

MAPFRE INCREASED IN 2008 ITS NET RESULT 23.2%, TO €900.7 MILLION

**REVENUES EXCEEDED €17,700 MILLION,
A 19% INCREASE OVER THE PREVIOUS YEAR**

WILL INCREASE TOTAL DIVIDEND TO €0.15 PER SHARE

- MAPFRE has ended 2008 with growth rates above-market average in the majority of countries and lines in which it operates. The Group shows a solid business growth and maintains its position as leading insurance company in Spain and in Non-Life businesses in Latin America
- The premiums from the insurance business in Spain have increased 5%, reaching almost €3,330 million
- The international business has grown strongly in Direct Insurance (49.2%), as well as Accepted Reinsurance (11.1%)
- Total assets managed by the Group were above €47,759 million, a 6.6% increase over that of the previous year
- The Group reduced its debt by more than €400 million in the fourth quarter of 2008
- 2009 has commenced with new structures in its MAPFRE FAMILIAR (Motor, Property and Health, Accident and Burial) and MAPFRE EMPRESAS subsidiaries to reinforce its efficiency, client focus and global solutions for companies with international exposure

Mr. José Manuel Martínez, Chairman of MAPFRE, presented today the Group's 2008 results, which show the strength of the business and allow it to start the new year with a solid financial position. MAPFRE ended the year of its 75th Anniversary with excellent results, achieving a net result of €900.7 million, an increase of 23.2% over that of the previous year.

Furthermore, the Chairman outlined that this situation has allowed the Group to reduce its debt by more than €400 million in 2008.

1.- Business performance and results:

In 2008, MAPFRE obtained revenues of €17,771 million, 19.1% higher than those of the previous year. Consolidated Insurance and Reinsurance premiums have reached €14,304.8 million, an increase of 16.2%.

In Spain, total premiums from Direct Insurance amounted €8,329.2 million, representing a 5% increase. Regardless of the difficulties of the environment and the increasing competition, MAPFRE has strengthened its position in the main business lines in which it operates. By businesses, the following are of noteworthy mention:

- The premiums at MAPFRE FAMILIAR have exceeded €4,215.9 million, an increase of 1.3%. It is worth mentioning the increase in the Property line, which shows the notable performance in the sales of Homeowner (14%) and Multi-peril (11.9%) insurance. The Motor line showed a decline of 0.9%.
- In an unfavourable environment for Life and Savings products, the Life Unit has achieved an increase of 11% in premiums, reaching almost €2,500 million, and a 1.2% rise in managed savings in Life Products (technical reserves). Mutual funds have had a negative performance, reflecting that of the market, and pension funds under management have increased 8.2%, compared to the 8.7% decrease shown by the market.
- The Commercial Operating Unit recorded premiums of €1,613.6 million, an increase of 2.4%, and has achieved a loss ratio below the average of the market.

The business from abroad, which represents 45% of the total premiums of the Group, has grown 33.9%, reaching €6,807.4 million:

- Premiums at MAPFRE AMERICA amounted to €3,607.9 million, an increase of 23.5% versus 2007, and with outstanding growth in Brazil and Argentina. During 2008, MAPFRE AMÉRICA has concluded its regional network expansion plan, reaching the goal of 2,000 branches in Latin America, where the Group maintains its leading position in Non-Life for the third consecutive year with a 6.1% market share.
- The International Unit recorded premiums in 2008 of €1,119.4 million, with a 353.7% increase, which reflects the integration of the business from THE COMMERCE GROUP (from 31.5.08) and the positive performance of the business at GENEL SIGORTA (Turkey), which contributes results for the complete year for the first time.
- Gross written premiums at MAPFRE RE have exceeded €1,778 million, an 11.1% increase, which consolidates it among the top 20 reinsurance groups in the World. The growth came mainly from the winning of new business in Europe, Asia and Latin America.
- The Assistance business has registered premiums and revenues for services of €425.8 million, a figure similar to that of 2007. MAPFRE ASISTENCIA has increased its international presence with new subsidiaries in the United Arab Emirates and Libya.

Total assets managed at the end of 2008 amounted to nearly €47,760 million, a 6.6% increase versus 2007; and total third-party funds managed reached almost €23,293 million, showing a 3.5% decrease. The latter figure shows the impact of the unfavourable performance of the financial markets, and particularly, the increase in withdrawals from mutual funds.

The net result of 2008 amounted to €900.7 million, a 23.2% versus the previous year; the recurrent result was €951.2 million, 30.1% higher. Provisions amounting to €56 million have been appropriated, derived from what is deemed to be a prudent management of the negative global environment.

MAPFRE, with presence in 45 countries at the end of 2008, has 34,603 employees, and more than 63,000 agents and brokers. The Group, which has one of the largest networks in Spain and Latin America, has 5,789 own branches in the world (3,243 branches in Spain and 2,546 abroad). Furthermore, MAPFRE has a large number of distribution agreements which complement its commercial distribution capacity. At the end of 2008, MAPFRE had more than 12 million customers (in Spain it insures more than 6 million vehicles and 2.4 million homes).

2.- Dividend Policy

The Board of Directors has agreed to propose to the General Meeting to pay a final dividend of €0.08 gross per share, so that the total dividend paid out of the results of 2008 will be €0.15 per share, a 15.4% increase over that of 2007.

The number of MAPFRE shareholders at year end 2008 reached 488,142.

3.- 2009 structure

During 2008, MAPFRE has dealt with new changes in some of the Group's corporate structures, in order to gain efficiency and boost its client focus:

- MAPFRE FAMILIAR ended 2008 integrating all the Non-Life businesses for retail customers (Motor, Property and Health, Accident and Burial).
- MAPFRE EMPRESAS absorbed MAPFRE AGROPECUARIA, having previously transferred to MAPFRE FAMILIAR the related business portfolio.

In 2009, the Commercial Operating Unit will be divided into two independent companies, in order to manage separately the domestic business (MAPFRE SEGUROS DE EMPRESAS) and the large multinational risks (MAPFRE GLOBAL RISKS), boosting the development of the latter with its integration in the International Unit.

Any interested party may follow through conference call or through the corporate web page (www.mapfre.com) the analysts presentation that will be held today at 16:00 CET (in English) and 17:45 (in Spanish)