

Grifols strengthens its R&D+i through investee companies

Grifols opens new lines of research with the acquisition of a 44% stake in GigaGen for USD 35 million

- ***GigaGen is a pre-clinical biotherapeutics company based in San Francisco that uses human B cells¹ to capture the genetic diversity of antibodies and transform them into therapies to treat severe diseases***
- ***GigaGen researches and develops novel recombinant monoclonal and polyclonal antibody therapies***
- ***Grifols will invest an additional USD 15 million to finance GigaGen's research on recombinant polyclonal immunoglobulin drug products derived from human B cells for the treatment of human diseases***

Barcelona (Spain), July 5, 2017.- Grifols, (MCE:GRF, MCE:GRF.P and NASDAQ:GRFS) one of world's top three producers of plasma-derived medicines and a forerunner in the research and development of therapeutic alternatives that drive scientific and social progress, reached an agreement to acquire a 43.96% stake in GigaGen Inc. for USD 35 million in cash. GigaGen is a biopharmaceutical company based in San Francisco (California) specialized in the discovery and development of pre-clinical biotherapeutics.

GigaGen focuses its activity on discovering new biological treatments by using antibodies derived from millions of cells within immune repertoires. Among other applications, its innovative technological platform enables identifying and analyzing the genetic diversity of B cells to convert them into polyclonal recombinant antibodies (biotherapeutics) that improve outcomes for patients with severe diseases.

GigaGen currently has several projects under way in collaboration with various pharmaceutical companies aimed at discovering new treatments. The company also heads a range of in-house research projects, including the development of world's first recombinant intravenous immunoglobulin and a diverse portfolio of immuno-oncology therapies.

The transaction has been carried out through Grifols Innovation and New Technologies Limited (GIANT), which oversees all of the company's external R&D+i investments.

In addition, Grifols and GigaGen have entered into a research and collaboration agreement whereby, in exchange of a collaboration fee of USD 15 million in the aggregate, GigaGen will commit to carry out research activities to develop recombinant polyclonal immunoglobulin therapies derived from human B cells for the treatment of human diseases.

¹ *Type of white blood cell that makes antibodies. B cells are part of the immune system and develop from stem cells in the bone marrow. They are also known as B-lymphocytes.*

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This transaction allows Grifols to further strengthen its R&D+i portfolio by acquiring holdings in research projects and companies that complement its activity and hold the potential of generating high added value for the Group.

This agreement provides further evidence that Grifols' longstanding commitment to research, development and innovation goes beyond internal resources. Grifols has developed a comprehensive approach through internal investments in its own projects and external investments in investee companies like Albajuna, Alkahest, Araclon, Aradigm, Grifols Kiro Robotics and Singulex. This approach also comprises on-going collaborations in the scientific and research fields.

Taking into account internal and external net investments, as well as the acquisition of equity stakes in research companies, Grifols allocated Euros 294.3 million toward R&D+i initiatives in 2016, including Euros 219.9 million for internal net investments.

About GigaGen

GigaGen is a biopharmaceutical company that develops novel antibody therapies derived from immune repertoires. GigaGen's technology platform captures the genetic make-up of entire immune repertoires, genetically analyzing B cells at a rate of millions per hour, while simultaneously identifying their antigen and protein binders.

GigaGen has drug discovery projects with several pharmaceutical companies in addition to its own pipeline for development of the first recombinant intravenous immunoglobulin (IVIG) and immuno-oncology therapies. For more information visit www.gigagen.com

About Grifols

Grifols is a global healthcare company founded in 1940. Grifols has over 75 years improving people's health and wellbeing through the development of life-saving plasma medicines, diagnostics systems, and hospital pharmacy products.

The company is present in more than 100 countries worldwide and is headquartered in Barcelona, Spain. Grifols is a leader in plasma collection with a network of close to 180 plasma donor centers in the U.S., and a leading producer of plasma-derived biological medicines. The company also provides a comprehensive range of transfusion medicine, hemostasis, and immunoassay solutions for clinical laboratories, blood banks and transfusion centers, and is a recognized leader in transfusion medicine.

In 2016, sales exceeded 4,000 million euros with a headcount close to 15,000 employees. Grifols demonstrates its commitment to advancing healthcare by allocating a significant portion of its annual income to R&D. The company's class A shares are listed on the Spanish Stock Exchange, where they are part of the Ibex-35 (MCE: GRF). Its non-voting class B shares are listed on the Mercado Continuo (MCE: GRF.P) and on the U.S. NASDAQ via ADRs (NASDAQ: GRFS). For more information visit www.grifols.com

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