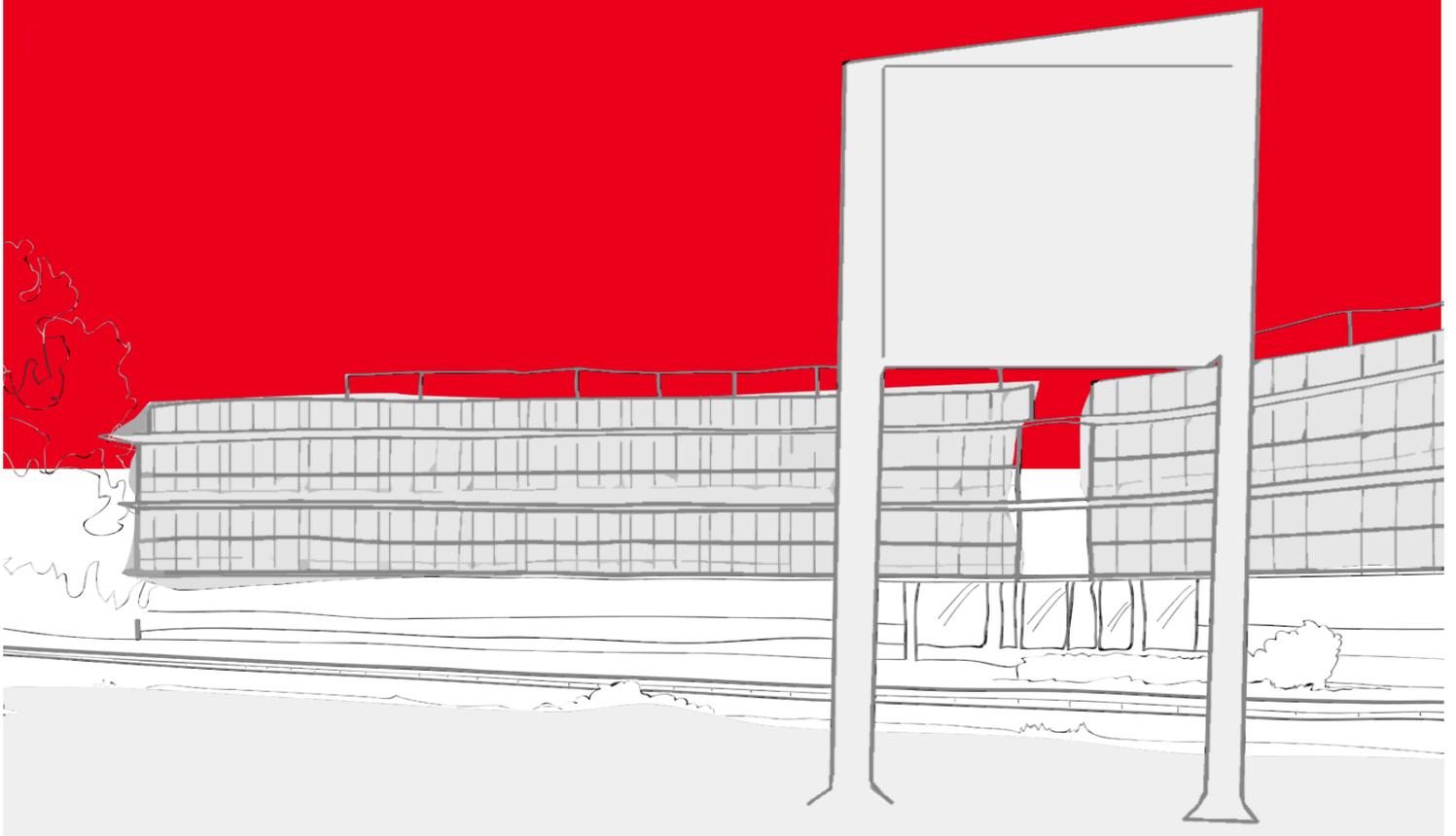


Financial Information

First Quarter 2017



 **MAPFRE**

Your trusted insurance company

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1. Key Figures

	3M 2016	3M 2017	Δ %
Results			
Income	7,263.2	7,854.9	8.1%
Total written and accepted premiums	6,112.9	6,674.6	9.2%
- Non-Life	5,024.5	5,217.9	3.8%
- Life	1,088.4	1,456.7	33.8%
Net result	191.7	206.2	7.5%
Earnings per share (euros)	0.06	0.07	7.5%
Balance sheet			
Total assets	65,408.1	69,731.6	6.6%
Assets under management	55,471.7	60,521.2	9.1%
Shareholders' equity	8,491.7	9,052.6	6.6%
Debt	1,775.1	2,818.0	58.8%
Ratios			
Non-Life Loss Ratio	69.4%	70.8%	1.5 p.p
Non-Life Expense Ratio	27.4%	26.7%	-0.7 p.p
Non-Life Combined Ratio	96.8%	97.5%	0.7 p.p
ROE	7.8%	9.0%	1.2 p.p
Employees			
Total	37,839	36,658	-3.1%
- Spain	10,725	10,805	0.7%
- Other countries	27,114	25,853	-4.7%
MAPFRE share			
Market capitalization (million euros)	5,848.1	9,900.8	69.3%
Share price (euros)	1.899	3.215	69.3%
Share price variation in the year	-17.9%	10.9%	--
	12M 2015	12M 2016	Δ %
Solvency			
Solvency ratio	198.0%	210.0%	12.0 p.p

Figures in million euros

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WARNING: The English version is only a translation of the original in Spanish for information purposes. In case of discrepancy, the Spanish version shall prevail.

2. Macroeconomic Overview and Insurance Markets

Overview

Global activity continued to accelerate at a rate of 1% in the first quarter of 2017, confirming the trend of 2.6% for the whole year, with growing contributions from developed markets with respect to the previous year and more moderate contributions from emerging markets (1.9% and 4.5%, respectively). In general, market expectation and valuation indicators (like industrial production or retail sales) contrast with the real data from the first quarter of the year, which are somewhat more moderate. Worldwide sales indicators suggest a certain tone to the rise although they are regionally heterogeneous. Economic activity growth is on the rise in the United States and Eurozone, stable in China, and remains moderate and mixed among emerging countries.

Inflation is accelerating in developed markets thanks to the base effects of commodity prices, but underlying inflation is still moderate. The U.S. Federal Reserve Bank raised interest rates in March, though it is maintaining a gradual rhythm. New rate hikes are expected to reach 1.5% by the end of the year. On the other hand, the European Central Bank (ECB) is maintaining its monetary policy, despite the more bullish global panorama of interest rates and inflation. Knowing the monetary normalization process, balance sheet adjustments are not expected until the end of 2019 (only after eliminating negative rates and the beginning of interest rate rises).

In emerging markets, the strong bullish turn of Turkey and Mexico stand out. Turkey raised the marginal lending facility interest rate again, with an accumulated average financing cost increase as of the beginning of the first quarter of 2017. In Mexico, a less restrictive bias is expected, given the improved inflation panorama and the peso's stabilization, but that does not rule out new interest rate hikes in the rest of the year. In Brazil, monetary relaxation continues with additional interest rate cuts.

The following sections give a more detailed analysis of the most relevant geographic markets MAPFRE operates in:

Eurozone

The Eurozone GDP is slowly gaining traction, growing at a rate of 0.4% in the fourth quarter of 2016, which would bring overall annual growth to 1.7%, thanks to the performance of exportation and investment that, in part, compensated for a growing consumer lethargy. Retail sales and consumer confidence reports in February seem to confirm said lethargy. Similar growth is expected for the GDP and inflation throughout 2017 (1.5%), with Spain and Germany being the highest-contributing countries to both. The Euro Stoxx 50 Index increased by 6.4%, reaching 3,501 points in the first quarter of 2017. The ECB is maintaining its monetary policy, without touching interest rates or the asset purchasing program (60 billion euros to December 2017). Learning the general timeline of monetary normalization was relevant, with adjustments on negative rates first, followed by the beginning of increases and correction of the ECB balance sheet which is not expected before the end of 2019.

Spain

In Spain, the anticipated slow-down of economic activity seems to be delayed, with a bias toward growth in the first quarter of 2017. The advance indicators anticipate growth close to 0.9% in the first quarter of the year, which points toward expectations for the whole year of around 2.5%. However, though it is still robust, indications of consumption fatigue anticipate a slow-down with respect to the previous year, especially given the increase in inflation which limits real salary growth. Exportation and investment partially compensate this dynamic. It is worth pointing out that real estate investment is beginning to pick up thanks to price increases in 2016 and the depletion of idle capacity. Construction is expected to contribute to GDP growth in 2017 for the first time since the crisis. Inflation is predicted to stand at 1.4% at the end of 2017, after slowing down in the second half of the year. The IBEX 35 Index increased by 11.9% in the first quarter, reaching 10,463 points.

United States

February's employment data was surprising (+235,000), though they were more moderate in March (98,000 vs. the expected 131,000). Although the unemployment information for March (4.5%) is consistent with a situation of full employment, the moderation in salary growth (0% in real terms, 2.7% nominal) stands out. The relative standstill of industrial production contrasts with the purchasing managers' indexes (PMIs), which remain very positive. Inflation continues to moderately accelerate due to the base effect of energy prices, but in light of the absence of changes in salary, the pick-up is expected to be more moderate in the second half of 2017. GDP growth is expected to be approximately 1.7% in the first quarter of 2017. For the annual aggregate, increases of 2.3% and 2.2% are expected in economic and inflation growth, respectively (after registering 1.6% and 1.8% in 2016).

The monetary policy is gaining strength. After the first rise in 2017 by the Federal Open Market Committee (FOMC), the interest rate stands at 1%. Two more increases are expected in the second half of the year, placing the interest rates at 1.5% in December 2017. The 10-year interest rate has gradually grown in line with the materialization of inflation and activity expectations. As a result, the 10-year Treasury Note is expected to stand at around 2.7% at the end of the year. The S&P 500 Index increased by 5.5% (2,363 points) in the first quarter of 2017. Finally, the dollar-euro exchange rate is under pressure. It currently stands at 1.06 USD/EUR and is expected to get closer to relative parity (1.01 USD/EUR) at the end of the year.

Brazil

In Brazil, with the 2016 fourth quarter GDP information, annual GDP growth will stand at -3.6% compared to the previous year, which is essentially explained by the negative contribution of domestic demand. Though the data for confidence, consumption, and exports registered in the first quarter of 2017 are consistent with positive data leaning toward growth, it is foreseeable that the weakness of the Brazilian economy's growth holds steady throughout this year. Therefore, despite the slight improvement in real disposable income thanks to the let-up of inflation, growth in 2017 is expected to be close to zero. On the other hand, the surprising drop in inflation helps eliminate pressure on monetary policy. The Central Bank is expected to cut interest rates between two and four times throughout the rest of 2017, bringing the SELIC (the intervention interest rate) to approximately 300 bps below where it currently is. This strategy is

expected to be maintained in 2018 as well. Monetary support will be accompanied by fiscal incentives that could contribute close to half a point of GDP on average over the course of the next two years. However, a large part of the materialization of more dynamic economic activity will depend on the viability of the fiscal policy, and, to a great extent, on the development of the country's political environment. Regarding the stock market, the BOVESPA Index increased by 7.9% in the first quarter of 2017, reaching 64,984 points.

Turkey

In a challenging political and economic environment, Turkey's economic activity in the fourth quarter of 2016 registered growth of 3.8% in the adjusted year-on-year rate. With this information, the GDP grew by an average of 2.9% in 2016. The pick-up was backed by public policies. The first quarter of 2017 is expected to be more moderate, given industrial production and electricity consumption data. The foreseeable adjustment will bring the GDP up 2.3% throughout 2017. There was a strong growth in inflation in March (11.3%), not only from the effect of the price of energy products, but also from underlying inflation. It is expected that inflation at the end of the year will stand well-above the Central Bank's objective (8.5% vs. the 5% target), which anticipates that monetary policy tightening will continue. The Central Bank raised marginal lending facility rates in March to 11.4%, tightening by 300 bps the accumulated average cost of financing so far this year (8.5%). This strategy is expected to be maintained until reaching an average financing cost of 9%. The Turkish lira has depreciated compared to the dollar (3.3% in 2016), and despite the efforts of the Central Bank a continued depreciation of up to 3.8% is expected. On the other hand, the BIST 100 Index increased by 13.8% in the first quarter of 2017, reaching 88,947 points.

Mexico

The Mexican economy continues to show signs of a slight slow-down. Though private consumption has lost energy in the first quarter, it has done so at a rate marked by the more-moderate inflation dynamic. Based on the information regarding exportation and industrial production, it is expected that Mexican economic activity grows 1.9% in 2017. However, industrial performance will depend on the development of foreign trade and on the reformulation of NAFTA, along with the possible inclusion of an importation tax from the United States. Initial expectations regarding this process have improved, which has fostered the appreciation of the Mexican peso throughout the first quarter, from record lows of 22 MXN/USD to the current 19 MXN/USD. The exchange rate, excluding any shocks, will hold at around 19-20 MXN/USD until the end of 2017. On the other hand, the Bank of Mexico raised the interest rate 50 bps to 6.25% in March, in line with the United States' monetary policy and in order to limit the deterioration of the exchange rate. However, two more interest rate rises are expected, reaching 6.75% toward the end of the year. Finally, the CPI on the Mexican Stock Exchange (BMV) increased by 6.3% in the first quarter of 2017, reaching 48,542 points.

Main currencies compared to the euro

	Var. Average Exchange Rates 3M 2017 vs. 3M 2016	Var. Exchange Rates 3M 2017 vs. 3M 2016	Var. Exchange Rates 3M 2017 vs. 12M 2016
US dollar	4.0%	6.7%	-1.4%
Brazilian real	27.9%	21.4%	2.5%
Turkish lira	-18.0%	-17.2%	-4.2%
Mexican peso	-6.3%	-1.8%	9.3%
Colombian peso	14.1%	11.7%	3.0%
Chilean peso	9.6%	7.9%	0.3%
Peruvian sol	9.4%	9.2%	1.9%
Argentinian peso	-2.6%	1.2%	1.7%
Panama balboa	4.0%	6.7%	-1.4%
Dominican peso	1.1%	3.8%	-2.4%
Honduras lempira	-0.7%	2.8%	-1.4%

3. Consolidated Result

Operating Income

Consolidated Income			
	3M 2016	3M 2017	Δ %
Total written and accepted premiums	6,112.9	6,674.6	9.2%
Financial income	1,029.1	1,012.6	-1.6%
Income from non-insurance undertakings and other	121.2	167.8	38.4%
Total consolidated income	7,263.2	7,854.9	8.1%

Figures in million euros

The Group's consolidated income reached 7.855 billion euros, with growth of 8.1 percent, which strengthens the upward trend of the last few years.

Premiums from direct insurance and accepted reinsurance, which represent a fundamental part of revenue, reached 6.675 billion euros, with significant growth of 9.2 percent, backed by both the increase in premiums in original currency in each country, and by the appreciation of certain currencies, primarily the Brazilian real and the U.S. dollar.

This increase in premium growth is framed in the Group's strategic line of "profitable growth", which aims to improve profitability mainly in Non-Life insurance. As a result, in the first quarter of 2017, the cancellation of unprofitable policies has continued, mainly in Motor and General General P&C, which partially conditions growth. It is worth highlighting the growth in sales in Life Savings products in Iberia, among which the *unit-linked* products stand out. In summary, Non-Life premiums rose by 3.8 percent while Life premiums reached relevant growth of 33.8 percent.

By Non-Life business type, Motor is the most important line, with 1.932 billion euros in premiums and growth of 2.4 percent. General P&C holds second place, with 1.663 billion euros and growth of 9.5 percent, and Health and Accidents is in third place with 713 million euros in premiums and 1.3 percent growth.

Gross financial income reached 1.013 billion euros, with a slight reduction due to the continued low-interest rate environment in Europe and the reduction of realized gains attributed to Life insurance policyholders, primarily in Spain. On the plus side, financial income in the USA and Brazil reflects the greater contribution of these areas with the appreciation of their respective currencies.

Finally, other income, which mainly includes non-insurance activity and non-technical income, reflects an increase primarily from the cancellation of a reserve for contingent payments in the bancassurance channel totaling 29 million euros, as certain long-term objectives were not reached.

Results

Income Statement			
	3M 2016	3M 2017	Δ %
Non-Life Business			
Gross written and accepted premiums	5,024.5	5,217.9	3.8%
Net premiums earned	3,507.9	3,602.8	2.7%
Technical result	112.8	89.8	-20.4%
Net financial income	190.9	168.0	-12.0%
Other non-technical income and expenses	-23.5	-5.4	77.2%
Result of Non-Life business	280.2	252.4	-9.9%
Life Business			
Gross written and accepted premiums	1,088.4	1,456.7	33.8%
Net premiums earned	1,049.0	1,396.1	33.1%
Technical result	-156.4	-164.1	-4.9%
Financial result and other non-technical income	326.7	389.5	19.2%
Result of Life business	170.2	225.4	32.4%
OTHER ACTIVITIES			
Net operating revenues and expenses	-6.6	-14.6	-119.8%
Net financial income and other	-9.8	-5.5	44.0%
Result from other business activities	-16.5	-20.1	-22.0%
Hyperinflation adjustments	-8.8	-9.3	-5.7%
Result before tax	425.2	448.4	5.5%
Income tax	-138.1	-129.1	-6.5%
Result after tax from discontinued operations	0.0	0.0	--
Result for the period	287.1	319.3	11.2%
Result attributable to non-controlling interests	95.4	113.2	18.7%
Result attributable to the controlling Company	191.7	206.2	7.5%

Figures in million euros

The attributable result reached 206 million euros, with growth of 7.5 percent. The chart included gives a summary of the consolidated income statement for the first quarter of 2017, showing the various components of MAPFRE's earnings and the comparison with the previous year.

Non-Life

Non-Life results rose to 252 million euros, with a 9.9% reduction compared to the previous year. The results from IBERIA and MAPFRE RE continue to be relevant, but the effect of the following events has implied an increase in the loss ratio in the first quarter of 2017:

1. Adverse weather conditions with torrential rain in the south of Spain, and in Peru and Colombia, affected by the coastal Niño phenomenon
2. Occurrence of several large claims in the MAPFRE GLOBAL RISKS portfolio.
3. Deterioration of the Motor line result in Mexico and Brazil, mainly due to the increase in claims frequency.

With regard to operating expenses, the various cost-reduction and -elimination plans implemented have allowed for a reduction in the expense ratio, which stands at 26.7 percent as at March 2017, compared to the 27.4 percent from the previous year.

Financial returns from Non-Life business show a reduction of 23 million as compared to the previous period, due to the reduction of investment portfolio profitability in Europe. The foreign exchange differences have also had a negative impact, falling from 10.2 million euros in March 2016 to -0.2 million euros in March 2017.

Life

Life results grew to 225 million euros, with growth above 32 percent and surpassing the previous year by 55 million. IBERIA's contribution to earnings stand out, both for its improvement in margins as well as for the effect of the cancellation of a reserve for contingent payments in the bancassurance channel totaling 29 million euros. It is worth highlighting the improvement in margins in protection products sold through the bank channel in Brazil, despite the difficult context they operate in.

Other aspects

Income taxes decreased by 9 million euros, due to the reduction of the taxes paid in Brazil, thanks to the improved development of the Agricultural business, which has tax reliefs.

Finally, the increase in the attributable result to non-controlling interests is mainly a result of the improved Life business in Brazil, and also in the bancassurance business in Spain.

4. Consolidated Balance Sheet

4.1. Balance Sheet

Balance Sheet			
	31.03.2016	31.12.2016	31.03.2017
Goodwill	2,031.3	1,990.0	1,981.8
Other intangible assets	1,645.8	1,808.9	1,816.5
Other fixed assets	289.8	293.6	297.6
Cash	1,131.3	1,451.1	2,503.9
Real Estate	2,285.1	2,277.8	2,262.4
Financial investments	41,081.1	42,540.9	42,153.4
Other investments	1,139.9	1,272.2	1,400.7
Unit-Linked investments	1,883.8	2,014.0	2,316.5
Participation of reinsurance in technical reserves	3,939.6	3,934.4	4,045.9
Debt due on insurance and reinsurance operations	6,010.4	5,191.6	5,688.1
Deferred taxes	273.3	335.3	345.1
Assets held for sale	40.3	911.2	904.4
Other assets	3,656.5	3,860.7	4,015.5
TOTAL ASSETS	65,408.1	67,881.8	69,731.6
Equity attributable to the Controlling company	8,491.7	9,126.5	9,052.6
Non-controlling interests	1,980.8	2,317.0	2,168.3
Equity	10,472.5	11,443.5	11,220.9
Financial debt	1,775.1	2,202.9	2,818.0
Technical reserves	46,413.2	47,240.1	48,178.9
Reserves for risks and expenses	672.0	752.8	684.0
Receivables on insurance and reinsurance operations	2,690.5	1,998.8	2,187.9
Deferred taxes	764.8	730.7	731.6
Liabilities held for sale	0.0	690.3	684.3
Other liabilities	2,620.0	2,822.7	3,225.9
TOTAL LIABILITIES	65,408.1	67,881.8	69,731.6

Figures in million euros

Total assets surpass 69.731 billion euros as at March 31, 2017 and grew more than 6 percent compared to the same period the previous year, and almost 3 percent compared to December 31, 2016. The most relevant changes are analyzed below:

1. The increase in Cash and Financial Debt is mainly due to the issuance in March 2017 of 600 million euros of subordinated debt.
2. The increase in Assets and Liabilities held for sale correspond primarily to those contributed to the Group by Duero Vida and Duero Pensiones, undertakings over which the bancassurance partner has exercised its call option for the shares that MAPFRE has in those undertakings, which process is currently underway as at March 31, 2017.
3. The changes in Financial Investments, Technical Reserves, and the captions for Assets and Liabilities from insurance and reinsurance operations are a result of the business

management process itself, without any relevant or extraordinary facts that impacted said items.

4. Changes in equity correspond to the earnings from the period and the distribution of dividends, as well as the changes in value of investments available for sale and currency conversion differences of financial accounts denominated in currencies other than the euro.

Balance sheet details are shown in Appendix 13.1, Consolidated Balance Sheet.

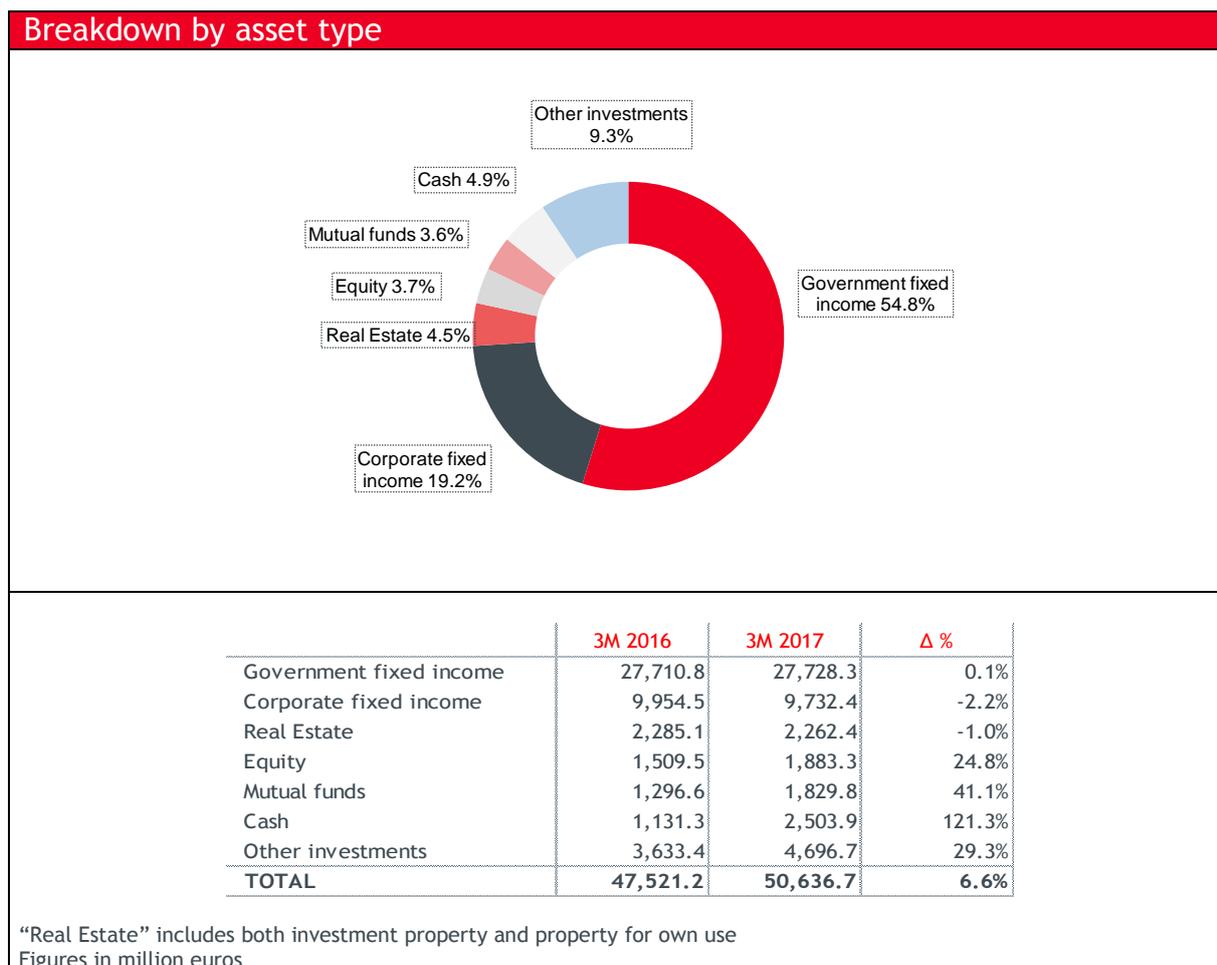
4.2. Investment Portfolio

In the first quarter of the year, the investment strategy has continued to be marked by a low-interest rate environment in Europe, in the medium-term, despite the fact that the increase of political risk perception in some countries has caused pick-ups in interest rates for peripheral debt, and therefore, risk premiums. However, in the United States, the interest rate rise has been less evident, though it is expected to continue gradually over the course of the year. On the other hand, the improvement in economic activity in general and specifically in emerging markets has favored the appreciation of the Brazilian real and the Mexican peso in 2017, while the U.S. dollar and the Turkish lira have continued to depreciate slightly in the same period.

In this context of greater economic growth and improved expectations for company earnings, investments in fixed income have been reduced little by little and positions have been taken in equity assets, and to a lesser extent, alternative assets. As such, exposure to national and corporate debt in the investment portfolio has gone from 57.2 percent and 20.2 percent to 54.8 percent and 19.2 percent of the portfolio, respectively, including market impacts as well. With respect to accounting yield, Life portfolios have fallen slightly from 4.10 percent to 4.01 percent in the last quarter, while the Non-Life portfolio has gone from 2.7 percent to 2.42 percent, primarily as a result of the reallocation of assets and of market expectations. On the other hand, equity and mutual fund exposure has increased from 3.4 percent and 3.3 percent of the portfolio to 3.7 percent and 3.6 percent, respectively. It is important to point out that at the end of 2016 MAPFRE AM Luxembourg was established, the SICAV for MAPFRE Group investments.

Taking advantage of the uptick in the revaluation of the stock markets in the first quarter, capital gains were realized, mainly in undertakings with portfolios in Spain, and in equities from the financial sector.

Below, details of the investment portfolio by asset type are given:



Appendix 13.1, Consolidated Balance Sheet, includes a breakdown of the financial investments: by held to maturity portfolio, portfolio available for sale, and trading portfolio.

Breakdown of Fixed Income portfolio by geographic area and by asset type

	Government	Total Corporate Debt	Corporate without collateral	Corporate with collateral	Total
Spain	16,176.0	2,264.3	776.4	1,488.0	18,440.4
Rest of Europe	3,593.6	4,100.2	3,504.2	596.0	7,693.8
United States	1,427.3	2,360.1	2,262.3	97.7	3,787.3
Brazil	3,740.0	1.0	1.0	0.0	3,741.1
Latin America - Other	2,148.9	734.1	655.1	79.0	2,883.0
Other countries	642.5	272.7	259.5	13.2	915.2
TOTAL	27,728.3	9,732.4	7,458.5	2,273.8	37,460.7

Figures in million euros

Four different types of portfolios are included in investment portfolio management:

- Those that aim for a strict immunization from the obligations derived from insurance contracts, and which minimize interest rate risk, through matching adjustments, by means of immunization techniques based on matching cash flow or duration.
- Portfolios that cover *unit-linked* policies, composed of assets whose risk is borne by policyholders.
- Those that aim to exceed the guaranteed returns and to obtain greater returns for policyholders within prudential parameters, such as portfolios with profit-sharing.
- Actively managed portfolios, which are only conditioned by the legal rules and internal risk limitations.

Breakdown of actively managed Fixed Income portfolios

	Market Value (Fixed Income)	Accounting Yield	Market Yield	Modified Duration
Non-Life (IBERIA + MAPFRE RE + GLOBAL RISKS)				
31.03.2016	7,454.3	2.70%	1.03%	6.64%
31.12.2016	7,569.0	2.70%	1.30%	6.44%
31.03.2017	7,700.4	2.42%	1.19%	6.49%
Life (IBERIA)				
31.03.2016	7,086.3	4.19%	1.14%	6.96%
31.12.2016	6,738.0	4.10%	1.00%	7.14%
31.03.2017	6,889.4	4.01%	1.15%	7.03%

Figures in million euros

4.3. Equity

The following chart shows changes in equity attributable to the controlling Company in the period:

Equity attributable to the controlling Company		
	31.12.2016	31.03.2017
BALANCE AT 31/12 PREVIOUS YEAR	8,573.7	9,126.4
Additions and deductions accounted for directly in equity		
Financial assets available for sale	192.4	-195.9
Currency conversion differences	218.0	14.9
Shadow accounting	-189.1	181.0
Other	-0.8	0.3
TOTAL	220.5	0.3
Result for the period	775.5	206.2
Dividends	-400.3	-261.8
Other changes in net equity	-42.8	-18.6
BALANCE AS AT PERIOD END	9,126.5	9,052.6

Figures in million euros

Consolidated equity amounted to 11.221 billion euros as at March 31, 2017, as compared to 11.444 billion euros as at December 31, 2016. Of this amount, 2.168 billion euros correspond to shares in subsidiaries from non-controlling interests, primarily financial undertakings in Spain and Brazil that MAPFRE has bancassurance agreements with. Attributable equity of the consolidated controlling Company per share is 2.94 euros as at March 31, 2017 (2.76 euros as at March 31, 2016).

Equity attributable to the controlling Company in the first quarter of 2017 includes:

- A reduction of 196 million in the market value of the assets available for sale portfolio due to the risk premium increase in the peripheral European countries. Of these, 181 million correspond to investments subject to Life portfolios linked to products with profit sharing, and therefore are shown as income by shadow accounting.
- An increase of 15 million for currency conversion differences, due to the appreciation of the Mexican peso and Brazilian real in the quarter, which amount has compensated the fall of the U.S. dollar and the Turkish lira.
- Profits from the quarter.
- A reduction of 262 million euros equivalent to the final dividend from the 2016 period approved by the Annual General Meeting in March 2017 and which will be paid in June, 2017.

The evolution and breakdown of the equity attributable to the controlling Company are shown below:

Equity attributable to the controlling Company					
	31.12.2013	31.12.2014	31.12.2015	31.12.2016	31.03.2017
Capital, retained earnings and reserves	8,389.0	8,898.8	9,086.4	9,456.5	9,382.3
Treasury stock and other adjustments	0.0	0.0	-2.4	-60.2	-60.2
Net capital gains (financial investments - technical reserves)	224.2	890.4	632.2	654.7	640.1
Foreign exchange differences	-779.8	-636.5	-1,142.5	-924.4	-909.5
Attributable equity	7,833.5	9,152.7	8,573.7	9,126.5	9,052.6

Figures in million euros

Appendix 13.1, Consolidated Balance Sheet, includes details regarding equity.

4.4. Funds under Management

The following charts show the performance of managed savings, including both technical reserves of Life insurance companies, and the Life reserves of multiline insurance companies, which are presented in the Group's consolidated balance sheet.

In addition to the Life insurance operations, MAPFRE manages its clients' savings through pension and mutual funds, which are off-balance transactions.

The following chart shows the details of and changes in managed savings, which includes both concepts:

Managed savings			
	31.03.2016	31.03.2017	Δ %
Life technical reserves	28,101.0	29,300.1	4.3%
Pension funds	4,408.3	4,816.3	9.3%
Mutual funds and other	3,542.2	5,068.2	43.1%
Subtotal	36,051.4	39,184.6	8.7%

Figures in million euros

Changes in the managed savings reflect:

1. The increase in technical reserves, both from their own capitalization as well as for the growth of new products, mainly *unit-linked*.
2. The growth in pension and mutual funds, fruit of MAPFRE's strategy to push *Asset Management* as an alternative to traditional Life Savings products, which clients are less interested in, in the current low-interest rate environment.

- The increase in value of managed savings in Brazil from the appreciation of the currency.

The following chart reflects the performance of assets under management, which includes the total Group's investment portfolio as well as pension and mutual funds, and which shows a growth of 9.1 percent, similar to the increase in Managed Savings:

Assets under management			
	31.03.2016	31.03.2017	Δ %
Investment portfolio	47,521.2	50,636.7	6.6%
Pension funds	4,408.3	4,816.3	9.3%
Mutual funds and other	3,542.2	5,068.2	43.1%
TOTAL	55,471.7	60,521.2	9.1%

Figures in million euros

5. Information by Regional Area

MAPFRE manages its insurance business through seven Regional Areas that group different geographically-close countries, and which comprise the different operations of the INSURANCE, ASSISTANCE, and GLOBAL RISKS businesses.

The following chart shows the Non-Life premiums and results, and well as the combined ratio.

Key figures								
	Premiums			Attributable result			Combined ratio	
	3M 2016	3M 2017	Δ %	3M 2016	3M 2017	Δ %	3M 2016	3M 2017
IBERIA	2,280.3	2,500.5	9.7%	112.3	134.0	19.3%	91.6%	94.4%
BRAZIL	937.3	1,254.9	33.9%	27.0	27.0	0.0%	99.7%	98.4%
LATAM NORTH	363.2	387.5	6.7%	18.0	8.7	-51.6%	93.2%	95.8%
LATAM SOUTH	486.0	472.0	-2.9%	11.2	12.6	12.5%	97.1%	101.3%
NORTH AMERICA	683.0	729.6	6.8%	16.8	17.7	5.6%	100.6%	101.4%
EMEA	757.8	731.7	-3.4%	-10.9	-4.9	54.8%	106.7%	105.3%
APAC	35.7	35.9	0.6%	-6.2	-4.9	20.7%	119.3%	119.1%

Figures in million euros

The most significant aspects are:

1. Premiums and results show very solid growth in the Group's most important Areas: IBERIA, BRAZIL and NORTH AMERICA.
2. LATAM SOUTH decreases in premiums, due to the reduction of Industrial Risks business in Peru and Chile. EMEA also falls, mainly in Turkey, both from growth containment in compulsory Motor insurance as well as from the currency devaluation.
3. LATAM NORTH, though it shows growth of 6.7 percent in the first quarter, its result reflects deterioration as a consequence of the higher loss ratio in Motor in Mexico.
4. EMEA presents a loss of 5 million due to the results of ASISTENCIA in the United Kingdom and certain large claims in GLOBAL RISKS, claims which also happened in APAC and generated losses. These facts produce combined ratios that are significantly above the Group average, and which need to improve in the future.

6. Information by Business Unit

MAPFRE manages its business through four business units: Insurance, Reinsurance, Assistance, and Global Business.

The chart below shows premiums, attributable result, and combined ratio for Non-Life for the business units:

Key figures								
	Premiums			Attributable result			Combined ratio	
	3M 2016	3M 2017	Δ %	3M 2016	3M 2017	Δ %	3M 2016	3M 2017
IBERIA	2,153.5	2,386.9	10.8%	100.6	127.6	26.9%	92.6%	94.6%
LATAM	1,684.5	1,998.5	18.6%	49.2	46.5	-5.5%	98.9%	98.7%
INTERNACIONAL	1,223.9	1,240.9	1.4%	19.7	24.4	23.6%	102.0%	101.2%
TOTAL INSURANCE	5,061.9	5,626.3	11.2%	169.5	198.4	17.1%	97.4%	97.9%
RE	1,092.7	1,165.7	6.7%	51.1	51.3	0.5%	93.0%	91.4%
ASISTENCIA	284.3	276.1	-2.9%	-14.4	-9.1	36.5%	101.5%	103.9%
GLOBAL RISKS	291.5	318.6	9.3%	13.6	0.2	-98.7%	89.5%	109.5%
Holdings and consolidation adjustments	-617.5	-712.2	-15.3%	-28.0	-34.6	-23.7%		
MAPFRE S.A.	6,112.9	6,674.6	9.2%	191.7	206.2	7.5%	96.8%	97.5%

Figures in million euros

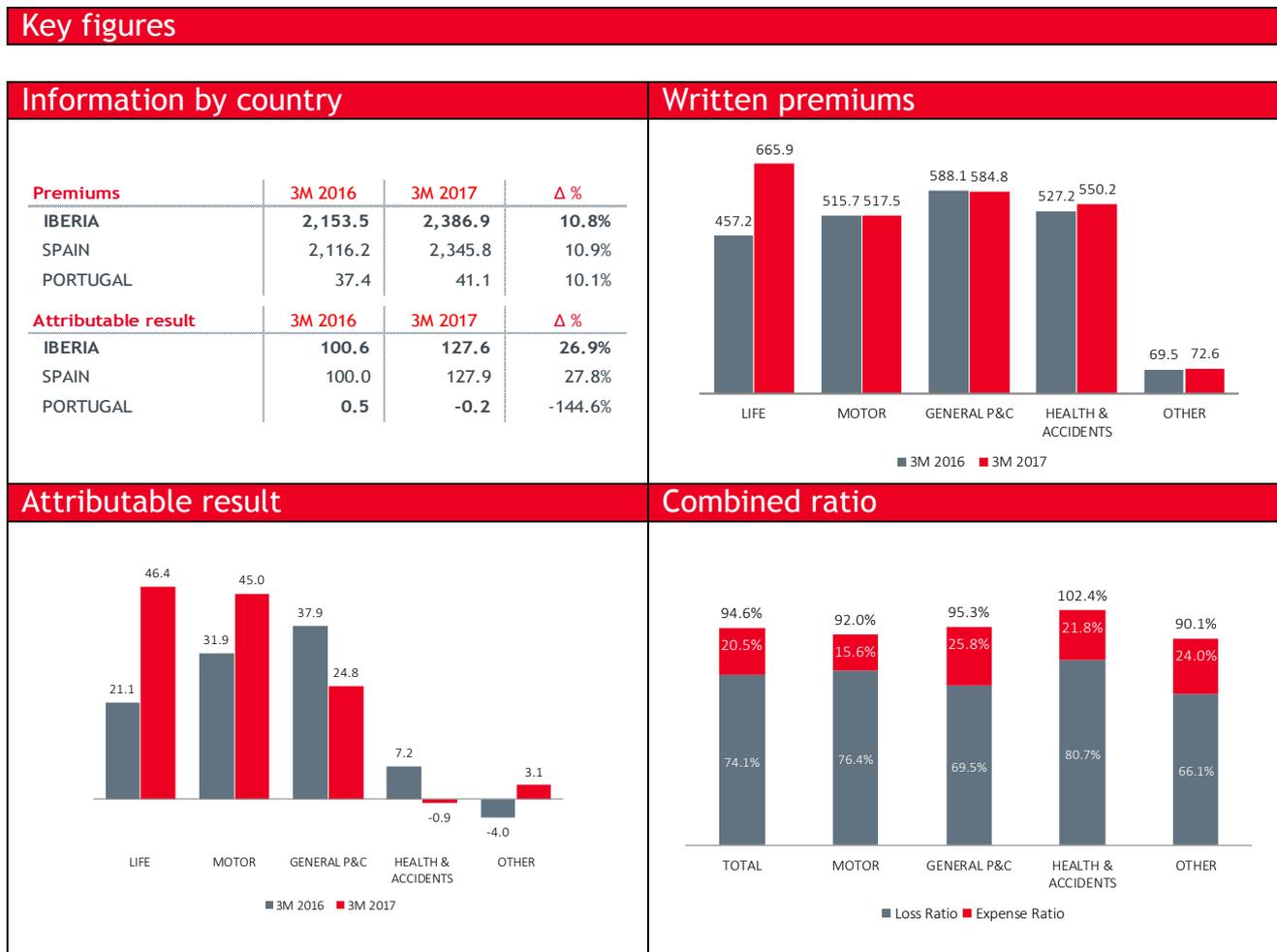
The most important changes are:

1. Premiums show significant growth in all business units, with the exception of ASISTENCIA, mainly as a result of the current business restructuring
2. Results have a positive development in the insurance undertakings in IBERIA and INTERNACIONAL, but show a decline in LATAM with unfavorable behavior in Mexico and Chile.
3. Large claims have negatively affected the results of GLOBAL RISKS.
4. MAPFRE RE continues to make positive contributions to the GROUP results, both in premiums and in results.

6.1. INSURANCE UNDERTAKINGS

6.1.1. IBERIA

IBERIA encompasses the business activities of MAPFRE ESPAÑA and its subsidiary in Portugal, as well as the Life business managed by MAPFRE VIDA and its bancassurance subsidiaries.



Figures in million euros

Premiums

Non-Life premiums grow by 1.4 percent, and reflect the positive development of the Health business, and the majority of the Non-Life retail lines. This has compensated for the decline in the Commercial lines, affected by the lower issuance of Comprehensive Agricultural Insurance.

Life premiums picked up by 45.6% thanks to the exceptional performance of the agent channel and the incorporation of the BANKINTER VIDA agency in Portugal.

Result

The technical result of Non-Life business worsens as a result of an increase in the loss ratio in General P&C, which reflects the impact of weather events in the south of Spain in January and

February, which primarily affected the Homeowners, Condominiums, and Commercial lines. The exceptional Motor combined ratio of 92% stands out.

The expense ratio improved thanks to the rigorous cost-containment policy in place in recent years.

The Life result shows an important improvement mainly as a result of the cancellation of a reserve for contingent payments in the bancassurance channel totaling 29 million euros before taxes (27.2 million euros after taxes).

Finally, in the first quarter of 2017, 24.2 million euros in capital gains on financial investments were recorded (16.0 million in 3M 2016), mainly in equity.

MAPFRE ESPAÑA - Key Figures			
	3M 2016	3M 2017	Δ %
Gross written and accepted premiums	1,679.2	1,711.1	1.9%
Net premiums earned	995.4	1,020.3	2.5%
Gross result	87.6	89.8	2.6%
Income tax	-22.0	-21.8	-1.0%
Non-controlling interests	-0.2	-0.2	-2.3%
Net result	65.3	67.8	3.8%
Combined ratio	93.2%	95.5%	2.2 p.p.
Expense ratio	21.0%	20.3%	-0.7 p.p.
Loss ratio	72.2%	75.1%	2.9 p.p.
Investments, real estate and cash	6,003.1	6,287.4	4.7%
Technical reserves	5,341.1	5,559.8	4.1%
Shareholders' equity	2,297.5	2,273.1	-1.1%
ROE	9.7%	16.2%	6.5 p.p.

Figures in million euros

MAPFRE ESPAÑA - Motor

	3M 2016	3M 2017	Δ %
Gross written and accepted premiums	515.7	517.5	0.3%
Result before tax	42.8	60.1	40.4%
Loss Ratio	78.2%	76.4%	-1.8 p.p.
Expense Ratio	16.5%	15.6%	-0.9 p.p.
Combined Ratio	94.6%	92.0%	-2.7 p.p.
Number of vehicles insured	5,510,540	5,478,825	-0.6%

Figures in million euros

Premiums grew by 0.3%, which reflects the growth in retail Motor of 1.9%, partially compensated by the contraction of the Fleet business by 10.2%, as a result of the cancellation of loss-making contracts. The loss ratio improved thanks to the lower frequency and the favorable development of VERTI's business. Further, the cost-containment efforts show an exceptionally low ratio, which improved 0.9 p.p. compared to the same period in the previous year.

MAPFRE ESPAÑA - General P&C

	3M 2016	3M 2017	Δ %
Gross written and accepted premiums	588.1	584.8	-0.6%
Result before tax	50.7	33.1	-34.8%
Loss Ratio	63.3%	69.5%	6.2 p.p.
Expense Ratio	27.1%	25.8%	-1.3 p.p.
Combined Ratio	90.4%	95.3%	5.0 p.p.

Figures in million euros

Business volume reflects the solid performance of the Third party Liability business, tempered by timing differences in Combined Agricultural Insurance issuance. The higher loss ratio is due to adverse weather conditions in Spain in January and February, which primarily affected the Homeowners, Condominiums, and Commercial lines.

MAPFRE ESPAÑA - Health & Accidents

	3M 2016	3M 2017	Δ %
Gross written and accepted premiums	500.0	526.0	5.2%
Result before tax	3.6	-8.0	--
Loss Ratio	85.8%	89.4%	3.6 p.p.
Expense Ratio	15.4%	18.9%	3.5 p.p.
Combined Ratio	101.2%	108.2%	7.0 p.p.

Figures in million euros

Health premiums maintain their strong rate of growth. The loss ratio grew mainly due to certain group policies and the increase in claims-related expenses.

MAPFRE VIDA - Key figures

	3M 2016	3M 2017	Δ %
Gross written and accepted premiums	474.5	675.9	42.5%
Gross result	67.0	100.1	49.3%
Income tax	-16.6	-19.7	18.7%
Non-controlling interests	-15.3	-20.0	31.4%
Net result	35.2	60.3	71.6%
Investments, real estate and cash	24,583.5	24,178.0	-1.6%
Shareholders' equity	1,735.7	1,747.8	0.7%
ROE	16.0%	11.2%	-4.8 p.p.
Technical financial Margin	0.9%	1.3%	0.4 p.p.

Figures in million euros

MAPFRE VIDA - Premium breakdown

	3M 2016	3M 2017	Δ %
- Agent channel	334.5	458.4	37.1%
- Bank channel	140.0	217.5	55.3%
BANKIA	63.7	82.2	29.0%
BANKINTER SEGUROS DE VIDA	20.7	104.4	--
CAJA CASTILLA LA MANCHA	26.8	13.4	-50.1%
DUERO SEGUROS DE VIDA	28.9	17.5	-39.2%
TOTAL PREMIUMS	474.5	675.9	42.5%
- Life-Saving	312.5	507.6	62.4%
- Life-Protection	134.7	144.0	6.9%
- Accidents	27.3	24.3	-11.1%

Figures in million euros

MAPFRE VIDA Life premiums pick up 42.5% thanks to the launch of products and sales campaigns to capture retail Savings. These initiatives were carried out in the agent network, and in BANKIA MAPFRE VIDA. Additionally, the premiums from the BANKINTER agency in Portugal have been incorporated.

MAPFRE VIDA - Managed savings

	31.03.2016	31.03.2017	Δ %
Technical reserves	21,812.7	21,679.6	-0.6%
MAPFRE VIDA	12,811.4	12,719.0	-0.7%
BANKIA	7,788.9	7,158.5	-8.1%
BANKINTER SEGUROS DE VIDA	202.7	874.1	--
CAJA CASTILLA LA MANCHA	1,009.7	927.9	-8.1%
Mutual funds and other	2,469.9	3,391.1	37.3%
Pension funds	4,408.3	4,816.3	9.3%
MAPFRE AM	1,990.7	2,176.9	9.4%
OTHER	2,417.5	2,639.4	9.2%
TOTAL MANAGED SAVINGS	28,690.8	29,886.9	4.2%
Net Contributions	34.5	74.9	117.0%
Mutual funds	-23.9	37.1	--
Pension funds	58.4	37.8	-35.3%

Figures in million euros

In the information regarding managed savings, UNIÓN DUERO VIDA and DUERO PENSIONES are not included.

Changes in managed savings show the solid performance in new sales of mutual funds and the incorporation of the BANKINTER agency in Portugal.

6.1.2. LATAM

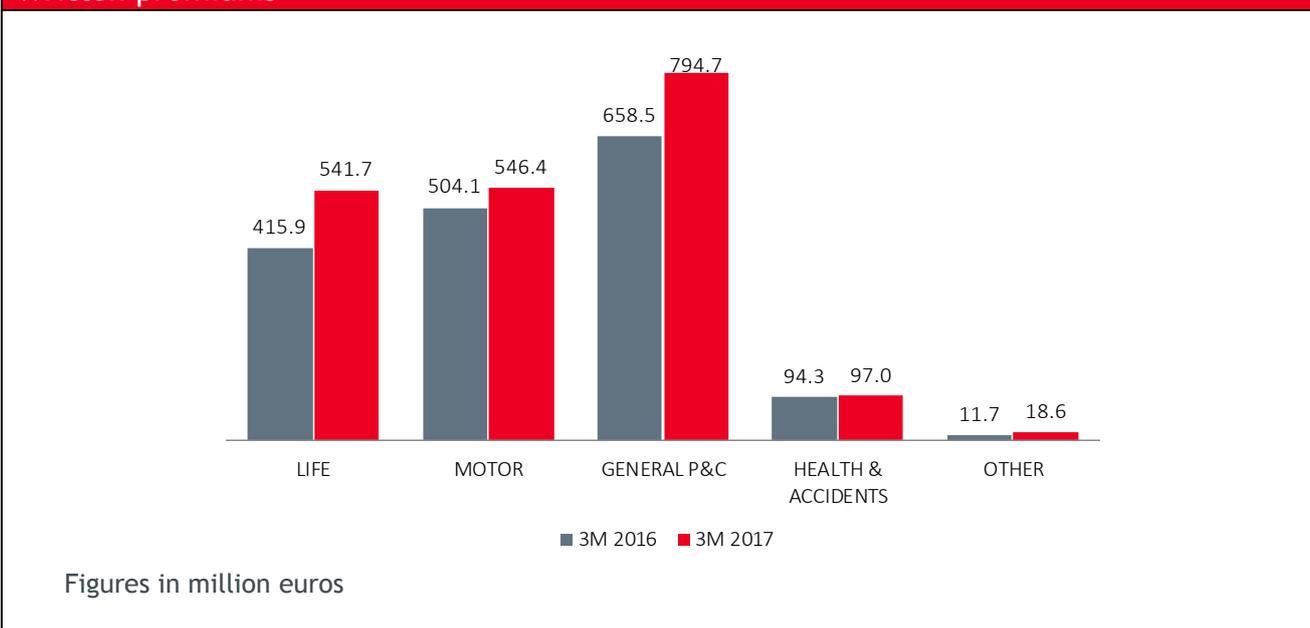
This territorial area comprises the regional areas of BRAZIL, LATAM North, and LATAM South.

Key figures

Information by region

	Premiums			Attributable result			Combined ratio	
	3M 2016	3M 2017	Δ %	3M 2016	3M 2017	Δ %	3M 2016	3M 2017
BRAZIL	896.7	1,203.1	34.2%	25.0	26.2	4.8%	100.1%	98.5%
LATAM NORTH	343.5	366.9	6.8%	11.7	4.6	-60.7%	97.4%	99.1%
LATAM SOUTH	444.2	428.5	-3.5%	12.4	15.6	25.9%	97.1%	99.2%

Written premiums



Premium growth reflects the favorable development of issuance in Brazil and in the countries in Central America, primarily Honduras, Costa Rica, and Panama. Additionally, premium volume in Brazil was favored by the appreciation of the Brazilian real compared to the euro by 27.9%.

The attributable result in the LATAM territorial area went down in the first quarter of 2017, despite the positive performance in Brazil and LATAM SOUTH, from the negative development of

LATAM NORTH, which is a result of the impact in Mexico of a higher loss ratio and losses from foreign exchange differences.

BRASIL

This regional area encompasses the insurance activity in Brazil.

BRAZIL - Key figures			
	3M 2016	3M 2017	Δ %
Gross written and accepted premiums	896.7	1,203.1	34.2%
- Non-Life	613.3	838.4	36.7%
- Life	283.4	364.8	28.7%
Net premiums earned	857.4	1,022.7	19.3%
Gross result	163.7	169.4	3.5%
Income tax	-69.2	-60.2	-13.0%
Non-controlling interests	-69.5	-83.0	19.4%
Net result	25.0	26.2	4.8%
Combined ratio	100.1%	98.5%	-1.6 p.p.
Expense ratio	31.5%	32.0%	0.5 p.p.
Loss ratio	68.6%	66.4%	-2.2 p.p.
Investments, real estate and cash	3,755.4	4,740.9	26.2%
Technical reserves	4,779.1	5,838.0	22.2%
Shareholders' equity	1,032.5	1,327.2	28.5%
ROE	14.2%	12.1%	-2.1 p.p.

Figures in million euros

BRASIL - Breakdown by line

	Premiums			Attributable result			Combined ratio	
	3M 2016	3M 2017	Δ %	3M 2016	3M 2017	Δ %	3M 2016	3M 2017
LIFE	283.4	364.8	28.7%	14.9	16.6	11.8%		
MOTOR	297.2	352.1	18.5%	-1.6	-0.8	47.7%	105.3%	107.4%
GENERAL P&C	315.6	485.0	53.7%	11.6	8.8	-24.2%	90.7%	86.5%

Figures in million euros

Premiums

Premium growth in euros shows the appreciation of the Brazilian real (+27.9%), and a solid development of 5.2% in local currency. This growth reflects the positive development of the Agricultural and Industrial Risks businesses, which help the General P&C line grow by 20.5%. The Life business rose lightly by 0.9%, negatively affected by the Banco do Brasil's lower credit activity. The credit restrictions for retail clients based on payment default have impacted insurance sales linked to personal loans.

The adverse economic scenario in the country and the highly competitive environment, have produced a contraction in Motor issuance of 7.1% in local currency. Additionally, in the first quarter of 2017 the SUSEP (Brazil's supervisory body) has introduced a rate-reduction for some coverages, which means reductions close to 30%. Contraction in the Land Transport line reflects the cancellation of loss-making contracts.

Result

The improved combined ratio is mainly due to the lower loss ratio in Agricultural and Multiperil Insurance. This improvement compensated for the increase of loss ratio in Motor. This line was affected by an increase of frequency associated with the economic environment (mainly theft coverage), and by the rate reductions introduced by the SUSEP in compulsory Motor insurance.

There were several severe claims in the Industrial Risks business.

The result from the first quarter of 2017 was affected by the drop in financial income, due to the lower returns on floating rate investments. In this sense, the SELIC rate (Central Bank of Brazil's overnight rate), which in March 2016 was 14.25%, dropped to 12.25% at the close of March 2017, and is currently at 11.25%.

LATAM NORTE

This regional area includes the business activity in Mexico, Panama, the Dominican Republic, Honduras, Guatemala, Costa Rica, El Salvador and Nicaragua.

LATAM NORTH - Key figures

	3M 2016	3M 2017	Δ %
Gross written and accepted premiums	343.5	366.9	6.8%
- Non-Life	260.8	256.7	-1.6%
- Life	82.8	110.2	33.1%
Net premiums earned	218.5	203.5	-6.9%
Gross result	18.5	7.2	-60.9%
Income tax	-4.3	-1.1	-73.9%
Non-controlling interests	-2.5	-1.5	-39.5%
Net result	11.7	4.6	-60.7%
Combined ratio	97.4%	99.1%	1.7 p.p.
Expense ratio	35.1%	29.3%	-5.7 p.p.
Loss ratio	62.3%	69.8%	7.5 p.p.
Investments, real estate and cash	1,459.5	1,496.3	2.5%
Technical reserves	1,311.7	1,497.6	14.2%
Shareholders' equity	778.2	822.3	5.7%
ROE	3.5%	3.4%	-0.1 p.p.

Figures in million euros

LATAM NORTH - Breakdown of key countries

	Premiums			Attributable result		
	3M 2016	3M 2017	Δ %	3M 2016	3M 2017	Δ %
MEXICO	203.9	201.5	-1.2%	4.6	-2.3	-148.7%
PANAMA	50.6	57.6	13.8%	2.3	2.6	14.6%
DOMINICAN REP.	30.2	33.0	9.2%	2.3	1.4	-40.7%
HONDURAS	19.5	26.7	36.8%	1.6	1.9	22.5%

Figures in million euros

Premiums

Premium growth shows the favorable development in Central American countries, especially Honduras, Costa Rica, and Panama.

In Mexico, premiums grew in local currency in the General P&C and Life businesses, though premiums reflect the deterioration of the Mexican peso compared to the euro (6.3%). There was a

fall in issuance in the Motor line, from the application of stricter underwriting policies, rate rise, and non-renewal of loss-making contracts.

Issuance of an important Life policy in Panama stands out in the Life business.

Result

The combined ratio went up primarily as a result of the deterioration in the Motor business in Mexico, caused by the high loss ratio for multi-year group policies.

In the Dominican Republic, the deterioration of the result is due to a large claim in the Fire line.

The result includes contraction in the technical result and lower financial income, especially in the Non-Life business. The financial result is reducing from the appreciation of the Mexican peso compared to the dollar in the quarter, as the undertaking has a significant investment portfolio in dollars.

LATAM SOUTH

This regional area encompasses the business activities in Peru, Colombia, Argentina, Chile, Uruguay, Paraguay, Ecuador and Venezuela.

LATAM SOUTH - Key figures			
	3M 2016	3M 2017	Δ %
Gross written and accepted premiums	444.2	428.5	-3.5%
- Non-Life	394.4	361.7	-8.3%
- Life	49.8	66.8	34.1%
Net premiums earned	226.6	269.8	19.0%
Gross result	20.4	23.5	15.4%
Income tax	-6.5	-5.8	-10.1%
Non-controlling interests	-1.5	-2.1	37.5%
Net result	12.4	15.6	25.9%
Combined ratio	97.1%	99.2%	2.2 p.p.
Expense ratio	36.9%	37.1%	0.2 p.p.
Loss ratio	60.1%	62.1%	2.0 p.p.
Investments, real estate and cash	1,749.3	2,136.4	22.1%
Technical reserves	2,208.9	2,646.5	19.8%
Shareholders' equity	438.7	553.0	26.0%
ROE	3.8%	4.0%	0.2 p.p.

Figures in million euros

LATAM SOUTH - Breakdown of key countries						
	Premiums			Attributable result		
	3M 2016	3M 2017	Δ %	3M 2016	3M 2017	Δ %
COLOMBIA	96.6	96.6	-0.1%	-2.4	4.8	--
PERU	126.6	118.0	-6.8%	7.9	6.8	-14.2%
ARGENTINA	70.5	89.2	26.6%	2.6	2.6	-0.7%
CHILE	102.3	63.1	-38.3%	2.9	-0.7	-124.1%

Figures in million euros

Premiums

The reduction in premiums reflects the non-renewal of loss-making contracts in the General P&C lines in Chile, and timing differences in the issuance of large industrial policies. In Peru, issuance was affected by the economic slowdown and strong competition. On the other hand, in Colombia the phase-out of the Workers' Compensation line is being carried out. It is worth pointing out the positive evolution in original currency in Argentina (+31%), thanks to the good performance in the Motor and General lines.

Result

The combined ratio is going up mainly due to wild fires in Chile in January. In Peru, an increase in the loss ratio is the result of the rains and flooding caused by the Coastal Niño phenomenon.

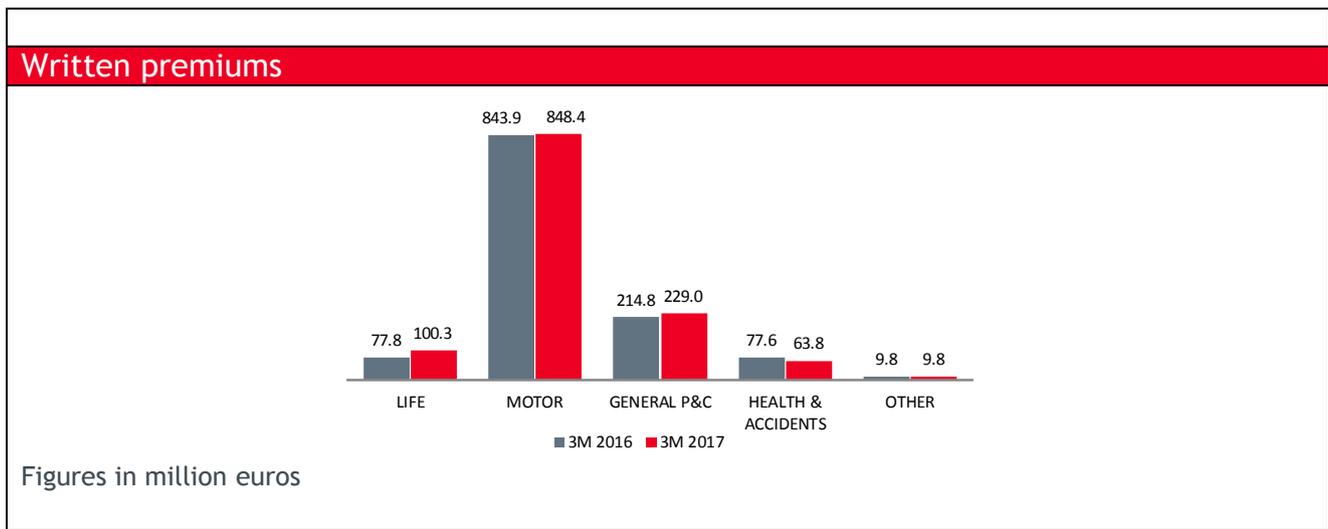
The improved earnings in Colombia in the quarter reflect both improved operations, as well as an absence of adjustments, carried out the previous year in loss-making Life portfolios.

The result reflects lower financial income, due to a reduction of investment returns in investments in Colombia and Chile, as a result of the lower interest rate environment.

6.1.3. INTERNATIONAL

This territorial area comprises NORTH AMERICA, EMEA and APAC.

Key figures								
Information by Area								
	Premiums			Attributable result			Combined ratio	
	3M 2016	3M 2017	Δ %	3M 2016	3M 2017	Δ %	3M 2016	3M 2017
NORTH AMERICA	615.9	654.0	6.2%	15.2	15.9	4.3%	101.5%	101.4%
EMEA	592.6	568.7	-4.0%	5.7	9.0	57.7%	103.0%	100.6%
APAC	15.3	18.3	19.3%	-1.2	-0.5	56.6%	103.8%	102.9%



Premiums from the INTERNATIONAL territorial area increased primarily due to the growth in Massachusetts, U.S.A. It is also important to point out the excellent performance in Malta in the Life-Savings business.

The positive development of the attributable result shows the increase in the volume of business and the improvement of the loss ratio in the United States, as well as the pick-up of the result in Turkey, thanks to the lower loss ratio.

NORTH AMERICA

This regional area has its headquarters in Webster, MA (U.S.A.) and encompasses the business activity in North America (United States and Puerto Rico).

NORTH AMÉRICA - Key figures			
	3M 2016	3M 2017	Δ %
Gross written and accepted premiums	615.9	654.0	6.2%
Net premiums earned	494.0	528.0	6.9%
Gross result	21.1	23.2	9.6%
Income tax	-5.8	-7.2	23.6%
Non-controlling interests	-0.1	-0.1	8.6%
Net result	15.2	15.9	4.3%
Combined ratio	101.5%	101.4%	-0.1 p.p.
Expense ratio	25.3%	25.7%	0.4 p.p.
Loss ratio	76.2%	75.8%	-0.4 p.p.
Investments, real estate and cash	2,402.1	2,523.2	5.0%
Technical reserves	2,285.2	2,511.1	9.9%
Shareholders' equity	1,320.9	1,404.1	6.3%
ROE	2.6%	5.7%	3.1 p.p.

Figures in million euros

NORTH AMERICA - Breakdown by country						
	Premiums			Attributable result		
	3M 2016	3M 2017	Δ %	3M 2016	3M 2017	Δ %
UNITED STATES	535.2	569.0	6.3%	11.8	12.3	4.0%
PUERTO RICO	80.7	85.0	5.3%	3.4	3.6	5.2%

Figures in million euros

NORTH AMERICA - Combined ratio		
	3M 2016	3M 2017
UNITED STATES	102.0%	101.9%
Massachusetts	100.9%	97.2%
Other states	107.2%	118.3%
PUERTO RICO	98.4%	98.2%

MAPFRE USA - Key figures

	3M 2016	3M 2017	Δ %
Gross written and accepted premiums	535.2	569.0	6.3%
Net premiums earned	424.2	458.0	8.0%
Gross result	16.5	18.3	11.3%
Income tax	-5.4	-6.1	12.8%
Non-controlling interests	-0.1	-0.1	8.6%
Net result	10.9	12.1	10.5%
Combined ratio	102.0%	101.9%	-0.1 p.p.
Expense ratio	23.6%	24.1%	0.4 p.p.
Loss ratio	78.4%	77.8%	-0.5 p.p.
Investments, real estate and cash	1,981.3	2,084.2	5.2%
Technical reserves	2,033.0	2,261.8	11.3%
Shareholders' equity	1,091.2	1,163.7	6.7%
ROE	2.1%	5.5%	3.4 p.p.

Figures in million euros

Premiums

At the close of March, premiums in North America have registered growth of 6.2% as a result of positive business development in the United States, mainly in Massachusetts, where net premiums have increased by 10%. Growth is concentrated in the Motor line, which is a result of the higher rates and the effect of the appreciation of the dollar (+4%).

The volume of business outside of Massachusetts has reduced 3.6% due to the cancellation of unprofitable business, with the aim of improving profitability in these states.

In Puerto Rico, premiums have shown a positive development in the main business lines, both in Non-Life and in Life.

Result

The combined ratio sits at 101.4%, with a reduction of 0.1 percentage points, as a result of the improved loss ratio, which in large part is compensated by a rise in expenses, mainly related to technology.

The loss ratio improved 0.4 percentage points, to 75.8%, thanks to important improvements in the Homeowners line in the United States, mainly in Massachusetts, as a result of the rate adjustments carried out in 2015 and 2016, along with the absence of adverse weather phenomenon.

The combined ratio in Massachusetts stands at 97.2%, 3.7 percentage points lower than the previous year. In all other states, the combined ratio sits at 118.3%, above the same ratio from the previous period, but with a reduction of 1.6 p.p. compared to December 2016.

The Motor line in the United States continues to have difficulties, due to the general market situation, with an increase in frequency due to greater use of cars and driver distractions from the rise in use of electronic devices. There was also an increase in the cost of vehicle repairs, as they become more and more sophisticated.

In Puerto Rico, the combined ratio stands at 98.2% and has improved 0.2 percentage points, thanks to the good development of the Health line.

The net result in North America has reached 15.9 million euros, with an increase of 4.3% thanks to the higher volume of business and improved loss ratio.

The financial result grew compared to the previous year, primarily because of the sale of real estate in Florida.

EMEA

This regional area encompasses the business activities in Italy, Turkey, Malta, and Germany.

EMEA - Key figures			
	3M 2016	3M 2017	Δ %
Gross written and accepted premiums	592.6	568.7	-4.0%
- Non-Life	516.5	471.0	-8.8%
- Life	76.1	97.6	28.3%
Net premiums earned	328.4	343.9	4.7%
Gross result	9.2	12.8	39.6%
Income tax	-1.9	-2.0	2.7%
Non-controlling interests	-1.5	-1.8	17.6%
Net result	5.7	9.0	57.7%
Combined ratio	103.0%	100.6%	-2.3 p.p.
Expense ratio	25.8%	22.9%	-2.9 p.p.
Loss ratio	77.2%	77.7%	0.5 p.p.
Investments, real estate and cash	3,345.5	3,580.8	7.0%
Technical reserves	3,550.0	3,865.7	8.9%
Shareholders' equity	605.2	569.1	-6.0%
ROE	2.3%	-9.7%	-12.0 p.p.

Figures in million euros

EMEA - Breakdown by country						
	Premiums			Attributable result		
	3M 2016	3M 2017	Δ %	3M 2016	3M 2017	Δ %
TURKEY	245.6	197.0	-19.8%	5.3	14.0	164.8%
ITALY	122.4	116.4	-4.9%	-0.3	-5.8	--
GERMANY	133.6	141.5	5.9%	0.6	0.3	-44.6%
MALTA	91.0	113.8	24.9%	0.6	0.9	42.1%

Figures in million euros

Premiums

Premium development reflects the 19.8% contraction in Turkey, from the depreciation of the Turkish lira (in local currency the reduction is only 2%) and stricter underwriting policy, in line with the strategy focused on profitable growth. The number of insured vehicles as at March 2017 stands at 1,957,760, with a reduction of 290,785 and 616,044 vehicles compared to December 2016 and March 2016, respectively. In Italy, lower issuance is a consequence of the cancellation of loss-making contracts.

Life premiums grew by 23.0% thanks to the excellent performance in Life-Savings products in the bancassurance channel in Malta.

Result

The positive development of the combined ratio reflects the improved loss ratio in the Motor business in Turkey, thanks to the improved underwriting and pricing measures adopted in 2016. This trend is partially reduced by an increase in the loss ratio in Italy, as a result of a lower average premium due to the difficult market conditions.

The expense ratio has fallen thanks to the measures taken in the region to adapt the cost structure to the business volume.

APAC

This regional area has its headquarters in Shanghai (China) and encompasses the insurance activity in the Asia-Pacific region (primarily Indonesia and the Philippines).

APAC - Key Figures

	3M 2016	3M 2017	Δ %
Gross written and accepted premiums	15.3	18.3	19.3%
- Non-Life	15.3	18.3	19.3%
- Life	0.0	0.0	--
Net premiums earned	7.0	7.0	-0.8%
Gross result	-1.2	-0.4	64.4%
Income tax	-0.1	-0.1	-1.1%
Non-controlling interests	0.0	-0.1	--
Net result	-1.2	-0.5	56.6%
Combined ratio	103.8%	102.9%	-0.9 p.p.
Expense ratio	51.3%	57.9%	6.6 p.p.
Loss ratio	52.5%	45.1%	-7.4 p.p.
Investments, real estate and cash	47.7	46.6	-2.4%
Technical reserves	68.4	56.3	-17.6%
Shareholders' equity	25.6	19.8	-22.8%
ROE	-13.6%	-36.0%	-22.4 p.p.

Figures in million euros

Premiums

Premium volume has grown by 19.3% thanks to the renewal of an industrial policy in the Philippines, which has compensated for the fall in premiums from the cancellation of loss-making policies.

Result

The improved combined ratio is derived from greater reinsurance recoverables and the lower loss frequency in the Motor line. The increase in the expense ratio is a result of the reclassification of some expense items that were classified as non-technical expenses the previous year.

The net result has improved compared to the previous year, thanks to the improved loss ratio. ABDA business is also positively contributing to the result, in proportion to its 20% interest.

6.2.MAPFRE RE

MAPFRE RE is a global reinsurer and it is the professional reinsurer of MAPFRE Group.

MAPFRE RE offers reinsurance services and capacities, providing all kinds of solutions for reinsurance treaties and facultative reinsurance, in all Life and Non-Life lines.

MAPFRE RE - Distribution by business line

	Gross	Net	
Type of business			Ceding company
Proportional	79.3%	83.4%	MAPFRE
Non-proportional	13.7%	11.6%	Other Ceding company
Facultative	7.0%	5.0%	
Region			Insurance lines
IBERIA	16.4%	10.0%	Property
EMEA	39.9%	49.3%	Life & Accidents
LATAM	19.5%	19.1%	Motor
NORTH AMERICA	16.9%	12.6%	Transport
APAC	7.2%	9.1%	Other

Information to December 2016. Figures in million euros.

MAPFRE RE - Key figures

	3M 2016	3M 2017	Δ %
Gross written and accepted premiums	1,092.7	1,165.7	6.7%
- Non-Life	955.5	1,017.0	6.4%
- Life	137.2	148.7	8.4%
Net premiums earned	698.3	683.4	-2.1%
Gross result	68.4	70.2	2.6%
Income tax	-17.4	-18.9	9.0%
Non-controlling interests	0.0	0.0	--
Net result	51.1	51.3	0.5%
Combined ratio	93.0%	91.4%	-1.6 p.p.
Expense ratio	30.4%	27.2%	-3.1 p.p.
Loss ratio	62.6%	64.2%	1.6 p.p.
Investments, real estate and cash	4,187.2	4,590.2	9.6%
Technical reserves	3,763.9	4,157.8	10.5%
Shareholders' equity	1,245.0	1,327.6	6.6%
ROE	12.3%	14.5%	2.1 p.p.

Figures in million euros

Premiums

37 MAPFRE Financial Information - 3M 2017

WARNING: The English version is only a translation of the original in Spanish for information purposes. In case of discrepancy, the Spanish version shall prevail.

At the close of March, premiums showed an increase of 6.7% both as a result of the positive Non-Group development, as well as the incorporation of the reinsurance program from MAPFRE's direct business in Italy. Life business grew by 8.4%.

Result

The net result reached 51.3 million euros, with an increase of 0.5%, supported by the improved technical ratios, which has mitigated the fall in net premiums earned.

The combined ratio has decreased 1.6 percentage points to 91.4%, due to a reduction in expenses that mitigated the rise in the loss ratio. The loss ratio increased 1.6 percentage points to 64.2% as a result of various catastrophic events in the first quarter, including the wild fires in Chile, the floods in Peru, and Cyclone Debbie in Australia. The expense ratio has improved by 3.1 percentage points, as a result of the reduction in adjustable commissions for claims variations.

Life business also positively contributed to the result.

The financial result contributed 33.2 million euros, relatively stable compared to the previous year. The realized gains in the quarter (9.9 million euros to March 2017 compared to 2.0 million euros the previous year), mainly in equity, have compensated for the lower results caused by the foreign exchange differences.

6.3. MAPFRE GLOBAL RISKS

This business unit is specialized in global insurance programs of big multinational companies (e.g. aviation insurance policies, nuclear risks and energy insurance policies, third party liability insurance policies, fire insurance policies, engineering insurance policies, transport insurance policies and credit and suretyship).

GLOBAL RISKS - Key Figures

	3M 2016	3M 2017	Δ %
Gross written and accepted premiums	291.5	318.6	9.3%
Net premiums earned	82.2	91.7	11.6%
Gross result	16.7	0.3	-98.1%
Income tax	-3.2	-0.1	-95.4%
Non-controlling interests	0.0	0.0	--
Net result	13.6	0.2	-98.7%
Combined ratio	89.5%	109.5%	20.0 p.p.
Expense ratio	32.0%	33.9%	1.9 p.p.
Loss ratio	57.4%	75.6%	18.2 p.p.
Investments, real estate and cash	908.5	1,006.1	10.7%
Technical reserves	1,783.9	1,985.2	11.3%
Shareholders' equity	411.6	395.4	-3.9%
ROE	13.2%	8.4%	-4.8 p.p.

Figures in million euros

GLOBAL RISKS - Breakdown by regional area

	Premiums			Attributable result			Combined ratio	
	3M 2016	3M 2017	Δ %	3M 2016	3M 2017	Δ %	3M 2016	3M 2017
IBERIA	107.0	117.7	10.0%	12.0	5.8	-51.7%	57.3%	88.8%
BRAZIL	36.4	42.5	16.7%	2.2	0.9	-60.9%	58.4%	96.8%
LATAM NORTH	41.5	48.3	16.6%	5.3	3.2	-38.9%	48.0%	62.1%
LATAM SOUTH	58.6	56.3	-3.9%	2.4	-2.7	--	82.5%	141.0%
NORTH AMERICA	8.8	11.9	35.3%	2.1	1.9	-7.1%	37.7%	37.0%
EMEA	37.7	35.1	-6.8%	-6.9	-7.2	-4.9%	162.0%	165.6%
APAC	0.9	4.9	--	-3.8	-2.1	43.5%	1096.1%	279.2%

Figures in million euros

Premiums

MAPFRE GLOBAL RISKS premiums have reached 318.6 million euros, an increase of 9.3% compared to the same period of previous year. Breakdown by regional area shows the good behavior of IBERIA, LATAM NORTH, and BRAZIL, where double-digit growth was registered.

Result

The deterioration of the combined ratio reflects the increase in large claims, mainly due to two large claims that occurred in EMEA, as a result of a fire in a refinery in Abu Dhabi, and in LATAM SOUTH, from the impact of the Coastal Niño in Peru.

The technical result reflects the previously mentioned increase in large claims, tempered by a financial result with realized gains that rose to 4.5 million euros (3.2 million euros in the first quarter of 2016).

6.4. MAPFRE ASISTENCIA

MAPFRE ASISTENCIA specializes in travel assistance, roadside assistance, and other special risks of the Group.

ASISTENCIA - Key figures			
	3M 2016	3M 2017	Δ %
Operating income	311.2	303.8	-2.4%
- Gross written and accepted premiums	284.3	276.1	-2.9%
- Other income	26.9	27.7	2.8%
Net premiums earned	202.7	184.4	-9.0%
Result from other business activities	-6.0	-1.4	76.4%
Gross result	-14.9	-8.3	44.2%
Income tax	0.7	-0.4	157.3%
Non-controlling interests	-0.2	-0.4	112.8%
Net result	-14.4	-9.1	36.5%
Combined ratio	101.5%	103.9%	2.4 p.p.
Expense ratio	28.4%	31.1%	2.7 p.p.
Loss ratio	73.1%	72.7%	-0.4 p.p.
Investments, real estate and cash	160.2	228.3	42.5%
Technical reserves	621.8	668.1	7.4%
Shareholders' equity	239.8	236.8	-1.3%
ROE	-19.8%	-21.5%	-1.6 p.p.

Figures in million euros

Premiums

The reduction in premiums from the ASISTENCIA unit is primarily a consequence of the current business restructuring.

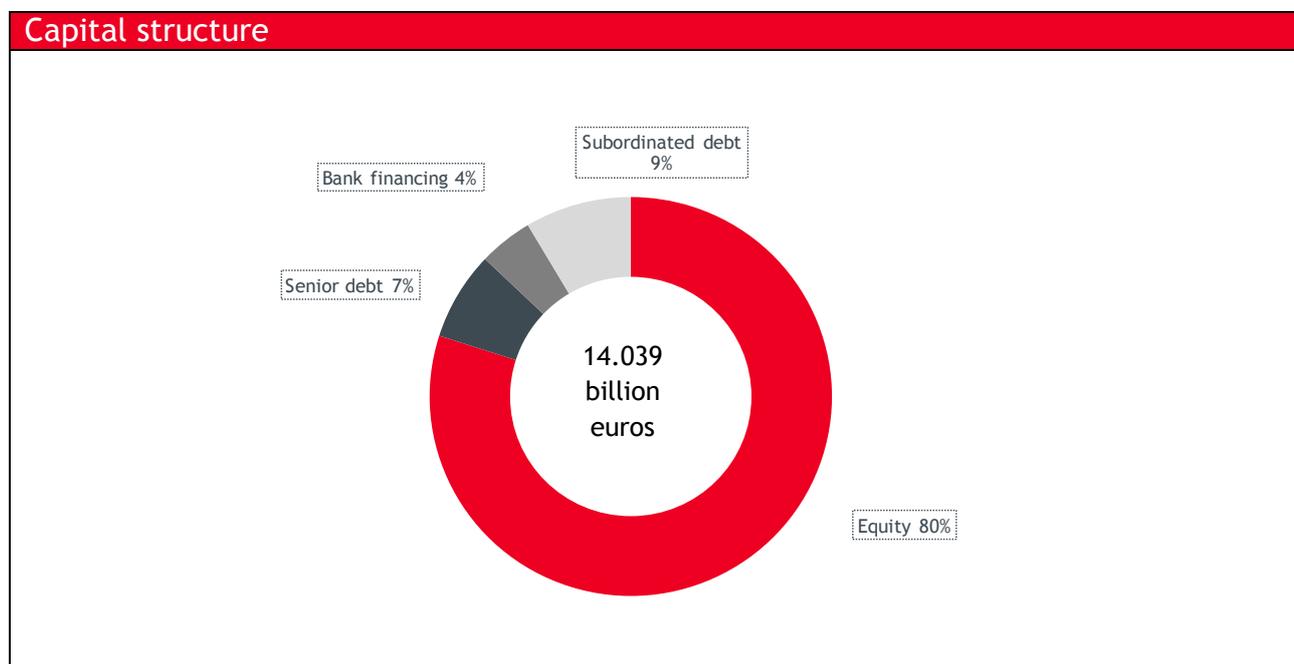
Result

Though the net result has fallen 5 million euros in the first quarter, the unfavorable development is maintained in this undertaking, fundamentally derived from the negative run-offs of business in the United Kingdom.

The combined ratio rose from an increase in acquisition expenses and also from greater sales costs coming from the increased aggregator business.

7. Capital Management & Debt

The chart below shows the composition of the capital structure at the close of the first quarter, 2017:



Capital structure reached 14.039 billion euros, of which 80% corresponds to equity.

The Group has a leveraging ratio of 20.1%, with an increase of 5.6 percentage points as a result of the two debt issuances carried out throughout 2016 and 2017.

In May, 2016 1 billion euros of senior 10-year bonds were issued, with a fixed interest rate of 1.625%.

In March, 2017 MAPFRE successfully placed the notes of a 30-year subordinated bond, with a call option at ten years, for a total of 600 million euros, with a fixed interest rate set at 4.375 percent for the first ten years.

The funds coming from this transaction will be used to further strengthen the Group's financial flexibility, in addition to diversifying its sources of financing.

This issuance is considered to be Solvency II compliant Tier 2 capital, thus reinforcing MAPFRE's solvency and financial strength levels. The notes are currently quoted on the AIAF market.

MAPFRE has issued another subordinated bond with early call option this coming July.

The following chart shows the Group's debt instruments and leverage ratios:

Debt instruments and leverage ratios

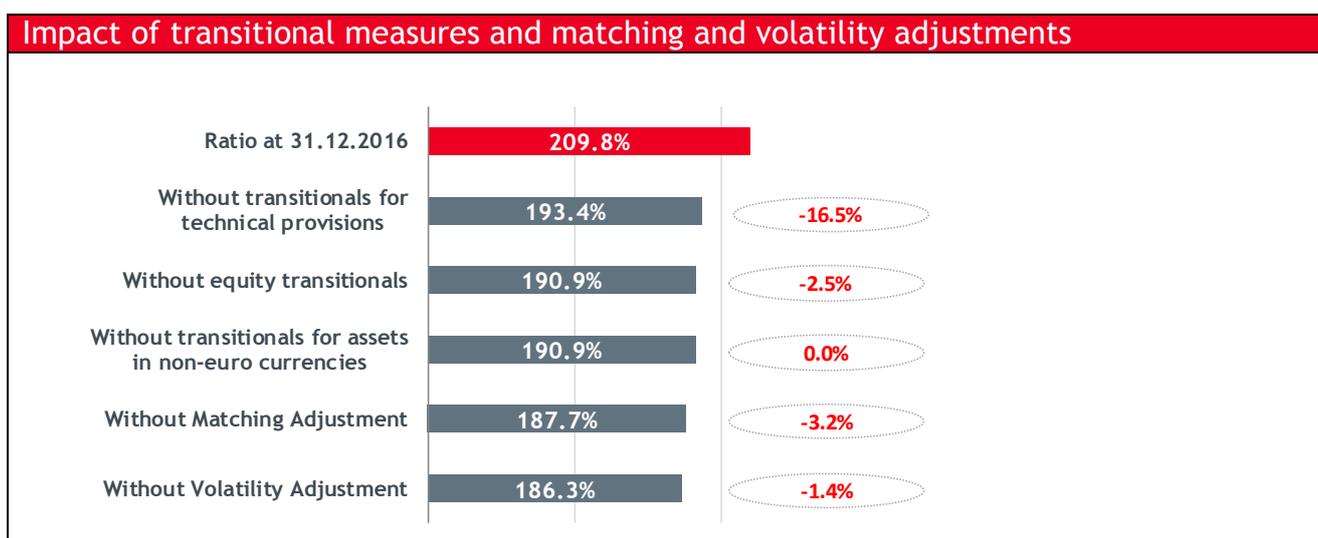
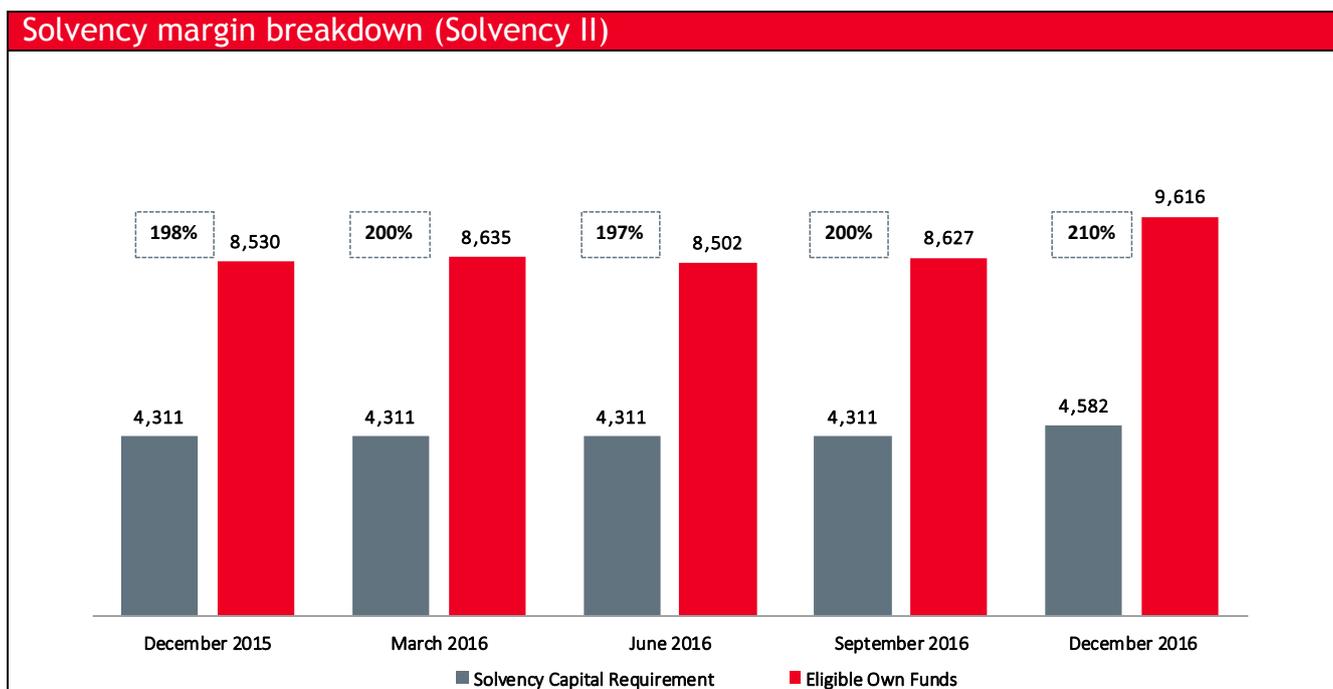
	31.03.2016	31.12.2016	31.03.2017
Total Equity	10,472.5	11,443.5	11,220.9
Total debt	1,775.1	2,202.9	2,818.0
- of which: senior debt - 5/2026	0.0	1,003.0	1,007.0
- of which: subordinated debt - 7/2017	578.5	594.0	602.0
- of which: subordinated debt - 3/2027	0.0	0.0	598.0
- of which: syndicated credit facility - 12/2021 (€ 1,000 M)	1,000.0	480.0	480.0
- of which: bank debt	196.6	125.9	131.0
Earnings before tax	425.2	1,805.2	448.4
Financial expenses	16.4	64.1	20.3
Earnings before tax & financial expenses (EBIT)	441.6	1,869.2	468.7
Leverage	14.5%	16.1%	20.1%
Equity / Debt	5.9	5.2	4.0
EBIT / financial expenses (x)	27.0	29.2	23.1

Figures in million euros

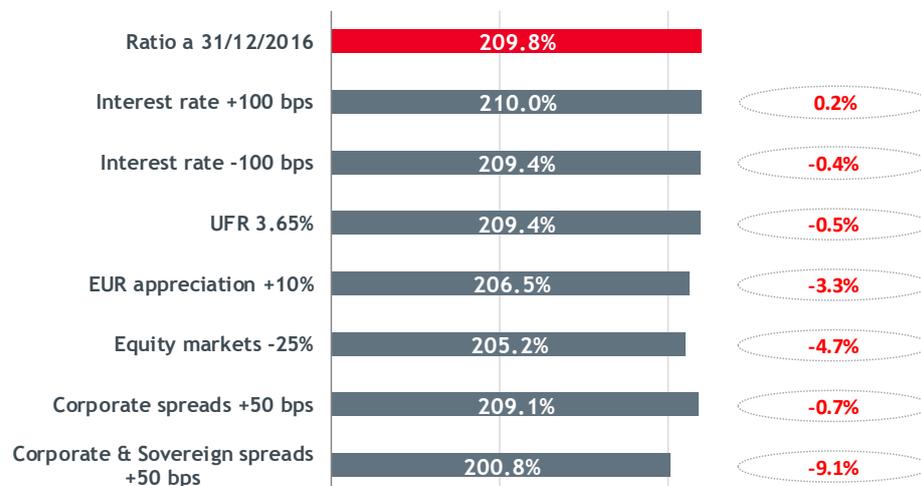
8. Solvency II

The Solvency II ratio for MAPFRE Group stood at 210% at the close of December, 2016, compared to 198% at the close of the previous year, including transitional measures. This ratio would be 191%, excluding the effects of said measures. Eligible Own Funds totaled 9.616 billion euros in the same period, of which 93.7% are high quality funds (*Tier 1*).

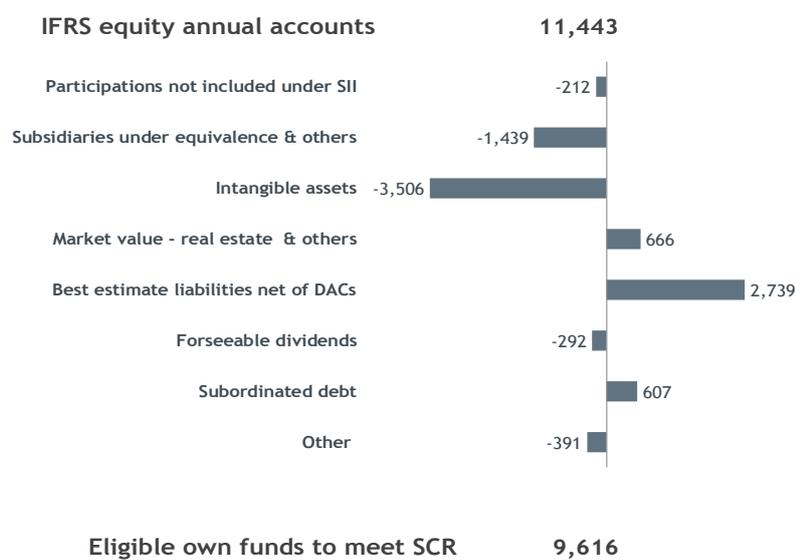
The ratio shows the high level of solidity and stability, backed by high diversification and strict investment and ALM policies, as can be seen in the charts below:



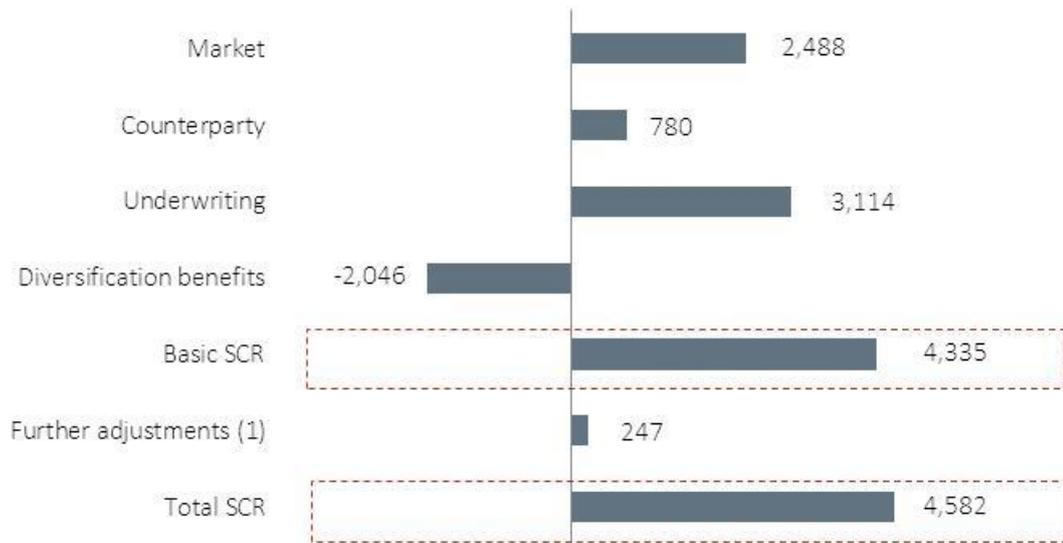
Market sensitivity



Breakdown of EOF



Breakdown of SCR



9. Ratings

The credit ratings granted by the main ratings agencies are listed below. They have not varied with respect to the previous quarter:

Financial strength ratings			
	S&P	Moody's	AM BEST
MAPFRE RE	A/Stable Outlook	-	A/ Stable Outlook
MAPFRE GLOBAL RISKS	A/Stable Outlook	A3/ Stable Outlook	A/ Stable Outlook
MAPFRE ASISTENCIA	-	A3/ Stable Outlook	-

Issuer/counterparty credit ratings		Issuance credit ratings	
	S&P		S&P
MAPFRE S.A.	BBB+/ Stable Outlook	MAPFRE S.A. senior debt with maturity in 2026	BBB+
		MAPFRE S.A., subordinated debt with maturity in 2037	BBB-
		MAPFRE S.A. subordinated debt with maturity in 2047	BBB-

10. MAPFRE Shares. Dividend Information

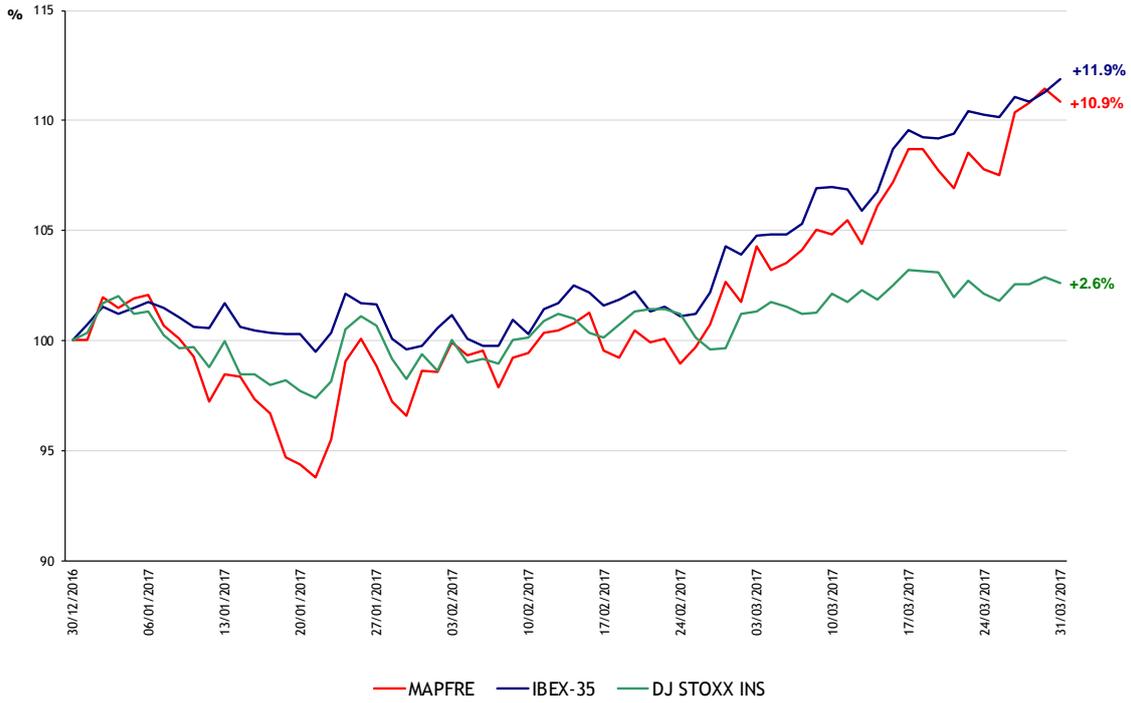
The chart below gives a breakdown of MAPFRE's shares, which show a very favorable development.

Stock Market Information

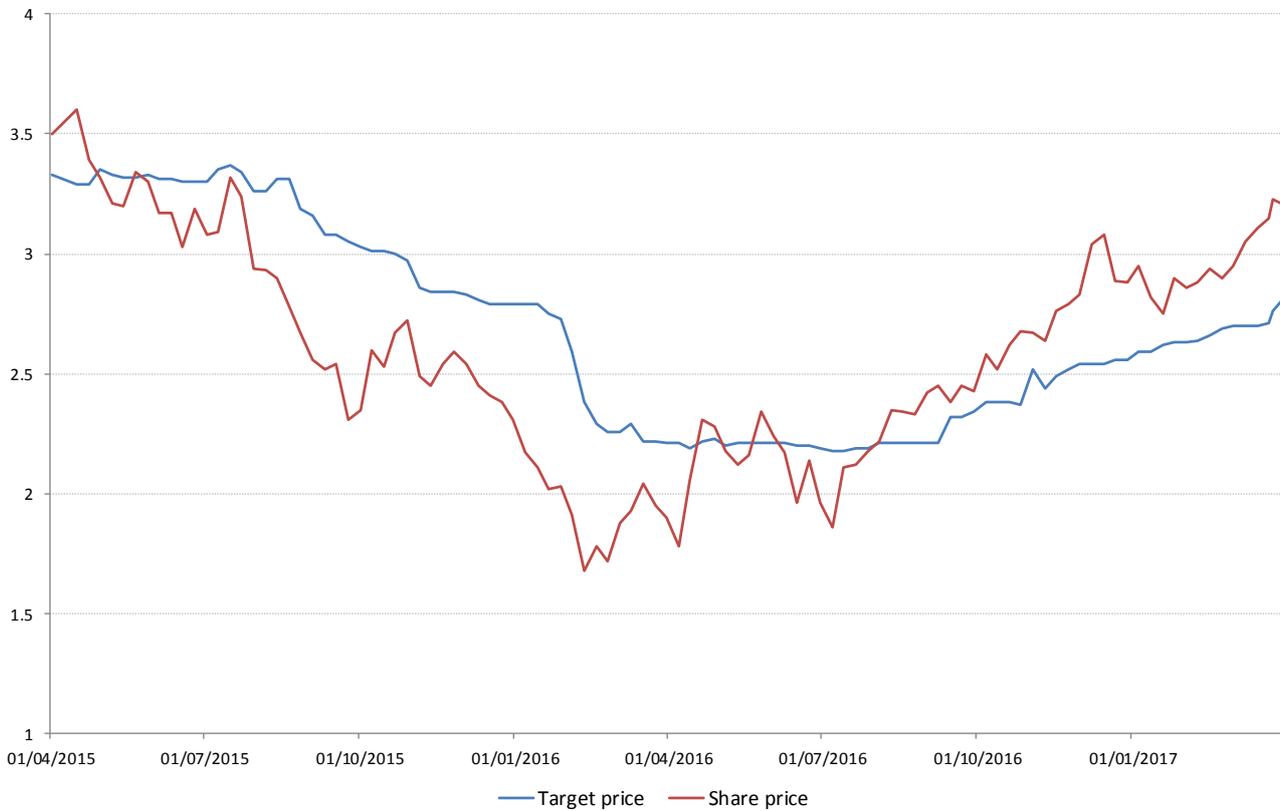
	31/12/2014	31/12/2015	31/12/2016	31/03/2017
Total outstanding shares	3,079,553,273	3,079,553,273	3,079,553,273	3,079,553,273
Market cap (million euros)	8,662.8	7,119.9	8,930.7	9,900.8
Stock value (euros)	2.813	2.312	2.900	3.215
Changes in value from January 1(%)	-9.6%	-17.8%	25.4%	10.9%
Changes in IBEX 35 from 1 January (%)	3.7%	-7.2%	-2.0%	11.9%
Average daily volume	11,711,993	9,937,097	9,032,451	5,636,113
Average daily effective value (million euros)	34.6	28.5	20.4	16.6
Period high	3.463	3.605	3.130	3.250
Period low	2.399	2.281	1.617	2.720
Volume / total stock market (%)	1.0%	0.8%	0.8%	0.7%
Book value per share	2.97	2.78	2.96	2.94
Dividend per share (last 12 months)	0.14	0.14	0.13	0.13

The market capitalization growth of 69.3%, which reflects the growth in the share price from 1.899 euros (March 31, 2016) to 3.215 euros (March 31, 2017), stands out.

Share Performance: January 1, 2017 - March 31, 2017



Target price and share price. April 1, 2015 - March, 31 2017



Dividend and Pay-out

The Annual General Shareholders' Meeting held this past March 10, 2017 agreed to pay a final dividend of €0.085 gross per share. This final dividend will be distributed in June, 2017.

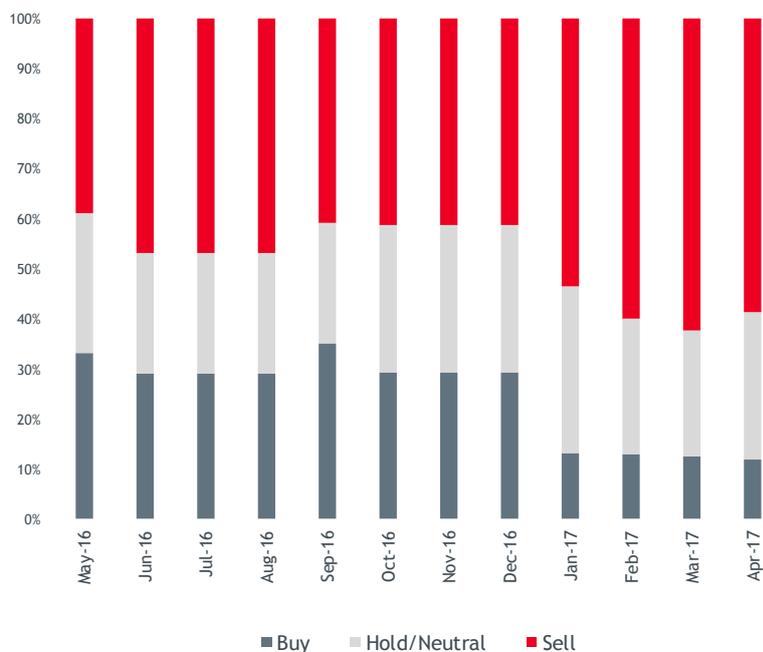


Effective earnings per share (adjusted for treasury stock): €0.2543
 Effective remuneration for shareholders per share (adjusted for treasury stock): €0.146
 Dividends: interim dividend €0.06; final dividend €0.085 to be approved at Annual General Meeting

Million euros

Analyst Coverage

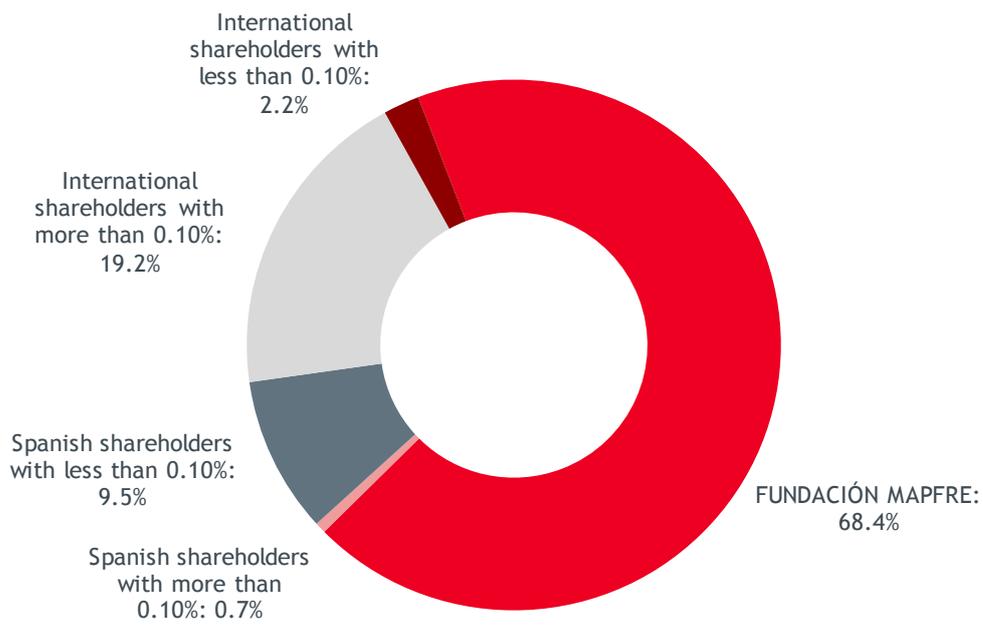
Recommendation summary



Bank / Investment Companies

ALANTRA
 BANCO SANTANDER
 JP MORGAN
 FIDENTIIS
 GVC GAESCO BEKA
 BANCO SABADELL
 BANK OF AMERICA MERRILL LYNCH
 BPI
 AUTONOMOUS
 BBVA
 BANKINTER
 BARCLAYS
 CAIXABANC
 EXANE BNP PARIBAS
 CITI
 KEEFE, BRUYETTE & WOODS
 JB CAPITAL MARKETS

Shareholder composition



11. Significant Events in the Quarter

Annual General Meeting

MAPFRE held its Annual General Shareholders' Meeting this past March 10, where accelerating digital transformation, deepening the analysis of less profitable businesses, and strengthening the distribution network were set as the main axes of growth.

The chairman and CEO recapped the objectives for the three-year period from 2016-2018 and confirmed that revenue growth could ease off, although premiums will continue growing at expected rates. The ROE is also expected to exceed 11 percent in 2018, and the objective of delivering a dividend yield of approximately 5 percent with a payout of between 50 and 65 percent of Group earnings remains unchanged.

The combined ratio stood at 97.4 percent in 2016, compared to an objective of 96 percent for the three-year period, and Mr. Huertas stressed the importance of increasing efforts over the next two years to meet this objective. The expense ratio was 27.4 percent, compared to the average three-year objective of 28 percent, showing the success of the cost reduction plan, with annual savings of more than 60 million euros.

With regard to the objective of having women hold at least 40 percent of managerial positions at MAPFRE by 2018, the chairman and CEO announced that the company has already reached 38 percent. People with disabilities comprise 1.4 percent of MAPFRE's global workforce, which shows real progress is being made toward the objective of 2 percent by 2018.

In addition to approving the 2016 accounts, the shareholders' meeting also approved the appointment of Francisco J. Marco Orenes as executive director, confirmed Fernando Mata Verdejo and Ana Isabel Fernández Alvarez as directors, and reelected Adriana Casademont i Ruhí as a director.

Furthermore, the dividend against 2016 earnings was approved, totaling 0.145 euros gross per share, which includes 0.06 euros per share already distributed as an interim dividend. MAPFRE will allocate 447 million euros to be paid out to shareholders from 2016 profits, up 11.5 percent on the previous year.

MAPFRE successfully closes a subordinated bond issuance

MAPFRE has successfully placed the notes of a 30-year subordinated bond, with the call option at ten years, for a total of 600 million euros, with a fixed interest rate set at 4.375 percent for the first ten years.

The success of the transaction is seen in the high demand, as well as broad diversification, which allowed for the bond to be placed among 236 institutional investors in several European countries, highlighting the UK and Ireland (22 percent of the total issuance), France (16 percent), Germany and Austria (14 percent) and Italy (13 percent). In Spain, 42 institutional investors participated, amounting to 11.6 percent of the total.

Mutual fund managers represent the vast majority of the investors that have participated in the placement (78 percent of the total), followed by insurers and pension fund managers (13 percent), financial institutions (6 percent), and central banks and other public organizations (3 percent).

Accolades Received in the Quarter

- **Favorite brand in Paraguay**

MAPFRE PARAGUAY has been recognized by the Top of Mind study as the preferred insurance Brand by Paraguayan consumers.

- **MAPFRE hits record highs as the most top of mind insurer for Spanish consumers**

MAPFRE once again leads the Inmark Group ranking of insurance industry Company positioning among Spanish consumers.

- **MAPFRE chosen again as one of the best companies to work for**

For the third time, Great Place to Work has included MAPFRE in its list of the “Best Workplaces” in Spain in the category of companies with more than 1,000 employees.

- **MAPFRE- the insurer with the best reputation, according to RepTrack Spain**

The Company is number 1 in the insurance sector and among the top 100 Spanish companies most valued by consumers.

- **MAPFRE is in the top 5 most responsible companies in SPAIN**

MAPFRE is in fifth position in the “Merco Responsabilidad y Gobierno Corporativo 2016” ranking (Corporate Governance and Responsibility), and it maintains its position as the best-ranked insurance company in the study, which analyzes the Spanish-based companies with the most ethical behavior.

- **The most digitally-efficient company**

The 2016 Social Media Index (ISM in Spanish) reveals MAPFRE to be the best-performing Spanish company in digital territory, and it is in first place in the ranking of social media activity.

12. Events Subsequent to Closing

Call Option Duero Vida and Vida Pensiones

MAPFRE Vida and Banco CEISS have an agreement regarding the Life business distributed by Duero Vida and the Pension business distributed by Duero Pensiones, undertakings in which both partners own a 50% stake.

Banco CEISS exercised, in writing on May 3, 2016, a call option for the whole of Duero Vida's and Duero Pensiones shares owned by MAPFRE Vida. In accordance with what is established in the Shareholders' Contract, the price they are exercising the bid at needs to be set as the larger amount resulting from the comparison between 110% of the market value of MAPFRE's shares in both undertakings, determined by an independent expert, and 110% of the net amount paid.

MAPFRE received the market value report on April 24, 2017 from the independent expert, which presents a shareholding value in both undertakings of 141.4 million euros. If this were greater than the net amount paid, it would be applicable for setting the price of the takeover bid, with the previously mentioned increment of 10%.

MAPFRE's intention is to proceed with the formalization of the proposal as soon as possible. The profit resulting from this sale will amount to 6 million euros, before taxes, and will be recorded on the effective date of the operation.

Real Estate Activity

MAPFRE España sold a building located on Luchana Street in Madrid this past April 6, for the sum of 72 million euros, generating a profit before taxes of approximately 48 million euros for the seller. With respect to the Group's consolidated result, and once all of the taxes are deducted and consolidation adjustments are eliminated, the net profit is estimated at approximately 29 million euros.

Additionally, MAPFRE continues to carry out periodic appraisals of its real estate investments with independent experts, in order to identify, assess, and record possible deteriorations or losses from said real estate investments.

There is currently evidence of an excess of supply of specific plots on land on the market with the resulting trend of lower values of such. MAPFRE has initiated an appraisals study with hypothesis adjusted to this new real estate market trend, with an initial reach of 10 plots of land whose net accounting value reaches 125 million euros. This is not expected to have a significant effect on the Group results.

Turkey

The Turkish government has published via the Ministry of Finance, effective April 12, 2017, a new rule regulating an important reduction in rates for compulsory Third Party Liability for Motor insurance. This essentially eliminates freedom of pricing in Motor insurance in the Turkish market. The new applicable rates are an average of approximately 30% lower than the current rates, which we estimate will have an important impact on the profitability expected for this line in 2017. Currently, the possible impacts and measures to be taken are being analyzed, to try to maintain profitability in the medium and long-term in this business.

13. Appendixes

13.1. Consolidated Balance Sheet

	31.03.2016	31.12.2016	31.03.2017
A) INTANGIBLE ASSETS	3,677.1	3,798.9	3,798.2
I. Goodwill	2,031.3	1,990.0	1,981.8
II. Other intangible assets	1,645.8	1,808.9	1,816.5
B) PROPERTY, PLANT AND EQUIPMENT	1,240.0	1,296.6	1,283.1
I. Property for own use	950.2	1,003.0	985.5
II. Other property, plant and equipment	289.8	293.6	297.6
C) INVESTMENTS	43,555.9	45,088.0	44,830.9
I. Property investments	1,334.9	1,274.8	1,276.9
II. Financial investments			
1. Held-to-maturity portfolio	2,171.1	2,419.8	2,298.0
2. Available-for-sale portfolio	35,454.2	35,102.6	34,478.7
3. Trading portfolio	3,455.7	5,018.6	5,376.7
III. Investments recorded by applying the equity method	196.7	242.6	245.2
IV. Deposits established for accepted reinsurance	557.9	650.2	755.0
V. Other investments	385.3	379.4	400.4
D) INVESTMENTS ON BEHALF OF LIFE INSURANCE POLICYHOLDERS BEARING THE INVESTMENT RISK	1,883.8	2,014.0	2,316.5
E) INVENTORIES	75.8	75.0	75.1
F) PARTICIPATION OF REINSURANCE IN TECHNICAL PROVISIONS	3,939.6	3,934.4	4,045.9
G) DEFERRED TAX ASSETS	273.3	335.3	345.1
H) RECEIVABLES	7,365.0	6,651.9	7,156.1
I. Receivables on direct insurance and co-insurance operations	4,890.8	4,315.1	4,916.9
II. Receivables on reinsurance operations	1,119.6	876.6	771.2
III. Tax receivables			
1. Tax on profits receivable	143.1	166.2	130.0
2. Other tax receivables	65.0	137.6	140.0
IV. Corporate and other receivables	1,146.5	1,156.5	1,197.9
V. Shareholders, called capital	0.0	0.0	0.0
I) CASH	1,131.3	1,451.1	2,503.9
J) ACCRUAL ADJUSTMENTS	2,083.8	2,180.0	2,312.6
K) OTHER ASSETS	142.3	145.5	159.7
L) NON-CURRENT ASSETS HELD FOR SALE AND FROM DISCONTINUED OPERATIONS	40.3	911.2	904.4
TOTAL ASSETS	65,408.1	67,881.8	69,731.6

Million euros

	31.03.2016	31.12.2016	31.03.2017
A) EQUITY	10,472.5	11,443.5	11,220.9
I. Paid-up capital	308.0	308.0	308.0
II. Share premium	1,506.7	1,506.7	1,506.7
III. Reserves	7,049.2	7,041.5	7,351.8
IV. Interim dividend	0.0	-184.8	0.0
V. Treasury Stock	-50.4	-60.2	-60.2
VI. Result attributable to controlling company	191.7	775.5	206.2
VII. Other equity instruments	0.0	9.7	9.7
VIII. Valuation change adjustments	737.2	654.7	640.1
IX. Currency conversion differences	-1,250.6	-924.4	-909.5
Equity attributable to the controlling company's shareholders	8,491.7	9,126.5	9,052.6
Non-controlling interests	1,980.8	2,317.0	2,168.3
B) SUBORDINATED LIABILITIES	603.1	594.0	1,200.4
C) TECHNICAL PROVISIONS	44,529.4	45,226.1	45,862.5
I. Provisions for unearned premiums and unexpired risks	8,999.7	8,636.5	9,343.9
II. Provisions for life insurance	25,588.4	25,664.8	25,342.8
III. Provision for outstanding claims	9,150.4	10,086.8	10,316.7
IV. Other technical provisions	790.9	838.1	859.1
D) TECHNICAL PROVISIONS FOR LIFE INSURANCE WHERE POLICYHOLDERS BEAR THE INVESTMENT RISK	1,883.8	2,014.0	2,316.5
E) PROVISIONS FOR RISKS AND EXPENSES	672.0	752.8	684.0
F) DEPOSITS RECEIVED ON CEDED AND RETROCEDED REINSURANCE	41.8	49.4	92.6
G) DEFERRED TAX LIABILITIES	764.8	730.7	731.6
H) DEBT	6,200.0	6,141.3	6,668.2
I. Issue of debentures and other negotiable securities	0.0	1,002.5	1,006.7
II. Due to credit institutions	1,172.0	606.4	610.9
III. Other financial liabilities	566.5	752.1	731.4
IV. Due on direct insurance and co-insurance operations	1,072.3	953.0	1,088.7
V. Due on reinsurance operations	1,618.2	1,045.8	1,099.3
VI. Tax liabilities			
1. Tax on profits to be paid	103.9	231.3	131.9
2. Other tax liabilities	442.9	440.2	454.6
VII. Other debts	1,224.2	1,109.9	1,544.7
I) ACCRUAL ADJUSTMENTS	240.7	239.8	270.6
J) LIABILITIES LINKED TO NON-CURRENT ASSETS HELD FOR SALE AND FROM DISCONTINUED OPERATIONS	0.0	690.3	684.3
TOTAL LIABILITIES AND EQUITY	65,408.1	67,881.8	69,731.6

Million euros

55 MAPFRE Financial Information - 3M 2017

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13.2. Consolidated Income Statement

	3M 2016	3M 2017
I. REVENUE FROM INSURANCE BUSINESS		
1. Premiums allocated to the financial year, net		
a) Written premiums, direct insurance	5,222.5	5,775.8
b) Premiums from accepted reinsurance	890.4	898.7
c) Premiums from ceded reinsurance	-1,029.1	-1,061.7
d) Variations in provisions for unearned premiums and unexpired risks		
Direct insurance	-712.4	-649.4
Accepted reinsurance	-35.3	-29.8
Ceded reinsurance	220.9	65.2
2. Share in profits from equity-accounted companies	1.0	2.0
3. Revenue from investments		
a) From operations	615.4	651.8
b) From equity	34.3	52.0
4. Unrealized gains on investments on behalf of life insurance policyholders bearing investment risk	174.7	65.1
5. Other technical revenue	15.9	15.2
6. Other non-technical revenue	7.9	43.9
7. Positive foreign exchange differences	186.4	221.1
8. Reversal of the asset impairment provision	8.4	9.6
TOTAL REVENUE FROM INSURANCE BUSINESS	5,600.9	6,059.7
II. INSURANCE BUSINESS EXPENSES		
1. Incurred claims for the year, net		
a) Claims paid and variation in provision for claims, net		
Direct insurance	-2,871.4	-3,155.3
Accepted reinsurance	-502.5	-543.9
Ceded reinsurance	354.6	490.1
b) Claims-related expenses	-207.1	-228.1
2. Variation in other technical provisions, net	-145.3	-342.2
3. Profit sharing and returned premiums	-12.7	-14.9
4. Net operating expenses		
a) Acquisition expenses	-1,122.8	-1,245.5
b) Administration expenses	-195.6	-185.8
c) Commissions and participation in reinsurance	106.7	163.5
5. Share in losses from equity-accounted companies	-1.1	-0.4
6. Expenses from investments		
a) From operations	-140.2	-214.2
b) From equity and financial accounts	-7.3	-13.8
7. Unrealized losses on investments on behalf of life insurance policyholders bearing investment risk	-160.1	-4.0
8. Other technical expenses	-20.3	-26.4
9. Other non-technical expenses	-34.0	-20.8
10. Negative foreign exchange differences	-178.8	-222.9
11. Allowance to the asset impairment provision	-12.4	-17.3
TOTAL EXPENSES FROM INSURANCE BUSINESS	-5,150.4	-5,581.8
RESULT FROM THE INSURANCE BUSINESS	450.5	477.8

Million euros

	3M 2016	3M 2017
III. OTHER ACTIVITIES		
1. Operating revenue	88.5	98.9
2. Operating expenses	-95.1	-113.4
3. Net financial revenue		
a) Financial revenue	16.5	20.1
b) Financial expenses	-22.7	-25.0
4. Results from non-controlling interests		
a) Share in profits from equity-accounted companies	0.9	0.5
b) Share in losses from equity-accounted companies	0.0	0.0
5. Reversal of asset impairment provision	0.6	0.2
6. Allowance to the asset impairment provision	-5.0	-1.2
7. Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations	0.0	0.0
RESULT FROM OTHER ACTIVITIES	-16.5	-20.1
IV. RESULT ON RESTATEMENT OF FINANCIAL ACCOUNTS	-8.8	-9.3
V. RESULT BEFORE TAXES FROM ONGOING OPERATIONS	425.2	448.4
VI. TAX ON PROFIT FROM ONGOING OPERATIONS	-138.1	-129.1
VII. RESULT AFTER TAX FROM ONGOING OPERATIONS	287.1	319.3
VIII. RESULT AFTER TAX FROM DISCONTINUED OPERATIONS	0.0	0.0
IX. RESULT FOR THE FINANCIAL YEAR	287.1	319.3
1. Attributable to non-controlling interests	95.4	113.2
2. Attributable to the controlling company	191.7	206.2

Million euros

13.3. Consolidated Statement of Other Comprehensive Income

ITEM	GROSS AMOUNT		TAX ON PROFIT		ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		ATTRIBUTABLE TO CONTROLLING COMPANY	
	3M 2016	3M 2017	3M 2016	3M 2017	3M 2016	3M 2017	3M 2016	3M 2017
A) CONSOLIDATED RESULT FOR THE YEAR	425.2	448.4	(138.1)	(129.1)	95.4	113.2	191.7	206.2
B) OTHER RECOGNIZED REVENUE (EXPENSES)	128.6	34.8	(50.1)	16.9	81.6	51.4	(3.1)	0.3
1. Financial assets available for sale	651.9	(377.6)	(170.8)	163.2	91.1	(18.5)	390.0	(195.9)
a) Valuation gains (losses)	683.9	(326.7)	(179.3)	150.1				
b) Amounts transferred to the income statement	(32.0)	(51.1)	8.4	13.2				
c) Other reclassifications	(0.0)	0.2	0.2	(0.1)				
2. Currency conversion differences	(43.9)	48.4	0.3	(0.2)	64.6	33.3	(108.2)	14.9
a) Valuation gains (losses)	(43.1)	47.6	0.3	(0.2)				
b) Amounts transferred to the income statement	(0.0)	(0.1)	0.0	0.0				
c) Other reclassifications	(0.8)	0.9	0.0	0.0				
3. Shadow accounting	(471.4)	363.6	117.8	(146.2)	(74.1)	36.5	(279.5)	181.0
a) Valuation gains (losses)	(478.2)	356.0	119.5	(144.2)				
b) Amounts transferred to the income statement	6.8	7.7	(1.7)	(1.9)				
c) Other reclassifications	0.0	0.0	0.0	0.0				
4. Equity-accounted entities	0.5	0.5	0.0	0.0	0.0	0.0	0.5	0.5
a) Valuation gains (losses)	0.6	0.4	0.0	0.0				
b) Amounts transferred to the income statement	0.0	0.0	0.0	0.0				
c) Other reclassifications	(0.1)	0.0	0.0	0.0				
5. Other recognized revenue and expenses	(8.5)	(0.1)	2.5	0.0	(0.0)	0.1	(5.9)	(0.2)
TOTALS	553.8	483.2	(188.2)	(112.2)	177.0	164.5	188.6	206.5

Million euros

13.3.1. Income Statement by Regional Area

	IBERIA		BRAZIL		NORTH AMERICA		EMEA		LATAM SOUTH	
	3M 2016	3M 2017	3M 2016	3M 2017	3M 2016	3M 2017	3M 2016	3M 2017	3M 2016	3M 2017
Gross written and accepted premiums	1,823.1	1,834.6	653.9	890.1	681.3	726.9	681.7	634.0	436.2	405.2
Net premiums earned	1,043.9	1,075.1	530.7	629.7	521.3	545.5	387.2	360.9	218.9	255.3
Net claims incurred and variation in other technical reserves	-733.6	-792.9	-363.0	-418.5	-395.2	-410.6	-300.0	-287.8	-131.9	-162.4
Net operating expenses	-222.2	-222.1	-166.7	-201.6	-132.6	-146.2	-110.2	-89.6	-80.1	-95.5
Other technical income and expenses	-0.4	0.6	0.4	0.2	3.3	3.6	-3.0	-2.7	-0.5	-0.7
Technical result	87.8	60.7	1.4	9.8	-3.2	-7.7	-26.1	-19.2	6.4	-3.3
Net financial income	42.1	48.1	45.4	32.1	28.7	32.1	13.5	13.7	11.3	17.0
Other non-technical income and expenses	-21.7	-4.2	-0.1	0.2	-0.4	-0.4	0.0	0.0	1.1	0.2
Result of Non-Life business	108.2	104.5	46.8	42.1	25.1	24.0	-12.6	-5.6	18.8	13.9
Gross written and accepted premiums	457.2	665.9	283.4	364.8	1.7	2.7	76.1	97.6	49.8	66.8
Net premiums earned	424.8	632.9	340.3	410.9	1.4	1.9	74.7	96.2	41.6	54.9
Net claims incurred and variation in other technical reserves	-552.7	-737.7	-156.1	-192.1	-0.6	-0.7	-65.3	-107.4	-44.0	-48.4
Net operating expenses	-53.9	-61.4	-133.6	-161.2	-1.4	-1.5	-4.5	-5.0	-21.5	-27.9
Other technical income and expenses	-1.0	-5.8	-0.1	-1.5	0.0	0.0	0.1	0.1	-0.2	-0.3
Technical result	-182.8	-172.0	50.5	56.2	-0.5	-0.3	5.0	-16.2	-24.2	-21.7
Financial result and other non-technical income	228.9	249.8	65.2	67.5	0.2	0.2	-2.2	19.3	26.2	26.9
Result of Life business	46.2	77.8	115.7	123.6	-0.3	-0.2	2.8	3.2	2.0	5.2
Result from other business activities	16.2	15.5	3.8	4.8	-1.5	1.8	-1.9	-0.8	-0.9	0.5
Hyperinflation adjustments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Result before tax	170.6	197.8	166.3	170.5	23.2	25.6	-11.7	-3.2	19.9	19.6
Income tax	-42.9	-43.6	-69.8	-60.5	-6.3	-7.8	2.5	0.4	-7.2	-4.9
Result from discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-controlling interests	15.4	20.2	69.5	83.0	0.1	0.1	1.7	2.2	1.5	2.1
Net result	112.3	134.0	27.0	27.0	16.8	17.7	-10.9	-4.9	11.2	12.6
Loss ratio	70.3%	73.8%	68.4%	66.5%	75.8%	75.3%	77.5%	79.8%	60.2%	63.6%
Expense ratio	21.3%	20.6%	31.3%	32.0%	24.8%	26.1%	29.2%	25.6%	36.8%	37.7%
Combined ratio	91.6%	94.4%	99.7%	98.4%	100.6%	101.4%	106.7%	105.3%	97.1%	101.3%

Million euros

	LATAM NORTH		APAC		MAPFRE RE		CONS. ADJUST. & CORPORATE AREAS		TOTAL	
	3M 2016	3M 2017	3M 2016	3M 2017	3M 2016	3M 2017	3M 2016	3M 2017	3M 2016	3M 2017
Gross written and accepted premiums	280.5	277.3	35.7	35.9	955.5	1,017.0	-523.4	-603.3	5,024.5	5,217.9
Net premiums earned	183.9	160.7	24.0	22.4	588.7	550.0	9.2	3.2	3,507.9	3,602.8
Net claims incurred and variation in other technical reserves	-108.7	-104.8	-23.4	-19.2	-368.6	-352.9	-8.4	-1.8	-2,432.9	-2,551.0
Net operating expenses	-61.1	-45.9	-5.2	-7.1	-178.1	-149.4	-3.4	-1.9	-959.5	-959.2
Other technical income and expenses	-1.6	-3.1	0.0	-0.4	-0.6	-0.3	-0.1	-0.1	-2.7	-2.8
Technical result	12.5	6.8	-4.6	-4.3	41.4	47.5	-2.8	-0.5	112.8	89.8
Net financial income	8.9	5.1	0.1	1.0	23.1	9.9	18.0	9.0	190.9	168.0
Other non-technical income and expenses	0.1	0.0	-1.3	0.0	-1.3	-1.1	0.0	0.0	-23.5	-5.4
Result of Non-Life business	21.5	11.9	-5.9	-3.3	63.2	56.2	15.2	8.5	280.2	252.4
Gross written and accepted premiums	82.8	110.2	0.0	0.0	137.2	148.7	0.2	0.1	1,088.4	1,456.7
Net premiums earned	56.5	65.7	0.0	0.0	109.6	133.4	0.1	0.0	1,049.0	1,396.1
Net claims incurred and variation in other technical reserves	-35.3	-48.6	0.0	0.0	-97.6	-112.4	0.0	4.0	-951.5	-1,243.3
Net operating expenses	-21.1	-20.9	0.0	0.0	-16.1	-30.5	0.0	0.0	-252.1	-308.5
Other technical income and expenses	-0.5	-0.9	0.0	0.0	0.0	-0.1	0.0	0.0	-1.8	-8.4
Technical result	-0.4	-4.6	0.0	0.0	-4.1	-9.6	0.1	4.1	-156.4	-164.1
Financial result and other non-technical income	6.0	6.2	0.0	0.0	9.4	23.6	-7.0	-3.9	326.7	389.5
Result of Life business	5.6	1.6	0.0	0.0	5.3	14.0	-6.9	0.1	170.2	225.4
Result from other business activities	-0.2	-0.7	-1.6	-2.4	0.0	0.0	-30.4	-38.7	-16.5	-20.1
Hyperinflation adjustments	0.0	0.0	0.0	0.0	0.0	0.0	-8.8	-9.4	-8.8	-9.3
Result before tax	26.9	12.9	-7.4	-5.6	68.4	70.2	-30.9	-39.4	425.2	448.4
Income tax	-6.4	-2.7	1.2	0.8	-17.4	-18.9	8.1	8.2	-138.1	-129.1
Result from discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-controlling interests	2.5	1.5	0.0	0.1	0.0	0.0	4.6	4.0	95.4	113.2
Net result	18.0	8.7	-6.2	-4.9	51.1	51.3	-27.4	-35.2	191.7	206.2
Loss ratio	59.1%	65.2%	97.6%	85.7%	62.6%	64.2%			69.4%	70.8%
Expense ratio	34.1%	30.5%	21.7%	33.4%	30.4%	27.2%			27.4%	26.7%
Combined ratio	93.2%	95.8%	119.3%	119.1%	93.0%	91.4%			96.8%	97.5%

Million euros

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13.4. Income Statement by Business Unit

	IBERIA		BRAZIL		NORTH AMERICA		EMEA		LATAM SOUTH		LATAM NORTH	
	3M 2016	3M 2017	3M 2016	3M 2017	3M 2016	3M 2017	3M 2016	3M 2017	3M 2016	3M 2017	3M 2016	3M 2017
Gross written and accepted premiums	1,696.3	1,721.1	613.3	838.4	614.2	651.3	516.5	471.0	394.4	361.7	260.8	256.7
Net premiums earned	1,008.0	1,028.8	517.1	611.7	492.6	526.1	253.7	247.7	185.1	214.9	162.0	137.7
Net claims incurred and variation in other technical reserves	-718.7	-762.4	-354.7	-406.5	-375.4	-398.7	-195.8	-192.5	-111.3	-133.5	-100.9	-96.1
Net operating expenses	-214.7	-211.9	-163.3	-196.2	-128.1	-138.7	-63.2	-55.1	-68.2	-79.8	-55.4	-37.8
Other technical income and expenses	0.0	1.2	0.5	0.3	3.4	3.7	-2.2	-1.7	-0.1	0.1	-1.4	-2.6
Technical result	74.5	55.7	-0.5	9.4	-7.5	-7.6	-7.5	-1.6	5.4	1.6	4.3	1.3
Net financial income	39.6	44.9	44.8	31.2	29.3	31.3	14.3	11.6	11.6	15.9	8.7	4.3
Other non-technical income and expenses	-22.0	-4.5	-0.1	0.2	-0.4	-0.4	0.0	0.0	1.1	0.2	0.1	0.0
Result of Non-Life business	92.2	96.1	44.2	40.8	21.5	23.3	6.8	10.0	18.2	17.8	13.0	5.5
Gross written and accepted premiums	457.2	665.9	283.4	364.8	1.7	2.7	76.1	97.6	49.8	66.8	82.8	110.2
Net premiums earned	424.8	632.9	340.3	410.9	1.4	1.9	74.7	96.2	41.6	54.9	56.5	65.7
Net claims incurred and variation in other technical reserves	-552.7	-737.7	-156.1	-192.1	-0.6	-0.7	-65.3	-107.4	-44.0	-48.4	-35.3	-48.6
Net operating expenses	-53.9	-61.4	-133.6	-161.2	-1.4	-1.5	-4.5	-5.0	-21.5	-27.9	-21.1	-20.9
Other technical income and expenses	-1.0	-5.8	-0.1	-1.5	0.0	0.0	0.1	0.1	-0.2	-0.3	-0.5	-0.9
Technical result	-182.8	-172.0	50.5	56.2	-0.5	-0.3	5.0	-16.2	-24.2	-21.7	-0.4	-4.6
Financial result and other non-technical income	228.9	249.8	65.2	67.5	0.2	0.2	-2.2	19.3	26.2	26.9	6.0	6.2
Result of Life business	46.2	77.8	115.7	123.6	-0.3	-0.2	2.8	3.2	2.0	5.2	5.6	1.6
Result from other business activities	16.3	15.5	3.8	5.0	0.0	0.0	-0.4	-0.4	0.2	0.5	-0.1	0.1
Hyperinflation adjustments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Result before tax	154.7	189.4	163.7	169.4	21.1	23.2	9.2	12.8	20.4	23.5	18.5	7.2
Income tax	-38.6	-41.5	-69.2	-60.2	-5.8	-7.2	-1.9	-2.0	-6.5	-5.8	-4.3	-1.1
Result from discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-controlling interests	15.5	20.3	69.5	83.0	0.1	0.1	1.5	1.8	1.5	2.1	2.5	1.5
Net result	100.6	127.6	25.0	26.2	15.2	15.9	5.7	9.0	12.4	15.6	11.7	4.6
Loss ratio	71.3%	74.1%	68.6%	66.4%	76.2%	75.8%	77.2%	77.7%	60.1%	62.1%	62.3%	69.8%
Expense ratio	21.3%	20.5%	31.5%	32.0%	25.3%	25.7%	25.8%	22.9%	36.9%	37.1%	35.1%	29.3%
Combined ratio	92.6%	94.6%	100.1%	98.5%	101.5%	101.4%	103.0%	100.6%	97.1%	99.2%	97.4%	99.1%
Investments, real estate and cash	31,063.0	30,953.7	3,755.4	4,740.9	2,402.1	2,523.2	3,345.5	3,580.8	1,749.3	2,136.4	1,459.5	1,496.3
Technical reserves	27,864.1	27,233.8	4,779.1	5,838.0	2,285.2	2,511.1	3,550.0	3,865.7	2,208.9	2,646.5	1,311.7	1,497.6
Shareholders' equity	4,119.8	4,103.2	1,032.5	1,327.2	1,320.9	1,404.1	605.2	569.1	438.7	553.0	778.2	822.3
ROE	10.9%	13.7%	14.2%	12.1%	2.6%	5.7%	2.3%	-9.7%	3.8%	4.0%	3.5%	3.4%

Million euros

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	APAC		MAPFRE RE		MAPFRE GLOBAL RISKS		MAPFRE ASISTENCIA		CONS. ADJUST. & CORPORATE AREAS		TOTAL	
	3M 2016	3M 2017	3M 2016	3M 2017	3M 2016	3M 2017	3M 2016	3M 2017	3M 2016	3M 2017	3M 2016	3M 2017
Gross written and accepted premiums	15.3	18.3	955.5	1,017.0	291.5	318.6	284.3	276.1	-617.7	-712.3	5,024.5	5,217.9
Net premiums earned	7.0	7.0	588.7	550.0	82.2	91.7	202.7	184.4	8.8	2.7	3,507.9	3,602.8
Net claims incurred and variation in other technical reserves	-3.7	-3.1	-368.6	-352.9	-47.2	-69.3	-148.2	-134.1	-8.3	-1.8	-2,432.9	-2,551.0
Net operating expenses	-3.6	-4.0	-178.1	-149.4	-24.7	-28.9	-57.0	-56.2	-3.2	-1.3	-959.5	-959.2
Other technical income and expenses	0.0	0.0	-0.6	-0.3	-1.6	-2.2	-0.6	-1.2	-0.1	0.0	-2.7	-2.8
Technical result	-0.3	-0.2	41.4	47.5	8.7	-8.7	-3.0	-7.1	-2.8	-0.4	112.8	89.8
Net financial income	0.5	1.1	23.1	9.9	7.7	8.8	-5.8	0.3	17.2	8.7	190.9	168.0
Other non-technical income and expenses	-1.3	0.0	-1.3	-1.1	0.3	0.3	0.0	0.0	0.0	0.0	-23.5	-5.4
Result of Non-Life business	-1.1	0.9	63.2	56.2	16.7	0.3	-8.8	-6.9	14.4	8.2	280.2	252.4
Gross written and accepted premiums	0.0	0.0	137.2	148.7	0.0	0.0	0.0	0.0	0.2	0.1	1,088.4	1,456.7
Net premiums earned	0.0	0.0	109.6	133.4	0.0	0.0	0.0	0.0	0.1	0.0	1,049.0	1,396.1
Net claims incurred and variation in other technical reserves	0.0	0.0	-97.6	-112.4	0.0	0.0	0.0	0.0	0.0	4.0	-951.5	-1,243.3
Net operating expenses	0.0	0.0	-16.1	-30.5	0.0	0.0	0.0	0.0	0.0	0.0	-252.1	-308.5
Other technical income and expenses	0.0	0.0	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	-1.8	-8.4
Technical result	0.0	0.0	-4.1	-9.6	0.0	0.0	0.0	0.0	0.1	4.1	-156.4	-164.1
Financial result and other non-technical income	0.0	0.0	9.4	23.6	0.0	0.0	0.0	0.0	-7.0	-3.9	326.7	389.5
Result of Life business	0.0	0.0	5.3	14.0	0.0	0.0	0.0	0.0	-6.9	0.1	170.2	225.4
Result from other business activities	-0.1	-1.3	0.0	0.0	0.0	0.0	-6.0	-1.4	-30.3	-38.1	-16.5	-20.1
Hyperinflation adjustments	0.0	0.0	0.0	0.0	0.0	0.0	-0.1	0.0	-8.8	-9.3	-8.8	-9.3
Result before tax	-1.2	-0.4	68.4	70.2	16.7	0.3	-14.9	-8.3	-31.6	-39.0	425.2	448.4
Income tax	-0.1	-0.1	-17.4	-18.9	-3.2	-0.1	0.7	-0.4	8.2	8.3	-138.1	-129.1
Result from discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-controlling interests	0.0	0.1	0.0	0.0	0.0	0.0	0.2	0.4	4.6	3.9	95.4	113.2
Net result	-1.2	-0.5	51.1	51.3	13.6	0.2	-14.4	-9.1	-28.0	-34.6	191.7	206.2
Loss ratio	52.5%	45.1%	62.6%	64.2%	57.4%	75.6%	73.1%	72.7%			69.4%	70.8%
Expense ratio	51.3%	57.9%	30.4%	27.2%	32.0%	33.9%	28.4%	31.1%			27.4%	26.7%
Combined ratio	103.8%	102.9%	93.0%	91.4%	89.5%	109.5%	101.5%	103.9%			96.8%	97.5%
Investments, real estate and cash	47.7	46.6	4,187.2	4,590.2	908.5	1,006.1	160.2	228.3	-1,557.4	-665.6	47,521.2	50,636.7
Technical reserves	68.4	56.3	3,763.9	4,157.8	1,783.9	1,985.2	621.8	668.1	-1,823.8	-2,281.1	46,413.2	48,178.9
Shareholders' equity	25.6	19.8	1,245.0	1,327.6	411.6	395.4	239.8	236.8	-1,725.6	-1,705.7	8,491.7	9,052.6
ROE	-13.6%	-36.0%	12.3%	14.5%	13.2%	8.4%	-19.8%	-21.5%			7.8%	9.0%

Million euros

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13.5. Terminology

CONCEPT	DEFINITION
Total managed assets	Includes total balance sheet assets, pension funds, and mutual funds
Managed savings	Includes third party Life technical reserves, pensions funds and mutual funds
Corporate Areas and Consolidation adjustments	Includes the result attributable to MAPFRE RE and MAPFRE INTERNACIONAL's non-controlling interests and other concepts
Gross result	Before taxes and non-controlling interests
Minimum capital requirement (MCR)	Minimum level of capital below which the amount of financial resources should not fall
Solvency capital requirement (SCR)	Reflects a level of eligible own funds that enables insurance and reinsurance undertakings to absorb significant losses and meet their obligations to policyholders
Financial debt	Includes subordinated debt, senior debt and debt due to credit institutions
Senior debt	Issue of debentures and other negotiable securities
Subordinated debt	Subordinated liabilities
Marginal lending facility	Permanent facility offered by the Eurosystem (or equivalent) that counterparties can use to obtain overnight liquidity from the Central Bank at a previously set credit rate, against the presentation of sufficient eligible assets.
Eligible Own Funds/ EOF	Funds available to cover the Solvency Capital Requirement on an on-going basis, consisting of the insurance company's assets, free of any foreseeable liabilities, less any intangible items, and

	having applied another series of adjustments in line with the Solvency II regulation.
Solvency margin	The difference between Eligible Own Funds and Solvency Capital Requirement
Technical and financial margin - Life	Technical and financial result, plus other non-technical income and expenses / arithmetic mean of average technical reserves at the beginning and closing of the period (twelve months) x 100
Other business activities	<p>Includes the Group's non-insurance activities undertaken by the insurance subsidiaries, as well as by other subsidiaries:</p> <ul style="list-style-type: none"> • Activities of the holding companies of MAPFRE S.A. and MAPFRE INTERNACIONAL • Non-insurance activities of the Group developed by its subsidiaries, mainly including: <ul style="list-style-type: none"> • MAPFRE INVERSIÓN (MAPFRE ASSET MANAGEMENT) • MAPFRE ASISTENCIA: Assistance and Speciality Risks • MAPFRE ESPAÑA: FUNESPAÑA (funeral services), MULTIMAP, CENTROS MÉDICOS MAPFRE SALUD (medical services), CESVIMAP (research and training services) • MAPFRE INTERNACIONAL: GENEL SERVIS (vehicle repair shops in Turkey), BEE INSURANCE (advisory services in Malta), GROWTH INVESTMENTS (investment services in Malta)
Pay out	(Total dividend charged against earnings / Result for the year attributable to the controlling company) x 100.
Price target	Average of the price targets calculated by analysts over a period of one year
Combined ratio - Non-Life	Expense ratio + Loss ratio
Expense ratio - Non-Life	(Net operating expenses - other technical revenue + other technical expenses) / Premiums allocated to the financial year, net

Loss ratio - Non-Life	(Incurred claims for the year, net + Variation in other technical provisions, net + Profit sharing and returned premiums) / Premiums allocated to the financial year, net
Solvency II Ratio	Eligible Own Funds / Solvency Capital Requirement (SCR) x 100
Dividend yield	Amount of dividend paid in the year / Average share market price in the year.
Result of Life business	Includes technical result, financial result and other non-technical income
ROE (Return on equity)	(Attributable result (see definition) for the last twelve months) / Arithmetic mean of equity attributable to the controlling company (see definition) at the beginning and closing of the period (twelve months)) x 100.

Alternative Performance Measures (APM) used in this report correspond to those financial measures that are not defined or detailed within the framework of the applicable financial information. Their definition and calculation can be consulted at the following link: <https://www.mapfre.com/corporativo-es/accionistas-inversores/inversores/informacion-financiera/medidas-alternativas-rendimiento.jsp>

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Certain numerical figures included in this report have been rounded. Therefore, discrepancies in tables between totals and the sums of the amounts listed may occur due to such rounding.