

GRIFOLS, S.A.

BOARD OF DIRECTORS' REPORT REGARDING THE RESOLUTION PROPOSED IN THE NINTH ITEM ON THE AGENDA OF THE ORDINARY GENERAL SHAREHOLDERS' MEETING OF GRIFOLS, S.A.

This report is prepared in connection with the resolution proposal of share split referred to in item ninth of the agenda of the ordinary General Shareholders' Meeting of Grifols, S.A. (hereinafter, "**Grifols**" or the "**Company**") called to be held at first call at Avenida Generalitat 152-158, Polígono Can Sant Joan, Sant Cugat del Vallès (Barcelona), at 12:00 hours CET on 29 May 2014, and at second call on 30 May 2014 at the same place and time (hereinafter the "**Ordinary Meeting**").

The report is issued in accordance with the provisions of article 286 of Legislative Royal Decree 1/2010, dated 2 July, by means of which the amended text of the Companies Act (*Ley de Sociedades de Capital*) (hereinafter, the "**CA**") is approved, and it only analyses the commercial aspects required by the aforesaid article, without making any accounting, or any other kind of evaluations.

I. NINTH PROPOSAL ON THE AGENDA

Renewal of the resolution of share split of the Company's Class A and Class B shares, in the proportion of 2 new shares (whether of Class A or of Class B) for each 1 of the former shares (whether of Class A or of Class B), as may be applicable, by means of a decrease in their nominal value and the subsequent increase in the number of the Company's Class A and Class B shares, which will be multiplied by two, without any change to the total nominal value of the share capital, with the consequent renewal of the delegation of authorities to the Board of Directors for a term of 1 year. Amendment of Article 6 of the Company's Articles of Association (Share Capital). Application before the relevant domestic and foreign authorities for the listing of the new shares on the Stock Exchanges of Madrid, Barcelona, Bilbao and Valencia, as well as on the Spanish Automated Quotation System (*Sistema de Interconexión Bursátil*) (Continuous Market) and on the NASDAQ. Revocation of the previous delegation of authorities passed by the Extraordinary General Shareholders Meeting of 17 December 2013.

A. Description of the proposal

The share split proposal corresponding to the ninth item on the agenda of the Ordinary Meeting foresees (i) a share split of the Company's Class A and Class B in the proportion of 2 new shares (whether of Class A or of Class B) for each one (1) of the existing shares (whether of Class A or of Class B), by means of a decrease in their nominal value, and the subsequent increase in the number of the Company's Class A and Class B shares, which will be multiplied by two, without any change to the total nominal value of the share capital; as well as (ii) the delegation of authorities to the Board of Directors, with full power of substitution in any of its members, with the faculty to determine the date on which the share split to be approved by the Ordinary Meeting is going to take place in the terms agreed,

as well as determine its conditions in all matters not established by the Ordinary Meeting.

The share split will take place by means of a decrease in the nominal value of the Company's shares, as a result of which the nominal value of Class A shares will go from the current value of Euro 0.50 per share to Euro 0.25 per share, and the nominal value of Class B shares will go from the current value of Euro 0.10 per share to Euro 0.05 per share. Therefore, the number of the Company's Class A and Class B shares will increase, being multiplied by two.

In this sense, the Board of Directors, or any of its members in the case of substitution of the former by this last, will have the faculty to amend article 6 of the Company's Articles of Association regarding share capital, as established by article 297.2 of the CA, redrafting its contents to adapt them to the number of Class A and Class B shares into which the share capital will be divided as a result of the share split and its corresponding nominal value.

The Board of Directors, or any of its members in the case of substitution of the former by this last, will adopt the relevant resolutions of application for the listing of the new Class A and Class B shares resulting from the share split on the Stock Exchanges in Madrid, Barcelona, Bilbao and Valencia, as well as in the Spanish Automated Quotation System (Sistema de Interconexión Bursátil / Continuous Market), and via ADSs (American Depositary Shares), on the National Association of Securities Dealers Automated Quotation (NASDAQ) and the simultaneous exclusion, if applicable, from trading of the Company's former Class A and Class B shares, as well as the inclusion of the new Class A and Class B in the accounting registries of the company Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear).

The present resolution will have no effect if the share split does not take place within one year as from the date of the approval of this resolution by the Ordinary Meeting.

B. Justification of the proposal

Given that the delegation of authorities granted to the Board of Directors by the General Extraordinary Shareholders' Meeting dated 17 December 2013 for the execution of the resolution of the Company's share split, which was passed at said General Shareholders' Meeting, expires on 17 December 2014 and given the fact that it is not foreseen that an Extraordinary Shareholders Meeting will take place on December of this year, it is deemed convenient to renew and, consequently, pass again said share split resolution and that of the delegation of its execution to the Board of Directors of the Company. In addition to renewing and, consequently, passing again said resolutions, it is proposed to revoke and leave without effects in all of its terms the previous delegation of authorities to the Board of Directors passed by the Extraordinary General Shareholders Meeting of 17 December 2013.

The purpose of increasing the number of Company shares in circulation and simultaneously decreasing their nominal value is to make the shares more

accessible to the investor, without said reduction changing the shareholder's participation in the Company or affecting the Company's own resources.

This transaction would directly benefit the Company's shareholders, who will automatically exchange their old Class A and/or Class B shares, of Euro 0.50 and 0.10 of nominal value, respectively, in a split of 2 new shares (whether Class A or Class B) for one of the former shares (whether Class A or Class B) they own, which will increase liquidity and the trading of their shares in the secondary markets, without any disbursement or detriment to their political or economic rights.

Based on the above, the Board considers advisable and convenient for the interests of the Company and its shareholders to present to the Ordinary Meeting a proposal of renewal of the share split, delegating once again its execution to the Board of Directors in order to achieve the indicated aims at the most suitable time.

II. RESOLUTION PROPOSALS TO BE SUBMITTED TO THE ORDINARY MEETING

The complete text of the proposed share split resolution that is being submitted to the Ordinary General Shareholders' Meeting, may be examined in the document called "*Proposed resolutions to be submitted to the General Shareholders Meeting*" that is made available to the shareholders of Grifols together with this report and the remaining documentation of the Ordinary Meeting.

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Barcelona, 21 February 2014
The Board of Directors

THIS DOCUMENT CONSTITUTES A TRANSLATION INTO ENGLISH OF THE OFFICIAL SPANISH VERSION OF THE BOARD OF DIRECTORS' REPORT REGARDING THE RESOLUTIONS TO BE SUBMITTED TO THE APPROVAL OF THE GENERAL SHAREHOLDERS' MEETING. IN CASE OF DISCREPANCIES, THE OFFICIAL SPANISH VERSION SHALL PREVAIL.