015
- Operating cash generation is maintained in order to fund growth projects. The cash balance is more than Euros 1,000 million and the liquidity position exceeds Euros 1,450 million
- The company has announced a new industrial expansion plan and continues with its initiatives to increase access to plasma

Key financial figures - 1Q 2016

<i>In millions of euros except % and EPS</i>	1Q 2016	1Q 2015	% Var
NET REVENUE (NR)	958.9	908.4	5.6%
GROSS MARGIN	49.4%	49.7%	
R&D	47.7	50.9	(6.4%)
% NR	5.0%	5.6%	
EBITDA	282.5	280.0	0.9%
% NR	29.5%	30.8%	
EBIT	231.5	236.4	(2.1%)
% NR	24.1%	26.0%	
GROUP PROFIT	125.2	128.5	(2.5%)
% NR	13.1%	14.1%	
ADJUSTED⁽¹⁾ GROUP PROFIT	140.2	148.7	(5.7%)
% NR	14.6%	16.4%	
CAPEX	57.5	68.3	(15.8%)
EARNINGS PER SHARE (EPS)⁽²⁾	0.18	0.19	(5.3%)
	March 2016	December 2015	% Var
TOTAL ASSETS	9,239.0	9,601.7	(3.8%)
TOTAL EQUITY	3,297.4	3,301.4	(0.1%)
CASH & CASH EQUIVALENTS	1,007.6	1,142.5	(11.8%)
LEVERAGE RATIO	(3.10/3.22cc)⁽³⁾	3.19	

⁽¹⁾ Excludes non-recurring costs and associated with recent acquisitions, amortization of deferred expenses associated to the refinancing and amortization of intangible assets related to acquisitions

⁽²⁾ EPS as of March 31, 2015 calculated taking into consideration the 2:1 split effective 4 January 2016

⁽³⁾ Constant currency (cc) excludes the impact of exchange rate movements

Net revenue by division - 1Q 2016

<i>In thousands of euros</i>	1Q 2016	% of Net Revenues	1Q 2015	% of Net Revenues	% Var	% Var cc*
BIOSCIENCE	754,945	78.7%	681,027	75.0%	10.9%	6.3%
DIAGNOSTIC	161,040	16.8%	172,561	19.0%	(6.7%)	(9.9%)
HOSPITAL	22,838	2.4%	23,259	2.5%	(1.8%)	(1.2%)
<i>SUBTOTAL</i>	938,823	97.9%	876,847	96.5%	7.1%	2.9%
RAW MATERIALS AND OTHERS	20,110	2.1%	31,537	3.5%	(36.2%)	(38.2%)
TOTAL	958,933	100.0%	908,384	100.0%	5.6%	1.5%

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

Net revenue by region - 1Q 2016

<i>In thousands of euros</i>	1Q 2016	% of Net Revenues	1Q 2015	% of Net Revenues	% Var	% Var cc*
US + CANADA	618,584	64.5%	567,112	62.4%	9.1%	2.6%
EU	159,819	16.7%	170,997	18.8%	(6.5%)	(6.6%)
ROW	160,420	16.7%	138,738	15.3%	15.6%	15.8%
SUBTOTAL	938,823	97.9%	876,847	96.5%	7.1%	2.9%
RAW MATERIALS AND OTHERS	20,110	2.1%	31,537	3.5%	(36.2%)	(38.2%)
TOTAL	958,933	100.0%	908,384	100.0%	5.6%	1.5%

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

Profit & Loss account - 1Q 2016

<i>In thousands of euros</i>	1Q 2016	1Q 2015	% Var
NET REVENUE (NR)	958,933	908,384	5.6%
COST OF SALES	(484,754)	(457,282)	6.0%
GROSS MARGIN	474,179	451,102	5.1%
% NR	49.4%	49.7%	
R&D	(47,665)	(50,916)	(6.4%)
SG&A	(195,061)	(163,825)	19.1%
<i>OPERATING EXPENSES</i>	<i>(242,726)</i>	<i>(214,741)</i>	<i>13.0%</i>
OPERATING RESULT (EBIT)	231,453	236,361	(2.1%)
% NR	24.1%	26.0%	
<i>FINANCIAL RESULT</i>	<i>(68,565)</i>	<i>(74,246)</i>	<i>(7.7%)</i>
SHARE OF RESULTS OF EQUITY ACCOUNTED INVESTEEES	1,351	(315)	(529.0%)
PROFIT BEFORE TAX	164,239	161,800	1.5%
% NR	17.1%	17.8%	
INCOME TAX EXPENSE	(39,417)	(33,978)	16.0%
<i>% OF PRE-TAX INCOME</i>	<i>24.0%</i>	<i>21.0%</i>	
CONSOLIDATED PROFIT FOR THE YEAR	124,822	127,822	(2.3%)
RESULT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	(424)	(668)	(36.6%)
GROUP PROFIT FOR THE PERIOD	125,246	128,490	(2.5%)
% NR	13.1%	14.1%	

Balance sheet (Assets) - March 31, 2016

<i>In thousands of euros</i>	March 2016	December 2015
NON-CURRENT ASSETS	6,285,772	6,512,243
GOODWILL AND OTHER INTANGIBLE ASSETS	4,489,110	4,693,931
PROPERTY PLANT & EQUIPMENT	1,606,963	1,644,402
INVESTMENTS IN EQUITY ACCOUNTED INVESTEEES	79,869	76,728
NON-CURRENT FINANCIAL ASSETS	30,362	30,388
OTHER NON-CURRENT ASSETS	79,468	66,794
CURRENT ASSETS	2,953,273	3,089,472
INVENTORIES	1,446,324	1,431,391
TRADE AND OTHER RECEIVABLES	468,114	483,196
OTHER CURRENT FINANCIAL ASSETS	965	1,294
OTHER CURRENT ASSETS	30,293	31,091
CASH AND CASH EQUIVALENTS	1,007,577	1,142,500
TOTAL ASSETS	9,239,045	9,601,715

Balance sheet (Equity & Liabilities) - March 31, 2016

<i>In thousands of euros</i>	March 2016	December 2015
EQUITY	3,297,435	3,301,390
CAPITAL	119,604	119,604
SHARE PREMIUM	910,728	910,728
RESERVES	1,909,640	1,371,061
TREASURY STOCK	(56,894)	(58,575)
INTERIM DIVIDENDS	(119,615)	(119,615)
CURRENT YEAR EARNINGS	125,246	532,145
OTHER COMPREHENSIVE INCOME	403,888	540,855
NON-CONTROLLING INTERESTS	4,838	5,187
NON-CURRENT LIABILITIES	5,048,410	5,247,319
NON-CURRENT FINANCIAL LIABILITIES	4,414,739	4,597,654
OTHER NON-CURRENT LIABILITIES	633,671	649,665
CURRENT LIABILITIES	893,200	1,053,006
CURRENT FINANCIAL LIABILITIES	210,514	262,497
OTHER CURRENT LIABILITIES	682,686	790,509
TOTAL EQUITY AND LIABILITIES	9,239,045	9,601,715

Cash flow - 1Q 2016

<i>In thousands of euros</i>	1Q 2016	1Q 2015
GROUP PROFIT	125,246	128,490
DEPRECIATION AND AMORTIZATION	51,068	43,663
NET PROVISIONS	(92)	(4,965)
OTHER ADJUSTMENTS AND OTHER CHANGES IN WORKING CAPITAL	(2,837)	(36,125)
CHANGES IN INVENTORIES	(70,455)	(39,195)
CHANGES IN TRADE RECEIVABLES	(39,660)	48,767
CHANGES IN TRADE PAYABLES	(4,935)	(106,510)
<i>CHANGE IN OPERATING WORKING CAPITAL</i>	<i>(115,050)</i>	<i>(96,938)</i>
NET CASH FLOW FROM OPERATING ACTIVITIES	58,335	34,125
BUSINESS COMBINATIONS AND INVESTMENTS IN GROUP COMPANIES	(27,270)	(58,040)
CAPEX	(57,537)	(68,276)
R&D/OTHER INTANGIBLE ASSETS	(4,803)	(9,036)
OTHER CASH INFLOW / (OUTFLOW)	(2,881)	(266,667)
NET CASH FLOW FROM INVESTING ACTIVITIES	(92,491)	(402,019)
FREE CASH FLOW	(34,156)	(367,894)
ISSUE / (REPAYMENT) OF DEBT	(24,376)	(29,442)
OTHER CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES	(29,761)	(11,334)
NET CASH FLOW FROM FINANCING ACTIVITIES	(54,137)	(40,776)
TOTAL CASH FLOW	(88,293)	(408,670)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,142,500	1,079,146
EFFECT OF EXCHANGE RATE CHANGES IN CASH AND CASH EQUIVALENTS	(46,630)	127,299
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,007,577	797,775

Group profit reconciliation - 1Q 2016

<i>In millions of euros</i>	1Q 2016	1Q 2015	% Var
GROUP NET PROFIT	125.2	128.5	(2.5%)
<i>% NR</i>	13.1%	14.1%	
Amortization of deferred financial expenses	10.2	15.4	(33.8%)
Amortization of intangible assets acquired in business combinations	9.5	10.1	(5.9%)
Tax impacts of adjustments	(4.7)	(5.3)	(11.3%)
ADJUSTED⁽¹⁾ GROUP NET PROFIT	140.2	148.7	(5.7%)
<i>% NR</i>	14.6%	16.4%	

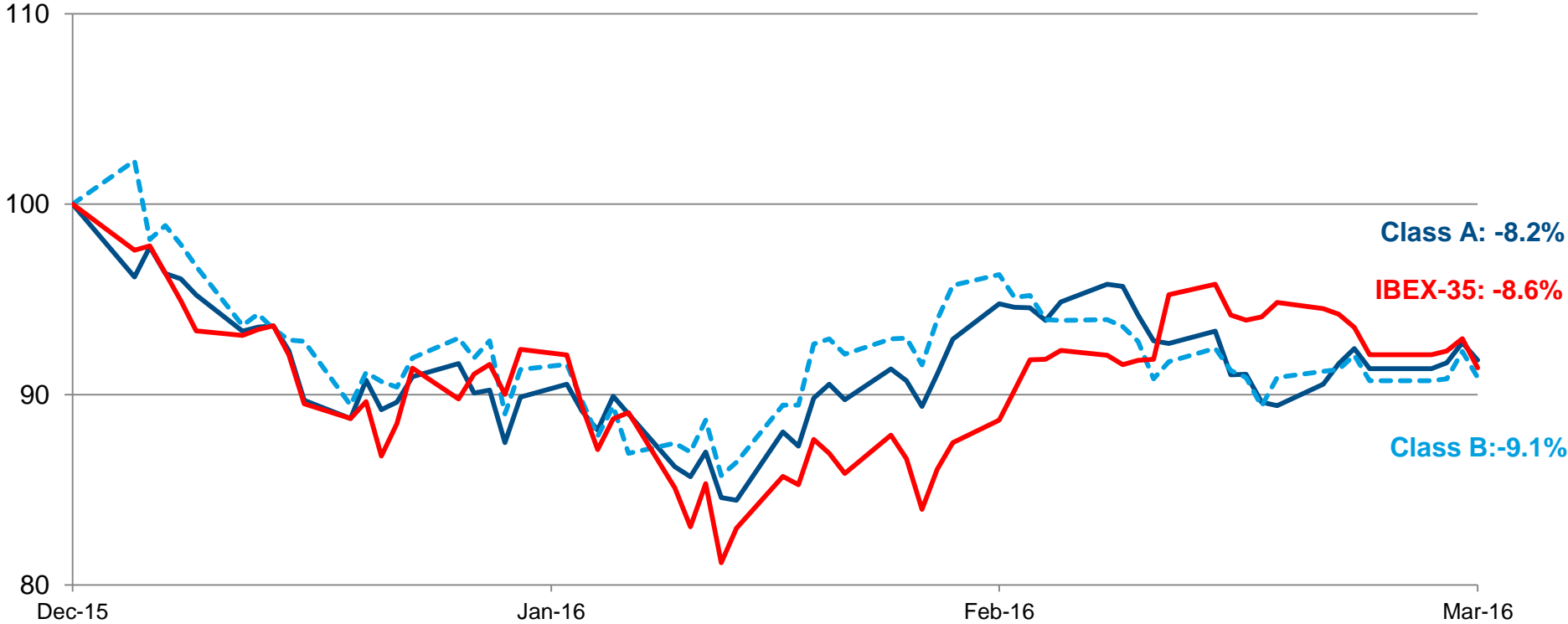
⁽¹⁾ Excludes non-recurring costs and associated with recent acquisitions, amortization of deferred expenses associated to the refinancing and amortization of intangible assets related to acquisitions

Share Performance - March 31, 2016

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

BASE 100, from December 31, 2015 to March 31, 2016

Source: Infobolsa



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