

In compliance with the requirements of art. 82 of the Securities Market Law, notice is hereby given to the CNMV that MAPFRE VERA CRUZ SEGURADORA, a subsidiary of MAPFRE AMÉRICA, the holding company for the direct insurance subsidiaries of CORPORACIÓN MAPFRE in Latin America, has been awarded in a public auction held today on the São Paulo Stock Exchange (Brazil) a 51% shareholding in Nossa Caixa Seguros e Previdencia (NCSP). The allotment price was BRL 225.8 million (approximately € 73 million), exceeding by BRL 72 million (approximately € 23.3 million) the minimum bidding price. This transaction is subject to the mandatory approval by the the Brazilian Superintendency of Insurance (SUSEP).

NCSP is the Life and retirement insurance subsidiary of Banco Nossa Caixa (BNC), a bank owned by the State of São Paulo. Through this alliance, MAPFRE will have during a period of 20 years the exclusive right to distribute Life insurance and private retirement plans through the bank's network.

BNC controls the fourth largest banking distribution network in the State of São Paulo, which is formed by 505 branches and 382 banking service points. Its customer base, which presently is composed by 4 million retail and 200,000 corporate customers, will grow significantly in the short term through the transfer of the payroll of the civil servants of the State of São Paulo. Nationwide, BNC has a 3% share of total branches and a 4% share of total deposits.

The State of São Paulo has a population of 39 million inhabitants and generates 34% of Brazil's GDP. Furthermore, it represents more than 60% of the Country's Life insurance market and over 50% of its retirement products market.

The sale of a majority shareholding in NCSP is the first step in a gradual process directed at the entry of new shareholders in BNC, which will translate in the near future in the sale of a 51% holding in the share capital of its Non-life insurance subsidiary.



The alliance with BNC allows MAPFRE to consolidate and expand its presence in Brazil. MAPFRE will retain its present sales policy based on distribution through insurance brokers. The new company will have its own premises and staff and will focus on selling Life insurance and private retirement plans.

Madrid, 24 May 2005
THE SECRETARY OF
THE BOARD OF DIRECTORS



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