

2018

Financial Report

March



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## 1. Key Figures

| ITEM  | MARCH 2017    | MARCH 2018    | Δ %      |
|---|---------------|---------------|----------|
| <b>Results</b>                              |               |               |          |
| Revenue                                     | 7,854.9       | 7,257.0       | -7.6%    |
| Total written and accepted premiums         | 6,674.6       | 6,197.2       | -7.2%    |
| - Non-Life                                  | 5,217.9       | 4,965.9       | -4.8%    |
| - Life                                      | 1,456.7       | 1,231.3       | -15.5%   |
| Attributable net result                     | 206.2         | 187.0         | -9.3%    |
| Earnings per share (euros)                  | 0.07          | 0.06          | -9.3%    |
| <b>Balance sheet</b>                        |               |               |          |
| Total assets                                | 69,731.6      | 69,256.9      | -0.7%    |
| Assets under management                     | 60,521.1      | 60,812.7      | 0.5%     |
| Shareholders' equity                        | 9,052.6       | 8,465.8       | -6.5%    |
| Debt  | 2,818.0       | 2,410.3       | -14.5%   |
| <b>Ratios</b>                               |               |               |          |
| Non-Life Loss Ratio                         | 70.8%         | 68.3%         | -2.5 p.p |
| Non-Life Expense Ratio                      | 26.7%         | 28.2%         | 1.5 p.p  |
| Non-Life Combined Ratio                     | 97.5%         | 96.5%         | -1.0 p.p |
| ROE   | 9.0%          | 7.8%          | -1.2 p.p |
| <b>Employees at the close of the period</b> |               |               |          |
| Total                                       | 36,658        | 35,923        | -2.0%    |
| - Spain                                     | 10,805        | 10,834        | 0.3%     |
| - Other countries                           | 25,853        | 25,089        | -3.0%    |
| <b>MAPFRE share</b>                         |               |               |          |
| Market capitalization (million euros)       | 9,900.8       | 8,317.9       | -16.0%   |
| Share price (euros)                         | 3.215         | 2.701         | -16.0%   |
| Share price variation since January 1       | 10.9%         | 0.9%          | --       |
| ITEM  | DECEMBER 2016 | DECEMBER 2017 | Δ %      |
| <b>Solvency</b>                             |               |               |          |
| Solvency ratio                              | 209.9%        | 200.2%        | -9.7 p.p |

Figures in millions of euros

## 2. Significant Economic and Corporate Events

### 2018 Catastrophic Events

In the first quarter of 2018, various storms occurred on the East coast of the United States that have had a net reinsurance cost for MAPFRE Group of 19.8 million US dollars (16.7 million for MAPFRE USA and 3.1 million for MAPFRE RE).

On the other hand, at the close of the first quarter of 2018, the Group confirmed that the loss retention for the catastrophic events from 2017, made public last year through a relevant fact, has not significantly varied.

### Corporate Transactions and Changes in Scope

- **Capital Increases in Group Companies**

In the first quarter of 2018, a capital increase was carried out in VERTI INSURANCE, S.P.A. (Italy) of 120 million euros, with an initial payment of 60 million euros and subsequent payments in installments for the amount the company's board of directors decides, in line with the market and insurance regulations applicable in the country. This increase is being used to improve the undertaking's solvency position.

- **Authorization of disposal of Caja Duero and Duero Pensiones shares**

In March, authorization was received for the disposal of shares by the Directorate General for Insurance and Pension Fund, and payment from this operation is being processed.

### MAPFRE S.A. credit novation

In February, the 1 billion euro syndicated credit line, which matured in December 2021, was transformed into a sustainable loan, extending the maturity to the year 2023, with the possibility of extending up to two more years.

The most notable feature of this operation is that the interest rate applied takes into consideration not only MAPFRE's credit rating but also the performance of the company's sustainability parameters.

With this, MAPFRE reaffirms its commitment to sustainability in all areas of the organization, and strengthens its commitment to being a socially and environmentally responsible company that positively engages with society in general, as well as to reducing its financing expenses and extending financing maturity, while ensuring more advantageous conditions, taking into consideration the performance of the financial markets.

### **MAPFRE S.A. rating improvement**

In the first quarter of 2018, the main ratings agencies improved Spain's credit assessment. In January, Fitch led the revisions, raising the credit level from "BBB+" to "A-", with a "stable" outlook. In March, Standard & Poor's improved Spain's rating from "BBB+" to "A-", leaving the outlook as "positive".

These improvements have contributed to a rating revision of the MAPFRE Group companies in Spain. Fitch raised the financial strength rating for MAPFRE RE, MAPFRE GLOBAL RISKS, MAPFRE ESPAÑA and MAPFRE VIDA from "A-" to "A", and maintained MAPFRE S.A.'s issuer rating at "A-". Subsequently, Standard & Poor's changed the outlook of MAPFRE S.A.'s, MAPFRE RE's and MAPFRE GLOBAL RISKS' ratings from "stable" to "positive".



### 3. Macroeconomic Overview and Financial Markets

#### General overview

The strength of the global economy makes for forecasts of growth slightly under 4 percent in 2018, but this could be the apex of the cycle and the rate of activity could begin to moderate in 2019, given the change in the cyclical moment in various developed economies and the gradual tightening of monetary policies.

The United States and the Eurozone continue with dynamics characteristic of developed countries (around 2.8 percent and 2.2 percent, respectively, for 2018), while China continues to maintain its controlled deceleration agenda, to around 6.3 percent. In 2017, Russia and Brazil's cyclical recoveries were consolidated, and at the same time the economic policy in the United States has had less impact on Mexico than expected so far.

The context of the other emerging markets is varied, highly defined by the global environment and particularly by the U.S. monetary policy and idiosyncratic political and geopolitical factors.

The United States Federal Reserve raised interest rates in March, raising its upper target range to 1.75 percent, and has already set the timeline for normalizing its balance sheet which, while it is expected to be gradual (approximately 1.3 trillion US dollars over three years, equivalent to one third of the stock accumulated since the crisis), it will have repercussions on liquidity and the cost of global financing.

The political cycle of emerging countries (notably Latin America) will reach its zenith in 2018 with elections in Colombia, Brazil and Mexico. Elections in Italy this past March 4 (with changes in the configuration of the government still pending) have so far had a limited effect on the risk premium.

Global inflation will tend to stabilize (in advance economies just below 2 percent and between 4 and 5 percent in emerging economies), from the balance of multiple forces at play.

A more detailed analysis of the most relevant markets MAPFRE operates in is included below.

#### Eurozone

The Eurozone's economic activity continues to be strong, growing at a rate of 2.7 percent in the fourth quarter of 2017. The first quarter of 2018 also indicates strength, with Spain and Germany leading growth, while an acceleration of activity is also observed in France and Italy. For 2018, GDP growth is estimated at 2.2 percent. Retail trade grew by 2.3 percent (January year-on-year); exports are contributing decisively to growth (+6.1 percent, December year-on-year); industrial production and property, plant and equipment investment have been recovering for several years, and industrial capacity utilization is at 84.5 percent. Car sales have been sustainably increasing since 2013, currently standing at 975,000 cars per month.

Inflation stood at 1.2 percent in February, and underlying inflation is still below European Central Bank (ECB) expectations, at 1.0 percent.

In its meeting on March 8, the ECB reaffirmed that it expects interest rates to maintain at their present levels for an extended period of time, and well past the horizon of the net asset purchases. It also confirmed the forecast that net asset purchases continue at their current rate of 30 billion euros monthly, until the end of September 2018, or beyond, if necessary, to guarantee a smooth exit of monetary support and avoid tension in the markets.

The Euro Stoxx 50 closed the quarter with a 4 percent drop to 3,361 points, rooted in the market volatility in February, as well as other factors like the formation of the government in Italy (which is still pending), and from the perspective of tightening monetary conditions for the year ahead.

### **Spain**

Spain continues to lead growth among the large Eurozone economies. In the fourth quarter of 2017 it grew 3.1 percent (year-on-year). The main factors that contributed to this strength include domestic demand (+3.2 percent) and investment (+5.6 percent), lax monetary conditions and job creation (unemployment fell to 16.3 percent in January 2018, adjusted for seasonality). Exports maintain dynamism with growth of 4.4 percent, and imports as well with 5.6 percent. Spending remained strong thanks to the gains in employment, but so far there has not been wage pressure.

For 2018, the economy is expected to finish the year with growth of 2.8 percent, a deceleration compared to the 3.1 percent of 2017.

The IBEX 35 index has shown a declining trend since May 2017, and finished the quarter at 9,600 points with a drop of 4.4 percent.

### **United States**

GDP growth in the United States during the fourth quarter of 2017 of 2.5 percent (year-on-year) is proof that economic activity is still strong, and growth of 2.8 percent is forecast for the whole of 2018. The economy is at full employment, with an unemployment rate of 4.1 percent, and the creation of 300,000 jobs (non-agricultural) in February. Inflation grew 2.2 percent and salaries 2.5 percent in February, and the Federal Reserve already reached its double objective of inflation and growth, legitimizing the tightening of monetary conditions with an interest rate hike, which stand at 1.75 percent in March. The fiscal stimuli, lower taxes and increase in spending plans, will continue driving activity (0.5 percent per year), allowing for expectations that the Federal Reserve will probably tighten its policy monetary policy faster than expected, with 3 increases in 2018 and another in 2019.

The United States economy is the most advanced in the cycle and will lead the cyclical adjustment coming in the next few years. This adjustment is expected to be smooth, though there are vulnerabilities that could accelerate the correction in the case a risk event occurs.

In the markets, the 10-year Treasury Note reached a high of 2.95 percent in February, though it subsequently returned to 2.80 percent. The interest rate curve, against expectations, has not steepened but has moved in parallel in approximately 50 basis points at all points of the curve. The dollar finished the quarter at 1.23 against the euro, with a strong depreciation in January from 1.20 to 1.25.

The S&P500 index fell 1.2 percent in US dollars in the quarter (3.9 percent in euros) to 2,641 points, driven by the volatility event in the markets in February and the fall at the end of March caused by new concerns about a possible tech bubble.

## **Brazil**

The GDP in Brazil grew by 2.1 percent year-on-year in the fourth quarter of 2017, confirming that the economy is in full recovery. For 2018 and 2019, GDP growth is expected to reach 2.2 percent and 3.2 percent respectively. The progress registered in the Brazilian economy was fundamentally based on improved spending (+2.6 percent) and investment (+3.8 percent).

The sustained reduction in inflation (2.8 percent in February), due in large part to a reduction in the cost of electricity and a favorable interest rate for spending and investment, has allowed the Central Bank to cut the SELIC rate (overnight interest rate) by 25 additional basis points at the last meeting in March, placing it at 6.50 percent. The unemployment rate closed below 12 percent in December 2017, though there was an uptick in February to 12.6 percent. In addition to these factors, export behavior (+9.1 percent) has contributed to a decrease in the current account deficit, placing it at -0.4 percent of the GDP.

The fiscal balance sheet is showing improvements in line with the economic recovery, closing February with a deficit of 7.3 percent of the GDP (and 1.4 percent of the primary deficit). The same thing is not happening with the Social Security system deficit, which reached its highest since the existence of the series.

In the stock market, the BOVESPA index celebrated a return to growth with an increase of 11.7 percent in local currency so far this year (8.8 percent in euros), reaching 85,230 points. The Brazilian real closed the quarter at 3.31 against the dollar (0.2 percent appreciation), and 4.07 against the euro (depreciating 2.2 percent).

## **Turkey**

The Turkish economy accelerated and reached growth of 7.3 percent (year-on-year) in the fourth quarter, bringing annual growth to 7.4 percent in 2017 due to the push in credit activated through the Credit Guarantee Fund, which contributed 1.5 percentage points to the verified annual growth. In turn, this led to 3 percent growth in employment, which increased household income and therefore spending.



The currency depreciated 7.3 percent in the first quarter, favoring an uptick in inflation (10.3 percent in February) and a 5.5 percent deterioration of the current account balance in December.

For 2018, a deceleration of economic activity of around 4 percent (below the government target of 5.5 percent) is expected, which will help limit signs of overheating in the economy, but will also intensify pressure on fiscal and monetary policies.

The benchmark interest rate (liquidity advantage for banks) stands, after the increase in December, at 12.75 percent. With inflation at 10.3 percent in February (and probably around 10 percent in 2018), the Central Bank has no margin to lower them. Further, the Turkish economy's external financing needs in US dollars rose to 25 percent of the GDP and therefore high interest rates are necessary to defend the currency's value.

In the market, the Turkish lira stood, at the close of the first quarter, at 3.96 against the US dollar (-4.1 percent) and 4.88 against the euro (-7.27 percent). The BIST30 stock index fell 1.4 percent in local currency, and 7.9 percent in euros, reaching close to 140,000 points.

## **Mexico**

The Mexican economy visibly decelerated in the second half of 2017, bringing growth to 2.3 percent overall for the year, with similar growth forecasts for 2018. Inflation stood at 5.3 percent in February, and has been falling sharply since the beginning of the year, with forecasts that it will finish the year at 2.5 percent. However, this will all be revised according to the tightening of monetary conditions in the United States.

The two central issues in Mexico for 2018 are, on the one hand, NAFTA negotiations with the United States and Canada, and on the other hand, the July 1 presidential elections. After several rounds of negotiations regarding NAFTA, no clear conclusions have been reached and more clarity is expected about the results in the second half of 2018. If NAFTA survives, it is expected to lean more favorably to the United States, and Mexico has been working to increase its trade agreements with other areas of the world, most notably including the European Union.

The CPI index and the Mexican Stock Market closed the first quarter of the year at 46,125 points, dropping 6.5 percent in local currency (1.8 percent in euros). The Mexican peso closed March at 18.18 against the dollar (+7.5 percent) and 22.41 against the euro (+ 5.1 percent).

Main currencies compared to the euro

| ITEM              | Average Exchange Rate |                                | Closing Exchange Rate |                                   |
|-------------------|-----------------------|--------------------------------|-----------------------|-----------------------------------|
|                   | MARCH 2018            | Var. MARCH 2018 vs. MARCH 2017 | MARCH 2018            | Var. MARCH 2018 vs. DECEMBER 2017 |
| US dollar         | 0.81210               | -13.2%                         | 0.81281               | -2.4%                             |
| Brazilian real    | 0.25024               | -16.3%                         | 0.24608               | -2.2%                             |
| Turkish lira      | 0.21198               | -16.1%                         | 0.20564               | -6.4%                             |
| Mexican peso      | 0.04368               | -6.2%                          | 0.04470               | 5.5%                              |
| Colombian peso    | 0.00029               | -10.7%                         | 0.00029               | 4.1%                              |
| Chilean peso      | 0.00135               | -5.8%                          | 0.00135               | -0.6%                             |
| Peruvian sol      | 0.25104               | -12.5%                         | 0.25185               | -2.1%                             |
| Argentinian peso  | 0.04076               | -31.9%                         | 0.04037               | -9.8%                             |
| Panamanian balboa | 0.81298               | -13.2%                         | 0.81281               | -2.4%                             |
| Dominican peso    | 0.01652               | -17.1%                         | 0.01647               | -4.4%                             |
| Honduran lempira  | 0.03445               | -13.3%                         | 0.03438               | -2.7%                             |
| Indonesian rupiah | 0.00006               | -14.7%                         | 0.00006               | -3.4%                             |

## 4. Consolidated Result

### Consolidated revenue

| ITEM  | MARCH 2017     | MARCH 2018     | Δ %          |
|---|----------------|----------------|--------------|
| Total written and accepted premiums                   | 6,674.6        | 6,197.2        | -7.2%        |
| Financial income from investments                     | 791.5          | 624.5          | -21.1%       |
| Revenue from non-insurance entities and other revenue | 388.9          | 435.4          | 12.0%        |
| <b>Total consolidated revenue</b>                     | <b>7,854.9</b> | <b>7,257.0</b> | <b>-7.6%</b> |

Figures in millions of euros

The Group's consolidated revenue reached 7.3 billion euros, with a reduction of 7.6 percent, mainly due to the depreciation of the main currencies in the countries where MAPFRE operates, and the fall in financial returns.

Premiums from direct insurance and accepted reinsurance, which represent a fundamental part of revenue, reached 6.2 billion euros, with a notable reduction of 7.2 percent, primarily due to the effect of currency depreciation and a discreet development of premium issuing in the following countries: Brazil, United States, Turkey and Chile.

Non-Life premiums fell by 4.8 percent, while Life premiums receded 15.5 percent. By Non-Life business type, Automobile is the most important line, with 1.8 billion euros in premiums. General P&C holds second place, with 1.5 billion euros, and Health and Accidents is in third place with 741 million euros in premiums.

At a constant exchange rate, the variation in premiums would be -0.4 percent; +2.2 percent in Non-Life and -9.6 percent in Life.

Gross revenue from investments reached 624.5 million euros, below the previous period, due to the recurrent low-interest rate environment in Europe and the fall in interest rates in Brazil and other LATAM countries, as well as lower financial gains.

Finally, other revenue, which mostly includes non-insurance activity and non-technical revenue, reflects an increase deriving from positive currency conversion differences.

## Income Statement

The chart below gives a summary of the consolidated income statement as of March 2018, showing the various components of MAPFRE's earnings and the comparison with the same period of the previous year.

| ITEM  | MARCH 2017    | MARCH 2018    | Δ %           |
|---|---------------|---------------|---------------|
| <b>NON-LIFE BUSINESS</b>                              |               |               |               |
| Gross written and accepted premiums                   | 5,217.9       | 4,965.9       | -4.8%         |
| Net premiums earned                                   | 3,602.8       | 3,453.0       | -4.2%         |
| Technical result                                      | 89.8          | 119.6         | 33.2%         |
| Net financial income                                  | 168.0         | 178.6         | 6.3%          |
| Other non-technical revenue and expenses              | (5.4)         | (18.7)        | --            |
| <b>Result of Non-Life business</b>                    | <b>252.4</b>  | <b>279.6</b>  | <b>10.7%</b>  |
| <b>LIFE BUSINESS</b>                                  |               |               |               |
| Gross written and accepted premiums                   | 1,456.7       | 1,231.3       | -15.5%        |
| Net premiums earned                                   | 1,396.1       | 1,130.0       | -19.1%        |
| Technical result                                      | (164.1)       | (47.4)        | 71.1%         |
| Financial result and other non-technical revenue      | 389.5         | 177.5         | -54.4%        |
| <b>Result of Life business</b>                        | <b>225.4</b>  | <b>130.1</b>  | <b>-42.3%</b> |
| <b>Result from other business activities</b>          | <b>(20.1)</b> | <b>(20.5)</b> | <b>-2.2%</b>  |
| Hyperinflation adjustments                            | (9.3)         | (19.1)        | -104.8%       |
| <b>Result before tax</b>                              | <b>448.4</b>  | <b>370.0</b>  | <b>-17.5%</b> |
| Tax on profits  | (129.1)       | (102.5)       | -20.6%        |
| <b>Result for the period</b>                          | <b>319.3</b>  | <b>267.5</b>  | <b>-16.2%</b> |
| Result attributable to non-controlling interests      | 113.2         | 80.6          | -28.8%        |
| <b>Result attributable to the controlling Company</b> | <b>206.2</b>  | <b>187.0</b>  | <b>-9.3%</b>  |

Figures in millions of euros

The attributable result reached 187 million euros, decreasing by 9.3 percent, primarily due to the following events occurring in the first quarter of 2018:

1. The fall in Life business results due to the decrease in allocated premiums, an increase in acquisition costs, specifically for the business coming from the banking channel in Brazil, and a lower financial result. It is important to point out that in the Life business from the previous period, non-technical revenue included the cancellation of a provision for contingent payments in the bancassurance channel in Spain totaling 27 million euros, net of taxes.

2. The fall in net financial income due mainly to the decrease in interest rates in Brazil and other LATAM countries, as well as the low-interest rate environment in Europe.
3. The impact of the storms on the East coast of the United States, which imply a cost net of taxes for MAPFRE Group of 12.6 million euros.

## Non-Life

Non-Life results reached 279.6 million euros, with growth of 10.7 percent compared to the previous period.

The improvement in Non-Life results is based on an excellent loss experience in Spain and the MAPFRE RE unit, as well as positive behavior of agricultural insurance in Brazil, improved loss experience in LATAM NORTH and SOUTH, and improved loss experience in the GLOBAL RISKS business unit, which was very affected last year by claims with a high level of intensity. This favorable development limits the effect coming from the storms on the East coast of the United States, which have had a cost, net of taxes, of 12.6 million euros. It is also important to point out that the first quarter of 2017 was affected by the Coastal “El Niño”, which impacted Peru and Colombia with a cost of 19 million euros net of taxes.

At the close of the first quarter of 2018, no significant net variations have been observed in the retained loss from the catastrophic events that occurred in 2017, confirming the adequacy of MAPFRE Group catastrophic protection structure. The following chart breaks down the effects of the different catastrophes and the MAPFRE company affected by them:

### Net cost:

|                             | MAPFRE<br>GLOBAL RISKS | PUERTO RICO | USA   | MEXICO | DOMINICAN<br>REP. | SUBTOTAL | MAPFRE RE | TOTAL |
|-----------------------------|------------------------|-------------|-------|--------|-------------------|----------|-----------|-------|
| DECEMBER 2017               | 57.5                   | 42.9        | 1.1   | 1.4    | 0.4               | 103.3    | 53.5      | 156.8 |
| Hurricane Harvey            | - 1.4                  | ---         | ---   | ---    | ---               | - 1.4    | - 0.1     | - 1.5 |
| Hurricane Irma              | ---                    | + 0.4       | + 0.0 | ---    | ---               | + 0.4    | + 0.1     | + 0.5 |
| Hurricane Maria             | - 0.8                  | - 0.1       | ---   | ---    | + 0.1             | - 0.8    | + 5.8     | + 5.0 |
| Mexico earthquake (Chiapas) | ---                    | ---         | ---   | - 0.2  | ---               | - 0.2    | - 1.7     | - 1.9 |
| Mexico earthquake (Puebla)  | ---                    | ---         | ---   | + 0.3  | ---               | + 0.3    | - 1.8     | - 1.6 |
| VARIATION MAR 18 / DEC 2017 | - 2.2                  | + 0.3       | + 0.0 | + 0.1  | + 0.1             | - 1.7    | + 2.2     | + 0.5 |
| MARCH 2018                  | 55.3                   | 43.2        | 1.1   | 1.5    | 0.5               | 101.6    | 55.7      | 157.3 |

Figures in millions of euros

## Life

Life results reached 130.1 million euros, with a decrease of 42.3 percent compared to the previous period. The lower Life business result in the first quarter is rooted in the significant decline of allocated premiums, an increase in Life Protection business acquisition costs, primarily in the



banking channel in Brazil, and lower financial income due to a significant drop in interest rates in Brazil and other countries in the LATAM region. As previously indicated, the 2017 year included the effect of the cancellation of a reserve for contingent payments in the bancassurance channel in Spain for the amount of 27 million euros, net.

#### **Other aspects**

Taxes on profits decreased significantly, due to the lower Life business results in the period.

Finally, the attributable result to non-controlling interests has fallen, mainly deriving from the lower results contributed from our insurance operation in Brazil.

## 5. Consolidated Balance Sheet

### 5.1. Balance Sheet

| ITEM   | DECEMBER<br>2017 | MARCH 2018      |
|--|------------------|-----------------|
| Goodwill   | 1,883.0          | 1,857.7         |
| Other intangible assets                              | 1,539.9          | 1,489.5         |
| Other fixed assets                                   | 271.1            | 265.9           |
| Cash   | 1,864.0          | 2,051.9         |
| Real estate  | 2,171.4          | 2,159.5         |
| Financial investments                                | 42,003.2         | 42,713.6        |
| Other investments                                    | 1,437.3          | 1,344.2         |
| Unit-Linked investments                              | 2,320.1          | 2,346.3         |
| Participation of reinsurance in technical provisions | 4,989.6          | 5,231.5         |
| Receivables on insurance and reinsurance operations  | 5,006.7          | 5,732.0         |
| Deferred taxes                                       | 296.8            | 275.7           |
| Assets held for sale                                 | 155.6            | 31.7            |
| Other assets   | 3,630.8          | 3,757.4         |
| <b>TOTAL ASSETS</b>                                  | <b>67,569.5</b>  | <b>69,256.9</b> |
| Equity attributable to the Controlling company       | 8,611.3          | 8,465.8         |
| Non-controlling interests                            | 1,901.4          | 1,859.9         |
| <b>Equity</b>  | <b>10,512.7</b>  | <b>10,325.7</b> |
| Financial debt                                       | 2,327.4          | 2,410.3         |
| Technical provisions                                 | 47,814.1         | 49,048.6        |
| Provisions for risks and expenses                    | 661.7            | 630.1           |
| Debt due on insurance and reinsurance operations     | 2,190.7          | 2,448.2         |
| Deferred taxes                                       | 588.0            | 609.9           |
| Liabilities held for sale                            | 1.1              | 0.9             |
| Other liabilities                                    | 3,473.7          | 3,783.2         |
| <b>TOTAL LIABILITIES</b>                             | <b>67,569.5</b>  | <b>69,256.9</b> |

Figures in millions of euros

Total assets reached 69.3 billion euros at March 31, 2017 and grew 2.5 percent compared to the close of the previous period. The most relevant changes are analyzed below:

1. The increase in Financial Investments, as well as in the headings for Assets and Liabilities, from insurance and reinsurance operations are a result of the business management process itself. The increase in technical provisions and in reinsurance participation in technical provisions is, in part, in line with the increase in gross reserves from the claims registered from the catastrophic events occurring last September and the corresponding cession to reinsurers.
2. Changes in equity correspond to the earnings from the period and the agreement about distribution of dividends, as well as to changes in value of investments available for sale and currency conversion differences of financial accounts denominated in currencies other than the euro.

## 5.2. Investment Portfolio

The first quarter of the year was marked by the correction of the key stock markets and the significant drop in interest rates of Spanish sovereign debt. While the macroeconomic context continues to be very favorable in general and especially locally, the uncertainty about the geopolitical situation has grown considerably.

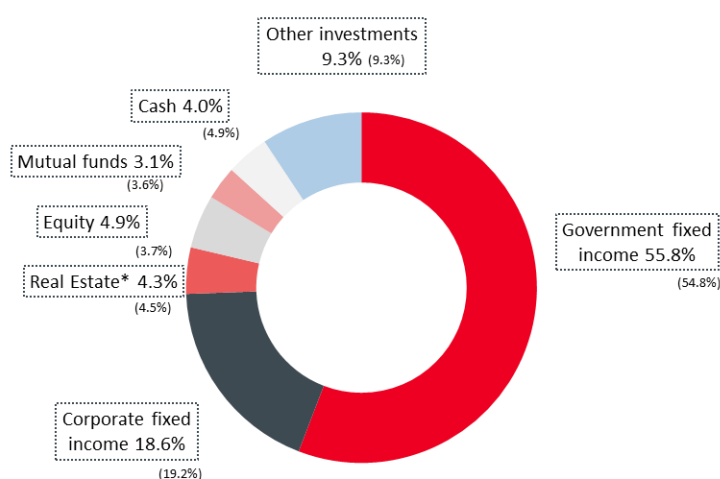
Spanish sovereign debt has registered exceptional behavior during the quarter, thanks to the improvement in the sovereign rating, and the 10-year bond has dropped more than 30 basis points, reaching levels of 1.2 percent. Finally, the euro has continued appreciating against the majority of currencies. The depreciation of the Turkish lira is noteworthy.

A strong uptick in stock markets was registered in the first weeks of the quarter, almost 50 percent of what was forecast for the whole of the year, which led to slightly lowering our equity exposure. Throughout the quarter, positions were taken again when the main indices registered significant falls. In fixed income, movement was the opposite of equity, with a small increase at the beginning, followed by a strong decline of IRRs at the end of the quarter.

In terms of portfolio diversification, the investment portfolio's exposure to Government and Corporate debt has had minimal variation over the course of the quarter – from 55.0 and 19.2 percent to 55.8 and 18.6 percent, respectively, including market effects. On the other hand, exposure to equity and mutual funds has gone down slightly, from 8.1 to 8.0 percent in the quarter.

Below, details of the investment portfolio by asset type to March 31 of each period are given:

### Breakdown by type of asset



| ITEM                    | MARCH 2017      | MARCH 2018      | Δ %         |
|-------------------------|-----------------|-----------------|-------------|
| Government fixed income | 27,728.3        | 28,227.1        | 1.8%        |
| Corporate fixed income  | 9,732.4         | 9,408.0         | -3.3%       |
| Real Estate*            | 2,262.4         | 2,159.5         | -4.5%       |
| Equity                  | 1,883.3         | 2,496.5         | 32.6%       |
| Mutual funds            | 1,829.8         | 1,562.4         | -14.6%      |
| Cash                    | 2,503.9         | 2,051.9         | -18.0%      |
| Other investments       | 4,696.7         | 4,710.2         | 0.3%        |
| <b>TOTAL</b>            | <b>50,636.7</b> | <b>50,615.5</b> | <b>0.0%</b> |

Figures in millions of euros

\*"Real Estate" includes both investment property and real estate for own use

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

| ITEM                  | Government      | Total Corporate Debt | Corporate without collateral | Corporate with collateral | Total           |
|-----------------------|-----------------|----------------------|------------------------------|---------------------------|-----------------|
| Spain                 | 16,719.0        | 2,128.1              | 928.5                        | 1,199.6                   | 18,847.1        |
| Rest of Europe        | 4,393.7         | 4,079.1              | 3,534.6                      | 544.5                     | 8,472.8         |
| United States         | 1,246.7         | 2,249.7              | 2,176.6                      | 73.1                      | 3,496.4         |
| Brazil                | 3,259.8         | 1.7                  | 1.7                          | 0.0                       | 3,261.5         |
| Latin America - Other | 1,735.5         | 663.7                | 620.4                        | 43.2                      | 2,399.1         |
| Other countries       | 872.4           | 285.8                | 265.6                        | 20.2                      | 1,158.3         |
| <b>TOTAL</b>          | <b>28,227.1</b> | <b>9,408.0</b>       | <b>7,527.4</b>               | <b>1,880.6</b>            | <b>37,635.1</b> |

Figures in millions of 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 | Accounting Yield | Market Yield | Modified Duration |
|---|--------------|------------------|--------------|-------------------|
| <b>Non Life (IBERIA + MAPFRE RE + GLOBAL RISKS)</b> |              |                  |              |                   |
| 03.31.2017  | 7,700.4      | 2.42%            | 1.19%        | 6.49%             |
| 06.30.2017  | 7,221.1      | 2.68%            | 1.33%        | 6.41%             |
| 09.30.2017  | 7,196.7      | 2.60%            | 1.28%        | 6.37%             |
| 12.31.2017  | 7,187.1      | 2.59%            | 1.23%        | 6.35%             |
| 03.31.2018  | 7,372.1      | 2.40%            | 1.15%        | 6.68%             |
| <b>Life (IBERIA)</b>                                |              |                  |              |                   |
| 03.31.2017  | 6,889.4      | 4.01%            | 1.15%        | 7.03%             |
| 06.30.2017  | 6,549.0      | 4.08%            | 1.15%        | 7.19%             |
| 09.30.2017  | 6,337.4      | 4.09%            | 1.06%        | 6.89%             |
| 12.31.2017  | 6,277.1      | 4.10%            | 1.01%        | 6.84%             |
| 03.31.2018  | 6,529.9      | 3.93%            | 0.84%        | 7.05%             |

Figures in millions of euros

As at December 31, the actively managed portfolios in IBERIA, MAPFRE RE and MAPFRE GLOBAL RISKS had unrealized net gains in assets and mutual funds of 58 million euros.



### 5.3. Equity

Consolidated equity amounted to 10.3 billion euros at March 31, 2018, as compared to 10.5 billion euros at December 31, 2017. Of this amount, 1.9 billion euros correspond to non-controlling interests' shares in subsidiaries, primarily financial entities in Spain and Brazil that MAPFRE has bancassurance agreements with. Consolidated equity attributable to the controlling Company per share was 2.75 euros at March 31, 2018 (2.80 euros at December 31, 2017).

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

#### Equity attributable to the controlling Company

| ITEM   | DECEMBER<br>2017 | MARCH<br>2018  |
|--|------------------|----------------|
| <b>BALANCE AT 12/31 PREVIOUS YEAR</b>                  | <b>9,126.5</b>   | <b>8,611.3</b> |
| Additions and deductions recognized directly in equity |                  |                |
| Financial assets available for sale                    | (285.5)          | 328.0          |
| Currency conversion differences                        | (639.1)          | (121.2)        |
| Shadow accounting                                      | 254.2            | (297.1)        |
| Other  | (2.7)            | 2.0            |
| <b>TOTAL</b>   | <b>(673.1)</b>   | <b>(88.3)</b>  |
| Result for the period                                  | 700.5            | 187.0          |
| Dividends  | (446.7)          | (261.8)        |
| Other changes in net equity                            | (96.0)           | 17.6           |
| <b>BALANCE AS AT PERIOD END</b>                        | <b>8,611.3</b>   | <b>8,465.8</b> |

Figures in millions of euros

Equity attributable to the controlling Company in the first quarter of 2018 includes:

- A net increase of 328 million euros in the market value of the assets available for sale portfolio, mainly due to the exceptional behavior of Spanish sovereign debt in the first quarter, thanks to the sovereign rating upgrade which helped the 10-year bond to go down over 30 basis points to levels around 1.2 percent. Of this increase in the investment portfolio valuation, a significant amount corresponds to investments related to Life portfolios linked to products with profit sharing, and therefore are recognized as a lower equity value by shadow accounting.
- A reduction of 121 million euros for currency conversion differences, primarily due to the depreciation of the US dollar, the Brazilian real and the Turkish lira in the first quarter of 2018.

- Profits to March 2018.
- A reduction of 262 million euros equivalent to the final dividend from the 2017 financial year, approved in the Annual General Meeting in March 2018 and which will be paid in June 2018.

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

| ITEM   | DECEMBER<br>2016 | DECEMBER<br>2017 | MARCH 2018     |
|--|------------------|------------------|----------------|
| <b>Capital, retained earnings and reserves</b>                   | <b>8,614.0</b>   | <b>8,763.6</b>   | <b>8,706.3</b> |
| Treasury stock and other adjustments                             | (46.9)           | (41.3)           | (39.1)         |
| Net capital gains (financial investments - technical provisions) | 651.0            | 619.7            | 650.6          |
| Currency conversion differences                                  | (91.6)           | (730.7)          | (852.0)        |
| <b>Attributable equity</b>                                       | <b>9,126.5</b>   | <b>8,611.3</b>   | <b>8,465.8</b> |

Figures in millions of euros

#### 5.4. Funds under Management

The following charts show the performance of managed savings, including both technical provisions of Life insurance companies, and the Life provisions 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.

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

#### Managed savings

| ITEM                      | MARCH 2017      | MARCH 2018      | Δ %         |
|---------------------------|-----------------|-----------------|-------------|
| Life technical provisions | 29,300.2        | 29,211.2        | -0.3%       |
| Pension funds             | 4,816.3         | 5,046.5         | 4.8%        |
| Mutual funds and other    | 5,068.1         | 5,150.7         | 1.6%        |
| <b>Subtotal</b>           | <b>39,184.6</b> | <b>39,408.3</b> | <b>0.6%</b> |

Figures in millions of euros

Changes in managed savings with respect to March of the previous year reflect:

1. The slight reduction in Life technical provisions, from the fall in the portfolio as a result of redemptions, mainly in the bancassurance channel in Spain.
2. The reduction in the value of managed savings in Brazil and other countries outside of the Eurozone from the depreciation of their currencies.
3. 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 are less attractive to clients in the current low-interest rate environment.

The following chart reflects the performance of assets under management, which includes the total Group investment portfolio as well as pension and mutual funds, and which shows growth of 0.5 percent, compared to March of the previous year:

Assets under management

| ITEM                   | MARCH 2017      | MARCH 2018      | Δ %         |
|------------------------|-----------------|-----------------|-------------|
| Investment portfolio   | 50,636.7        | 50,615.5        | 0.0%        |
| Pension funds          | 4,816.3         | 5,046.5         | 4.8%        |
| Mutual funds and other | 5,068.1         | 5,150.7         | 1.6%        |
| <b>TOTAL</b>           | <b>60,521.1</b> | <b>60,812.7</b> | <b>0.5%</b> |

Figures in millions of euros

## 6. Information by Business Unit

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

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

### Key figures

| AREA / BUSINESS UNIT                   | Premiums       |                |              | Attributable result |              |               | Combined ratio |              |
|--|----------------|----------------|--------------|---------------------|--------------|---------------|----------------|--------------|
|  | MARCH 2017     | MARCH 2018     | Δ %          | MARCH 2017          | MARCH 2018   | Δ %           | MARCH 2017     | MARCH 2018   |
| IBERIA                                 | 2,386.9        | 2,342.4        | -1.9%        | 127.6               | 117.9        | -7.6%         | 94.6%          | 92.1%        |
| LATAM                                  | 1,998.5        | 1,773.6        | -11.3%       | 46.5                | 38.2         | -17.8%        | 98.7%          | 97.7%        |
| INTERNATIONAL                          | 1,240.9        | 1,103.1        | -11.1%       | 24.4                | 0.1          | -99.5%        | 101.2%         | 105.7%       |
| <b>TOTAL INSURANCE</b>                 | <b>5,626.3</b> | <b>5,219.0</b> | <b>-7.2%</b> | <b>198.4</b>        | <b>156.2</b> | <b>-21.3%</b> | <b>97.9%</b>   | <b>97.6%</b> |
| RE                                     | 1,165.7        | 1,126.4        | -3.4%        | 51.3                | 62.7         | 22.2%         | 91.4%          | 91.1%        |
| ASISTENCIA                             | 276.1          | 226.9          | -17.8%       | (9.1)               | (2.7)        | 69.9%         | 103.9%         | 102.2%       |
| GLOBAL RISKS                           | 318.6          | 266.7          | -16.3%       | 0.2                 | 8.1          | --            | 109.5%         | 92.0%        |
| Holdings and consolidation adjustments | (712.2)        | (641.9)        | 9.9%         | (34.6)              | (37.2)       | -7.5%         | --             | --           |
| <b>MAPFRE S.A.</b>                     | <b>6,674.6</b> | <b>6,197.2</b> | <b>-7.2%</b> | <b>206.2</b>        | <b>187.0</b> | <b>-9.3%</b>  | <b>97.5%</b>   | <b>96.5%</b> |

Figures in millions of euros

The most important changes are:

1. Premiums showed a decline in all business units, as a result of lower issuing in Life Savings in national business and the strong depreciation of the main currencies in countries where MAPFRE has international business operations.
2. MAPFRE RE presented excellent results in the first quarter with 22.2 percent growth.
3. The GLOBAL RISKS and ASISTENCIA business units showed favorable development – the former from the absence of relevant high-intensity claims and the latter from an improved loss experience thanks to the technical measures adopted in the last year.
4. IBERIA improved its Non-Life combined ratio 2.5 percentage points and its technical result. Eliminating the extraordinary effect of the first quarter last year from the liberation of a provision for contingent payments in the bancassurance channel totaling 27 million euros net of taxes – its attributable result would have grown by 17 percent.
5. LATAM showed a decline in profits from lower results in the banking channel in Brazil, due to an increase in acquisition costs in the Life Protection business and an increase in the Auto loss ratio in the agent channel. Further, the fall in interest rates in Brazil and other countries in the region generated lower financial income.
6. INTERNATIONAL was affected by the impact of various storms on the East coast of the United States which produced an increase in the combined ratio in the Auto and General

P&C business lines. It was also affected by the negative impact of the regulatory change for Motor Third Party Liability insurance in Turkey.

## 6.1. INSURANCE ENTITIES

### 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.

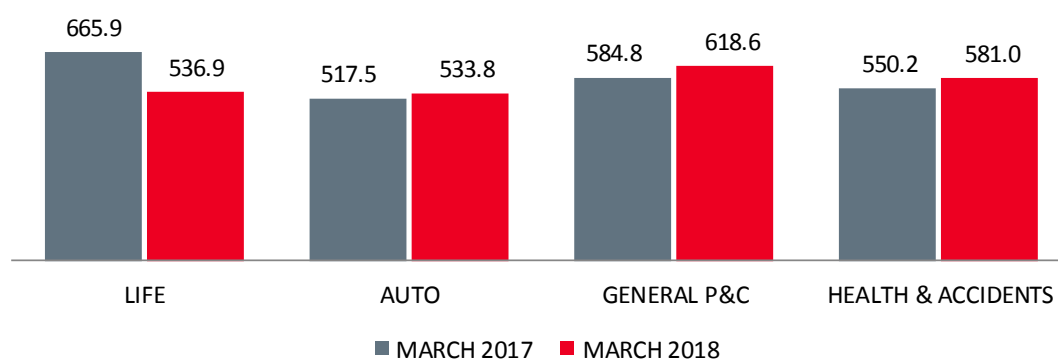
#### Information by country

| REGION / COUNTRY | Premiums       |                |              | Attributable result |              |              | Combined ratio |              |
|------------------|----------------|----------------|--------------|---------------------|--------------|--------------|----------------|--------------|
|                  | MARCH 2017     | MARCH 2018     | Δ %          | MARCH 2017          | MARCH 2018   | Δ %          | MARCH 2017     | MARCH 2018   |
| <b>IBERIA</b>    | <b>2,386.9</b> | <b>2,342.4</b> | <b>-1.9%</b> | <b>127.6</b>        | <b>117.9</b> | <b>-7.6%</b> | <b>94.6%</b>   | <b>92.1%</b> |
| SPAIN            | 2,345.8        | 2,310.4        | -1.5%        | 127.9               | 118.1        | -7.7%        | 94.3%          | 91.9%        |
| PORTUGAL         | 41.1           | 32.0           | -22.2%       | (0.2)               | (0.2)        | 22.2%        | 109.4%         | 106.7%       |

Figures in millions of euros

#### **IBERIA Premiums**

#### Written premiums in key lines



Figures in millions of euros

Premiums in Iberia fell by 1.9 percent due to lower issuing in the Life Savings business.

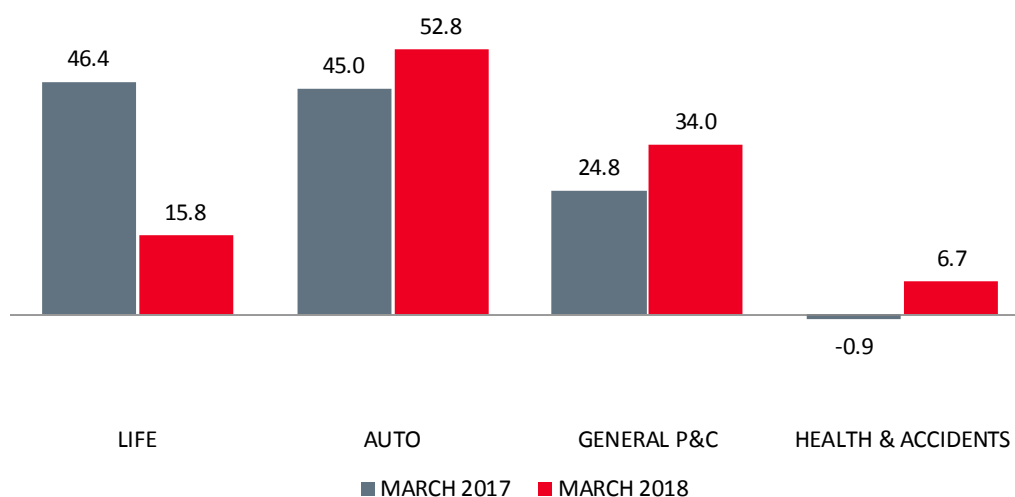
Non-Life premiums grew by 4.9 percent and reflect the positive evolution of the Auto and Health business, and the Commercial and Combined Agricultural Insurance (SAC) lines.



Life premiums fell by 19.4 percent, mainly due to lower issuing in the Life Savings line from the commercialization of new savings products in the first quarter of the previous year, without similar operations in 2018.

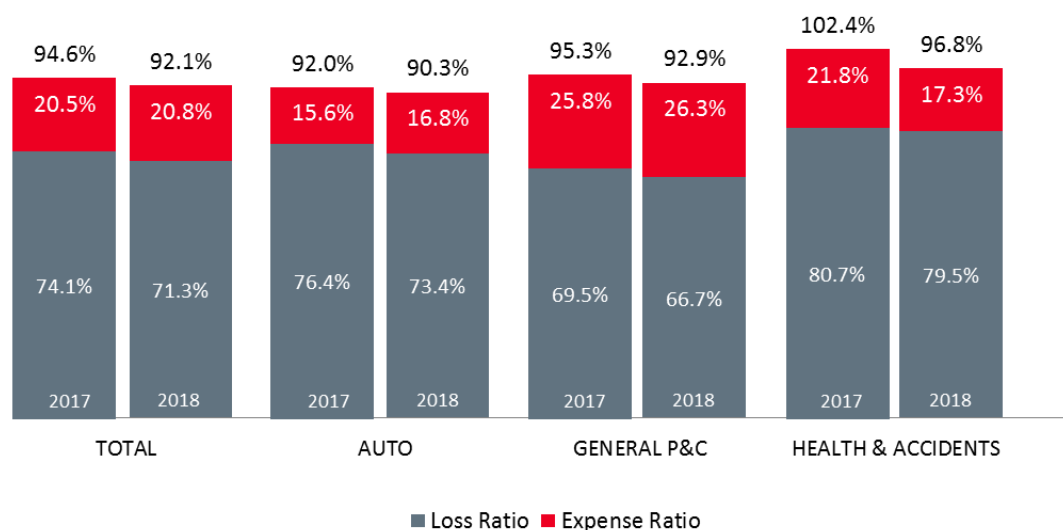
## IBERIA Result

### Attributable result of key lines



Figures in millions of euros

### 1<sup>st</sup> Quarter combined ratio of key lines



IBERIA's attributable result reached 117.9 million euros with fall of 7.6 percent compared to the previous period. It is important to bear in mind that last year, a provision for contingent payments in the bancassurance channel totaling 27 million euros was cancelled.

The technical result of Non-Life business improved substantially as a result of the reduction of the loss ratio. It is important to highlight the significant improvement of the Auto combined ratio, which stood at 90.3 percent, as well as the General P&C combined ratio, from the reduced impact of weather conditions this quarter compared to the same quarter of the previous year.

In the first quarter of 2018, 20.7 million euros in financial gains, net of financial losses, were recorded (24.2 million to March 2017).

**The charts below provide a breakdown of the information for MAPFRE ESPAÑA:**

#### MAPFRE ESPAÑA – Key figures

| ITEM                                       | MARCH 2017     | MARCH 2018     | Δ %              |
|--|----------------|----------------|------------------|
| <b>Gross written and accepted premiums</b> | <b>1,711.1</b> | <b>1,789.8</b> | <b>4.6%</b>      |
| <b>Net premiums earned</b>                 | <b>1,020.3</b> | <b>1,048.8</b> | <b>2.8%</b>      |
| <b>Gross result</b>                        | <b>89.8</b>    | <b>107.0</b>   | <b>19.1%</b>     |
| Tax on profits                             | (21.8)         | (23.8)         | 8.9%             |
| Non-controlling interests                  | (0.2)          | (0.2)          | -31.3%           |
| <b>Attributable net result</b>             | <b>67.8</b>    | <b>83.1</b>    | <b>22.6%</b>     |
| <b>Combined ratio</b>                      | <b>95.5%</b>   | <b>93.3%</b>   | <b>-2.2 p.p.</b> |
| Expense ratio                              | 20.3%          | 21.1%          | 0.8 p.p.         |
| Loss ratio                                 | 75.1%          | 72.2%          | -2.9 p.p.        |
| <b>Investments, real estate and cash</b>   | <b>6,287.4</b> | <b>6,568.8</b> | <b>4.5%</b>      |
| <b>Technical provisions</b>                | <b>5,559.8</b> | <b>5,792.0</b> | <b>4.2%</b>      |
| <b>Shareholders' equity</b>                | <b>2,273.1</b> | <b>2,364.3</b> | <b>4.0%</b>      |
| <b>ROE</b>                                 | <b>16.2%</b>   | <b>14.8%</b>   | <b>-1.4 p.p.</b> |

Figures in millions of euros

#### MAPFRE ESPAÑA – Automobiles

| ITEM                                | MARCH 2017 | MARCH 2018 | Δ %       |
|-------------------------------------|------------|------------|-----------|
| Gross written and accepted premiums | 517.5      | 533.8      | 3.2%      |
| Net premiums earned                 | 469.5      | 488.6      | 4.0%      |
| Result before tax                   | 60.1       | 70.7       | 17.7%     |
| Non-Life Loss Ratio                 | 76.4%      | 73.4%      | -2.9 p.p. |
| Non-Life Expense Ratio              | 15.6%      | 16.8%      | 1.2 p.p.  |
| Non-Life Combined Ratio             | 92.0%      | 90.3%      | -1.7 p.p. |
| Number of vehicles insured (units)  | 5,478,825  | 5,628,834  | 2.7%      |

Figures in millions of euros

Auto premiums (including VERTI and SEGUROS GERAIS PORTUGAL) grew by 3.2 percent. The positive evolution of personal Auto premiums in Spain is noteworthy, with 3.4 percent growth in the year.

To March 31 2018, the number of vehicles insured in MAPFRE reached 5,628,834 units, which is 150,009 more vehicles than March of the previous year.

The Auto combined ratio stands at 90.3 percent, a 1.7 percentage point improvement compared to the same period the previous year. The loss ratio improved thanks to the effect of the cancellation of unprofitable policies, mainly in fleets, as well as the favorable development of the VERTI business.

#### MAPFRE ESPAÑA – General P&C

| ITEM                                | MARCH 2017 | MARCH 2018 | Δ %       |
|-------------------------------------|------------|------------|-----------|
| Gross written and accepted premiums | 584.8      | 618.6      | 5.8%      |
| Net premiums earned                 | 362.4      | 371.3      | 2.4%      |
| Result before tax                   | 33.1       | 45.4       | 37.4%     |
| Non-Life Loss Ratio                 | 69.5%      | 66.7%      | -2.8 p.p. |
| Non-Life Expense Ratio              | 25.8%      | 26.3%      | 0.4 p.p.  |
| Non-Life Combined Ratio             | 95.3%      | 92.9%      | -2.4 p.p. |

Figures in millions of euros

General P&C business volume reflects the solid performance of the Commercial business and the majority of personal Non-Life lines and Combined Agricultural Insurance (SAC). The improved loss ratio is due to more favorable weather conditions in Spain than the first quarter of the previous year, which primarily affected the Homeowners, Condominiums, and Commercial lines, as well as large claims in the Property line last period, without the occurrence of similar claims this period.

#### MAPFRE ESPAÑA – Health & Accidents

| ITEM                                | MARCH 2017 | MARCH 2018 | Δ %       |
|-------------------------------------|------------|------------|-----------|
| Gross written and accepted premiums | 526.0      | 557.8      | 6.0%      |
| Net premiums earned                 | 127.5      | 135.9      | 6.6%      |
| Result before tax                   | (8.0)      | (1.8)      | 78.2%     |
| Non-Life Loss Ratio                 | 89.4%      | 87.1%      | -2.3 p.p. |
| Non-Life Expense Ratio              | 18.9%      | 16.9%      | -1.9 p.p. |
| Non-Life Combined Ratio             | 108.2%     | 104.0%     | -4.2 p.p. |

Figures in millions of euros

Health premiums maintained their strong rate of growth, reaching 6 percent over the same period in the previous year. The loss ratio showed significant improvement of 2.3 percentage points.

**The charts below provide a breakdown of the information for MAPFRE VIDA:**

MAPFRE VIDA – Key figures

| ITEM                                       | MARCH 2017      | MARCH 2018      | Δ %              |
|--|-----------------|-----------------|------------------|
| <b>Gross written and accepted premiums</b> | <b>675.9</b>    | <b>552.6</b>    | <b>-18.2%</b>    |
| <b>Gross result</b>                        | <b>100.1</b>    | <b>66.8</b>     | <b>-33.2%</b>    |
| Tax on profits                             | (19.7)          | (16.4)          | -16.6%           |
| Non-controlling interests                  | (20.0)          | (15.4)          | -23.0%           |
| <b>Attributable net result</b>             | <b>60.3</b>     | <b>35.0</b>     | <b>-42.1%</b>    |
| <b>Investments, real estate and cash</b>   | <b>24,178.0</b> | <b>25,143.9</b> | <b>4.0%</b>      |
| <b>Shareholders' equity</b>                | <b>1,747.8</b>  | <b>1,838.3</b>  | <b>5.2%</b>      |
| <b>ROE</b>                                 | <b>11.2%</b>    | <b>9.0%</b>     | <b>-2.2 p.p.</b> |
| Technical financial Margin                 | 1.3%            | 1.1%            | -0.2 p.p.        |

Figures in millions of euros

MAPFRE VIDA – Premium breakdown

| ITEM                      | MARCH 2017   | MARCH 2018   | Δ %           |
|---------------------------|--------------|--------------|---------------|
| - Agent channel           | 458.4        | 369.3        | -19.5%        |
| - Bank channel            | 217.5        | 183.4        | -15.7%        |
| BANKIA MAPFRE VIDA        | 82.2         | 77.7         | -5.5%         |
| BANKINTER SEGUROS DE VIDA | 104.4        | 93.2         | -10.7%        |
| CAJA CASTILLA LA MANCHA   | 13.4         | 12.5         | -6.1%         |
| DUERO SEGUROS DE VIDA     | 17.5         | 0.0          | -100.0%       |
| <b>TOTAL PREMIUMS</b>     | <b>675.9</b> | <b>552.6</b> | <b>-18.2%</b> |
| - Life-Savings            | 507.6        | 387.2        | -23.7%        |
| - Life-Protection         | 144.0        | 142.2        | -1.3%         |
| - Accidents               | 24.3         | 23.2         | -4.3%         |

Figures in millions of euros

MAPFRE VIDA premiums fell by 18.2 percent, both the agent channel and the bancassurance channel affected by lower issuing in the Life Savings business, as there were no product sales campaigns in this line in the first quarter of the year.

## MAPFRE VIDA – Managed savings

| ITEM                          | MARCH 2017      | MARCH 2018      | Δ %         |
|-------------------------------|-----------------|-----------------|-------------|
| <b>Technical provisions</b>   | <b>21,679.6</b> | <b>22,118.4</b> | <b>2.0%</b> |
| MAPFRE VIDA                   | 12,719.0        | 13,124.9        | 3.2%        |
| BANKIA MAPFRE VIDA            | 7,158.5         | 7,052.3         | -1.5%       |
| BANKINTER SEGUROS DE VIDA     | 874.2           | 1,076.5         | 23.1%       |
| CAJA CASTILLA LA MANCHA       | 927.9           | 864.7           | -6.8%       |
| <b>Mutual funds and other</b> | <b>3,391.0</b>  | <b>3,635.3</b>  | <b>7.2%</b> |
| <b>Pension funds</b>          | <b>4,816.3</b>  | <b>5,046.5</b>  | <b>4.8%</b> |
| MAPFRE AM                     | 2,176.9         | 2,265.7         | 4.1%        |
| OTHER                         | 2,639.4         | 2,780.7         | 5.4%        |
| <b>TOTAL MANAGED SAVINGS</b>  | <b>29,886.9</b> | <b>30,800.2</b> | <b>3.1%</b> |

Figures in millions of euros



## 6.1.2. LATAM

This territorial area comprises the regional areas of BRAZIL, LATAM NORTH, and LATAM SOUTH.

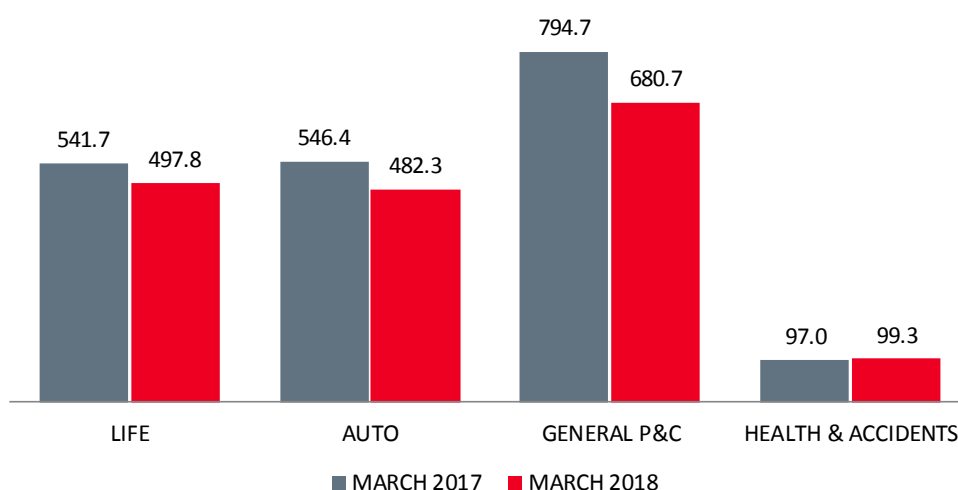
### Information by region

| REGION      | Premiums   |            |        | Attributable result |            |        | Combined ratio |            |
|-------------|------------|------------|--------|---------------------|------------|--------|----------------|------------|
|             | MARCH 2017 | MARCH 2018 | Δ %    | MARCH 2017          | MARCH 2018 | Δ %    | MARCH 2017     | MARCH 2018 |
| BRAZIL      | 1,203.1    | 1,012.9    | -15.8% | 26.2                | 14.5       | -44.7% | 98.5%          | 98.3%      |
| LATAM NORTH | 366.9      | 365.2      | -0.5%  | 4.6                 | 9.9        | 113.9% | 99.1%          | 96.6%      |
| LATAM SOUTH | 428.5      | 395.4      | -7.7%  | 15.6                | 13.8       | -11.7% | 99.2%          | 97.0%      |

Figures in millions of euros

### Premiums and Result

#### Written premiums in key lines



Figures in millions of euros

The decline in premiums is primarily a result of the depreciation of the main currencies of the countries in the region where MAPFRE has Direct Insurance operations.

The 16.3 percent decline in this sense in the Brazilian real is noteworthy. It is important to point out that, in local currency, there is strong growth in premiums issued in the quarter in Mexico (12 percent), Peru (20 percent) and other countries in the region.

The attributable result to March 2018 in the LATAM Territorial Area was affected by a fall in Life business results in the banking channel in Brazil and by a lower financial result due to lower interest rates in multiple countries in the region (Brazil, Colombia). On a positive note, there was an

increase in results in LATAM NORTH due to the favorable development of the loss experience in Mexico and the Dominican Republic.

## BRAZIL

This regional area encompasses the insurance activity in Brazil.

### Key figures

| ITEM                                       | MARCH 2017     | MARCH 2018     | Δ %              |
|--|----------------|----------------|------------------|
| <b>Gross written and accepted premiums</b> | <b>1,203.1</b> | <b>1,012.9</b> | <b>-15.8%</b>    |
| - Non-Life                                 | 838.4          | 689.4          | -17.8%           |
| - Life                                     | 364.8          | 323.6          | -11.3%           |
| <b>Net premiums earned</b>                 | <b>1,022.7</b> | <b>841.3</b>   | <b>-17.7%</b>    |
| <b>Gross result</b>                        | <b>169.4</b>   | <b>100.9</b>   | <b>-40.4%</b>    |
| Tax on profits                             | (60.2)         | (33.2)         | -44.8%           |
| Non-controlling interests                  | (83.0)         | (53.2)         | -35.9%           |
| <b>Attributable net result</b>             | <b>26.2</b>    | <b>14.5</b>    | <b>-44.7%</b>    |
| <b>Combined ratio</b>                      | <b>98.5%</b>   | <b>98.3%</b>   | <b>-0.2 p.p.</b> |
| Expense ratio                              | 32.0%          | 34.5%          | 2.5 p.p.         |
| Loss ratio                                 | 66.4%          | 63.8%          | -2.7 p.p.        |
| <b>Investments, real estate and cash</b>   | <b>4,740.9</b> | <b>4,026.5</b> | <b>-15.1%</b>    |
| <b>Technical provisions</b>                | <b>5,838.0</b> | <b>4,998.5</b> | <b>-14.4%</b>    |
| <b>Shareholders' equity</b>                | <b>1,327.2</b> | <b>1,108.4</b> | <b>-16.5%</b>    |
| <b>ROE</b>                                 | <b>12.1%</b>   | <b>9.3%</b>    | <b>-2.7 p.p.</b> |

Figures in millions of euros

### Breakdown by key lines

| ITEM        | Premiums   |            |        | Attributable result |            |        | Combined ratio |            |
|-------------|------------|------------|--------|---------------------|------------|--------|----------------|------------|
|             | MARCH 2017 | MARCH 2018 | Δ %    | MARCH 2017          | MARCH 2018 | Δ %    | MARCH 2017     | MARCH 2018 |
| LIFE        | 364.8      | 323.6      | -11.3% | 16.6                | 8.8        | -47.1% | --             | --         |
| AUTO        | 352.1      | 295.4      | -16.1% | (0.8)               | (7.0)      | --     | 107.4%         | 114.3%     |
| GENERAL P&C | 485.0      | 393.0      | -19.0% | 8.8                 | 10.7       | 22.2%  | 86.5%          | 79.4%      |

Figures in millions of euros

## Premiums

The fall in premiums in euros shows the effect of the depreciation of the Brazilian real (16.3 percent). In reals, total premium issuing in Brazil grew 1 percent due to lower issuing in General P&C (-3 percent) and a standstill in Auto issuing. The Life business grew 6 percent in reals, primarily in Life Protection in the banking channel, as a result of an increase in bank credit in insurance linked to personal and corporate financing.

## Result

The deterioration of the result in Brazil originates in:

1. The fall in Life business results due to an important reduction in earned premiums, as the main products that present growth in reals are insurance products linked to financing through loans, which have an effective period longer than two years.
2. The increase in acquisition costs, specifically in business coming from the banking channel.
3. Lower financial results due to the accelerated fall in interest rates in Brazil, approximately 50 percent of the SELIC year-on-year (from 12.25 percent in March 2017 to 6.50 percent in March 2018).
4. The unfavorable evolution of the loss ratio in the Auto, Industrial Risks and Transport lines, partially compensated by favorable development in Agricultural Insurance, which allowed for the Non-Life Combined Ratio to hold at 98.3 percent.

## LATAM NORTH

This regional area includes Mexico and the sub-region of Central America, which includes operations in Panama, the Dominican Republic, Honduras, Guatemala, Costa Rica, El Salvador and Nicaragua.

### Key figures

| ITEM                                       | MARCH 2017     | MARCH 2018     | Δ %              |
|--|----------------|----------------|------------------|
| <b>Gross written and accepted premiums</b> | <b>366.9</b>   | <b>365.2</b>   | <b>-0.5%</b>     |
| - Non-Life                                 | 256.7          | 258.0          | 0.5%             |
| - Life                                     | 110.2          | 107.2          | -2.7%            |
| <b>Net premiums earned</b>                 | <b>203.5</b>   | <b>206.8</b>   | <b>1.6%</b>      |
| <b>Gross result</b>                        | <b>7.2</b>     | <b>15.6</b>    | <b>115.4%</b>    |
| Tax on profits                             | (1.1)          | (3.8)          | --               |
| Non-controlling interests                  | (1.5)          | (1.9)          | 27.6%            |
| <b>Attributable net result</b>             | <b>4.6</b>     | <b>9.9</b>     | <b>113.9%</b>    |
| <b>Combined ratio</b>                      | <b>99.1%</b>   | <b>96.6%</b>   | <b>-2.5 p.p.</b> |
| Expense ratio                              | 29.3%          | 31.3%          | 2.0 p.p.         |
| Loss ratio                                 | 69.8%          | 65.3%          | -4.5 p.p.        |
| <b>Investments, real estate and cash</b>   | <b>1,496.3</b> | <b>1,297.1</b> | <b>-13.3%</b>    |
| <b>Technical provisions</b>                | <b>1,497.6</b> | <b>1,761.7</b> | <b>17.6%</b>     |
| <b>Shareholders' equity</b>                | <b>822.0</b>   | <b>705.9</b>   | <b>-14.1%</b>    |
| <b>ROE</b>                                 | <b>3.4%</b>    | <b>5.1%</b>    | <b>1.7 p.p.</b>  |

Figures in millions of euros

### Breakdown of key countries

| COUNTRY        | Premiums   |            |        | Attributable result |            |        |
|----------------|------------|------------|--------|---------------------|------------|--------|
|                | MARCH 2017 | MARCH 2018 | Δ %    | MARCH 2017          | MARCH 2018 | Δ %    |
| MEXICO         | 201.5      | 210.8      | 4.6%   | (2.3)               | 3.3        | --     |
| PANAMA         | 57.6       | 50.4       | -12.6% | 2.6                 | 2.3        | -14.5% |
| DOMINICAN REP. | 33.0       | 31.5       | -4.6%  | 1.4                 | 1.8        | 30.4%  |
| HONDURAS       | 26.7       | 25.1       | -5.7%  | 1.9                 | 1.2        | -40.1% |

Figures in millions of euros

## Premiums

The depreciation of the main currencies of the region is the cause of the slight fall in premiums in LATAM NORTH (-0.5 percent in euros). All the important countries in the region grew at a good rate in local currency with the exception of Panama (1 percent). The strong growth in local currency in Mexico (12 percent) is noteworthy, with an increase in premiums in Auto (15 percent), Life (14 percent) and Health (31 percent), and in the Dominican Republic (15 percent), El Salvador (13 percent), Honduras (9 percent) and Costa Rica (56 percent).

## Result

There was an important improvement in results in the LATAM NORTH region, supported by the favorable development of business in Mexico and the Dominican Republic. There was a relevant improvement in the Non-Life combined ratio, which went down to 96.6 percent (2.5 percentage points lower than March 2017) due to a reduction in the loss ratio, especially in Mexico thanks to the implementation of control measures in claims handling and improved claims management. On the other hand, the expense ratio has gone up 2 percentage points, especially in Mexico from the increase in acquisition expenses in the Auto line due to the increased weight of issuing in vehicle financier and bancassurance distribution channels, with much higher commissions.

## LATAM SOUTH

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

### Key figures

| ITEM                                       | MARCH 2017     | MARCH 2018     | Δ %              |
|--|----------------|----------------|------------------|
| <b>Gross written and accepted premiums</b> | <b>428.5</b>   | <b>395.4</b>   | <b>-7.7%</b>     |
| - Non-Life                                 | 361.7          | 328.5          | -9.2%            |
| - Life                                     | 66.8           | 66.9           | 0.2%             |
| <b>Net premiums earned</b>                 | <b>269.8</b>   | <b>242.5</b>   | <b>-10.1%</b>    |
| <b>Gross result</b>                        | <b>23.5</b>    | <b>21.7</b>    | <b>-8.0%</b>     |
| Tax on profits                             | (5.8)          | (6.0)          | 3.8%             |
| Non-controlling interests                  | (2.1)          | (1.8)          | -12.9%           |
| <b>Attributable net result</b>             | <b>15.6</b>    | <b>13.8</b>    | <b>-11.7%</b>    |
| <b>Combined ratio</b>                      | <b>99.2%</b>   | <b>97.0%</b>   | <b>-2.2 p.p.</b> |
| Expense ratio                              | 37.1%          | 35.7%          | -1.4 p.p.        |
| Loss ratio                                 | 62.1%          | 61.3%          | -0.9 p.p.        |
| <b>Investments, real estate and cash</b>   | <b>2,136.4</b> | <b>1,907.2</b> | <b>-10.7%</b>    |
| <b>Technical provisions</b>                | <b>2,646.5</b> | <b>2,349.2</b> | <b>-11.2%</b>    |
| <b>Shareholders' equity</b>                | <b>549.5</b>   | <b>537.6</b>   | <b>-2.2%</b>     |
| <b>ROE</b>                                 | <b>4.0%</b>    | <b>12.6%</b>   | <b>8.6 p.p.</b>  |

Figures in millions of euros

### Breakdown of key countries

| COUNTRY   | Premiums   |            |        | Attributable result |            |        |
|-----------|------------|------------|--------|---------------------|------------|--------|
|           | MARCH 2017 | MARCH 2018 | Δ %    | MARCH 2017          | MARCH 2018 | Δ %    |
| COLOMBIA  | 96.6       | 86.7       | -10.2% | 4.8                 | 0.5        | -88.9% |
| PERU      | 118.0      | 123.7      | 4.9%   | 6.8                 | 5.1        | -24.4% |
| ARGENTINA | 89.2       | 74.4       | -16.6% | 2.6                 | 3.9        | 51.9%  |
| CHILE     | 63.1       | 53.5       | -15.2% | (0.7)               | 2.7        | --     |

Figures in millions of euros

## Premiums

The decrease in premiums reached 7.7 percent, due to the depreciation of the main currencies in the region. In general, issuing grew at a good rate in local currency in the region in almost all countries – Peru (20 percent) Argentina (23 percent), Paraguay (10%) and Uruguay (6%); with the exception of Chile (-10 percent) and Colombia (1 percent) from lower premium issuing in General P&C and Industrial Risks in the latter two.

## Result

To the close of March 2018, LATAM SOUTH showed a significant improvement in the Non-Life combined ratio, in Autos and General P&C, which went down to 97 percent (2.2 percentage points lower than March 2017), due to a reduction in the loss ratio and the expense ratio. There was favorable development in results in Argentina and Chile, a slight decline in Peru and lower results in Colombia due, in the latter's case, to greater technical provisions which were necessary to constitute the Life Savings and Workers' Compensation businesses, due to the update of long-term financial assumptions.

### 6.1.3. INTERNATIONAL

This territorial area comprises NORTH AMERICA and EURASIA.

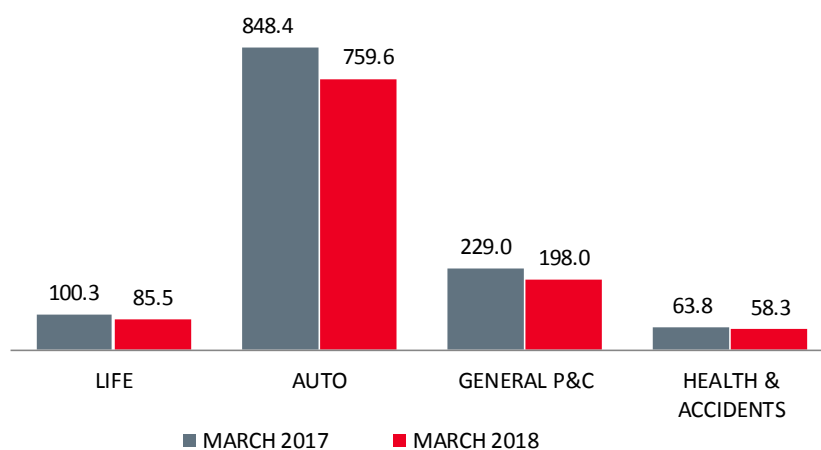
#### Information by region

| REGION        | Premiums   |            |        | Attributable result |            |         | Combined ratio |            |
|---------------|------------|------------|--------|---------------------|------------|---------|----------------|------------|
|               | MARCH 2017 | MARCH 2018 | Δ %    | MARCH 2017          | MARCH 2018 | Δ %     | MARCH 2017     | MARCH 2018 |
| NORTH AMERICA | 654.0      | 561.9      | -14.1% | 15.9                | (4.2)      | -126.4% | 101.4%         | 106.2%     |
| EURASIA       | 586.9      | 541.2      | -7.8%  | 8.5                 | 4.3        | -49.3%  | 100.7%         | 104.9%     |

Figures in millions of euros

#### Premiums and Result

#### Written premiums in key lines



Figures in millions of euros

Premiums from the INTERNATIONAL area fell, due to a strong depreciation of the main currencies in the Territorial Area – the US dollar (-13.2 percent), and the Turkish lira in EURASIA (-16.1 percent). In NORTH AMERICA the drop in premium issuing stood at 14.1 percent as a result, in addition to the depreciation of the dollar, of the business volume outside of Massachusetts maintaining its downward trend from the cancellation of unprofitable business. In EURASIA, issuing fell 7.8 percent due on the one hand to a strong depreciation of the Turkish lira and, on the other hand, lower premium issuing in Turkey.

The attributable result in NORTH AMERICA was affected by the impact of several storms on the East coast of the United States that occurred in the first quarter of 2018, which imply a cost of 13.5



million euros, net of reinsurance. In EURASIA, the fall in the result is a consequence of the impact of the regulatory change in Motor Third Party Liability insurance in Turkey.

## 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).

### Key figures

| ITEM                                       | MARCH 2017     | MARCH 2018     | Δ %              |
|--|----------------|----------------|------------------|
| <b>Gross written and accepted premiums</b> | <b>654.0</b>   | <b>561.9</b>   | <b>-14.1%</b>    |
| <b>Net premiums earned</b>                 | <b>528.0</b>   | <b>454.9</b>   | <b>-13.8%</b>    |
| <b>Gross result</b>                        | <b>23.2</b>    | <b>(4.5)</b>   | <b>-119.6%</b>   |
| Tax on profits                             | (7.2)          | 0.3            | -103.8%          |
| Non-controlling interests                  | (0.1)          | 0.1            | -169.7%          |
| <b>Attributable net result</b>             | <b>15.9</b>    | <b>(4.2)</b>   | <b>-126.4%</b>   |
| <b>Combined ratio</b>                      | <b>101.4%</b>  | <b>106.2%</b>  | <b>4.8 p.p.</b>  |
| Expense ratio                              | 25.7%          | 29.8%          | 4.1 p.p.         |
| Loss ratio                                 | 75.8%          | 76.4%          | 0.7 p.p.         |
| <b>Investments, real estate and cash</b>   | <b>2,523.2</b> | <b>2,219.1</b> | <b>-12.1%</b>    |
| <b>Technical provisions</b>                | <b>2,511.1</b> | <b>2,942.5</b> | <b>17.2%</b>     |
| <b>Shareholders' equity</b>                | <b>1,404.1</b> | <b>1,185.2</b> | <b>-15.6%</b>    |
| <b>ROE</b>                                 | <b>5.7%</b>    | <b>2.2%</b>    | <b>-3.5 p.p.</b> |

Figures in millions of euros

### Breakdown by country

| COUNTRY       | Premiums   |            |        | Attributable result |            |         |
|---------------|------------|------------|--------|---------------------|------------|---------|
|               | MARCH 2017 | MARCH 2018 | Δ %    | MARCH 2017          | MARCH 2018 | Δ %     |
| UNITED STATES | 569.0      | 485.7      | -14.6% | 12.3                | (7.0)      | -157.0% |
| PUERTO RICO   | 85.0       | 76.2       | -10.3% | 3.6                 | 2.8        | -22.0%  |

Figures in millions of euros

## Combined ratio

|               | MARCH 2017 | MARCH 2018 |
|---------------|------------|------------|
| UNITED STATES | 101.9%     | 107.7%     |
| Northeast     | 96.8%      | 104.1%     |
| Other states  | 116.4%     | 119.1%     |
| PUERTO RICO   | 98.2%      | 95.8%      |

## MAPFRE USA – Key figures

| ITEM                                       | MARCH 2017     | MARCH 2018     | Δ %              |
|--|----------------|----------------|------------------|
| <b>Gross written and accepted premiums</b> | <b>569.0</b>   | <b>485.7</b>   | <b>-14.6%</b>    |
| <b>Net premiums earned</b>                 | <b>458.0</b>   | <b>397.0</b>   | <b>-13.3%</b>    |
| <b>Gross result</b>                        | <b>18.3</b>    | <b>(9.2)</b>   | <b>-150.4%</b>   |
| Tax on profits                             | (6.1)          | 1.7            | -128.5%          |
| Non-controlling interests                  | (0.1)          | 0.1            | -169.7%          |
| <b>Attributable net result</b>             | <b>12.1</b>    | <b>(7.4)</b>   | <b>-161.3%</b>   |
| <b>Combined ratio</b>                      | <b>101.9%</b>  | <b>107.7%</b>  | <b>5.8 p.p.</b>  |
| Expense ratio                              | 24.1%          | 28.5%          | 4.5 p.p.         |
| Loss ratio                                 | 77.8%          | 79.2%          | 1.3 p.p.         |
| <b>Investments, real estate and cash</b>   | <b>2,084.2</b> | <b>1,814.5</b> | <b>-12.9%</b>    |
| <b>Technical provisions</b>                | <b>2,261.8</b> | <b>2,069.6</b> | <b>-8.5%</b>     |
| <b>Shareholders' equity</b>                | <b>1,163.7</b> | <b>995.4</b>   | <b>-14.5%</b>    |
| <b>ROE</b>                                 | <b>5.5%</b>    | <b>3.8%</b>    | <b>-1.8 p.p.</b> |

Figures in millions of euros

### **Premiums**

At the close of March, premiums in NORTH AMERICA registered a 14.1 percent decrease, mainly due to the effect of the depreciation of the US dollar (13.2 percent). The United States shows a 14.6 percent drop in premium issuing compared to March of the previous year, as a result, in addition, to the business volume outside the Northeast region (Massachusetts and four other states) maintaining its downward trend due to the cancellation of unprofitable business, with the aim of improving profitability in those states. Premium issuing in the Northeast grew 3.2 percent in US dollars, to March.

There was positive development of premiums in Puerto Rico, with growth of 3.4 percent in US dollars – growth which is considered very satisfactory, considering the difficult economic situation of the island after the hurricanes that took place last year.

## Result

The first quarter 2018 result in NORTH AMERICA is affected by the impact of several storms that occurred on the East coast of the United States, which at the close of March had a gross cost, before reinsurance, of 61.4 million US dollars. The cost, net of reinsurance, for our United States operations stands at 16.7 million US dollars (13.5 million euros), which has had a relevant impact on the results for the quarter and has produced an increase in the combined ratio in the Auto and General P&C business lines. As a result, at March 2018 the Non-Life combined ratio in the United States stood at 107.7 percent.

Puerto Rico, on the other hand, shows very positive development after the losses in the second half last year. In the first quarter of 2018, it presents a net result of 2.8 million euros and a combined ratio of 95.8 percent, with a 2.4 percentage point improvement compared to the same quarter last year.

## EURASIA

This regional area encompasses the insurance operations in Italy, Germany, Turkey, Malta, Indonesia and the Philippines.

### Key figures

| ITEM                                       | MARCH 2017     | MARCH 2018     | Δ %              |
|--|----------------|----------------|------------------|
| <b>Gross written and accepted premiums</b> | <b>586.9</b>   | <b>541.2</b>   | <b>-7.8%</b>     |
| - Non-Life                                 | 489.3          | 456.6          | -6.7%            |
| - Life                                     | 97.6           | 84.6           | -13.4%           |
| <b>Net premiums earned</b>                 | <b>350.9</b>   | <b>334.2</b>   | <b>-4.8%</b>     |
| <b>Gross result</b>                        | <b>12.4</b>    | <b>9.2</b>     | <b>-26.0%</b>    |
| Tax on profits                             | (2.0)          | (2.2)          | 8.1%             |
| Non-controlling interests                  | (1.8)          | (2.7)          | 43.8%            |
| <b>Attributable net result</b>             | <b>8.5</b>     | <b>4.3</b>     | <b>-49.3%</b>    |
| <b>Combined ratio</b>                      | <b>100.7%</b>  | <b>104.9%</b>  | <b>4.2 p.p.</b>  |
| Expense ratio                              | 23.9%          | 24.6%          | 0.7 p.p.         |
| Loss ratio                                 | 76.8%          | 80.3%          | 3.5 p.p.         |
| <b>Investments, real estate and cash</b>   | <b>3,627.3</b> | <b>3,950.8</b> | <b>8.9%</b>      |
| <b>Technical provisions</b>                | <b>3,922.0</b> | <b>4,149.3</b> | <b>5.8%</b>      |
| <b>Shareholders' equity</b>                | <b>587.3</b>   | <b>753.0</b>   | <b>28.2%</b>     |
| <b>ROE</b>                                 | <b>-10.7%</b>  | <b>5.2%</b>    | <b>15.9 p.p.</b> |

Figures in millions of euros

### Breakdown by country

| COUNTRY     | Premiums   |            |        | Attributable result |            |        |
|-------------|------------|------------|--------|---------------------|------------|--------|
|             | MARCH 2017 | MARCH 2018 | Δ %    | MARCH 2017          | MARCH 2018 | Δ %    |
| TURKEY      | 197.0      | 151.1      | -23.3% | 14.0                | 4.7        | -66.6% |
| ITALY       | 116.4      | 114.8      | -1.3%  | (5.8)               | (1.9)      | 67.0%  |
| GERMANY     | 141.5      | 146.1      | 3.3%   | 0.3                 | 0.8        | 120.8% |
| MALTA       | 113.8      | 102.9      | -9.6%  | 0.9                 | 0.9        | 8.7%   |
| PHILLIPINES | 18.3       | 11.8       | -35.6% | 0.2                 | (0.3)      | --     |
| INDONESIA   | 0.0        | 14.6       | --     | 0.6                 | 1.1        | 86.5%  |

Figures in millions of euros

## Premiums

At the close of March, premiums in EURASIA registered a fall of 7.8 percent as a consequence, on the one hand, of the strong depreciation of the Turkish lira (-16.1 percent) and other currencies in the Asia region and, on the other hand, of lower premium issuing Turkey due to a strict underwriting policy in line with the strategy focused on profitable growth, specifically in the Motor Third Party Liability line, due to the pressure from existing margins in this line, with the market reducing its exposure to this. The development of premiums in Germany and Italy is in line with current market conditions. This past March 1, the VERTI line was launched in substitution of Direct Line in Italy, with a very positive reception.

In Malta, there was a one-off fall in Life Savings business issuing, (15.8 percent), though it is important to highlight the satisfactory growth of the Non-Life business in the first quarter of the year, with 14.7 percent growth.

## Result

The result in EURASIA shows negative development, which was expected, due to the impact of the regulatory change in Motor Third Party Liability insurance in Turkey, effective as of April last year, which regulated an important decrease in compulsory Motor Third Party Liability insurance rates, essentially eliminating freedom of pricing in this insurance in the Turkish market. This fact explains the fall in the EURASIA region result and the increase in the Non-Life combined ratio to 104.9 percent.

Germany and Italy improved their results and show a positive trend, in particular in the VERTI Germany operation which had a positive net underwriting result in the quarter due to the good behavior of the loss ratio, placing the Non-Life combined ratio at 99.2 percent at the close of March 2018.

## 6.2. MAPFRE RE

MAPFRE RE is a global reinsurer and is the main 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.

### Key figures

| ITEM                                       | MARCH 2017     | MARCH 2018     | Δ %              |
|--|----------------|----------------|------------------|
| <b>Gross written and accepted premiums</b> | <b>1,165.7</b> | <b>1,126.4</b> | <b>-3.4%</b>     |
| - Non-Life                                 | 1,017.0        | 1,015.4        | -0.2%            |
| - Life                                     | 148.7          | 111.1          | -25.3%           |
| <b>Net premiums earned</b>                 | <b>683.4</b>   | <b>704.7</b>   | <b>3.1%</b>      |
| <b>Gross result</b>                        | <b>70.2</b>    | <b>82.6</b>    | <b>17.5%</b>     |
| Tax on profits                             | (18.9)         | (19.9)         | 5.0%             |
| Non-controlling interests                  | (0.0)          | (0.0)          | --               |
| <b>Attributable net result</b>             | <b>51.3</b>    | <b>62.7</b>    | <b>22.2%</b>     |
| <b>Combined ratio</b>                      | <b>91.4%</b>   | <b>91.1%</b>   | <b>-0.3 p.p.</b> |
| Expense ratio                              | 27.2%          | 29.0%          | 1.8 p.p.         |
| Loss ratio                                 | 64.2%          | 62.0%          | -2.1 p.p.        |
| <b>Investments, real estate and cash</b>   | <b>4,590.2</b> | <b>4,566.6</b> | <b>-0.5%</b>     |
| <b>Technical provisions</b>                | <b>4,157.8</b> | <b>4,648.7</b> | <b>11.8%</b>     |
| <b>Shareholders' equity</b>                | <b>1,327.6</b> | <b>1,346.5</b> | <b>1.4%</b>      |
| <b>ROE</b>                                 | <b>14.5%</b>   | <b>13.0%</b>   | <b>-1.5 p.p.</b> |

Figures in millions of euros

Breakdown of premium distribution to March 2018 is as follows:

| ITEM                        | %     |
|-----------------------------|-------|
| <b>By Type of business:</b> |       |
| Proportional                | 80.1% |
| Non-proportional            | 16.2% |
| Facultative                 | 3.7%  |
| <b>By Region:</b>           |       |
| IBERIA                      | 30.4% |
| EURASIA                     | 42.2% |
| LATAM                       | 15.6% |
| NORTH AMERICA               | 11.8% |

| ITEM                       | %     |
|----------------------------|-------|
| <b>By Ceding company:</b>  |       |
| MAPFRE                     | 46.7% |
| Other                      | 53.3% |
| <b>By Insurance Lines:</b> |       |
| Property                   | 48.5% |
| Life & Accident            | 14.6% |
| Motor                      | 27.5% |
| Transport                  | 3.1%  |
| Other Insurance lines      | 6.3%  |

The net result for MAPFRE RE at the close of March 2018 rose to 62.7 million euros, 22.2 percent more than March the previous year. The Non-Life combined ratio stood at 91.1 percent, similar to the previous period. This was a good quarter for results for MAPFRE RE, showing excellent levels of returns.

Premium issuing fell in the first quarter due to a relevant part of MAPFRE RE's business coming from countries outside of Europe, with currencies, as already explained, that have suffered strong depreciations in the first quarter of the year compared to the same quarter of the previous year. Lower issuing of accepted premiums in Life is mainly a result of the cancellation of a contract with a European ceding company.

The first quarter of 2018 registered financial gains of 13.6 million euros, net of financial losses (9.9 million to March 2017).

### 6.3. MAPFRE GLOBAL RISKS

This business unit specializes in global insurance programs for large 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 suretyship).

#### Key figures

| ITEM                                       | MARCH 2017     | MARCH 2018     | Δ %               |
|--|----------------|----------------|-------------------|
| <b>Gross written and accepted premiums</b> | <b>318.6</b>   | <b>266.7</b>   | <b>-16.3%</b>     |
| <b>Net premiums earned</b>                 | <b>91.7</b>    | <b>79.7</b>    | <b>-13.1%</b>     |
| <b>Gross result</b>                        | <b>0.3</b>     | <b>10.8</b>    | <b>--</b>         |
| Tax on profits                             | (0.1)          | (2.7)          | --                |
| Non-controlling interests                  | 0.0            | 0.0            | --                |
| <b>Attributable net result</b>             | <b>0.2</b>     | <b>8.1</b>     | <b>--</b>         |
| <b>Combined ratio</b>                      | <b>109.5%</b>  | <b>92.0%</b>   | <b>-17.5 p.p.</b> |
| Expense ratio                              | 33.9%          | 35.9%          | 2.0 p.p.          |
| Loss ratio                                 | 75.6%          | 56.1%          | -19.5 p.p.        |
| <b>Investments, real estate and cash</b>   | <b>1,006.1</b> | <b>922.5</b>   | <b>-8.3%</b>      |
| <b>Technical provisions</b>                | <b>1,985.2</b> | <b>2,458.2</b> | <b>23.8%</b>      |
| <b>Shareholders' equity</b>                | <b>395.4</b>   | <b>342.8</b>   | <b>-13.3%</b>     |
| <b>ROE</b>                                 | <b>8.4%</b>    | <b>-15.8%</b>  | <b>-24.2 p.p.</b> |

Figures in millions of euros

MAPFRE GLOBAL RISKS premiums reached 266.7 million euros, which represents 16.3 percent less than the previous period, due to the notable impact of the exchange rate as a relevant part of the company's business comes from outside Europe.

In the first quarter of the year, the attributable result reached 8.1 million euros, with the Non-Life combined ratio reaching 92 percent due to the important positive development of the loss ratio in the quarter, as a result of the reduction in the number of relevant high-intensity claims.

In the first quarter of 2018, financial gains of 0.5 million euros, net of financial losses, were recorded (4.5 million to March 2017).



#### 6.4. MAPFRE ASISTENCIA

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

##### Key figures

| ITEM   | MARCH 2017    | MARCH 2018    | Δ %              |
|--|---------------|---------------|------------------|
| <b>Operating revenue</b>                     | <b>303.8</b>  | <b>244.1</b>  | <b>-19.7%</b>    |
| - Gross written and accepted premiums        | 276.1         | 226.9         | -17.8%           |
| - Other revenue                              | 27.7          | 17.2          | -37.7%           |
| <b>Net premiums earned</b>                   | <b>184.4</b>  | <b>158.4</b>  | <b>-14.1%</b>    |
| <b>Result from other business activities</b> | <b>(1.4)</b>  | <b>3.4</b>    | <b>--</b>        |
| <b>Gross result</b>                          | <b>(8.3)</b>  | <b>(1.1)</b>  | <b>86.2%</b>     |
| Tax on profits                               | (0.4)         | (1.2)         | 188.2%           |
| Non-controlling interests                    | (0.4)         | (0.4)         | 3.6%             |
| <b>Attributable net result</b>               | <b>(9.1)</b>  | <b>(2.7)</b>  | <b>69.9%</b>     |
| <b>Combined ratio</b>                        | <b>103.9%</b> | <b>102.2%</b> | <b>-1.7 p.p.</b> |
| Expense ratio                                | 31.1%         | 40.9%         | 9.8 p.p.         |
| Loss ratio                                   | 72.7%         | 61.3%         | -11.4 p.p.       |
| <b>Investments, real estate and cash</b>     | <b>228.3</b>  | <b>331.4</b>  | <b>45.2%</b>     |
| <b>Technical provisions</b>                  | <b>668.1</b>  | <b>681.1</b>  | <b>2.0%</b>      |
| <b>Shareholders' equity</b>                  | <b>236.8</b>  | <b>227.2</b>  | <b>-4.0%</b>     |
| <b>ROE</b>                                   | <b>-21.5%</b> | <b>-26.7%</b> | <b>-5.3 p.p.</b> |

Figures in millions of euros

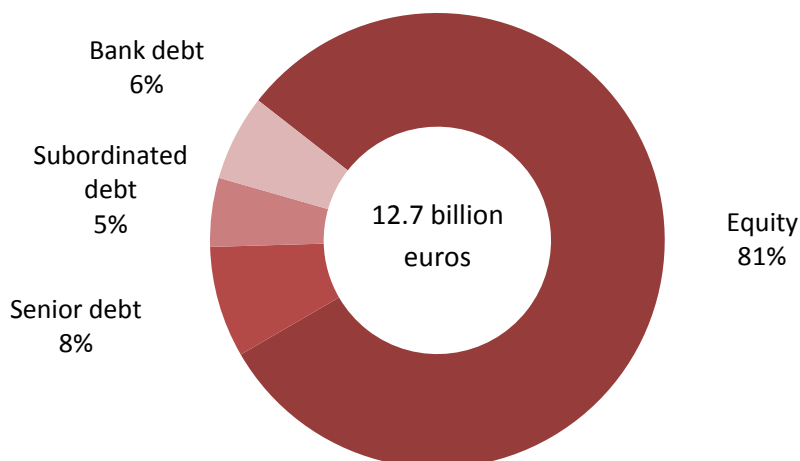
The reduction in operating income and premiums in the ASISTENCIA unit is a result of the business restructuring started in previous periods, and which implied adopting diverse measures in the Assistance business and the Travel Insurance business, such as: exiting or discontinuing operations in certain countries, cancelling contracts and loss-making business, raising rates and renegotiating economic conditions with some large clients. These measures have impacted income and premium growth, which explains the reduction of operating income and premiums in the first quarter of 2018, by 19.7 percent compared to the previous period.

All the measures adopted led to a reduction in losses in the ASISTENCIA Unit by one third of those existing at the close of March in the previous year. Losses were reduced to 2.7 million euros in the first quarter of 2018, and there was significant improvement in the loss ratio, which has gone down 11.4 percentage points to 61.3 percent, bringing the Non-Life combined ratio to 102.2 percent.

## 7. Capital Management & Debt

The chart below shows the composition of the capital structure at the close of the first quarter of 2018:

### Capital structure



Figures in billions of euros

Capital structure reached 12.7 billion euros, of which 81 percent corresponds to equity.

MAPFRE has a 1 billion-euro line of credit available which was approved in December 2014, by a syndicate of banks, and which was novated in February 2018. Included in the modified conditions with this novation, the following are noteworthy:

- Maturity is extended from December 2021 to February 2023, with the possibility of up to two more annual extensions, which would go until February 2025 if executed.
- The interest rate is reduced by 20 basis points, with a possibility of an additional reduction as of the second year, if the Group's sustainability rating improved.
- Availability and use commissions are lowered.

Overall, the abovementioned modifications imply savings of between 26 and 30 percent of the cost of credit according to the level of use, in addition to strengthening our commitment to sustainability.

At March 31, 2018, 660 million euros were drawn down, which means the Group has an additional 340 million euros of liquidity available.

The Group has a leverage ratio of 18.9 percent, with an increase of 0.8 percentage points compared to the close of 2017, as a result of the increased amount drawn down from the credit line, which is for a 60 million euro credit increase in VERTI Italy. This draw-down must be considered as temporary financing, as it is expected to be compensated with dividends from other Group undertakings.

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

#### Debt instruments and leverage ratios

| ITEM   | MARCH<br>2017   | DECEMBER<br>2017 | MARCH<br>2018   |
|--|-----------------|------------------|-----------------|
| <b>Total Equity</b>  | <b>11,220.9</b> | <b>10,512.7</b>  | <b>10,325.7</b> |
| <b>Total debt</b>  | <b>2,818.0</b>  | <b>2,327.4</b>   | <b>2,410.3</b>  |
| - of which: senior debt - 5/2026                             | 1,007.0         | 1,003.3          | 1,007.5         |
| - of which: subordinated debt - 7/2017                       | 602.0           | 0.0              | 0.0             |
| - of which: subordinated debt - 3/2047 (First Call 3/2027)   | 598.0           | 617.4            | 623.9           |
| - of which: syndicated credit facility - 02/2023 (€ 1,000 M) | 480.1           | 600.1            | 660.0           |
| - of which: bank debt  | 130.9           | 106.7            | 118.9           |
| Earnings before tax  | 448.4           | 1,508.7          | 370.0           |
| Financial expenses   | 20.3            | 90.1             | 18.2            |
| <b>Earnings before tax &amp; financial expenses (EBIT)</b>   | <b>468.7</b>    | <b>1,598.8</b>   | <b>388.2</b>    |
| <b>Leverage</b>  | <b>20.1%</b>    | <b>18.1%</b>     | <b>18.9%</b>    |
| <b>Equity / Debt</b>   | <b>4.0</b>      | <b>4.5</b>       | <b>4.3</b>      |
| <b>EBIT / financial expenses (x)</b>                         | <b>23.1</b>     | <b>17.7</b>      | <b>21.4</b>     |

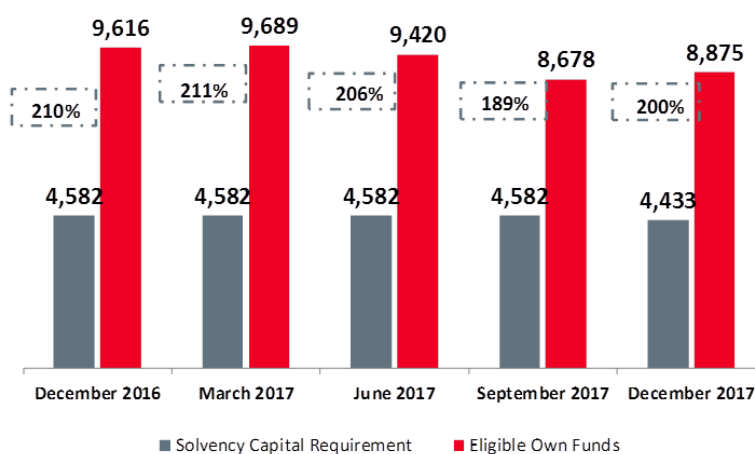
Figures in millions of euros

## 8. Solvency II

The Solvency II ratio for MAPFRE Group stood at 200.2 percent at the close of December 2017, compared to 209.9 percent at the close of December 2016, including transitional measures. This ratio would be 179.9 percent, excluding the effects of said measures. Eligible Own Funds reached 8.9 billion euros in the same period, of which 93.2 percent are high quality funds (Tier 1).

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

### Solvency margin breakdown (Solvency II)



Figures in millions of euros

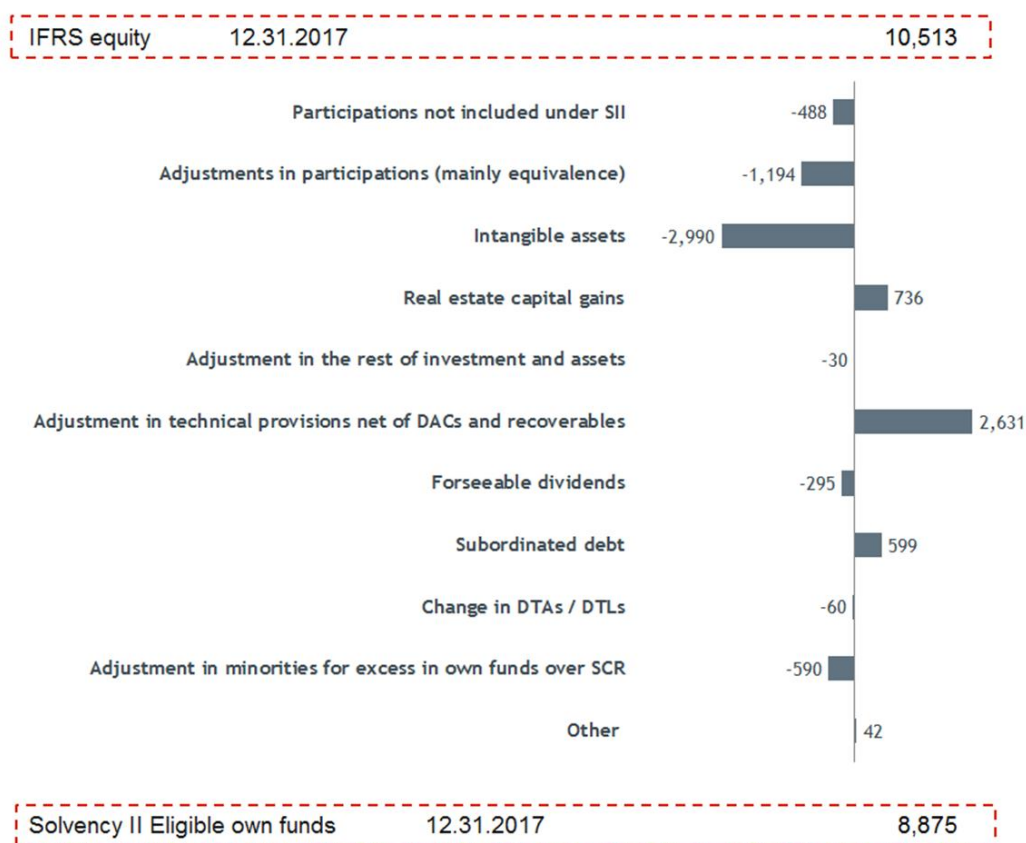
The SCR information is calculated annually, as a re-calculation during the year is not required unless there is a significant change in the risk profile.

### Impact of transitional measures and matching and volatility adjustments

|  |               |
|--|---------------|
| <b>Ratio to 12/31/2017</b>                               | <b>200.2%</b> |
| Impact of transitional for technical provisions          | -17.2%        |
| Impact of equity transitional                            | -3.1%         |
| Impact of transitional for assets in non-euro currencies | 0.0%          |
| <b>Total ratio without transitionals</b>                 | <b>179.9%</b> |

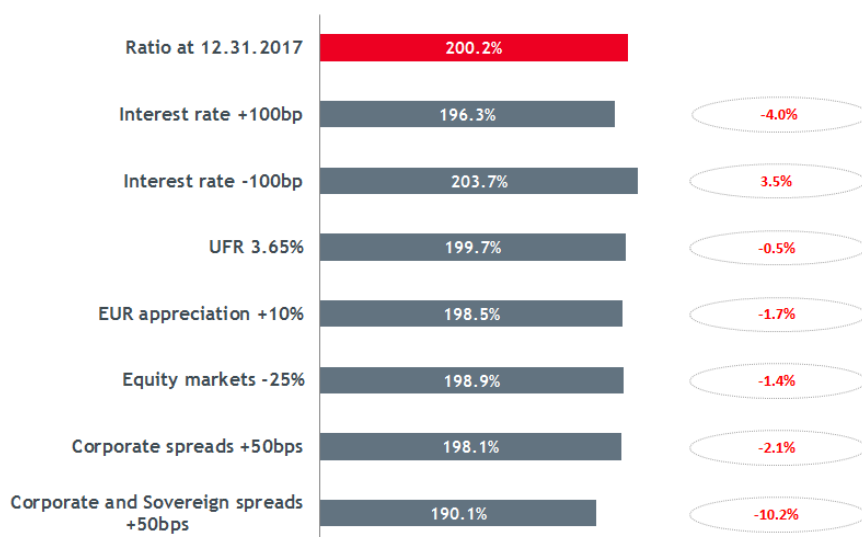
|  |               |
|--|---------------|
| <b>Ratio to 12/31/2017</b>                                     | <b>200.2%</b> |
| Impact of matching adjustment                                  | -2.9%         |
| Impact of volatility adjustment                                | -0.4%         |
| <b>Total ratio without matching and volatility adjustments</b> | <b>196.9%</b> |

## IFRS and Solvency II Capital Reconciliation



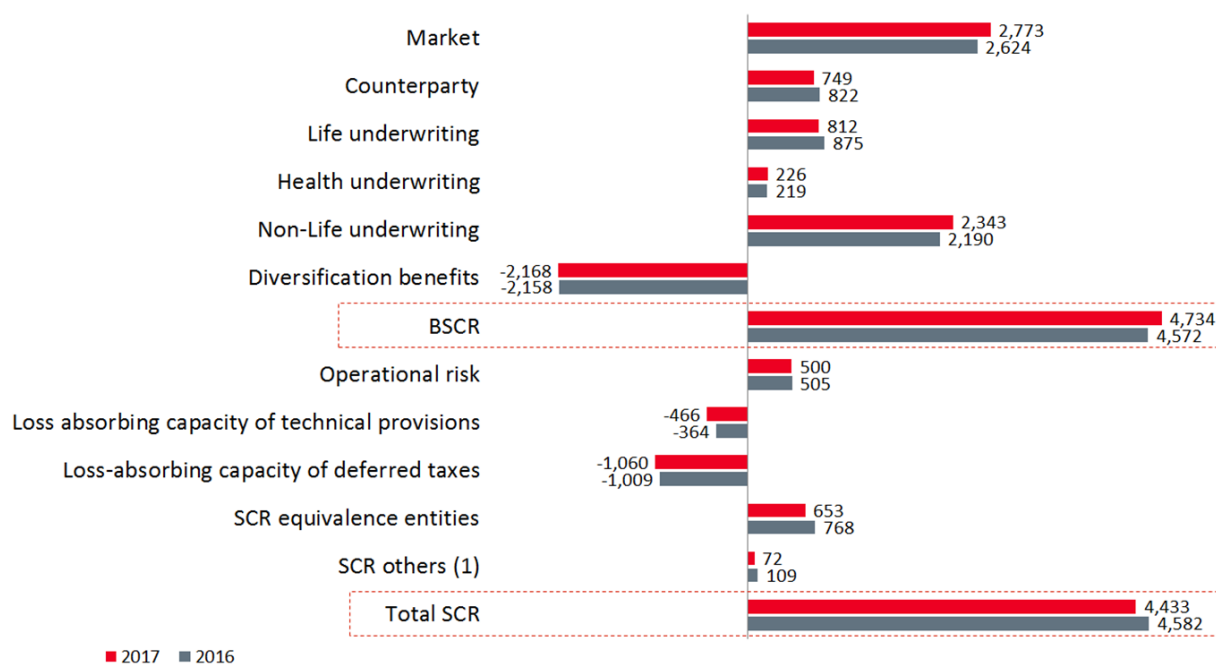
Figures in millions of euros

## Sensitivity to Market Movements



## Breakdown of Solvency Capital Requirement (SCR)

The breakdown of the SCR from the last two years, calculated to December 2017 and 2016, is as follows:



(1) Includes other financial sectors, non-controlled participations and residual undertakings.

Figures in millions of euros

## 9. Ratings

In the first quarter of 2018, the main ratings agencies improved Spain's credit assessment. In January, Fitch led the revisions, raising the credit level from "BBB+" to "A-", with a "stable" outlook. In March, Standard & Poor's improved Spain's rating from "BBB+" to "A-", leaving the outlook as "positive". Finally, in April, Moody's raised the rating from "Baa2" to "Baa1", maintaining the outlook as "stable".

These improvements have contributed to a rating revision of the MAPFRE Group companies in Spain. Fitch raised the financial strength rating for MAPFRE RE, MAPFRE GLOBAL RISKS, MAPFRE ESPAÑA and MAPFRE VIDA from "A-" to "A", and maintained MAPFRE S.A.'s issuer rating at "A-". Subsequently, Standard & Poor's changed the outlook of MAPFRE S.A.'s, MAPFRE RE's and MAPFRE GLOBAL RISKS' ratings from "stable" to "positive". Finally, in April, Moody's raised the financial strength rating for MAPFRE GLOBAL RISKS and MAPFRE ASISTENCIA from A3 to A2.

The chart below details the current credit ratings granted by the main ratings agencies for the undertakings in Spain.

| Standard & Poor's   |                    |        |          |
|---------------------|--------------------|--------|----------|
| Company             | Rating type        | Rating | Outlook  |
| MAPFRE S.A.         | Issuer             | BBB+   | Positive |
| MAPFRE S.A.         | Senior debt        | BBB+   | -        |
| MAPFRE S.A.         | Subordinated debt  | BBB-   | -        |
| MAPFRE GLOBAL RISKS | Financial strength | A      | Positive |
| MAPFRE RE           | Financial strength | A      | Positive |

| Fitch               |                    |        |         |
|---------------------|--------------------|--------|---------|
| Company             | Rating type        | Rating | Outlook |
| MAPFRE S.A.         | Issuer             | A-     | Stable  |
| MAPFRE S.A.         | Senior debt        | BBB+   | -       |
| MAPFRE S.A.         | Subordinated debt  | BBB-   | -       |
| MAPFRE ESPAÑA       | Financial strength | A      | Stable  |
| MAPFRE VIDA         | Financial strength | A      | Stable  |
| MAPFRE GLOBAL RISKS | Financial strength | A      | Stable  |
| MAPFRE RE           | Financial strength | A      | Stable  |

| A.M. Best           |                    |        |         |
|---------------------|--------------------|--------|---------|
| Company             | Rating type        | Rating | Outlook |
| MAPFRE RE           | Financial strength | A      | Stable  |
| MAPFRE GLOBAL RISKS | Financial strength | A      | Stable  |
| MAPFRE ESPAÑA       | Financial strength | A      | Stable  |

| Moody's             |                    |        |         |
|---------------------|--------------------|--------|---------|
| Company             | Rating type        | Rating | Outlook |
| MAPFRE GLOBAL RISKS | Financial strength | A2*    | Stable  |
| MAPFRE ASISTENCIA   | Financial strength | A2*    | Stable  |

\*Revised April 18, 2018

The chart below details the current credit ratings assigned to the Group's key undertakings outside of Spain:

| <b>A.M. Best</b>    |                |                    |               |                |
|---------------------|----------------|--------------------|---------------|----------------|
| <b>Company</b>      | <b>Country</b> | <b>Rating type</b> | <b>Rating</b> | <b>Outlook</b> |
| MAPFRE U.S.A. Group | United States  | Financial strength | A             | Stable         |

| <b>Fitch</b>                              |                |                    |               |                |
|---|----------------|--------------------|---------------|----------------|
| <b>Company</b>                            | <b>Country</b> | <b>Rating type</b> | <b>Rating</b> | <b>Outlook</b> |
| MAPFRE MÉXICO                             | Mexico         | Financial strength | A             | Stable         |
| MAPFRE SIGORTA A.S.                       | Turkey         | Financial strength | AA (tur)      | Stable         |
| MAPFRE SEGUROS GENERALES DE COLOMBIA S.A. | Colombia       | Financial strength | AA (col)      | Negative       |
| MAPFRE COLOMBIA VIDA SEGUROS S.A.         | Colombia       | Financial strength | AA- (col)     | Stable         |



## 10. The MAPFRE Share. Dividend Information

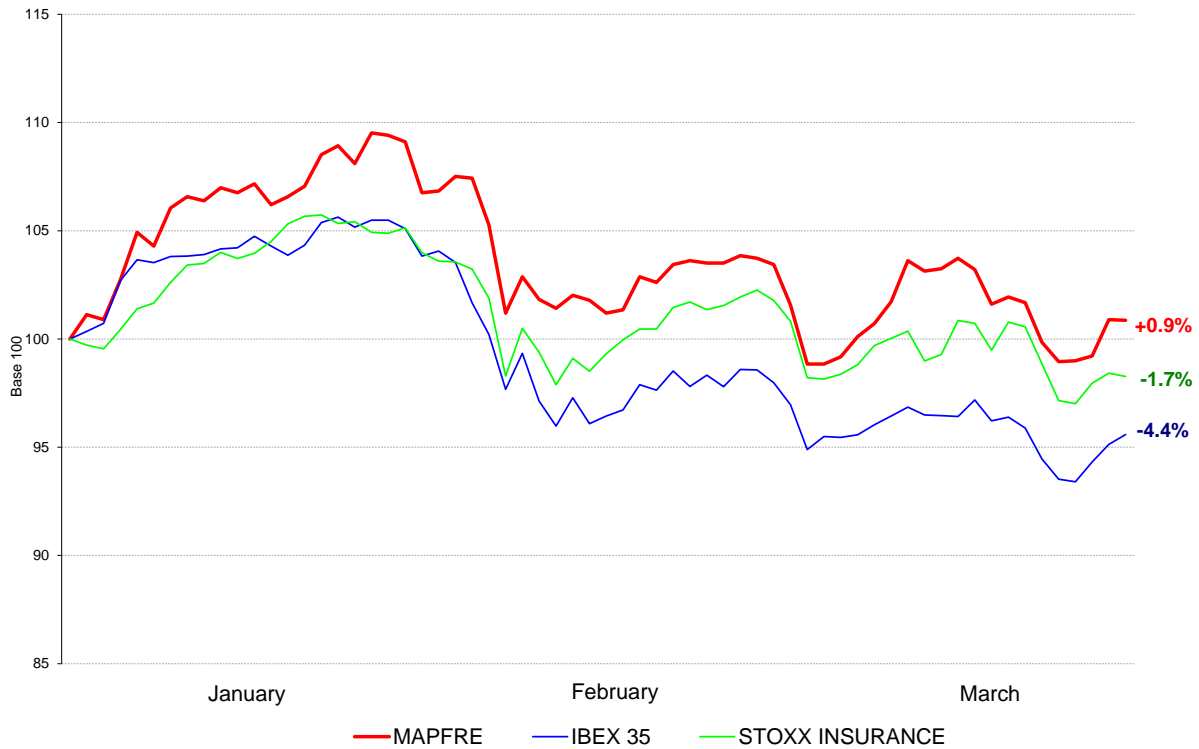
The chart below includes information regarding the development of MAPFRE's shares.

### Stock Market Information

|   | 12/31/2015    | 12/31/2016    | 12/31/2017    | 03/31/2018    |
|---|---------------|---------------|---------------|---------------|
| Total outstanding shares                      | 3,079,553,273 | 3,079,553,273 | 3,079,553,273 | 3,079,553,273 |
| Market cap (million euros)                    | 7,119.9       | 8,930.7       | 8,247.0       | 8,317.9       |
| Share price (euros)                           | 2.312         | 2.900         | 2.678         | 2.701         |
| Changes in value from January 1(%)            | -17.8%        | 25.4%         | -7.7%         | 0.9%          |
| Changes in IBEX 35 from January 1(%)          | -7.2%         | -2.0%         | 7.4%          | -4.4%         |
| Average number of shares traded daily         | 9,937,097     | 9,032,451     | 7,267,696     | 4,645,469     |
| Average daily effective value (million euros) | 28.5          | 20.4          | 21.5          | 12.9          |
| Period high                                   | 3.605         | 3.130         | 3.336         | 2.955         |
| Period low                                    | 2.281         | 1.617         | 2.621         | 2.607         |
| Volume / total stock market (%)               | 0.8%          | 0.8%          | 0.8%          | 0.6%          |
| Book value per share                          | 2.78          | 2.96          | 2.80          | 2.75          |
| Dividend per share (last 12 months)           | 0.14          | 0.13          | 0.145         | 0.145         |

In the first quarter of 2018, the price of MAPFRE S.A. stock went up 0.9 percent, while the IBEX 35 went down 4.4 percent. The share traded for 64 days. An average of 4,645,469 shares was traded daily, compared to 5,636,113 in the first quarter of 2017, a decrease of 17.6 percent. The average daily effective value reached 12.9 million euros, versus 16.6 million euros in the previous year, a decrease of 22.3 percent.

### Share Performance: January 1, 2018 – March 31, 2018



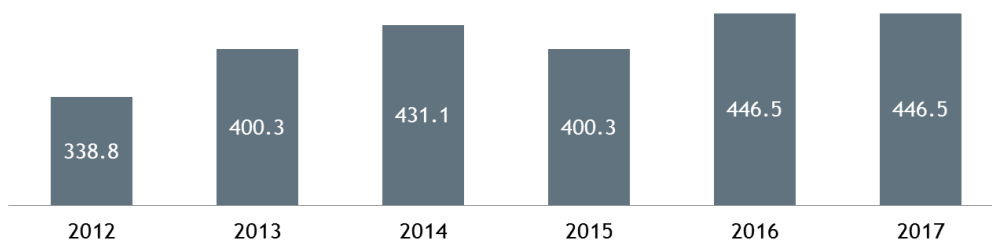
### Price target and share price: April 1, 2015 – March 31, 2018



## Dividend and Payout

The Ordinary Annual General Meeting held on March 9, 2018 agreed to pay a final dividend of 0.085 euros gross per share. This final dividend will be distributed on June 14, 2018.

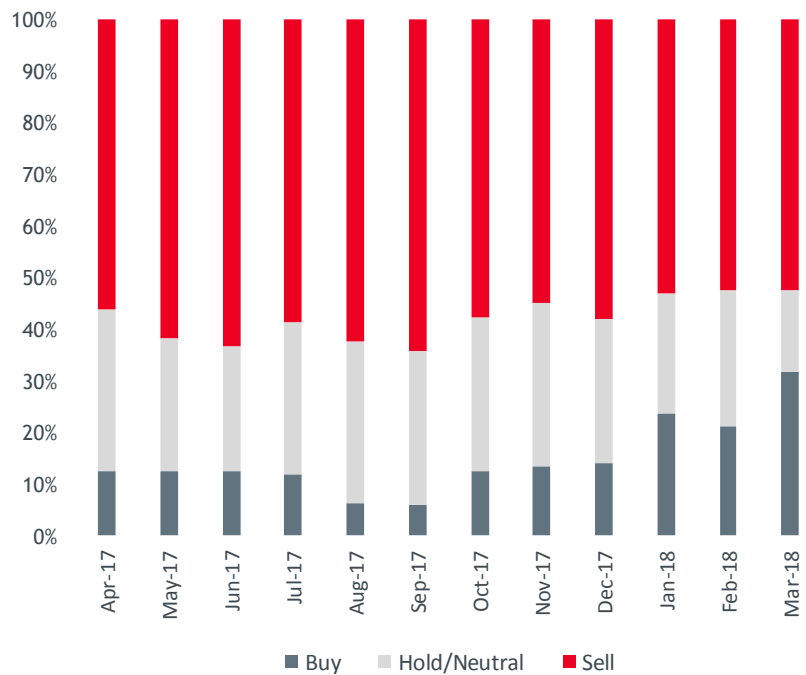
Dividends paid against results



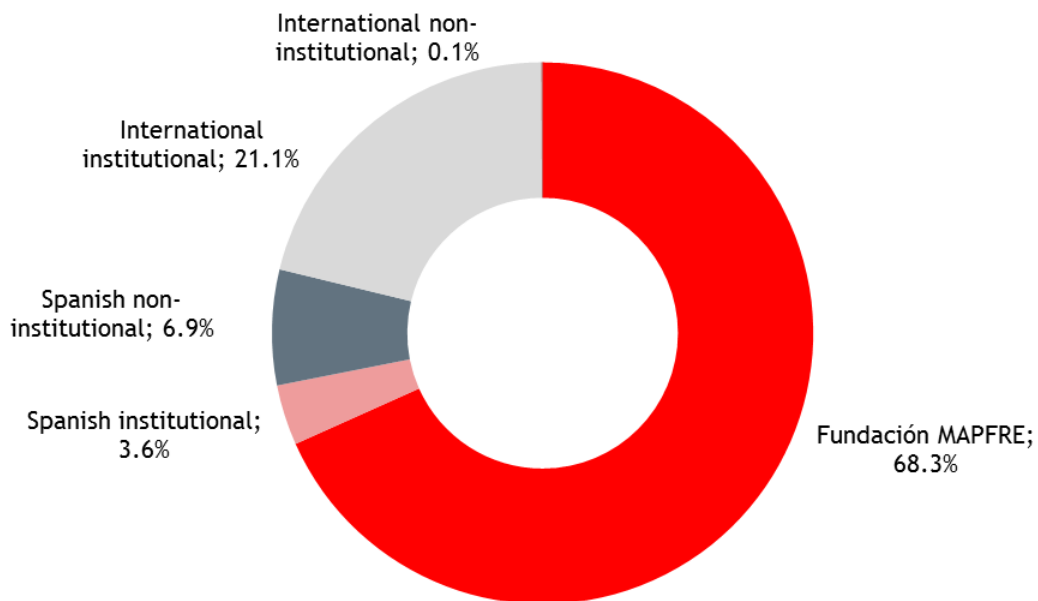
|                            |       |       |       |       |       |       |
|----------------------------|-------|-------|-------|-------|-------|-------|
| Earnings per share (euros) | 0.22  | 0.26  | 0.27  | 0.23  | 0.25  | 0.23  |
| Dividend per share (euros) | 0.11  | 0.13  | 0.14  | 0.13  | 0.145 | 0.145 |
| Payout (%)                 | 50.9% | 50.6% | 51.0% | 56.5% | 57.6% | 63.7% |

Analyst coverage: Recommendation summary

| Bank / Investment Companies  |
|------------------------------|
| ALANTRA                      |
| ALPHAVALUE                   |
| AUTONOMOUS                   |
| BANCO SABADELL               |
| BANCO SANTANDER              |
| BANK OF AMERICA MERRIL LYNCH |
| BANKINTER                    |
| BARCLAYS                     |
| BBVA                         |
| CAIXA BPI                    |
| CITI                         |
| EXANE BNP PARIBAS            |
| FIDENTIIS                    |
| GVC GAESCO BEKA              |
| JP MORGAN                    |
| KEEFE, BRUYETTE & WOODS      |
| NORBOLSA                     |



Shareholder composition



## 11. Accolades Received in the Year 2018

### Group

- **MAPFRE Global Intranet, “Best Intranet” in Europe**

MAPFRE’s Global Intranet won the category of “Best Intranet Portal” in the annual awards granted by the European Association for Internal Communication.

- **MAPFRE S.A. receives the distinction of “Equality in the Company” from the Ministry of Health, Social Services and Equality**

The Ministry of Health, Social Services and Equality has awarded MAPFRE S.A. the distinction of “Equality in the Company”, which distinguishes those companies that develop policies for equal opportunity for men and women in the workplace.

- **Antonio Huertas, named 2018 Financier of the Year**

The jury for the ECOFIN awards has recognized the work of Antonio Huertas as Chairman and CEO of MAPFRE AND Fundación MAPFRE with its 2018 Financier of the Year award, highlighting his role “as a clear driver of innovation in business success”.

- **Fernando Mata, CFO of MAPFRE, recognized as one of the best financiers of the year**

Fernando Mata, CFO and member of the Board of Directors of MAPFRE, has been recognized as one of the 100 best financiers of the year by the journal Actualidad Económica and KPMG. Additionally, he was one of 25 award-winners for innovation in financial management.

### Spain

- **MAPFRE, the most valuable insurer in Spain, according to Interbrand**

MAPFRE is the most valued insurer according to the ranking of “Best Spanish Brands, 2017”, by the international consultant Interbrand, which highlights the 30 most valuable companies of the country.

### Other companies and business units

- **World Finance recognizes the management in MAPFRE Peru in the Life Insurance line**

The British publication World Finance has awarded MAPFRE the distinction of “Best Insurer in the Life category in Peru”, in its 2017 Global Insurance Awards.

- **MAPFRE Investimentos, included among the best financial institutions by the Ministry of Finance in Brazil**

MAPFRE Investimentos has once again been named among the best companies in the latest “Podium Curto Prazo” ranking, released by the Secretary of Economic Policy, who works under the Ministry of Finance in Brazil.

- **MAPFRE leads the Merco Social Responsibility ranking in Argentina**

MAPFRE ARGENTINA is included in the most responsible companies in the country, according to the Merco Social Responsibility and Corporate Governance ranking. It is currently in 1<sup>st</sup> place in the insurance sector, and 28<sup>th</sup> place in the general ranking, moving up 20 positions from last year.

## 12. Events Subsequent to Closing

On April 27, 2018, The Board of Directors approved a final dividend distribution of 0.085 euros gross per share against 2017 results, to be paid on June 14, 2018.

## 13. Appendixes

### 13.1. Consolidated Balance Sheet

| ITEM  | DECEMBER<br>2017 | MARCH 2018      |
|---|------------------|-----------------|
| <b>A) INTANGIBLE ASSETS</b>   | <b>3,422.9</b>   | <b>3,347.2</b>  |
| I. Goodwill   | 1,883.0          | 1,857.7         |
| II. Other intangible assets   | 1,539.9          | 1,489.5         |
| <b>B) PROPERTY, PLANT AND EQUIPMENT</b>   | <b>1,191.7</b>   | <b>1,171.9</b>  |
| I. Real estate for own use  | 920.6            | 906.1           |
| II. Other property, plant and equipment   | 271.1            | 265.9           |
| <b>C) INVESTMENTS</b>   | <b>44,691.2</b>  | <b>45,311.2</b> |
| I. Real estate investments  | 1,250.7          | 1,253.4         |
| II. Financial investments   |                  |                 |
| 1. Held-to-maturity portfolio   | 2,024.2          | 2,021.4         |
| 2. Available-for-sale portfolio   | 34,516.4         | 35,426.3        |
| 3. Trading portfolio  | 5,462.6          | 5,266.0         |
| III. Investments recorded by applying the equity method                                     | 203.9            | 206.4           |
| IV. Deposits established for accepted reinsurance   | 790.6            | 773.5           |
| V. Other investments  | 442.8            | 364.2           |
| <b>D) INVESTMENTS ON BEHALF OF LIFE INSURANCE POLICYHOLDERS BEARING THE INVESTMENT RISK</b> | <b>2,320.1</b>   | <b>2,346.3</b>  |
| <b>E) INVENTORIES</b>   | <b>67.1</b>      | <b>67.6</b>     |
| <b>F) PARTICIPATION OF REINSURANCE IN TECHNICAL PROVISIONS</b>                              | <b>4,989.6</b>   | <b>5,231.5</b>  |
| <b>G) DEFERRED TAX ASSETS</b>   | <b>296.8</b>     | <b>275.7</b>    |
| <b>H) RECEIVABLES</b>   | <b>6,337.1</b>   | <b>7,104.5</b>  |
| I. Receivables on direct insurance and co-insurance operations                              | 4,019.5          | 4,824.1         |
| II. Receivables on reinsurance operations   | 987.2            | 907.9           |
| III. Tax receivables  |                  |                 |
| 1. Tax on profits receivable  | 143.0            | 177.9           |
| 2. Other tax receivables  | 128.6            | 126.9           |
| IV. Corporate and other receivables   | 1,058.7          | 1,067.7         |
| V. Shareholders, called capital   | 0.0              | 0.0             |
| <b>I) CASH</b>  | <b>1,864.0</b>   | <b>2,051.9</b>  |
| <b>J) ACCRUAL ADJUSTMENTS</b>   | <b>2,132.3</b>   | <b>2,223.4</b>  |
| <b>K) OTHER ASSETS</b>  | <b>101.0</b>     | <b>93.9</b>     |
| <b>L) NON-CURRENT ASSETS HELD FOR SALE AND FROM DISCONTINUED OPERATIONS</b>                 | <b>155.6</b>     | <b>31.7</b>     |
| <b>TOTAL ASSETS</b>   | <b>67,569.5</b>  | <b>69,256.9</b> |

Figures in millions of euros



| ITEM  | DECEMBER<br>2017 | MARCH 2018      |
|---|------------------|-----------------|
| <b>A) EQUITY</b>  | <b>10,512.7</b>  | <b>10,325.7</b> |
| I. Paid-up capital  | 308.0            | 308.0           |
| II. Share premium   | 1,506.7          | 1,506.7         |
| III. Reserves   | 6,433.1          | 6,704.7         |
| IV. Interim dividend  | (184.8)          | 0.0             |
| V. Treasury Stock   | (52.4)           | (52.2)          |
| VI. Result attributable to controlling company  | 700.5            | 187.0           |
| VII. Other equity instruments   | 10.1             | 10.1            |
| VIII. Valuation change adjustments  | 620.7            | 653.6           |
| IX. Currency conversion differences   | (730.7)          | (852.0)         |
| <b>Equity attributable to the controlling company's shareholders</b>                              | <b>8,611.3</b>   | <b>8,465.8</b>  |
| <b>Non-controlling interests</b>  | <b>1,901.4</b>   | <b>1,859.9</b>  |
| <b>B) SUBORDINATED LIABILITIES</b>  | <b>617.4</b>     | <b>623.9</b>    |
| <b>C) TECHNICAL PROVISIONS</b>  | <b>45,494.0</b>  | <b>46,702.2</b> |
| I. Provisions for unearned premiums and unexpired risks   | 8,375.1          | 8,989.0         |
| II. Provisions for life insurance   | 24,992.9         | 25,485.0        |
| III. Provision for outstanding claims   | 11,223.1         | 11,308.6        |
| IV. Other technical provisions  | 902.9            | 919.7           |
| <b>D) TECHNICAL PROVISIONS FOR LIFE INSURANCE WHERE POLICYHOLDERS BEAR THE INVESTMENT RISK</b>    | <b>2,320.1</b>   | <b>2,346.3</b>  |
| <b>E) PROVISIONS FOR RISKS AND EXPENSES</b>   | <b>661.7</b>     | <b>630.1</b>    |
| <b>F) DEPOSITS RECEIVED ON CEDED AND RETROCEDED REINSURANCE</b>                                   | <b>42.4</b>      | <b>61.9</b>     |
| <b>G) DEFERRED TAX LIABILITIES</b>  | <b>588.0</b>     | <b>609.9</b>    |
| <b>H) DEBT</b>  | <b>7,073.7</b>   | <b>7,649.8</b>  |
| I. Issue of debentures and other negotiable securities  | 1,003.3          | 1,007.5         |
| II. Due to credit institutions  | 706.7            | 778.9           |
| III. Other financial liabilities  | 1,235.2          | 1,276.4         |
| IV. Due on direct insurance and co-insurance operations   | 972.1            | 1,063.2         |
| V. Due on reinsurance operations  | 1,218.6          | 1,385.0         |
| VI. Tax liabilities   |                  |                 |
| 1. Tax on profits to be paid  | 167.6            | 99.2            |
| 2. Other tax liabilities  | 343.2            | 355.6           |
| VII. Other debts  | 1,427.0          | 1,684.0         |
| <b>I) ACCRUAL ADJUSTMENTS</b>   | <b>258.3</b>     | <b>306.1</b>    |
| <b>J) LIABILITIES LINKED TO NON-CURRENT ASSETS HELD FOR SALE AND FROM DISCONTINUED OPERATIONS</b> | <b>1.1</b>       | <b>0.9</b>      |
| <b>TOTAL LIABILITIES AND EQUITY</b>   | <b>67,569.5</b>  | <b>69,256.9</b> |

Figures in millions of euros

## 13.2. Consolidated Income Statement

| ITEM   | MARCH<br>2017    | MARCH<br>2018    |
|--|------------------|------------------|
| <b>I. REVENUE FROM INSURANCE BUSINESS</b>  |                  |                  |
| 1. Premiums allocated to the financial year, net   |                  |                  |
| a) Written premiums, direct insurance  | 5,775.8          | 5,320.0          |
| b) Premiums from accepted reinsurance  | 898.7            | 877.2            |
| c) Premiums from ceded reinsurance   | (1,061.7)        | (909.6)          |
| d) Variations in provisions for unearned premiums and unexpired risks  |                  |                  |
| Direct insurance   | (649.4)          | (722.4)          |
| Accepted reinsurance   | (29.8)           | (55.5)           |
| Ceded reinsurance  | 65.2             | 73.3             |
| 2. Share in profits from equity-accounted companies  | 2.0              | 1.5              |
| 3. Revenue from investments  |                  |                  |
| a) From operations   | 651.8            | 517.7            |
| b) From equity   | 52.0             | 60.2             |
| 4. Unrealized gains on investments on behalf of life insurance policyholders bearing the investment risk               | 65.1             | 28.4             |
| 5. Other technical revenue   | 15.2             | 17.7             |
| 6. Other non-technical revenue   | 43.9             | 13.5             |
| 7. Positive foreign exchange differences   | 221.1            | 303.9            |
| 8. Reversal of the asset impairment provision  | 9.6              | 9.4              |
| <b>TOTAL REVENUE FROM INSURANCE BUSINESS</b>   | <b>6,059.7</b>   | <b>5,535.2</b>   |
| <b>II. INSURANCE BUSINESS EXPENSES</b>   |                  |                  |
| 1. Incurred claims for the year, net   |                  |                  |
| a) Claims paid and variation in provision for claims, net  |                  |                  |
| Direct insurance   | (3,155.3)        | (3,247.8)        |
| Accepted reinsurance   | (543.9)          | (628.5)          |
| Ceded reinsurance  | 490.1            | 870.3            |
| b) Claims-related expenses   | (228.1)          | (202.8)          |
| 2. Variation in other technical provisions, net  | (342.2)          | (12.7)           |
| 3. Profit sharing and returned premiums  | (14.9)           | (11.4)           |
| 4. Net operating expenses  |                  |                  |
| a) Acquisition expenses  | (1,245.5)        | (1,203.1)        |
| b) Administration expenses   | (185.8)          | (184.5)          |
| c) Commissions and participation in reinsurance  | 163.5            | 121.7            |
| 5. Share in losses from equity-accounted companies   | (0.4)            | (0.0)            |
| 6. Expenses from investments   |                  |                  |
| a) From operations   | (214.2)          | (211.8)          |
| b) From equity and financial accounts  | (13.8)           | (29.8)           |
| 7. Unrealized losses on investments on behalf of life insurance policyholders bearing the investment risk              | (4.0)            | (26.6)           |
| 8. Other technical expenses  | (26.4)           | (29.8)           |
| 9. Other non-technical expenses  | (20.8)           | (36.7)           |
| 10. Negative foreign exchange differences  | (222.9)          | (283.9)          |
| 11. Allowance to the asset impairment provision  | (17.3)           | (8.3)            |
| <b>TOTAL EXPENSES FROM INSURANCE BUSINESS</b>  | <b>(5,581.8)</b> | <b>(5,125.6)</b> |
| <b>RESULT FROM THE INSURANCE BUSINESS</b>  | <b>477.8</b>     | <b>409.6</b>     |
| <b>III. OTHER ACTIVITIES</b>   |                  |                  |
| 1. Operating revenue   | 98.9             | 90.0             |
| 2. Operating expenses  | (113.4)          | (104.2)          |
| 3. Net financial income  |                  |                  |
| a) Financial income  | 20.1             | 15.9             |
| b) Financial expenses  | (25.0)           | (20.8)           |
| 4. Results from non-controlling interests  |                  |                  |
| a) Share in profits from equity-accounted companies  | 0.5              | 0.8              |
| b) Share in losses from equity-accounted companies   | (0.0)            | (0.0)            |
| 5. Reversal of asset impairment provision  | 0.2              | 1.0              |
| 6. Allowance to the asset impairment provision   | (1.2)            | (3.2)            |
| 7. Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations | 0.0              | 0.0              |
| <b>RESULT FROM OTHER ACTIVITIES</b>  | <b>(20.1)</b>    | <b>(20.5)</b>    |
| <b>IV. RESULT ON RESTATEMENT OF FINANCIAL ACCOUNTS</b>   | <b>(9.3)</b>     | <b>(19.1)</b>    |
| <b>V. RESULT BEFORE TAXES FROM ONGOING OPERATIONS</b>  | <b>448.4</b>     | <b>370.0</b>     |
| <b>VI. TAX ON PROFITS FROM ONGOING OPERATIONS</b>  | <b>(129.1)</b>   | <b>(102.5)</b>   |
| <b>VII. RESULT AFTER TAX FROM ONGOING OPERATIONS</b>   | <b>319.3</b>     | <b>267.5</b>     |
| <b>VIII. RESULT AFTER TAX FROM DISCONTINUED OPERATIONS</b>   | <b>0.0</b>       | <b>0.0</b>       |
| <b>IX. RESULT FOR THE FINANCIAL YEAR</b>   | <b>319.3</b>     | <b>267.5</b>     |
| 1. Attributable to non-controlling interests   | 113.2            | 80.6             |
| 2. Attributable to the controlling company   | 206.2            | 187.0            |

Figures in millions of euros

### 13.3. Key Figures by Region. Quarterly Breakdown.

| Period  | 2017      |           |            |            | 2018      | Δ Annual<br>Jan.-Mar.<br>2018/2017 |
|---|-----------|-----------|------------|------------|-----------|------------------------------------|
|   | Jan.-Mar. | Apr.-Jun. | Jul.-Sept. | Sept.-Dec. | Jan.-Mar. |                                    |
| <b>Consolidated figures</b>                     |           |           |            |            |           |                                    |
| Total consolidated revenue                      | 7,854.9   | 7,583.4   | 5,854.0    | 6,691.4    | 7,257.0   | -7.6%                              |
| Written and accepted premiums - Total           | 6,674.6   | 6,398.6   | 4,913.5    | 5,494.1    | 6,197.2   | -7.2%                              |
| Written and accepted premiums - Non-Life        | 5,217.9   | 5,038.2   | 3,837.8    | 4,060.7    | 4,965.9   | -4.8%                              |
| Written and accepted premiums - Life            | 1,456.7   | 1,360.4   | 1,075.7    | 1,433.4    | 1,231.3   | -15.5%                             |
| Net result                                      | 206.2     | 208.9     | 29.5       | 255.9      | 187.0     | -9.3%                              |
| Combined ratio                                  | 97.5%     | 96.8%     | 102.0%     | 96.3%      | 96.5%     | -1.0 p.p.                          |
| Loss ratio                                      | 70.8%     | 68.6%     | 72.6%      | 70.7%      | 68.3%     | -2.5 p.p.                          |
| Expense ratio                                   | 26.7%     | 28.2%     | 29.4%      | 25.6%      | 28.2%     | 1.5 p.p.                           |
| <b>Figures by business unit</b>                 |           |           |            |            |           |                                    |
| <b>Written and accepted premiums - Total</b>    |           |           |            |            |           |                                    |
| IBERIA  | 2,386.9   | 1,560.5   | 1,310.5    | 1,702.3    | 2,342.4   | -1.9%                              |
| BRAZIL  | 1,203.1   | 1,179.7   | 1,066.4    | 1,097.7    | 1,012.9   | -15.8%                             |
| NORTH AMERICA                                   | 654.0     | 693.3     | 630.2      | 551.1      | 561.9     | -14.1%                             |
| EURASIA   | 586.9     | 454.1     | 405.6      | 423.1      | 541.2     | -7.8%                              |
| LATAM SOUTH                                     | 428.5     | 466.2     | 395.5      | 408.8      | 395.4     | -7.7%                              |
| LATAM NORTH                                     | 366.9     | 828.3     | 263.1      | 313.9      | 365.2     | -0.5%                              |
| MAPFRE RE                                       | 1,165.7   | 1,160.0   | 974.7      | 921.9      | 1,126.4   | -3.4%                              |
| MAPFRE GLOBAL RISKS                             | 318.6     | 406.4     | 224.5      | 307.9      | 266.7     | -16.3%                             |
| MAPFRE ASISTENCIA                               | 276.1     | 255.2     | 250.9      | 201.3      | 226.9     | -17.8%                             |
| <b>Written and accepted premiums - Non-Life</b> |           |           |            |            |           |                                    |
| IBERIA  | 1,721.1   | 1,040.6   | 930.5      | 1,048.1    | 1,805.5   | 4.9%                               |
| BRAZIL  | 838.4     | 803.6     | 680.6      | 673.4      | 689.4     | -17.8%                             |
| NORTH AMERICA                                   | 651.3     | 691.0     | 627.6      | 554.1      | 560.9     | -13.9%                             |
| EURASIA   | 489.3     | 384.3     | 337.3      | 363.0      | 456.6     | -6.7%                              |
| LATAM SOUTH                                     | 361.7     | 397.6     | 332.5      | 343.6      | 328.5     | -9.2%                              |
| LATAM NORTH                                     | 256.7     | 753.7     | 190.0      | 237.1      | 258.0     | 0.5%                               |
| MAPFRE RE                                       | 1,017.0   | 911.1     | 871.6      | 766.0      | 1,015.4   | -0.2%                              |
| MAPFRE GLOBAL RISKS                             | 318.6     | 406.4     | 224.5      | 307.9      | 266.7     | -16.3%                             |
| MAPFRE ASISTENCIA                               | 276.1     | 255.2     | 250.9      | 201.3      | 226.9     | -17.8%                             |
| <b>Written and accepted premiums - Life</b>     |           |           |            |            |           |                                    |
| IBERIA  | 665.9     | 519.9     | 380.0      | 654.2      | 536.9     | -19.4%                             |
| BRAZIL  | 364.8     | 376.1     | 385.7      | 424.3      | 323.6     | -11.3%                             |
| NORTH AMERICA                                   | 2.7       | 2.2       | 2.6        | (3.0)      | 0.9       | -64.4%                             |
| EURASIA   | 97.6      | 69.8      | 68.3       | 60.1       | 84.6      | -13.4%                             |
| LATAM SOUTH                                     | 66.8      | 68.7      | 63.0       | 65.2       | 66.9      | 0.2%                               |
| LATAM NORTH                                     | 110.2     | 74.6      | 73.0       | 76.8       | 107.2     | -2.7%                              |
| MAPFRE RE                                       | 148.7     | 248.9     | 103.1      | 155.9      | 111.1     | -25.3%                             |
| MAPFRE GLOBAL RISKS                             | --        | --        | --         | --         | --        | --                                 |
| MAPFRE ASISTENCIA                               | --        | --        | --         | --         | --        | --                                 |

Figures in millions of euros

| Quarter                                | 2017      |           |            |            | 2018      | Δ Annual<br>Jan.-Mar.<br>2018/2017 |
|--|-----------|-----------|------------|------------|-----------|------------------------------------|
|  | I         | II        | III        | IV         | I         |                                    |
| Period                                 | Jan.-Mar. | Apr.-Jun. | Jul.-Sept. | Sept.-Dec. | Jan.-Mar. |                                    |
| <b>Net result</b>                      |           |           |            |            |           |                                    |
| IBERIA                                 | 127.6     | 133.1     | 128.6      | 122.3      | 117.9     | -7.6%                              |
| BRAZIL                                 | 26.2      | 36.8      | 23.0       | 39.4       | 14.5      | -44.7%                             |
| NORTH AMERICA                          | 15.9      | 16.4      | (11.0)     | 27.4       | (4.2)     | -126.4%                            |
| EURASIA                                | 8.5       | 13.0      | 7.7        | 10.1       | 4.3       | -49.3%                             |
| LATAM SOUTH                            | 15.6      | 19.1      | 12.2       | 23.3       | 13.8      | -11.7%                             |
| LATAM NORTH                            | 4.6       | 12.5      | 6.7        | 9.9        | 9.9       | 113.9%                             |
| MAPFRE RE                              | 51.3      | 50.4      | (4.4)      | 65.4       | 62.7      | 22.2%                              |
| MAPFRE GLOBAL RISKS                    | 0.2       | (13.2)    | (74.2)     | 20.9       | 8.1       | --                                 |
| MAPFRE ASISTENCIA                      | (9.1)     | (15.4)    | (26.6)     | (17.3)     | (2.7)     | 69.9%                              |
| Holdings and consolidation adjustments | (34.6)    | (43.8)    | (32.5)     | (45.4)     | (37.2)    | -7.5%                              |
| <b>Combined ratio</b>                  |           |           |            |            |           |                                    |
| IBERIA                                 | 94.6%     | 95.6%     | 91.8%      | 93.0%      | 92.1%     | -2.5 p.p.                          |
| BRAZIL                                 | 98.5%     | 92.0%     | 92.9%      | 100.9%     | 98.3%     | -0.2 p.p.                          |
| NORTH AMERICA                          | 101.4%    | 101.8%    | 109.4%     | 107.5%     | 106.2%    | 4.8 p.p.                           |
| EURASIA                                | 100.7%    | 98.3%     | 103.1%     | 101.5%     | 104.9%    | 4.2 p.p.                           |
| LATAM SOUTH                            | 99.2%     | 100.3%    | 97.0%      | 89.9%      | 97.0%     | -2.2 p.p.                          |
| LATAM NORTH                            | 99.1%     | 94.1%     | 104.1%     | 95.5%      | 96.6%     | -2.5 p.p.                          |
| MAPFRE RE                              | 91.4%     | 93.1%     | 106.4%     | 91.2%      | 91.1%     | -0.3 p.p.                          |
| MAPFRE GLOBAL RISKS                    | 109.5%    | 130.9%    | 231.6%     | 78.9%      | 92.0%     | -17.5 p.p.                         |
| MAPFRE ASISTENCIA                      | 103.9%    | 99.0%     | 104.5%     | 108.0%     | 102.2%    | -1.7 p.p.                          |
| <b>Loss ratio</b>                      |           |           |            |            |           |                                    |
| IBERIA                                 | 74.1%     | 74.8%     | 69.8%      | 72.6%      | 71.3%     | -2.8 p.p.                          |
| BRAZIL                                 | 66.4%     | 56.9%     | 58.9%      | 63.6%      | 63.8%     | -2.7 p.p.                          |
| NORTH AMERICA                          | 75.8%     | 76.5%     | 83.6%      | 82.1%      | 76.4%     | 0.7 p.p.                           |
| EURASIA                                | 76.8%     | 78.1%     | 79.6%      | 76.3%      | 80.3%     | 3.5 p.p.                           |
| LATAM SOUTH                            | 62.1%     | 61.3%     | 58.1%      | 59.9%      | 61.3%     | -0.9 p.p.                          |
| LATAM NORTH                            | 69.8%     | 63.2%     | 68.1%      | 60.5%      | 65.3%     | -4.5 p.p.                          |
| MAPFRE RE                              | 64.2%     | 60.1%     | 69.4%      | 70.1%      | 62.0%     | -2.1 p.p.                          |
| MAPFRE GLOBAL RISKS                    | 75.6%     | 99.7%     | 197.9%     | 53.4%      | 56.1%     | -19.5 p.p.                         |
| MAPFRE ASISTENCIA                      | 72.7%     | 59.4%     | 64.6%      | 72.4%      | 61.3%     | -11.4 p.p.                         |
| <b>Expense ratio</b>                   |           |           |            |            |           |                                    |
| IBERIA                                 | 20.5%     | 20.8%     | 22.0%      | 20.4%      | 20.8%     | 0.3 p.p.                           |
| BRAZIL                                 | 32.0%     | 35.1%     | 34.0%      | 37.3%      | 34.5%     | 2.5 p.p.                           |
| NORTH AMERICA                          | 25.7%     | 25.3%     | 25.8%      | 25.4%      | 29.8%     | 4.1 p.p.                           |
| EURASIA                                | 23.9%     | 20.2%     | 23.5%      | 25.2%      | 24.6%     | 0.7 p.p.                           |
| LATAM SOUTH                            | 37.1%     | 39.0%     | 38.9%      | 30.0%      | 35.7%     | -1.4 p.p.                          |
| LATAM NORTH                            | 29.3%     | 30.9%     | 36.0%      | 35.0%      | 31.3%     | 2.0 p.p.                           |
| MAPFRE RE                              | 27.2%     | 33.0%     | 37.0%      | 21.1%      | 29.0%     | 1.8 p.p.                           |
| MAPFRE GLOBAL RISKS                    | 33.9%     | 31.2%     | 33.8%      | 25.6%      | 35.9%     | 2.0 p.p.                           |
| MAPFRE ASISTENCIA                      | 31.1%     | 39.6%     | 39.9%      | 35.5%      | 40.9%     | 9.8 p.p.                           |

Figures in millions of euros

### 13.4. Consolidated Statement of Other Comprehensive Income

|   | GROSS AMOUNT   |                | TAX ON PROFITS |                | ATTRIBUTABLE TO NON-CONTROLLING INTERESTS |               | ATTRIBUTABLE TO CONTROLLING COMPANY |                |
|---|----------------|----------------|----------------|----------------|---|---------------|-------------------------------------|----------------|
|   | MARCH 2017     | MARCH 2018     | MARCH 2017     | MARCH 2018     | MARCH 2017                                | MARCH 2018    | MARCH 2017                          | MARCH 2018     |
| <b>A) CONSOLIDATED RESULT FOR THE YEAR</b>      | <b>448.4</b>   | <b>370.0</b>   | <b>(129.1)</b> | <b>(102.5)</b> | <b>113.2</b>                              | <b>80.6</b>   | <b>206.2</b>                        | <b>187.0</b>   |
| <b>B) OTHER RECOGNIZED REVENUE (EXPENSES)</b>   | <b>34.8</b>    | <b>(103.0)</b> | <b>16.9</b>    | <b>(6.7)</b>   | <b>51.4</b>                               | <b>(21.3)</b> | <b>0.3</b>                          | <b>(88.4)</b>  |
| <b>1. Financial assets available for sale</b>   | <b>(377.6)</b> | <b>533.3</b>   | <b>163.2</b>   | <b>(129.8)</b> | <b>(18.5)</b>                             | <b>75.4</b>   | <b>(195.9)</b>                      | <b>328.0</b>   |
| a) Valuation gains (losses)                     | (326.7)        | 566.5          | 150.1          | (138.0)        |   |               |                                     |                |
| b) Amounts transferred to the income statement  | (51.1)         | (32.7)         | 13.2           | 8.0            |   |               |                                     |                |
| c) Other reclassifications                      | 0.2            | (0.5)          | (0.1)          | 0.1            |   |               |                                     |                |
| <b>2. Currency conversion differences</b>       | <b>48.4</b>    | <b>(145.9)</b> | <b>(0.2)</b>   | <b>(0.0)</b>   | <b>33.3</b>                               | <b>(24.7)</b> | <b>14.9</b>                         | <b>(121.3)</b> |
| a) Valuation gains (losses)                     | 47.6           | (160.3)        | (0.2)          | (0.0)          |   |               |                                     |                |
| b) Amounts transferred to the income statement  | (0.1)          | 0.0            | 0.0            | 0.0            |   |               |                                     |                |
| c) Other reclassifications                      | 0.9            | 14.3           | 0.0            | 0.0            |   |               |                                     |                |
| <b>3. Shadow accounting</b>                     | <b>363.6</b>   | <b>(492.6)</b> | <b>(146.2)</b> | <b>123.2</b>   | <b>36.5</b>                               | <b>(72.3)</b> | <b>181.0</b>                        | <b>(297.2)</b> |
| a) Valuation gains (losses)                     | 356.0          | (497.1)        | (144.2)        | 124.3          |   |               |                                     |                |
| b) Amounts transferred to the income statement  | 7.7            | 4.5            | (1.9)          | (1.1)          |   |               |                                     |                |
| c) Other reclassifications                      | 0.0            | 0.0            | 0.0            | 0.0            |   |               |                                     |                |
| <b>4. Equity-accounted entities</b>             | <b>0.5</b>     | <b>0.1</b>     | <b>0.0</b>     | <b>0.0</b>     | <b>0.0</b>                                | <b>0.0</b>    | <b>0.5</b>                          | <b>0.1</b>     |
| a) Valuation gains (losses)                     | 0.4            | (0.0)          | 0.0            | 0.0            |   |               |                                     |                |
| b) Amounts transferred to the income statement  | 0.0            | 0.1            | 0.0            | 0.0            |   |               |                                     |                |
| c) Other reclassifications                      | 0.0            | 0.1            | 0.0            | 0.0            |   |               |                                     |                |
| <b>5. Other recognized revenue and expenses</b> | <b>(0.1)</b>   | <b>2.1</b>     | <b>0.0</b>     | <b>0.0</b>     | <b>0.1</b>                                | <b>0.2</b>    | <b>(0.2)</b>                        | <b>2.0</b>     |
| <b>TOTALS</b>                                   | <b>483.2</b>   | <b>267.0</b>   | <b>(112.2)</b> | <b>(109.2)</b> | <b>164.5</b>                              | <b>59.3</b>   | <b>206.5</b>                        | <b>98.6</b>    |

Figures in millions of euros

## 13.5. Income Statement by Business Unit

| ITEM  | IBERIA         |               | BRAZIL       |              | NORTH AMERICA |               | EURASIA       |               | LATAM SOUTH   |               | LATAM NORTH  |              |
|---|----------------|---------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|--------------|
|   | MARCH 2017     | MARCH 2018    | MARCH 2017   | MARCH 2018   | MARCH 2017    | MARCH 2018    | MARCH 2017    | MARCH 2018    | MARCH 2017    | MARCH 2018    | MARCH 2017   | MARCH 2018   |
| Gross written and accepted premiums                             | 1,721.1        | 1,805.5       | 838.4        | 689.4        | 651.3         | 560.9         | 489.3         | 456.6         | 361.7         | 328.5         | 256.7        | 258.0        |
| Net premiums earned   | 1,028.8        | 1,062.1       | 611.7        | 516.4        | 526.1         | 453.6         | 254.7         | 251.2         | 214.9         | 187.1         | 137.7        | 139.7        |
| Net claims incurred and variation in other technical provisions | (762.4)        | (757.0)       | (406.5)      | (329.4)      | (398.7)       | (346.7)       | (195.7)       | (201.7)       | (133.5)       | (114.6)       | (96.1)       | (91.2)       |
| Net operating expenses  | (211.9)        | (220.7)       | (196.2)      | (178.0)      | (138.7)       | (138.4)       | (59.1)        | (60.7)        | (79.8)        | (68.0)        | (37.8)       | (41.3)       |
| Other technical revenue and expenses                            | 1.2            | (0.6)         | 0.3          | (0.1)        | 3.7           | 3.4           | (1.7)         | (1.1)         | 0.1           | 1.1           | (2.6)        | (2.4)        |
| <b>Technical result</b>   | <b>55.7</b>    | <b>83.9</b>   | <b>9.4</b>   | <b>9.0</b>   | <b>(7.6)</b>  | <b>(28.1)</b> | <b>(1.8)</b>  | <b>(12.3)</b> | <b>1.6</b>    | <b>5.6</b>    | <b>1.3</b>   | <b>4.7</b>   |
| Net financial income  | 44.9           | 50.2          | 31.2         | 20.1         | 31.3          | 24.0          | 12.7          | 18.5          | 15.9          | 12.6          | 4.3          | 4.2          |
| Other non-technical revenue and expenses                        | (4.5)          | (16.5)        | 0.2          | 0.0          | (0.4)         | 0.1           | (0.0)         | (0.5)         | 0.2           | 0.1           | (0.0)        | (0.1)        |
| <b>Result of Non-Life business</b>                              | <b>96.1</b>    | <b>117.6</b>  | <b>40.8</b>  | <b>29.1</b>  | <b>23.3</b>   | <b>(4.0)</b>  | <b>10.9</b>   | <b>5.7</b>    | <b>17.8</b>   | <b>18.3</b>   | <b>5.5</b>   | <b>8.9</b>   |
| Gross written and accepted premiums                             | 665.9          | 536.9         | 364.8        | 323.6        | 2.7           | 0.9           | 97.6          | 84.6          | 66.8          | 66.9          | 110.2        | 107.2        |
| Net premiums earned   | 632.9          | 496.1         | 410.9        | 324.9        | 1.9           | 1.3           | 96.2          | 83.0          | 54.9          | 55.5          | 65.7         | 67.0         |
| Net claims incurred and variation in other technical provisions | (737.7)        | (504.8)       | (192.1)      | (141.7)      | (0.7)         | (0.4)         | (107.4)       | (60.7)        | (48.4)        | (43.8)        | (48.6)       | (45.0)       |
| Net operating expenses  | (61.4)         | (60.4)        | (161.2)      | (152.1)      | (1.5)         | (1.1)         | (5.0)         | (5.5)         | (27.9)        | (28.3)        | (20.9)       | (20.7)       |
| Other technical revenue and expenses                            | (5.8)          | (5.3)         | (1.5)        | 0.0          | 0.0           | 0.0           | 0.1           | 0.1           | (0.3)         | (0.2)         | (0.9)        | (0.7)        |
| <b>Technical result</b>   | <b>(172.0)</b> | <b>(74.4)</b> | <b>56.2</b>  | <b>31.2</b>  | <b>(0.3)</b>  | <b>(0.2)</b>  | <b>(16.2)</b> | <b>17.0</b>   | <b>(21.7)</b> | <b>(16.8)</b> | <b>(4.6)</b> | <b>0.7</b>   |
| <b>Financial result and other non-technical revenue</b>         | <b>249.8</b>   | <b>114.9</b>  | <b>67.5</b>  | <b>36.3</b>  | <b>0.2</b>    | <b>0.1</b>    | <b>19.3</b>   | <b>(12.3)</b> | <b>26.9</b>   | <b>19.5</b>   | <b>6.2</b>   | <b>6.5</b>   |
| <b>Result of Life business</b>                                  | <b>77.8</b>    | <b>40.5</b>   | <b>123.6</b> | <b>67.4</b>  | <b>(0.2)</b>  | <b>(0.1)</b>  | <b>3.2</b>    | <b>4.6</b>    | <b>5.2</b>    | <b>2.7</b>    | <b>1.6</b>   | <b>7.2</b>   |
| <b>Result from other business activities</b>                    | <b>15.5</b>    | <b>15.7</b>   | <b>5.0</b>   | <b>4.4</b>   | <b>0.0</b>    | <b>(0.5)</b>  | <b>(1.7)</b>  | <b>(1.1)</b>  | <b>0.5</b>    | <b>0.6</b>    | <b>0.1</b>   | <b>(0.5)</b> |
| 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          |
| <b>Result before tax</b>  | <b>189.4</b>   | <b>173.9</b>  | <b>169.4</b> | <b>100.9</b> | <b>23.2</b>   | <b>(4.5)</b>  | <b>12.4</b>   | <b>9.2</b>    | <b>23.5</b>   | <b>21.7</b>   | <b>7.2</b>   | <b>15.6</b>  |
| Tax on profits  | (41.5)         | (40.2)        | (60.2)       | (33.2)       | (7.2)         | 0.3           | (2.0)         | (2.2)         | (5.8)         | (6.0)         | (1.1)        | (3.8)        |
| 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                                       | 20.3           | 15.8          | 83.0         | 53.2         | 0.1           | (0.1)         | 1.8           | 2.7           | 2.1           | 1.8           | 1.5          | 1.9          |
| <b>Attributable net result</b>                                  | <b>127.6</b>   | <b>117.9</b>  | <b>26.2</b>  | <b>14.5</b>  | <b>15.9</b>   | <b>(4.2)</b>  | <b>8.5</b>    | <b>4.3</b>    | <b>15.6</b>   | <b>13.8</b>   | <b>4.6</b>   | <b>9.9</b>   |
| Loss ratio  | 74.1%          | 71.3%         | 66.4%        | 63.8%        | 75.8%         | 76.4%         | 76.8%         | 80.3%         | 62.1%         | 61.3%         | 69.8%        | 65.3%        |
| Expense ratio   | 20.5%          | 20.8%         | 32.0%        | 34.5%        | 25.7%         | 29.8%         | 23.9%         | 24.6%         | 37.1%         | 35.7%         | 29.3%        | 31.3%        |
| <b>Combined ratio</b>   | <b>94.6%</b>   | <b>92.1%</b>  | <b>98.5%</b> | <b>98.3%</b> | <b>101.4%</b> | <b>106.2%</b> | <b>100.7%</b> | <b>104.9%</b> | <b>99.2%</b>  | <b>97.0%</b>  | <b>99.1%</b> | <b>96.6%</b> |
| Investments, real estate and cash                               | 30,465.4       | 32,224.2      | 4,740.9      | 4,026.5      | 2,523.2       | 2,219.1       | 3,627.3       | 3,950.8       | 2,136.4       | 1,907.2       | 1,496.3      | 1,297.1      |
| Technical provisions  | 27,233.3       | 28,339.1      | 5,838.0      | 4,998.5      | 2,511.1       | 2,942.5       | 3,922.0       | 4,149.3       | 2,646.5       | 2,349.2       | 1,497.6      | 1,761.7      |
| Shareholders' equity  | 4,020.4        | 4,293.4       | 1,327.2      | 1,108.4      | 1,404.1       | 1,185.2       | 587.3         | 753.0         | 549.5         | 537.6         | 822.0        | 705.9        |
| ROE   | 14.0%          | 12.1%         | 12.1%        | 9.3%         | 5.7%          | 2.2%          | -10.7%        | 5.2%          | 4.0%          | 12.6%         | 3.4%         | 5.1%         |

Figures in millions of euros

| ITEM  | MAPFRE RE    |              | MAPFRE GLOBAL RISKS |              | MAPFRE ASISTENCIA |               | CONS. ADJUST. & CORPORATE AREAS |               | TOTAL          |               |
|---|--------------|--------------|---------------------|--------------|-------------------|---------------|---------------------------------|---------------|----------------|---------------|
|   | MARCH 2017   | MARCH 2018   | MARCH 2017          | MARCH 2018   | MARCH 2017        | MARCH 2018    | MARCH 2017                      | MARCH 2018    | MARCH 2017     | MARCH 2018    |
| Gross written and accepted premiums                             | 1,017.0      | 1,015.4      | 318.6               | 266.7        | 276.1             | 226.9         | (712.3)                         | (641.9)       | 5,217.9        | 4,965.9       |
| Net premiums earned   | 550.0        | 602.6        | 91.7                | 79.7         | 184.4             | 158.4         | 2.7                             | 2.2           | 3,602.8        | 3,453.0       |
| Net claims incurred and variation in other technical provisions | (352.9)      | (373.8)      | (69.3)              | (44.7)       | (134.1)           | (97.1)        | (1.8)                           | (2.2)         | (2,551.0)      | (2,358.5)     |
| Net operating expenses  | (149.4)      | (174.6)      | (28.9)              | (26.8)       | (56.2)            | (60.6)        | (1.3)                           | 0.2           | (959.2)        | (968.9)       |
| Other technical revenue and expenses                            | (0.3)        | (0.4)        | (2.2)               | (1.8)        | (1.2)             | (4.1)         | (0.0)                           | (0.0)         | (2.8)          | (6.0)         |
| <b>Technical result</b>   | <b>47.5</b>  | <b>53.7</b>  | <b>(8.7)</b>        | <b>6.4</b>   | <b>(7.1)</b>      | <b>(3.5)</b>  | <b>(0.4)</b>                    | <b>0.2</b>    | <b>89.8</b>    | <b>119.6</b>  |
| Net financial income  | 9.9          | 22.1         | 8.8                 | 4.1          | 0.3               | (1.2)         | 8.7                             | 24.0          | 168.0          | 178.6         |
| Other non-technical revenue and expenses                        | (1.1)        | (1.3)        | 0.3                 | 0.3          | 0.0               | 0.0           | (0.0)                           | (0.8)         | (5.4)          | (18.7)        |
| <b>Result of Non-Life business</b>                              | <b>56.2</b>  | <b>74.5</b>  | <b>0.3</b>          | <b>10.8</b>  | <b>(6.9)</b>      | <b>(4.7)</b>  | <b>8.2</b>                      | <b>23.4</b>   | <b>252.4</b>   | <b>279.6</b>  |
| Gross written and accepted premiums                             | 148.7        | 111.1        | 0.0                 | 0.0          | 0.0               | 0.0           | 0.1                             | 0.0           | 1,456.7        | 1,231.3       |
| Net premiums earned   | 133.4        | 102.1        | 0.0                 | 0.0          | 0.0               | 0.0           | 0.0                             | 0.0           | 1,396.1        | 1,130.0       |
| Net claims incurred and variation in other technical provisions | (112.4)      | (81.5)       | 0.0                 | 0.0          | 0.0               | 0.0           | 4.0                             | 3.5           | (1,243.3)      | (874.3)       |
| Net operating expenses  | (30.5)       | (28.8)       | 0.0                 | 0.0          | 0.0               | 0.0           | (0.0)                           | (0.0)         | (308.5)        | (297.0)       |
| Other technical revenue and expenses                            | (0.1)        | (0.1)        | 0.0                 | 0.0          | 0.0               | 0.0           | (0.0)                           | (0.0)         | (8.4)          | (6.1)         |
| <b>Technical result</b>   | <b>(9.6)</b> | <b>(8.3)</b> | <b>0.0</b>          | <b>0.0</b>   | <b>0.0</b>        | <b>0.0</b>    | <b>4.1</b>                      | <b>3.6</b>    | <b>(164.1)</b> | <b>(47.4)</b> |
| <b>Financial result and other non-technical revenue</b>         | <b>23.6</b>  | <b>16.3</b>  | <b>0.0</b>          | <b>0.0</b>   | <b>0.0</b>        | <b>0.0</b>    | <b>(3.9)</b>                    | <b>(3.9)</b>  | <b>389.5</b>   | <b>177.5</b>  |
| <b>Result of Life business</b>                                  | <b>14.0</b>  | <b>8.0</b>   | <b>0.0</b>          | <b>0.0</b>   | <b>0.0</b>        | <b>0.0</b>    | <b>0.1</b>                      | <b>(0.4)</b>  | <b>225.4</b>   | <b>130.1</b>  |
| <b>Result from other business activities</b>                    | <b>0.0</b>   | <b>0.0</b>   | <b>0.0</b>          | <b>0.0</b>   | <b>(1.4)</b>      | <b>3.4</b>    | <b>(38.1)</b>                   | <b>(42.6)</b> | <b>(20.1)</b>  | <b>(20.5)</b> |
| Hyperinflation adjustments                                      | 0.0          | 0.0          | 0.0                 | 0.0          | (0.0)             | 0.2           | (9.3)                           | (19.3)        | (9.3)          | (19.1)        |
| <b>Result before tax</b>  | <b>70.2</b>  | <b>82.6</b>  | <b>0.3</b>          | <b>10.8</b>  | <b>(8.3)</b>      | <b>(1.1)</b>  | <b>(39.0)</b>                   | <b>(38.9)</b> | <b>448.4</b>   | <b>370.0</b>  |
| Tax on profits  | (18.9)       | (19.9)       | (0.1)               | (2.7)        | (0.4)             | (1.2)         | 8.3                             | 6.5           | (129.1)        | (102.5)       |
| 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                                       | 0.0          | 0.0          | 0.0                 | 0.0          | 0.4               | 0.4           | 3.9                             | 4.8           | 113.2          | 80.6          |
| <b>Attributable net result</b>                                  | <b>51.3</b>  | <b>62.7</b>  | <b>0.2</b>          | <b>8.1</b>   | <b>(9.1)</b>      | <b>(2.7)</b>  | <b>(34.6)</b>                   | <b>(37.2)</b> | <b>206.2</b>   | <b>187.0</b>  |
| Loss ratio  | 64.2%        | 62.0%        | 75.6%               | 56.1%        | 72.7%             | 61.3%         |                                 |               | 70.8%          | 68.3%         |
| Expense ratio   | 27.2%        | 29.0%        | 33.9%               | 35.9%        | 31.1%             | 40.9%         |                                 |               | 26.7%          | 28.2%         |
| <b>Combined ratio</b>   | <b>91.4%</b> | <b>91.1%</b> | <b>109.5%</b>       | <b>92.0%</b> | <b>103.9%</b>     | <b>102.2%</b> |                                 |               | <b>97.5%</b>   | <b>96.5%</b>  |
| Investments, real estate and cash                               | 4,590.2      | 4,566.6      | 1,006.1             | 922.5        | 228.3             | 331.4         | (177.3)                         | (829.9)       | 50,636.7       | 50,615.5      |
| Technical provisions  | 4,157.8      | 4,648.7      | 1,985.2             | 2,458.2      | 668.1             | 681.1         | (2,280.6)                       | (3,279.9)     | 48,178.9       | 49,048.6      |
| Shareholders' equity  | 1,327.6      | 1,346.5      | 395.4               | 342.8        | 236.8             | 227.2         | (1,617.5)                       | (2,034.1)     | 9,052.6        | 8,465.8       |
| ROE   | 14.5%        | 13.0%        | 8.4%                | -15.8%       | -21.5%            | -26.7%        |                                 |               | 9.0%           | 7.8%          |

Figures in millions of euros

### 13.6. Terminology

| CONCEPT  | DEFINITION   |
|--|--|
| <b>Total managed assets</b>                          | Includes total balance sheet assets, pension funds, and mutual funds   |
| <b>Managed savings</b>                               | Includes third party Life technical reserves, pensions funds and mutual funds  |
| <b>Corporate Areas and Consolidation adjustments</b> | Includes the result attributable to MAPFRE RE and MAPFRE INTERNACIONAL's non-controlling interests and other concepts  |
| <b>Gross result</b>                                  | Before taxes and non-controlling interests   |
| <b>Minimum capital requirement (MCR)</b>             | Minimum level of capital below which the amount of financial resources should not fall   |
| <b>Solvency capital requirement (SCR)</b>            | Reflects a level of eligible own funds that enables insurance and reinsurance undertakings to absorb significant losses and meet their obligations to policyholders  |
| <b>Financial debt</b>                                | Includes subordinated debt, senior debt and debt due to credit institutions  |
| <b>Senior debt</b>                                   | Issue of debentures and other negotiable securities  |
| <b>Subordinated debt</b>                             | Subordinated liabilities   |
| <b>Eligible Own Funds / EOF</b>                      | 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 |



|  |  |
|--|--|
| <b>Solvency ratio</b>                        | The coefficient between Eligible Own Funds and Solvency Capital Requirement  |
| <b>Technical and financial margin – Life</b> | Technical and financial result, plus other non-technical revenue / arithmetic mean of technical reserves at the beginning and closing of the period (twelve months) x 100  |
| <b>Other business activities</b>             | <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"> <li>• Activities of the holding companies of MAPFRE S.A. and MAPFRE INTERNACIONAL</li> <li>• Non-insurance activities of the Group developed by its subsidiaries, mainly including: <ul style="list-style-type: none"> <li>• MAPFRE INVERSIÓN (MAPFRE ASSET MANAGEMENT)</li> <li>• MAPFRE ASISTENCIA: Assistance and Specialty Risks</li> <li>• MAPFRE ESPAÑA: FUNESPAÑA (funeral services), MULTIMAP, CENTROS MÉDICOS MAPFRE SALUD (medical services), CESVIMAP (research and training services)</li> <li>• MAPFRE INTERNACIONAL: GENEL SERVIS (vehicle repair shops in Turkey), BEE INSURANCE (advisory services in Malta), GROWTH INVESTMENTS (investment services in Malta)</li> </ul> </li> </ul> |
| <b>Payout</b>                                | (Total dividend charged against earnings / Result for the year attributable to the controlling company) x 100  |
| <b>Price target</b>                          | Average of the price targets calculated by analysts over a period of one year  |
| <b>Combined ratio - Non-Life</b>             | Expense ratio + Loss ratio   |

|                                 |  |
|---------------------------------|--|
| <b>Expense ratio - Non-Life</b> | (Net operating expenses – other technical revenue + other technical expenses) / Net premiums earned. Figures regarding Non-Life Insurance  |
| <b>Loss ratio - Non-Life</b>    | (Incurred claims for the year, net + Variation in other technical provisions + Profit sharing and returned premiums) / Net premiums earned. Figures regarding Non-Life Insurance   |
| <b>Solvency II Ratio</b>        | Eligible Own Funds / Solvency Capital Requirement (SCR) x 100  |
| <b>Dividend yield</b>           | Amount of dividend paid in the year / Average share market price in the year   |
| <b>Result of Life business</b>  | Includes technical result, financial result and other non-technical revenue  |
| <b>ROE (Return on equity)</b>   | (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 |

The 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/corporate/institutional-investors/investors/financial-information/alternative-performance-measures.jsp>

Certain numerical figures included in this report have been rounded. Therefore, discrepancies may arise in the tables between the totals and the itemized amounts as a result of said rounding.

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MAPFRE S.A. does not undertake to update or revise periodically the content of this document.

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.