

GRIFOLS, S.A.

REPORT BY THE AUDIT COMMITTEE CONCERNING THE INDEPENDENCE OF THE AUDITOR

This report is prepared in accordance with articles (i) 529 quaterdecies, section 4 f) of the Companies Act (*Ley de Sociedades de Capital*) ("**CA**"); (ii) 24.ter section (f) of the Articles of Association; and (iii) 14.5 section (d) (vi) of the Regulations of the Board of Directors of Grifols, S.A. ("**Grifols**" or the "**Company**"), prior to issuing the audit report for the fiscal year 2016.

In accordance with the above articles, the scope of this report is to issue (i) an opinion on the independence of the Company's auditor; and (ii) a valuation of (a) any type of additional services provided, and (b) the corresponding fees paid to KPMG, individually or jointly considered, and different from those of a legal audit.

I. Identification of the auditor of the Company's accounts.

KPMG Auditores, S.L. ("**KPMG**"), with address at Torre Realia, Plaza de Europa, 41, 08908 L'Hospitalet de Llobregat, Barcelona, is the current auditor of the Company and its consolidated group's accounts.

II. Analysis of KPMG's independence during fiscal year ended December 31, 2016.

The Audit Committee, for the purposes of identifying any possible scenarios that may threaten KPMG's independence, has analysed (i) the statement of independence issued by KPMG; (ii) the applicable regulations in force on this matter; and (iii) the internal regulations concerning Grifols' corporate governance system.

This analysis is explained in depth below.

(i) Analysis of KPMG's statement of independence

In accordance with articles 529 quaterdecies, section 4 (e) of the CA; 24.ter, section e) of the Articles of Association; and 14.5, section (d) (iv), of the Regulations of the Board of Directors, the Audit Committee has received from KPMG a written statement, dated 24 February 2017, in which KPMG has stated its independence in relation to the Company.

In said statement, KPMG has also detailed the additional services of any type that were provided to the Company and its related companies by KPMG and/or individuals or entities related to it, in accordance with the current Law on Auditing of Accounts (*Ley de Auditoría de Cuentas*) ("**LAA**").

Additionally, in its written statement, KPMG declares having general procedures of independence, designed and implemented to protect its independence as auditor, such proceedings which are detailed in "KPMG Auditores, S.L.'s Transparency Report for fiscal year 2016", which is of public access.

(ii) *Analysis of the applicable legislation in force on this matter*

Pursuant to article 12.1 of the LAA, auditors must be independent and should abstain from acting when their independence is threatened. To ensure their independence, auditors must set out or provide protective measures that would allow detecting any threats to their independence, as well as to evaluate them, reduce them, eliminate them when appropriate, and periodically review them.

Additionally, it shall be understood that the external auditor was not independent in the exercise of its duties when any of the following circumstances, set out in article 13 of the LAA, occurs:

"In any event, the auditor or the auditing company will be considered as not having enough independence in the exercise of their duties, in relation to a company or entity, including any conflicts set out in other laws, when the auditor who has signed the audit report fulfils any of the following circumstances:

a) The auditor has the position of manager or director, is employed or responsible for internal controls within the audited entity, or has been granted with general powers by the audited company.

b) The auditor has a direct or indirect financial interest in the audited company if, in either case, it is a significant interest for any of the parties.

c) The auditor has a spouse, first-degree consanguinity or affinity, or second-degree collateral consanguinity, including the spouses of those with whom the latter has a relationship, or has links with businessmen, administrators or those responsible for the economic-financial area of the audited entity.

d) The auditor keeps material or prepares the financial statements or other accounting related documents of the audited entity.

e) The auditor provides assessment services to the audited company which are used to evaluate significant amounts, measured in terms of relative importance, included in the financial statements or in other accounting related documents of said entity, and which correspond to the period or exercise being audited, provided that the assessment work entails a significant degree of subjectivity.

f) The auditor provides internal audit services to the audited entity, unless the management body of the audited entity is responsible for the global system of internal control, for deciding the scope, risk and frequency of the proceedings of the internal audit, for considering and executing the results and the recommendations provided by the internal audit.

g) The auditor provides legal services simultaneously to the audited entity, unless said services are rendered by different legal persons and with different boards of directors, and which may not refer to the resolution of disputes concerning matters that may have a significant impact, measured in terms of relative importance, on the financial statements corresponding to the audited period or fiscal year.

h) The auditor receives fees from the audited company for providing audit services as well as for providing different services, as long as these represent a significant percentage of the total annual income of the auditor or audit company, taking into account the average of the last three years.

i) The auditor provides the audited company with design services and application of technology systems for financial information, used to create the data to be included in the financial statements of the audited entity, unless the latter assumes the responsibility for the global systems of internal control, or the service is provided following the specifications set out by said entity, which must also assume the responsibility for the design, execution, evaluation and running of the system."

The Audit Committee of the Company has analysed these circumstances individually and prior to the subscription and execution of any potential services to be provided by KPMG, on the basis of the information provided by the Company and KPMG, and it has determined that, without prejudice to section III of this report, none of these circumstances are fulfilled by KPMG, and therefore it should be understood that it is independent pursuant to article 13 of the LAA.

As established under article 529 quaterdecies of the CA under which authorization is required for services not prohibited, in the terms established under article 5, section 4 and 6.2.b) of the European Regulation n° 537/2014, of 16th April, and as regulated in section 3 of chapter IV, title I of the Law 22/2015, of 20th July, of Audit of Accounts, about the independence regime, the auditor shall request the corresponding approval for all services different from the audit that the Audit Company and the network to which it belongs carry out and that are on-going as of 1 January 2017, date of commencement of the first year that the audit activity is subject to the mentioned regulations. Such authorization has been issued by the Audit Committee.

(iii) Internal rules

Article 14.5, section (d), of the Regulations of the Board of Directors, confers to the Audit Committee, among others, the tasks of preserving the independence of the Company's external auditor, and the setting-up of the relevant relations with said external auditor in order to receive information of any matters that may threaten its independence.

During fiscal year 2016, KPMG attended in different occasions the meetings of Grifols' Audit Committee, at no time informing of any matters that may have threatened its independence.

III. Description of the services provided by KPMG to the Company and its related entities.

Pursuant to the provisions of the applicable legislation in force, the statement of independence issued by KPMG on 24 February 2017 includes a detail of the fees invoiced to the Company and its group during fiscal year 2016, which are detailed in the corresponding annual accounts.

From the analysis of the nature of the services provided by KPMG, and of the existing relationship between the fees of audit services and other services, there are no objective reasons which could threaten in any way KPMG's independence.

IV. Publication of this report on the Company's corporate web page.

In accordance with recommendation number 6 of the good governance code of listed companies, this report will be published on Grifols' corporate web page in sufficient advance of the Company's Ordinary General Shareholders' Meeting.

V. Conclusions.

Considering the foregoing, the Audit Committee, to the best of its knowledge, considers that during 2016 KPMG has been sufficiently independent to exercise its duties as external auditor of the Company, in accordance with the provisions of the LAA.

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Barcelona, 24 February 2017
The Audit Committee

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