

2020 Financial Report

JANUARY - JUNE



MAPFRE

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1. MAPFRE Group Key Figures

ITEM	JUNE 2019	JUNE 2020	Δ %
Results			
Revenue	15,051.1	13,277.0	-11.8%
Total written and accepted premiums	12,528.3	10,982.7	-12.3%
- Non-Life	9,704.0	8,762.8	-9.7%
- Life	2,824.3	2,219.9	-21.4%
Attributable net result	374.5	270.7	-27.7%
Non-Life Loss Ratio	67.5%	67.6%	0.1 p.p
Non-Life Expense Ratio	28.5%	29.1%	0.7 p.p
Non-Life Combined Ratio	95.9%	96.7%	0.8 p.p
Earnings per share (euros)	0.12	0.09	-27.7%

ITEM	DECEMBER 2019	JUNE 2020	Δ %
Balance sheet			
Total assets	72,509.9	70,171.2	-3.2%
Assets under management	63,637.9	60,889.9	-4.3%
Shareholders' equity	8,854.3	8,341.6	-5.8%
Debt	2,973.7	3,068.1	3.2%
ROE	7.2%	5.9%	-1.3 p.p

Employees at the close of the period			
Total	34,324	33,989	-1.0%
- Spain	11,032	11,393	3.3%
- Other countries	23,292	22,596	-3.0%

MAPFRE share			
Market capitalization (million euros)	7,268.0	4,878.0	-32.9%
Share price (euros)	2.36	1.58	-32.9%

ITEM	DECEMBER 2019	MARZO 2020	Δ %
Solvency			
Solvency ratio	186.8%	177.2%	-9.6 p.p

Figures in millions of euros

2. Significant Economic and Corporate Events

2.1 Significant Economic Events.

2.1.1 Coronavirus crisis (COVID-19)

2.1.1.1 Coronavirus crisis (COVID-19) context

The first half of 2020 has been marked by the coronavirus (COVID-19) outbreak. This health crisis was declared a pandemic by the WHO, and its spread, along with the measures aimed at containing and mitigating its effects, are causing a slowdown of economic activity, the final impact of which is difficult to quantify. In these circumstances, from the very beginning, MAPFRE carried out several initiatives focused on two main priorities: guaranteeing the health and safety of all its collaborators, and ensuring business continuity in a way that makes it possible to continue to provide the highest quality service to our clients. The most relevant activity was:

- The roll out of our business continuity plan in all countries and units, adapting it to the special nature of the COVID-19 crisis, with nearly 90 percent of employees worldwide working from home, and guaranteeing essential services (tow trucks, repair shops, home repairs, medical centers, funeral homes...)
- The evaluation of the risks that have emerged from the crisis and adoption of a strategy aimed at protecting our balance sheet, especially the investment portfolio, and preserving the Group's capital position, ensuring we have the liquidity and financing necessary to neutralize any financial tension, especially in operations in emerging countries.
- The mobilization of resources and transfer of funds to the economy, through aid and additional financing for agents, direct providers and clients, with a special focus on the self-employed and SMEs.

The coronavirus crisis has implied a strong reduction in worldwide economic activity as a result of the confinement of the population – initially in

March, focused in Europe, but then moving later to the United States and Latin America, in which geographic regions there is a great virulence in June and July. Although the confinement resulting from the coronavirus crisis reduced the number of new policies taken out in March, the impact of the health and financial crisis has taken place in Europe and America primarily in the second quarter of the year, with the impact on business volume and results visible in this period. The beginning of the crisis in March led to a sharp fall in the markets and a strong currency depreciation in several emerging countries. The injection of liquidity by the United States' and European Union's central banks has led to an improvement in markets in the second quarter of the year, although currency in the best of cases has shown a slight recovery.

2.1.1.2 Most relevant economic impacts on MAPFRE Results.

The following is a breakdown of the most relevant impacts on Group results, as a result of the coronavirus crisis (COVID-19):

Written premiums:

As a result of the confinement of the population, there has been a reduction in new insurance policies being taken out, which has caused a fall in written premiums, with a relevant impact on the Auto and Burial lines. However, this fall was partially offset by growth in issuing in other lines, like Homeowners, Condominiums, Business Insurance and Industrial Risks. At June 30, premiums were down 12.3 percent, with a big impact on the Auto business, which went down 18.6 percent. This decline is explained both by the lack of car sales activity as well as by very relevant currency depreciation in various countries where MAPFRE operates.

In Spain, support measures for clients were adopted, including the noteworthy premium discount for SMEs and the self-employed, the accumulated amount of which reached 55.4 million euros at the close of June 2020.

In the United States, a financial assistance program was also established for clients, equivalent to 15

percent of the monthly premium and effective in April and May. This program had a total impact of 32.6 million euros on premiums, and was applied in all states where MAPFRE USA has Retail Auto business.

Losses:

Non-Life reported claims have significantly gone down in Auto, due to the reduction in the use of vehicles, and in Health, from the postponement of non-urgent treatment and surgery during the health crisis. On the other hand, there has been a relevant increase in Burial, in line with the increase in deaths.

Accumulated direct reported losses incurred as a result of claims directly allocated to COVID-19, by line of business, to June 2020, is as follows:

Lines	Amount
HEALTH	15.3
BURIAL	15.4
LIFE PROTECTION	12.3
TRAVEL ASSISTANCE (Travel insurance)	18.4
OTHER LINES (HOMEOWNERS, MULTIRISK...)	5.5
TOTAL INSURANCE	66.9
ACCEPTED REINSURANCE	86.5
ACCUMULATED TOTAL	153.4

Figures in millions of euros

The line of business with the greatest impact from direct reported losses from COVID-19 is accepted reinsurance underwritten by the Reinsurance and Global Risks Business Units. The gross accepted reinsurance losses at June 30 reached 86.5 million euros, 76.5 million euros of which correspond to business interruption coverage and 10 million euros to accepted credit insurance business.

MAPFRE Group has adopted measures to adapt IBNR reserves with the aim of recognizing at the close of the first half the economic impact from clients' delays in reporting claims as a result of the confinement. This increase in reserves in Non-Life lines is equivalent to approximately 2.7 additional percentage points on the loss ratio for the whole of MAPFRE Group.

Impairment and Restructuring Provisions:

At June 30, 20 million euros for Group business activity restructuring was booked.

Due to the fall in economic activity, the value of the most relevant investments in land intended for residential development in Spain was reviewed. As a result, at the close of June 2020, the amount of 27.3 million euros was provisioned, equivalent to approximately 7.9 percent of this land's book value.

The available for sale financial investment portfolio shows, in the first half of the year, a negative variation of 268.2 million euros, as a result of the fall in market value of the assets included in this portfolio, due to the performance of the financial markets. An individual review of the assets included in this portfolio was carried out, in order to identify any indications of value impairment. The equity portfolio analysis clearly showed that, following Group criteria, equity shares with 0.9 million euros in unrealized capital losses showed a decline in market value greater than 40 percent versus their book value at the close of June 2020; and equity shares with 0.7 million euros in unrealized capital losses have a market value below their book value for a continuous period greater than 18 months. As such, following Group accounting policy, they have been fully impaired.

With regard to the fixed income portfolio, no impact resulting from the potential credit impairment of debt security issuances has been detected.

COVID-19 Expenses

MAPFRE has mobilized resources and adopted measures aimed at guaranteeing the protection of its staff against the COVID-19 pandemic, as well as ensuring business continuity. The accumulated expenses related to these measures incurred by the Group reached 24.2 million euros at the close of June 2020.

Results

The previously mentioned effects on premiums, losses and expenses have had a relevant impact on Group results at the close of June, making it important to highlight the effect on the combined ratio of the following lines:

Lines	Combined Ratio		
	June 2019	June 2020	Δ %
AUTO	100.2%	90.5%	-9.7 p.p
HEALTH & ACCIDENT	100.8%	97.9%	-2.9 p.p
GENERAL P&C	86.2%	99.0%	12.8 p.p
BURIAL	96.4%	125.8%	29.4 p.p
TRAVEL ASSISTANCE	110.6%	103.3%	-7.3 p.p
LIFE PROTECTION	87.3%	83.9%	-3.4 p.p

As can be seen, there has been a relevant decline in the combined ratio in the Auto and Health lines to June 2020, due, respectively, to the lower use of vehicles from confinement, and to the postponement of non-urgent treatment and surgery, compared to the same date the previous year. On the other hand, there has been a significant increase in the combined ratio in the Burial line, from the increase in mortality from the coronavirus, as well as in the General P&C line from the increase in Homeowners and Condominium claims.

2.1.1.3 Economic effects on MAPFRE's Balance Sheet and Solvency.

From the very beginning, MAPFRE adopted a strategy aimed at protecting its balance sheet and its insurance entities' solvency, especially financial investments. To this end, the necessary liquidity and appropriate financing were made available to neutralize any financial tension in the Group insurance companies, and especially MAPFRE company operations in emerging countries. As a result, in the first half of the year, the Group has maintained high levels of liquidity in all its entities, having handled quickly and appropriately all payment obligations with clients and providers, and there are no relevant delays in premium payments from clients or collections from reinsurers. Likewise, in this period, there have been no indications of impairment in the Group's intangible assets, having carried out the corresponding analysis to June 30 on that goodwill that at said date could have had signs of impairment, without finding evidence of such.

The Group's shareholders' equity has been primarily impacted by two effects from the COVID-19 crisis. On the one hand, the fall in financial markets, and on the other, the strong depreciation of the currencies in various Latin American countries and in Turkey. The combined negative impact of these two effects on the Group's attributable shareholders' equity in the first half of

2020 reached 509.8 million euros, with a significant part of this coming from the coronavirus crisis.

MAPFRE updated the calculation of its Solvency II position to March 31, 2020, following the request from the Directorate General for Insurance, and in line with EIOPA's (the European Insurance Supervisory Authority) recommendations. This solvency position update implies the calculation, in the first quarter of 2020, of both the solvency capital requirement (SCR), which is usually calculated on an annual basis, as well as the eligible own funds (EOF), which are usually calculated on a quarterly basis. The Solvency II ratio stood at 177.2 percent, which is a 9.6 percent reduction compared to December 2019. This is very satisfactory in the context of the reduction in value of financial assets and the fall in shareholders' equity as a result of the financial markets plummeting in March. MAPFRE remains, despite the impact of the crisis, within the tolerance limits set by the Board of Directors, which has a lower limit of 175 percent of the Solvency margin. This is proof of the solidity and resilience of MAPFRE's balance sheet, as well as its continued management capacity.

2.1.1.4 Current situation of MAPFRE operations

MAPFRE's activity during the COVID-19 crisis has been focused on two main priorities:

- Guaranteeing the health and safety of all its employees and collaborators.
- Ensuring business continuity in order to continue providing the highest quality service to our clients.

From the very beginning, the health and safety of MAPFRE Group employees and collaborators has been the most fundamental priority, so much so that from the first weeks of the pandemic's impact, practically all of the company had already begun working from home en masse. Subsequently, as the crisis lessened in some regions, a partial, gradual, organized and prudent return to the offices has taken place, in those countries where it was possible as the COVID-19 crisis permitted, and always following a model based on incremental incorporations and in line with the instructions from the health authorities in each country,

From the point of view of pandemic-related crisis management, despite its impact and the personal mobility restrictions imposed in many countries, MAPFRE subsidiaries have been able to maintain their business continuity, and have continued to provide service to clients everywhere the Group operates, fulfilling commitments to clients as well as complying with the regulations in force in each country at each moment.

The current pandemic situation is diverse, with a “new normality” in European countries, making it possible to return to almost full commercial activity in our primary market, SPAIN, where more than 35 percent of personnel are working on the premises. There are, however, still strict control and prevention measures in force, in response to the growing concern regarding new outbreaks and the possible changes in trends that could occur. At the same time, the situation on the American continents is still complicated, with continuous growth in the number of new cases in the United States, although in Massachusetts, where the majority of our operations are based, the situation has been improving and has allowed for 28 percent of personnel to return to work on MAPFRE premises. In another of the Group’s large markets, BRAZIL, there is still a large impact from the crisis, although the situation in the state of Sao Paulo, where the company’s headquarters are located, has been gradually improving, thus allowing 18 percent of personnel to return to the offices.

Finally, concern is growing in various Latin American countries where the number of infections continues to grow and the interruption of economic activity is already causing a strong negative economic impact in the region.

2.1.1.5 Future outlook

The economic outlooks reflect significant falls in the global GDP in 2020, with a partial recovery in 2021, but still marked by great uncertainty in the indicators, and extensive through the insurance and reinsurance market. In 2020, an important setback in global insurance business growth is expected, from the health crisis and the confinement measures that have led to a fall in worldwide economic activity.

Future outlooks are really uncertain, as the confinement process and social distancing will lead to a fall in premium income. In this sense, Auto insurance premiums could suffer a significant reduction in new business due to lower car sales. On the other hand, Health could benefit from a higher premium volume, as in crisis situations people try to find additional medical coverage. The performance of Life Protection insurance will be in large part associated with the rate of consumption and the development of credit. Life Savings insurance will deepen its descent due to the current interest rate situation, which will remain at minimum levels for a long time.

An increase in claims in lines directly related to the illness is expected, like Health and Burial. The economic standstill and confinement have translated, in the short term, to a reduction in claims in the Auto line, but in the medium and long-term, an increase and a return to normalcy is expected.

It is not currently possible to make an accurate estimate of the potential future effects of the crisis on the Group’s business volume, financial situation and solvency. However, the strength of MAPFRE’s balance sheet, its high level of capital and solvency, and its liquidity position and the availability of additional financing make it possible to conclude that the impacts, in any case, will be limited, and there is not doubt about MAPFRE’s capacity to continue operating as a business.

2.1.2 Catastrophic events

The net result of the first half of the year is impacted by the earthquake that occurred in Puerto Rico in early January – the third largest in terms of intensity that has occurred on the island since records exist – as well as the more recent earthquake that hit the island in May. The total retained effect of both earthquakes for the Group reached 83 million euros, 32.6 of which correspond to MAPFRE Puerto Rico and 37.6 and 12.8 million euros of which correspond to the Reinsurance and Global Risks Units, respectively.

Additionally, Storm Gloria, affecting Spain in January, has had a retained impact of 21.9 million euros for the Group, of which 13.6 million

correspond to MAPFRE ESPAÑA and 8.3 to the Reinsurance Unit.

2.2 Significant Corporate Events

2.2.1 Business Restructuring

VERTI Italy Branch Transformation

The relevant bodies of MAPFRE S.A. and of the affected Group entities agreed to carry out a transformation process for VERTI Italy, turning it into a branch of VERTI Spain. Due to the regulatory authorization process taking longer than expected, and to the uncertainty this situation could cause in the company's strategic planning, MAPFRE has decided to stop the VERTI Italy branch transformation.

2.2.2 Business Development. Acquisitions and Disposals.

MAPFRE acquires 51% of the Dominican health insurance company, ARS Palic.

MAPFRE has reached an agreement with the León BHD Financial Center by means of which the Spanish company acquires 51 percent of the health insurance company, ARS Palic. The León BHD Financial Center holds the remaining 49 percent. Both companies are already partners in the company MAPFRE BHD Seguros, which offers various personal and property damage protection plans throughout its own offices and the network of the León BHD Financial Center, the largest financial company in the Dominican Republic.

The acquisition of the stake was made for a consideration of 40.1 million US dollars, and was financed through a seven-year, 38-million dollar bank loan.

MAPFRE and Banco Santander reach an agreement to distribute Non-Life insurance in Portugal

On June 9, 2020, MAPFRE and Banco Santander reached an agreement to jointly distribute Non-Life insurance products in Portugal, based on the acquisition of 50.01 percent of the existing company, Popular Seguros, by the MAPFRE subsidiary in Portugal. The agreement implies signing a contract for the exclusive distribution of new business of certain Non-Life products (Auto, Multirisk, SME and TPL insurance) through the bank's network in Portugal, until December 31, 2037. This agreement is reinforced with the acquisition of 100 percent of a run-off Life Protection portfolio currently owned by Santander Totta Seguros.

The agreement is pending approval by the supervisory authorities, as well as other formal aspects.

Sale of Annuity portfolio in Chile

The Group companies, MAPFRE Chile Vida and Caja Reaseguradora de Chile hold run-off Annuity portfolios, with this activity not being a strategic business for MAPFRE in Chile. On April 29, the Group received a binding offer that proposed a transaction based on the valuation of these portfolios to March 31, which would imply the transfer of assets and liabilities for an approximate amount of 115 million euros. This offer is for the combination of the Annuity portfolios of MAPFRE Chile Vida and Caja Reaseguradora de Chile and is subject to, among other requirements, being accepted by the cedents of Caja Reaseguradora and by 80 percent of MAPFRE Chile Vida clients. At June 30, the execution of this operation is suspended, given the difficulties in obtaining said acceptance from the cedents.

2.3 Treasury Stock

At June 30, 2020, MAPFRE owns 30,285,934 shares of treasury stock representing 0.98 percent of the capital, for the amount of 63.4 million euros.

3. Macroeconomic Overview and Financial Markets

General Overview

In the second quarter of 2020, the COVID-19 pandemic seemed to reach its peak in Europe, while the United States and Latin America are currently the most affected geographic areas, with high and increasing numbers of new cases.

In the United States, the Federal Reserve left interest rates untouched in June, in the range of 0.00-0.25 percent, with two cuts since the beginning of the year. After announcing an ample package of monetary and financial support measures in the initial months of the pandemic, it also confirmed that it would maintain its asset purchase program at least at the current rhythm.

The European Central Bank (ECB) left interest rates untouched in June (0 percent on the lending facility and -0.4 percent on deposit) while the Pandemic Emergency Purchase Program (PEPP) will be increased by 600 billion euros, to a total of 1,350 billion euros. Additionally, it will be extended to at least June 2021, and maturing principal payments will be reinvested until June 2022.

Similarly, other central banks in the world have continued lowering rates, backed by moderate inflation rates, and facilitating lines of liquidity to avoid the tensing of financial conditions.

In addition, governments have established measures to alleviate the decline in economic activity. These measures range from unemployment subsidies to temporary tax write-offs and increased measures of protection from social security. Government guarantees have been made available to ensure the provision of credit to companies and the self-employed. Depending on the duration and depth of the recession in each country, the support measures could need to be increased.

The measures adopted are translating into an increase, also unprecedented, of fiscal deficits and the global money supply. Although they are fully justified, given the circumstances, it will be important to keep in mind the possible long-term effects of the monetary measures and the increase in public debt.

In February and March, financial markets suffered heavy losses in the range of 30-40 percent, but as

governmental and central bank support measures were made known, and some control of the pandemic began to materialize, some markets have anticipated economic recovery. To the close of June, the American and German markets have recovered significantly, and to a lesser extent the rest of the European markets, depending on the support measures, on the index compositions, and the degree of each country's return to normality.

The price of Brent has recovered since the minimums of 25 USD/bl in April, reaching 41.2 USD/bl at the end of June. Other raw materials continue to be between 10 and 50 percent cheaper than at the end of 2019, with the exception of gold and iron, which have appreciated 17 and 14 percent respectively.

The markets' volatility hit maximums in March. Subsequently, it suffered a new uptick in June, when certain pessimism affected main stock indexes again, after the Federal Reserve meeting where they only gave policy orientations, and did not announce any new measures.

The following is a closer analysis of the most relevant markets in which MAPFRE operates.

Eurozone

A 15 percent decline in activity is expected in the Eurozone in the second quarter, compared to the second quarter of 2019, progressing from a 3.6 percent reduction in the first quarter when various countries had been in lockdown and with business closed for 15 days. However, calculating the impact is complicated because of the difference between countries regarding the strictness of the lockdown and the calendars established in each case.

Information to May shows that key indicators plummeted, with industrial production and construction falling around 28 percent.

The June PMIs stood at 47, still below 50, which means that Purchasing Managers are still pessimistic.

The ECB has maintained interest rates and their economic recovery measures, which it intends to maintain for as long necessary, and with the long-term objective of reaching a solid convergence in inflation perspectives.

The Euro Stoxx 50 index fell 13.6% in the first half of the year, to 3,234 points.

Spain

An elevated impact is expected on Spanish economic activity during the second quarter, with 19 percent contraction compared to the second quarter of the previous year. This fall is greater than the 5.2 percent reduction suffered in the first quarter after the partial economic standstill. Activity has been normalizing over the course of June with a different degree of development depending on the Autonomous Region.

Economic recovery in Spain is inevitably going to be slower, since the state of alarm did not end until June 21, and the openings by phases were very gradual. Additionally, the most economically important centers – Madrid and Barcelona – have had slower openings due to the greater incidence of the pandemic.

The official data available indicates an exceptional weakness in May when industrial production fell 24.5 percent, home sales went down 39 percent, and retail sales, 19 percent. Given the depth of the fall, and that the circumstantial damage could become longer lasting, activity will reach 10 percent below the pre-crisis level.

Both fiscal deficit (around 10 percent of the GDP) and debt (around 115 percent of the GDP) are expected to reach historic maximums this year. The deficit will continue to be high in 2021, surpassing 6 percent of the GDP, due to the impact of the crisis on fiscal income.

The aid agreed by the European Union will come with the condition of carrying out certain structural reforms.

The IBEX 35 index closed the half year at 7,231 points, with a 24.3 percent decline.

United States

The United States economy has an estimated fall of 9 percent for the second quarter, compared to the same period the previous year, which is a greater reduction than the 5 percent contraction in the first quarter. However, this reduction is lower than other countries, as the degree of confinement has differed depending on the state.

Surveys continue to reflect negative expectations, with key indicators in the contraction range. New

weekly unemployment claims, very important data for markets, reached close to 1.5 million in June, bringing total unemployment to 19.5 million, and the unemployment rate to 13.3 percent.

The Federal Reserve's measures regarding interest rates and asset purchases are a sign that it is determined to provide the economy with strong monetary support for a long period of time. Similarly, it warned about the risks for the economy, and updated economic projections, which include 6.5 percent contraction this year and a 5 percent recovery in 2021, with an unemployment rate of close to 10 percent at the end of 2020.

The dollar closed the second quarter at 1.12 USD/EUR, the same as the close of 2019.

The S&P500 index has fallen 4.0 percent in the first half of 2020 and stands at 3,100 points.

Brazil

The second quarter outlook for the Brazilian economy points to a sharp contraction of an estimated 12 percent, compared to the same period the previous year. This fall far surpasses the 1.5 percent reduction reached in the first quarter of the year. The fall in GDP is estimated to be able to reach around 7.5 percent by the end of the year.

The Central Bank lowered the Selic rate 75 bps in June, to 2.25 percent. Inflation stood at 1.9 percent in May, the lowest in 22 years, allowing for greater monetary flexibility.

While the nature of the pandemic is temporary, its effects will not disappear quickly. Public support for market-friendly policies will probably decline after the crisis, increasing government and corporate debt, which will probably limit the recovery of internal demand.

The Brazilian real was under great pressure due to the exodus of capital from emerging markets, reaching 5.89 BRL/USD. Nervousness in flows from emerging markets has gone down, but the Real has not been able to recover its pre-pandemic levels and closed the half year at 5.47 BRL/USD, a 36.1 percent fall.

Regarding the stock market, the BOVESPA index closed the quarter at 95,056 points with a 17.8 percent fall in the half year.

Mexico

The Mexican economy is expected to contract 15 percent in the second quarter compared to the same period the previous year, much higher than the 1.2 percent contraction in the first quarter, when the spread of the pandemic began in the country.

Industrial production went down 29.3 percent in April, accelerating the fall from the crisis, within the downward trend of the last six years from the lower investment in fixed capital.

The Bank of Mexico lowered interest rates 50 bps in June to 5.0 percent, with an accumulated 225 bps reduction so far this year. These discounts have been possible because inflation is also on a downward trend.

Mexican currency depreciated sharply, and subsequently recovered again, behaving in synch with the price of oil, as activity restrictions were loosened all over the world. The peso closed the half year at 23.0 MXN/USD, which implies a 21.5 percent decline.

The Mexican Stock Market went down 13.4 percent in the half year, closing at 37,716 points.

Turkey

In Turkey, which grew 0.6 percent in the first quarter, activity is expected to fall sharply in the second quarter, with an 11 percent reduction compared to the half year from the previous year, despite the resistance in private consumption and exports.

Inflation in June picked up to 12.6 percent, from 11.4 percent in May, primarily due to imported products and the depreciation of the Turkish lira.

The Central Bank of Turkey has gradually lowered the official interest rate (one-week repo) from 12 percent to 8.25 percent in June, and has announced a direct lending plan for 20 billion Turkish liras, for long-term financing for certain sectors.

As in other emerging countries, the Turkish lira has been under pressure in the early months of the pandemic, due to the market declines and heavy exodus of investment in emerging markets. However, since the beginning of May, it has recovered some ground, as the activity has picked back up after the standstill. The lira closed June at 7.70 TRY/USD, with a 29.41 percent fall in the half year.

The BIST30 stock index in Istanbul fell 16.1 percent in the half year (local currency), reaching 116,525 points.

Main currencies compared to the euro

ITEM	Average Exchange Rate		Closing Exchange Rate	
	JUNE 2020	Var. JUNE 2020 vs. JUNE 2019	JUNE 2020	Var. JUNE 2020 vs. DECEMBER 2019
US dollar	0.90180	1.9%	0.89015	-0.2%
Brazilian real	0.18048	-21.8%	0.16363	-26.1%
Turkish lira	0.13849	-12.6%	0.12985	-13.3%
Mexican peso	0.04202	-8.4%	0.03872	-17.9%
Colombian peso	0.00025	-11.4%	0.00024	-12.7%
Chilean peso	0.00110	-16.2%	0.00108	-8.5%
Peruvian sol	0.26454	-0.8%	0.25133	-6.6%
Argentine peso	0.01263	-39.0%	0.01263	-15.2%
Panamanian balboa	0.90243	2.0%	0.89015	-0.2%
Dominican peso	0.01641	-6.3%	0.01526	-9.3%
Honduran lempira	0.03639	0.4%	0.03597	-0.7%
Philippine peso	0.01783	4.7%	0.01791	1.9%
Indonesian rupiah	0.00006	-0.8%	0.00006	-3.1%

4. Consolidated Result

Consolidated Revenue

ITEM	JUNE 2019	JUNE 2020	Δ %
Total written and accepted premiums	12,528.3	10,982.7	-12.3%
Financial income from investments	1,632.7	1,225.6	-24.9%
Revenue from non-insurance entities and other revenue	890.1	1,068.6	20.1%
Total consolidated revenue	15,051.1	13,277.0	-11.8%

Figures in millions of euros

The Group's consolidated revenue reached 13.3 billion euros, with a decrease of 11.8 percent, mainly due to the fall in written premiums and lower financial income.

Premiums from direct insurance and accepted reinsurance, which represent a fundamental part of revenue, reached 11.0 billion euros, with a decrease of 12.3 percent, due in part to the effects on new

business of the confinement of the population from COVID-19, and to the strong depreciation of the main currencies in LATAM countries and in Turkey. At constant exchange rates, and eliminating the effect of premiums from the two-year PEMEX policy (445.1 million euros) that was underwritten in 2019, premiums would have only fallen 4.3 percent.

The following chart provides a breakdown of premium development by line of business:

ITEM	JUNE 2019	JUNE 2020	Δ %
Total written and accepted premiums	12,528.3	10,982.7	-12.3%
NON-LIFE	9,704.0	8,762.8	-9.7%
AUTO	3,483.0	2,834.8	-18.6%
GENERAL P&C	3,472.7	3,056.8	-12.0%
HEALTH & ACCIDENT	949.8	1,073.0	13.0%
OTHER NON LIFE	332.7	499.8	50.3%
SUB-TOTAL NON LIFE INSURANCE	8,238.1	7,464.4	-9.4%
NON-LIFE REINSURANCE	2,836.1	2,681.5	-5.4%
CONSOLIDATION ADJUSTMENTS	(1,370.2)	(1,383.1)	-0.9%
LIFE	2,824.3	2,219.9	-21.4%
LIFE PROTECTION	1,237.0	1,099.8	-11.1%
LIFE SAVINGS	1,341.7	891.6	-33.5%
SUB-TOTAL LIFE INSURANCE	2,578.7	1,991.4	-22.8%
LIFE REINSURANCE	245.6	228.4	-7.0%

Figures in millions of euros

Non-Life premiums went down 9.4 percent, marked primarily by lower issuing in the Auto and General P&C lines, from the effect of PEMEX premiums. Written Auto premiums fell 18.6 percent, primarily as a result of lower issuing in Brazil, the United States, Italy, Spain and Turkey. Life premiums fell 22.8 percent. Of these, Life Protection fell 11.1 percent, primarily from the decline in this business and the currency effect in Brazil in the first half. Life Savings premiums fell 33.5 percent, primarily from

the fall of issuing in Spain and Malta, in a complicated economic environment for the sale of these products.

By Non-Life business type, General P&C is the most important line, with 3.1 billion euros in premiums. Auto holds second place, also with over 2.8 billion euros. Health and Accident is in third place with 1.1 billion euros in premiums.

Gross revenue from investments reached over 1.2 billion euros, 24.9 percent less than the same period the previous year. This fall comes primarily from Malta, Spain and Brazil.

In the case of Malta, lower financial income of 116.1 million euros is due to a decrease in the investment portfolio valuation, from the deterioration of the financial markets in the first half of the year, which is recorded in P&L, as said portfolio is measured at fair value and recognized in P&L. In the case of Spain, the lower financial income of 162.0 million euros is produced by the same causes.

In both countries, this lower financial income has its corresponding reflection in the income statement,

of lower expenses from the decrease in reserving of technical provisions.

Finally, other revenue, which mostly includes non-insurance activity and non-technical revenue, went up 20.1 percent, primarily from the increase in positive foreign exchange differences.

Income statement

The chart below gives a summary of the consolidated income statement to June 2020, showing the various components of earnings and the comparison with the same period of the previous year.

ITEM	JUNE 2019	JUNE 2020	Δ %
I. REVENUE FROM INSURANCE BUSINESS	11,747.7	10,514.2	-10.5%
1. Premiums earned, net	9,414.0	8,399.6	
2. Revenue from investments	1,607.1	1,195.9	
3. Positive currency differences	639.8	827.5	
4. Other revenues	86.8	91.2	
II. INSURANCE BUSINESS EXPENSES	(10,922.7)	(9,844.2)	9.9%
1. Incurred claims for the year, net	(7,161.2)	(5,731.5)	
2. Net operating expenses	(2,531.8)	(2,377.1)	
3. Investment expenses	(390.9)	(743.8)	
4. Negative currency differences	(636.2)	(801.5)	
5. Other expenses	(202.6)	(190.3)	
RESULT FROM THE INSURANCE BUSINESS	825.0	669.9	-18.8%
III. OTHER ACTIVITIES	(65.9)	(124.9)	
IV. RESULT ON RESTATEMENT OF FINANCIAL ACCOUNTS	(9.8)	(8.6)	
V. RESULT BEFORE TAXES	749.2	536.5	-28.4%
VI. TAX ON PROFITS	(207.8)	(130.4)	
VII. RESULT AFTER TAX	541.5	406.1	-25.0%
VIII. RESULT AFTER TAX FROM DISCONTINUED OPERATIONS	0.0	0.0	
IX. RESULT FOR THE FINANCIAL YEAR	541.5	406.1	-25.0%
1. Attributable to non-controlling interests	167.0	135.4	
2. Attributable to the controlling company	374.5	270.7	-27.7%

Figures in millions of euros

Lower earned premiums in the first half of the year come from the decrease in written premiums and the strong depreciation of some of the main currencies.

The fall in the heading for revenue from investments and the increase in the heading for investment expenses is primarily due to the fall in valuation of the financial investment portfolios. These investments are linked to Life-Savings policies and, therefore, the variation is reflected in the reduction in expenses for claims for the year.

The increase in the heading for positive exchange differences has a parallel reflection in the heading for negative exchange differences.

The insurance business result reached 669.9 million euros, which is 18.8 percent less than the same period the previous year.

Non-Life insurance business results reached 445.4 million euros, with a decrease of 22.3 percent compared to the same period the previous year.

MAPFRE ESPAÑA continues to be the largest contributor to Group profits, even considering that

in the first half of 2020 Non-Life result is affected by the costs of Storm Gloria, which occurred in January and had a pre-tax impact of 13.6 million euros. Further, the positive rate of contribution to earnings from Non-Life businesses in BRAZIL, LATAM NORTH and USA is noteworthy. EURASIA shows positive Non-Life business results that are higher than the same period the previous year.

The result of Reinsurance and of the Global Risks Unit deteriorated as a result of the impact of the earthquakes in Puerto Rico, the direct incurred losses from claims directly attributable to COVID-19, and in general to the negative development of accepted reinsurance claims.

The effects of the confinement of the population because of the COVID-19 crisis has had an asymmetrical effect to date. It has had a positive effect on losses in Auto and Health in several countries – Spain, USA and Turkey – and a negative effect in general on the Commercial Multi-Risk and Burial lines.

The Life technical-financial result reached 224.6 million euros, a 10.9 percent decrease compared to the same period the previous year. On the positive side, the good development of business in Spain remains stable, thanks to the maintenance of the

MAPFRE VIDA activity margins, and in the bancassurance channel, while, on the other hand, Brazil shows a deterioration in this line of business coming from the bank channel, primarily as a result of the currency effect.

A breakdown of the income statement separated by Life and Non-Life business can be found in Appendix 14.5 herein.

The result from other activities contributed a loss of 124.9 million euros due to the provisions for restructurings and impairments for the amount of 48.9 million euros. The result before taxes stood at 536.5 million euros, 28.4 percent less than the same period the previous year.

Tax on profits reached 130.4 million euros, with a 37.2 percent reduction compared to the close of the same period the previous year.

The accumulated attributable result to June 2020 reached 270.7 million euros, falling 27.7 percent.

5. Consolidated Balance Sheet

5.1. Balance Sheet

ITEM	DECEMBER 2019	JUNE 2020	Δ %
Goodwill	1,773.2	1,687.4	-4.8%
Other intangible assets	1,526.9	1,552.6	1.7%
Other fixed assets	265.5	253.8	-4.4%
Cash	2,537.5	2,655.3	4.6%
Real estate	2,435.0	2,401.7	-1.4%
Financial investments	44,995.9	42,916.4	-4.6%
Other investments	1,044.1	1,059.1	1.4%
Unit-Linked investments	2,510.2	2,317.0	-7.7%
Participation of reinsurance in technical provisions	6,386.1	6,214.1	-2.7%
Receivables on insurance and reinsurance operations	4,879.4	5,439.9	11.5%
Deferred taxes	307.0	240.0	-21.8%
Assets held for sale	264.2	196.6	-25.6%
Other assets	3,585.0	3,237.4	-9.7%
TOTAL ASSETS	72,509.9	70,171.2	-3.2%
Equity attributable to the Controlling company	8,854.3	8,341.6	-5.8%
Non-controlling interests	1,251.7	1,200.6	-4.1%
Equity	10,106.0	9,542.2	-5.6%
Financial debt	2,973.7	3,068.1	3.2%
Technical provisions	51,031.6	49,370.3	-3.3%
Provisions for risks and expenses	709.3	580.5	-18.2%
Debt due on insurance and reinsurance operations	2,469.1	2,625.0	6.3%
Deferred taxes	703.1	635.1	-9.7%
Liabilities held for sale	135.9	64.3	-52.7%
Other liabilities	4,381.2	4,285.7	-2.2%
TOTAL LIABILITIES	72,509.9	70,171.2	-3.2%

Figures in millions of euros

Total assets reached 70.2 billion euros at June 30, 2020 and fell 3.2 percent compared to the close of the previous year. The most relevant changes are analyzed below:

1. The decrease to June 2020 in the headings for Financial Investments and Technical Provisions is a result of the decline in valuation of the financial investment portfolios from the deterioration of the financial markets. To June, the inclusion in the consolidation scope of the insurer ARS Palic in the Dominican Republic has implied the incorporation of 60.5 million euros in financial investments and 47.8 million euros in technical provisions. The reduction in value of the financial investment portfolio is also reflected in the Group's equity and deferred taxes.
2. The relevant depreciation, in the first half, of the main currencies in LATAM and the Turkish lira has a significant effect on the Group's balance sheet, and explains a large part of the variations in the first half of 2020.
3. To June 30, 2020, the heading for assets held for sale includes the valuation of the Funespaña businesses for the amount of 195.3 million euros. The reduction compared to the close of 2019 corresponds to the accounting record of the exit of the assets from the long-term high-risk workers' compensation portfolio in Peru.

4. The inclusion of ARS Palic in the consolidation scope has implied recording an intangible asset (Goodwill) of 21.2 million euros.
5. The changes in the headings for Assets and Liabilities from insurance and reinsurance operations, are a result of the business management process itself.

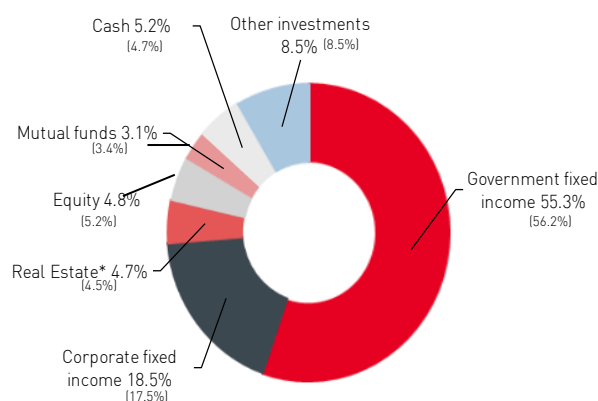
5.2. Investment Portfolio

In the second quarter, the financial markets experienced an important recovery, both in the main stock markets as well as in government and corporate debt interest rates. While it is true that there is still a high level of uncertainty, the important support programs from central banks and governments have helped significantly to change the trend that began in March.

The investment portfolio started the crisis with a solid, diversified position and in recent months has focused on defensive sectors and in reducing the risk profile further below its pre-pandemic level. Exposure to government and corporate debt in the investment portfolio varied slightly over the quarter, from 55.9 and 17.9 percent to 55.3 and 18.5 percent, respectively. The management of durations has been an important element in this period, thanks the strong oscillations in interest rates. Equity and mutual fund exposure has gone up from market effects, going from 7.3 to 7.9 percent. The positive performance of all assets with the highest ESG (environmental, societal and governmental) ratings is also noteworthy.

Below, details of the investment portfolio by asset class to June 30 are given:

Breakdown by asset class



Figures from the previous year (December 2019) are in smaller text.

ITEM	DECEMBER 2019	JUNE 2020	Δ %
Government fixed income	30,088.8	28,400.6	-5.6%
Corporate fixed income	9,354.9	9,482.4	1.4%
Real Estate*	2,435.0	2,401.7	-1.4%
Equity	2,761.0	2,454.4	-11.1%
Mutual funds	1,826.1	1,606.7	-12.0%
Cash	2,537.5	2,655.3	4.6%
Other investments	4,519.4	4,348.4	-3.8%
TOTAL	53,522.7	51,349.5	-4.1%

Figures in millions of euros

* "Real Estate" includes both investment property and real estate for own use (at acquisition cost)

Appendix 14.1, Consolidated Balance Sheet, includes a breakdown of the financial investments: by held to maturity portfolio, available for sale portfolio, and trading portfolio.

Breakdown of Fixed income portfolio to June 2020 by geographic area and by asset class

ITEM	Government	Total Corporate Debt	Total
Spain	17,653.4	2,262.5	19,915.9
Rest of Europe	4,689.2	4,066.1	8,755.2
United States	1,636.8	2,174.6	3,811.4
Brazil	2,079.9	1.7	2,081.6
Latin America - Other	1,732.8	688.5	2,421.4
Other countries	608.6	288.9	897.6
TOTAL	28,400.6	9,482.4	37,883.1

Figures in millions of euros

Approximately 2.85 billion euros in Italian sovereign debt is included in "Rest of Europe". The breakdown of corporate debt is as follows:

Total Corporate Debt	Corporate without collateral	Corporate with collateral	Total
Spain	1,257.9	1,004.6	2,262.5
Rest of Europe	3,539.1	526.9	4,066.1
United States	2,120.5	54.2	2,174.6
Brazil	1.7	0.0	1.7
Latin America - Other	635.5	53.1	688.5
Other countries	288.9	0.0	288.9
TOTAL	7,843.6	1,638.8	9,482.4

Figures in millions of euros

The classification of corporate debt by rating is as follows:

Rating	Δ %
AAA	8.6%
AA	22.5%
A	21.6%
BBB	33.3%
BB or lower and w/o rating	14.0%
TOTAL	100.0%

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 where the risk is borne by policyholders.
- Conditioned actively managed portfolios, that aim to exceed the guaranteed returns and to obtain greater returns for policyholders within prudential parameters, such as portfolios with profit-sharing.
- Freely 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
Non Life (IBERIA + MAPFRE RE)				
06.30.2020	7,150.66	1.78%	0.62%	8.22
03.31.2020	6,849.3	1.89%	1.08%	8.03
12.31.2019	7,271.9	1.95%	0.78%	8.25
09.30.2019	7,485.6	1.89%	0.50%	8.18
06.30.2019	7,403.2	2.02%	0.74%	8.06
Life (IBERIA)				
06.30.2020	6,561.55	3.56%	0.34%	6.77
03.31.2020	6,584.5	3.51%	0.70%	6.81
12.31.2019	6,821.6	3.53%	0.33%	6.89
09.30.2019	6,871.9	3.64%	0.14%	7.03
06.30.2019	6,740.3	3.69%	0.32%	7.01

Figures in million euros

At June 30, 2020, the unrealized capital losses on equity and mutual funds from IBERIA's and MAPFRE RE's freely actively managed portfolios reached 77.3 million euros (219 million euros in net unrealized capital losses to March 31, 2020).

5.3. Equity

Consolidated equity amounted to 9.5 billion euros at June 30, 2020, as compared to 10.1 billion euros at December 31, 2019. To June 30, 2020, 1.2 billion euros correspond to non-controlling interests' shares in subsidiaries, primarily financial entities in Spain and Brazil with which MAPFRE has bancassurance agreements. Consolidated equity attributable to the controlling Company per share was 2.71 euros at June 30, 2020 (2.87 euros at December 31, 2019).

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

Equity attributable to the controlling Company

ITEM	DECEMBER 2019	JUNE 2020
BALANCE AT 12/31 PREVIOUS YEAR	7,993.8	8,854.3
Changes in accounting standards	(8.0)	0.0
Additions and deductions recognized directly in equity		
Financial assets available for sale	1,435.1	(203.3)
Currency conversion differences	35.7	(423.8)
Shadow accounting	(719.6)	117.3
Other	(4.9)	(7.5)
TOTAL	738.3	(517.3)
Result for the period	609.2	270.7
Dividends	(446.7)	(261.6)
Other changes in net equity	(40.3)	(4.4)
BALANCE AS AT PERIOD END	8,854.3	8,341.6

Figures in millions of euros

Equity attributable to the controlling Company at the close of June 2020 includes:

- A decrease of 203.3 million euros (867.3 million euros to March 31, 2020) in the market value of the financial assets available for sale portfolio due to the deterioration of financial markets, partially offset by shadow accounting for the amount of 117.3 million euros (341.4 million euros to March 31, 2020).
- A fall of 423.8 million euros from currency conversion differences, due to the depreciation of currencies in LATAM and the Turkish Lira.
- Profits to June 2020.

- A reduction of 261.6 million euros, from the final dividend against the 2019 financial year, approved at the Annual General Shareholder Meeting in March 2020 and paid on June 25, 2020.

The breakdown of the equity items attributable to the controlling Company is shown below:

ITEM	DECEMBER 2019	JUNE 2020
Capital, retained earnings and reserves	9,154.5	9,158.9
Treasury stock and other	(66.4)	(73.5)
Net capital gains	1,006.3	920.3
Unrealised gains (Available for sale portfolio)	3,565.2	3,361.9
Shadow accounting (Gains allocated to provisions)	(2,558.9)	(2,441.6)
Currency conversion differences	(1,240.0)	(1,664.0)
Attributable equity	8,854.3	8,341.6

Figures in millions of euros

The following table shows a breakdown of the currency conversion differences:

CURRENCY	DECEMBER 2019	JUNE 2020
US dollar	489.7	486.6
Brazilian real	(648.1)	(917.3)
Venezuelan Bolivar	(420.5)	(422.6)
Turkish lira	(309.2)	(329.0)
Argentine peso	(117.5)	(116.4)
Mexican peso	(103.7)	(157.6)
Colombian peso	(42.4)	(65.9)
Indonesian rupiah	(7.8)	(119)
Other currencies	(80.5)	(129.9)
Total	(1,240.0)	(1,664.0)

Figures in millions of euros

Dividends upstreamed from subsidiaries

In the half year, 280.1 million euros in dividends have been upstreamed from subsidiaries, with noteworthy contributions from Spain (208.2 million euros), USA (36.9 million euros) and Brazil (28.7 million euros).

Hyperinflationary economies' effect on Equity

The financial statements of the companies registered in countries with high inflation rates or hyperinflationary economies are adjusted or restated for the effects of the changes in prices before they are converted to euros. The Group

accounting policy for recording operations in hyperinflationary economies, until the close of the 2019 accounting year, consisted of recording in Reserves the accounting effects of both the adjustment for inflation as well as the currency conversion differences generated from the conversion to euros of the restated financial statements of subsidiaries in these countries. While this accounting criteria was accepted by market regulators in previous years, in response to a recently opened request, the IFRIC (International Financial Reporting Interpretations Committee) considered this accounting policy to be in need of review. As a result, the Group proceeded to change the accounting criteria at the quarterly close of March 2020, and adopted the criteria proposed by the IFRIC, therefore recording the accounting effects from inflation adjustments and from currency conversion differences in Equity, with both recycled in P&L. The adoption of the new accounting treatment led to the reclassification of the net amount of the effects of restatement for inflation and currency conversion to the Equity heading for "Currency Conversion Differences". The amounts included in the last two years from these effects are the following:

ITEM	DEC 2018	Var. 2019	DEC 2019	Var. 2020	JUN 2020
Restatement for inflation	542.8	22.0	564.8	12.6	577.4
Currency conversion differences	(1,070.8)	(32.0)	(1,102.8)	(13.6)	(1,116.4)
Net	(528.0)	[10.0]	[538.0]	[1.0]	[539.0]

Figures in millions of euros

The breakdown, by country, of results from accounting restatement and equity from the subsidiaries operating in hyperinflationary economies is below:

COUNTRY	Results from restatement		Attributable equity	
	JUN 2019	JUN 2020	DIC 2019	JUN 2020
Argentina	(6.2)	(4.7)	46.8	56.0
Venezuela	(3.6)	(3.9)	2.0	6.7
Total	(9.8)	(8.6)	48.8	62.7

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	DECEMBER 2019	JUNE 2020	Δ %
Life technical provisions	30,547.8	29,346.7	-3.9%
Pension funds	5,479.1	5,330.7	-2.7%
Mutual funds and other	4,636.1	4,209.7	-9.2%
Subtotal	40,663.0	38,887.1	-4.4%

Figures in millions of euros

Changes in managed savings with respect to December of the previous year reflect the decrease of the Life technical provisions, as well as of managed savings in pension funds and mutual funds, as a result of the fall in value of financial investment portfolios and the deterioration of financial markets. It is important to point out that net contributions to pension funds have exceeded the surrenders and outgoing transfers, at the close of the first half of 2020.

The following chart reflects the development of assets under management, which include the total Group investment portfolio as well as pension and mutual funds:

Assets under management

ITEM	DECEMBER 2019	JUNE 2020	Δ %
Investment portfolio	53,522.7	51,349.5	-4.1%
Pension funds	5,479.1	5,330.7	-2.7%
Mutual funds and other	4,636.1	4,209.7	-9.2%
TOTAL	63,637.9	60,889.9	-4.3%

Figures in millions of euros

6. Information by Business Unit

MAPFRE manages its business through the following Units: Insurance, Reinsurance, Global Risks and Assistance. The Reinsurance and Global Risks Units comprise the legal entity MAPFRE RE.

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	
	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020
IBERIA	4,337.4	3,977.7	-8.3%	231.7	221.2	-4.6%	93.9%	93.8%
LATAM	4,115.7	3,225.4	-21.6%	103.5	131.2	26.8%	92.8%	89.6%
INTERNATIONAL	2,166.9	1,891.6	-12.7%	45.0	76.2	69.3%	102.7%	98.4%
TOTAL INSURANCE	10,620.0	9,094.7	-14.4%	380.2	428.6	12.7%	95.9%	93.8%
REINSURANCE AND GLOBAL RISKS	2,804.1	2,910.0	3.8%	84.9	(51.7)	-160.9%	94.5%	106.7%
ASSISTANCE	452.2	337.7	-25.3%	(5.6)	(13.3)	-138.8%	103.2%	100.3%
Holdings and consolidation adjustments	(1,348.0)	(1,359.7)	-0.9%	(85.0)	(93.0)	-9.4%	--	--
MAPFRE S.A.	12,528.3	10,982.7	-12.3%	374.5	270.7	-27.7%	95.9%	96.7%

Figures in millions of euros

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		ROE	
	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020	DECEMBER 2019	JUNE 2020
IBERIA	4,337.4	3,977.7	-8.3%	231.7	221.2	-4.6%	93.9%	93.8%	12.6%	11.8%
SPAIN*	4,270.7	3,910.8	-8.4%	227.9	217.7	-4.5%	93.8%	93.8%	12.7%	11.9%
PORTUGAL	66.7	66.9	0.3%	3.8	3.5	-8.8%	98.3%	95.9%	8.3%	7.3%

Figures in millions of euros

* VERTI Spain premiums reached 41.6 million euros (+6 percent). The net result reached 4.0 million euros (-0.7 million euros to June 30, 2019).

Breakdown by key lines:

ITEM	Premiums			Attributable result			Combined ratio	
	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020
LIFE	1,289.1	886.9	-31.2%	62.1	66.4	6.9%	--	--
LIFE PROTECTION	268.1	280.3	4.5%	37.8	44.8	18.5%	--	--
LIFE SAVINGS	1,021.0	606.6	-40.6%	20.4	18.5	-8.9%	--	--
AUTO	1,153.0	1,085.8	-5.8%	81.7	159.9	95.7%	93.1%	81.0%
GENERAL P&C	1,121.6	1,208.1	7.7%	53.3	(16.6)	-131.2%	94.8%	107.2%
HEALTH & ACCIDENT	635.6	660.3	3.9%	4.9	(2.5)	-151.4%	99.9%	102.4%

Figures in millions of euros

IBERIA premiums

Premiums in IBERIA fell 8.3 percent. Non-Life premiums grew 1.4 percent and reflect the positive development of the Health, Condominiums, and Homeowners business. Life premiums went down 31.2 percent, primarily due to the low interest rate environment which complicates selling savings insurance policies.

MAPFRE ESPAÑA adopted client support measures amounting to 55.4 million euros through the application of premium discounts on renewal for the self-employed and SMEs, corresponding to the period of inactivity from the COVID-19 crisis.

IBERIA result

IBERIA's attributable result reached 221.2 million euros with a decline of 4.6 percent compared to the same period the previous year.

The technical result of Non-Life business is very positive and maintains an excellent combined ratio, which to June 2020 stood at 93.8 percent. The effects of the confinement of the Spanish population from COVID-19 has had an asymmetrical immaterial effect to date, with a positive effect on losses in Auto, and a negative effect on the Health, Commercial Multi-Risk and Burial lines. It is important to point out that the Non-Life business result in the first half is also affected by the costs of Storm Gloria, which reached 13.6 million euros.

The Life business result shows very favorable development thanks to the increase in business margins in MAPFRE VIDA and in the bancassurance channel.

At the close of June 2020, 19.4 million euros in financial gains, net of losses, were recorded (35.1 million as of June 2019).

The chart below provides a breakdown of the information for MAPFRE ESPAÑA:

MAPFRE ESPAÑA – Key figures

ITEM	JUNE 2019	JUNE 2020	Δ %
Gross written and accepted premiums	3,022.1	3,067.0	1.5%
Net premiums earned	2,164.8	2,142.9	-1.0%
Gross result	187.3	170.0	-9.2%
Tax on profits	(43.3)	(37.9)	
Non-controlling interests	(0.6)	0.7	
Attributable net result	143.5	132.9	-7.4%
Combined ratio	94.5%	94.5%	0.0 p.p.
Expense ratio	21.2%	23.0%	1.8 p.p.
Loss ratio	73.3%	71.5%	-1.8 p.p.

ITEM	DECEMBER 2019	JUNE 2020	Δ %
Investments, real estate and cash	7,093.0	6,928.1	-2.3%
Technical provisions	6,279.8	6,923.6	10.3%
Shareholders' equity	2,498.9	2,402.0	-3.9%
ROE	11.2%	10.2%	-1.0 p.p.

Figures in millions of euros

MAPFRE ESPAÑA – Auto

ITEM	JUNE 2019	JUNE 2020	Δ %
Gross written and accepted premiums	1,153.0	1,085.8	-5.8%
Net premiums earned	1,015.1	996.9	-1.8%
Result before tax	108.6	212.4	95.6%
Non-Life Loss Ratio	76.4%	62.5%	-14.0 p.p.
Non-Life Expense Ratio	16.7%	18.6%	1.9 p.p.
Non-Life Combined Ratio	93.1%	81.0%	-12.1 p.p.
Number of vehicles insured (units)	5,872,201	5,868,225	-0.1%

Figures in millions of euros

Auto premiums (including VERTI and SEGUROS GERAIS PORTUGAL) fell 5.8 percent. Personal Auto premiums in MAPFRE ESPAÑA fell 5.5 percent and premiums in Fleets fell 20.5 percent.

The Auto combined ratio went down in June to 81.0 percent due to a decrease in losses.

MAPFRE ESPAÑA – General P&C

ITEM	JUNE 2019	JUNE 2020	Δ %
Gross written and accepted premiums	1,121.6	1,208.1	7.7%
Net premiums earned	752.6	748.9	-0.5%
Result before tax	71.1	(23.6)	-133.2%
Non-Life Loss Ratio	67.9%	78.4%	10.5 p.p.
Non-Life Expense Ratio	26.9%	28.7%	1.9 p.p.
Non-Life Combined Ratio	94.8%	107.2%	12.3 p.p.

Figures in millions of euros

General P&C business volume reflects the solid performance of the majority of retail Non-Life lines. At the close of June, accumulated growth in the Homeowners business reached 4.0 percent, and 8.0

percent in Condominiums. The Commercial lines experienced an increase in written premiums, of 14.3 percent. There has been a strong increase in losses in the Homeowners and Condominiums lines, due to Storm Gloria in the Commercial lines as well as in the Burial line, where the combined ratio reached 132.1 percent, from the increase in mortality from the COVID-19 crisis.

MAPFRE ESPAÑA – Health & Accident

ITEM	JUNE 2019	JUNE 2020	Δ %
Gross written and accepted premiums	591.3	618.2	4.6%
Net premiums earned	283.5	295.4	4.2%
Result before tax	(2.1)	(10.3)	--
Non-Life Loss Ratio	84.8%	86.2%	1.4 p.p.
Non-Life Expense Ratio	17.8%	19.2%	1.4 p.p.
Non-Life Combined Ratio	102.6%	105.4%	2.8 p.p.

Figures in millions of euros

Health and Accident premiums maintained their strong rate of growth, reaching 4.6 percent over the same period in the previous year. The combined ratio shows an increase compared to the same period of the previous year, reaching 105.4 percent, as a result of the COVID-19 pandemic.

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

MAPFRE VIDA – Key Figures

ITEM	JUNE 2019	JUNE 2020	Δ %
Gross written and accepted premiums	1,315.4	910.8	-30.8%
Gross result	161.5	155.7	-3.6%
Tax on profits	(35.6)	(30.5)	
Non-controlling interests	(37.7)	(36.8)	
Attributable net result	88.3	88.3	0.0%

ITEM	DECEMBER 2019	JUNE 2020	Δ %
Investments, real estate and cash	26,419.1	25,849.6	-2.2%
Shareholders' equity	1,690.0	1,685.6	-0.3%
ROE	14.6%	14.3%	-0.3 p.p.
Technical financial Margin	1.4%	1.3%	0.0 p.p.

Figures in millions of euros

MAPFRE VIDA – Premium breakdown

ITEM	JUNE 2019	JUNE 2020	Δ %
- Agent channel	934.2	690.2	-26.1%
- Bank channel	381.2	220.6	-42.1%
BANKIA MAPFRE VIDA	150.7	81.4	-46.0%
BANKINTER SEG DE VIDA	181.8	102.3	-43.7%
CAJA CASTILLA LA MANCHA	36.2	20.6	-43.0%
CAJA GRANADA VIDA	5.8	6.9	18.8%
CAJAMURCIA VIDA	6.8	9.4	38.7%
TOTAL PREMIUMS	1,315.4	910.8	-30.8%
- Life-Savings	1,005.9	592.3	-41.1%
- Life-Protection	265.2	276.4	4.2%
- Accident	44.3	42.1	-5.0%

Figures in millions of euros

The Life business went down 30.8 percent due to the fall in Life Savings business, from lower sales in MAPFRE VIDA retail business and in the bank channel. The Life Savings business is conditioned by a low interest rate environment that highly complicates taking out policies. The positive development of the Life Protection business is noteworthy, growing 4.2 percent both in the agent channel as well as in issuing in Group Life insurance.

The attributable result for MAPFRE VIDA reached 88.3 million euros, similar to the same period the previous year.

MAPFRE INVERSIÓN activity is consolidated in MAPFRE VIDA accounts. Its attributable result, to June 30, 2020, reached 17.0 million euros (20.3 million euros to June 2019).

MAPFRE VIDA – Managed savings

ITEM	DECEMBER 2019	JUNE 2020	Δ %
Technical provisions	23,327.0	22,817.0	-2.2%
MAPFRE VIDA	14,005.8	13,767.9	-1.7%
BANKIA MAPFRE VIDA	6,776.8	6,569.6	-3.1%
BANKINTER SEGUROS DE VIDA	1,417.7	1,402.7	-1.1%
CAJA CASTILLA LA MANCHA	844.4	809.9	-4.1%
CAJA GRANADA VIDA	179.9	172.6	-4.1%
CAJAMURCIA VIDA	102.3	94.3	-7.8%
Mutual funds and other	3,597.8	3,462.2	-3.8%
Pension funds	5,479.1	5,330.7	-2.7%
MAPFRE AM	2,482.8	2,458.8	-1.0%
OTHER	2,996.3	2,871.9	-4.2%
TOTAL MANAGED SAVINGS	32,403.9	31,609.9	-2.5%

Figures in millions of euros

6.1.2. LATAM

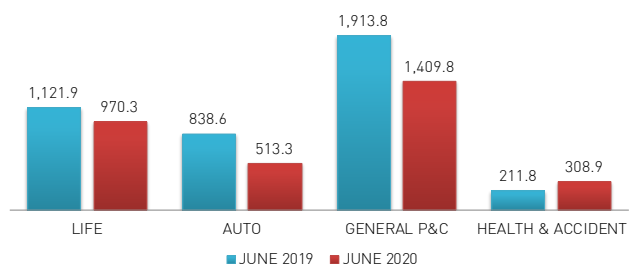
This territorial area comprises the regional areas of BRAZIL, LATAM NORTH, and LATAM SOUTH.

Information by region

REGION	Premiums			Attributable result			Combined ratio		ROE	
	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020	DECEMBER 2019	JUNE 2020
BRAZIL	2,056.2	1,612.0	-21.6%	48.9	60.3	23.4%	91.6%	88.8%	9.6%	12.0%
LATAM NORTH	1,252.1	886.6	-29.2%	28.9	43.6	50.8%	93.1%	87.8%	15.2%	17.8%
LATAM SOUTH	807.3	726.8	-10.0%	25.7	27.3	6.4%	95.7%	93.9%	9.8%	9.8%

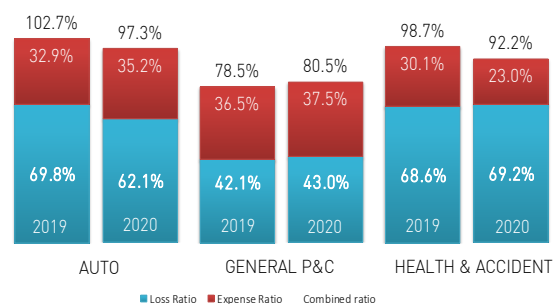
Figures in millions of euros

Written premiums in key lines

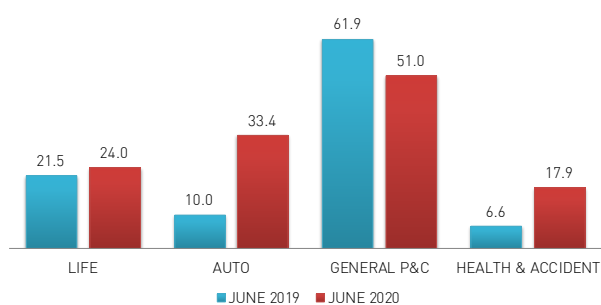


Figures in millions of euros

Combined Ratio of key lines to June 2019 and 2020



Attributable result in key lines



Figures in millions of euros

BRAZIL

This regional area encompasses the insurance activity in Brazil.

Key figures

ITEM	JUNE 2019	JUNE 2020	Δ %
Gross written and accepted premiums	2,056.2	1,612.0	-21.6%
- Non-Life	1,283.4	1,002.0	-21.9%
- Life	772.8	610.0	-21.1%
Net premiums earned	1,604.6	1,240.1	-22.7%
Gross result	233.2	202.4	-13.2%
Tax on profits	(73.5)	(56.3)	
Non-controlling interests	(110.8)	(85.8)	
Attributable net result	48.9	60.3	23.4%
Combined ratio	91.6%	88.8%	-2.8 p.p.
Expense ratio	34.5%	35.4%	0.9 p.p.
Loss ratio	57.1%	53.4%	-3.7 p.p.

ITEM	DECEMBER 2019	JUNE 2020	Δ %
Investments, real estate and cash	3,756.6	2,493.2	-33.6%
Technical provisions	4,777.7	3,489.2	-27.0%
Shareholders' equity	1,011.8	783.7	-22.5%
ROE	9.6%	12.0%	2.4 p.p.

Figures in millions of euros

Breakdown by key lines:

ITEM	Premiums			Attributable result			Combined ratio	
	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020
LIFE	772.8	610.0	-21.1%	21.1	18.6	-11.7%	--	--
LIFE PROTECTION	724.4	577.0	-20.3%	22.5	18.2	-19.0%	87.5%	86.5%
LIFE SAVINGS	48.4	33.0	-31.9%	(4.2)	(2.1)	51.4%	--	--
AUTO	462.1	233.4	-49.5%	(10.1)	5.7	156.6%	107.2%	102.5%
GENERAL P&C	819.6	767.7	-6.3%	37.0	29.1	-21.3%	75.9%	78.8%

Figures in millions of euros

Premiums

Written premiums fell 21.6 percent in euros, while in Brazilian reals they remained stable. The fall in issuing in euros is due to the 21.8 percent depreciation of the real compared to the last year.

In Brazilian reals, the Brasil Seg (Banco do Brasil) channel grew 8 percent, with good Agro businesses performance, which went up 21 percent in premiums, and Life Protection increased 4 percent in premiums. The MAPFRE channel fell 8 percent, highly affected by the fall in premiums in the Auto line which decreased 34 percent in reals. The positive growth in reals in the General P&C and Industrial Risk lines is noteworthy.

Result

The development of the attributable result in Brazil at the close of June 2020 has been very satisfactory, reaching 60.3 million euros and 23.4 percent growth. The increase in the result comes from the

notable improvement in the Auto result compared to the previous year, with the combined ratio going from 107.2 to 102.5 percent, as a result of the fall in claims from lower use of vehicles, due to the restrictions on movement from the COVID-19 crisis.

The Retail, General P&C, Agro and Life Protection businesses continue to contribute positively to the result.

In the first half of the year, there was a decline in financial income from investments due to the reduction in official interest rates in Brazil, which is offset with important positive exchange differences, from the positions held in dollars in this period.

The incurred loss in Life Savings primarily corresponds to the Previdencia (pension) business line result.

LATAM NORTH

This regional area includes Mexico and the sub-region of Central America and Dominican Republic, which includes operations in Panama, the

Dominican Republic, Honduras, Guatemala, Costa Rica, El Salvador and Nicaragua.

Key figures

ITEM	JUNE 2019	JUNE 2020	Δ %
Gross written and accepted premiums	1,252.1	886.6	-29.2%
- Non-Life	1,025.3	644.1	-37.2%
- Life	226.8	242.4	6.9%
Net premiums earned	491.5	580.1	18.0%
Gross result	44.9	71.6	59.4%
Tax on profits	(11.4)	(18.5)	
Non-controlling interests	(4.5)	(9.5)	
Attributable net result	28.9	43.6	50.8%
Combined ratio	93.1%	87.8%	-5.3 p.p.
Expense ratio	30.8%	26.7%	-4.1 p.p.
Loss ratio	62.3%	61.2%	-1.2 p.p.

ITEM	DECEMBER 2019	JUNE 2020	Δ %
Investments, real estate and cash	1,454.1	1,463.2	0.6%
Technical provisions	1,748.9	1,591.9	-9.0%
Shareholders' equity	438.4	450.8	2.8%
ROE	15.2%	17.8%	2.6 p.p.

Figures in millions of euros

Breakdown of key countries

COUNTRY	Premiums			Attributable result			Combined ratio	
	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020
MEXICO	935.9	449.9	-51.9%	14.1	20.5	45.4%	94.1%	87.5%
DOMINICAN REP.	77.7	174.6	124.6%	4.3	6.5	51.8%	86.6%	89.1%
PANAMA	102.7	123.6	20.3%	3.1	6.9	123.1%	96.8%	87.3%
HONDURAS	42.9	41.8	-2.4%	3.1	3.8	22.6%	85.5%	75.9%
GUATEMALA	36.3	39.1	7.9%	2.2	2.8	28.1%	94.0%	86.7%

Figures in millions of euros

Breakdown by key lines of business

ITEM	Premiums			Attributable result			Combined ratio	
	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020
LIFE	226.8	242.4	6.9%	4.2	6.3	51.7%	--	--
LIFE PROTECTION	147.1	135.6	-7.8%	(0.5)	5.2	--	101.0%	96.7%
LIFE SAVINGS	79.7	106.8	34.0%	4.7	1.1	-76.6%	--	--
AUTO	150.5	109.9	-27.0%	9.7	14.3	47.9%	94.3%	86.6%
GENERAL P&C	748.2	293.6	-60.8%	10.3	11.4	11.1%	83.7%	80.1%
HEALTH & ACCIDENT	122.4	236.6	93.3%	4.7	13.4	188.0%	96.5%	90.8%

Figures in millions of euros

Premiums

Premiums in the region went down 29.2 percent compared to the same period the previous year, due primarily to the recording in June 2019 of the two-year PEMEX policy, for the amount of 445.1 million euros, and to currency depreciation in the region. Eliminating the effect of this policy, premiums in the region would have grown 9.9 percent. This growth is mainly due to positive performance of the Dominican Republic, Panama, and Guatemala.

In local currency, growth stands out in Panama (18 percent), and the Dominican Republic (140 percent), from the incorporation of ARS Palic.

There is very positive development in the Life line, where written premiums grew 6.9 percent, thanks to Mexico, which shows 48.3 percent growth in the Life Savings business to June, from the agreement with Actinver signed in 2019 and from the growth of the Unit-Linked business.

Other lines, like Auto, fell 27.0 percent, and General P&C, which, eliminating the effect of the 2019 PEMEX policy, fell 3.1 percent.

At the close of June, the recently acquired company ARS Palic in the Dominican Republic is included in the consolidation scope. Premiums contributed by this company to the consolidated Group in the half-year reached 103.8 million euros.

Result

There was an important improvement in results in the LATAM NORTH region, supported by the favorable development of business in Mexico, which increased its result by 45.4 percent, with the combined ratio going from 94.1 percent to 87.5 percent, as a result of the good performance of the Property business (General P&C and Industrial Risk), Auto, Health and Life Protection, thanks to a significant reduction of losses in these lines.

There was very positive development of the result in the Central America region, specifically Panama, Honduras and Guatemala. There was a significant improvement in results in the Dominican Republic, where ARS Palic contributed an attributable result of 3.7 million euros in the half-year.

LATAM SOUTH

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

Key figures

ITEM	JUNE 2019	JUNE 2020	Δ %
Gross written and accepted premiums	807.3	726.8	-10.0%
- Non-Life	685.1	608.9	-11.1%
- Life	122.2	117.9	-3.6%
Net premiums earned	477.7	377.5	-21.0%
Gross result	45.3	43.0	-5.1%
Tax on profits	(16.5)	(13.3)	
Non-controlling interests	(3.1)	(2.3)	
Attributable net result	25.7	27.3	6.4%
Combined ratio	95.7%	93.9%	-1.8 p.p.
Expense ratio	35.1%	38.8%	3.8 p.p.
Loss ratio	60.7%	55.1%	-5.6 p.p.

ITEM	DECEMBER 2019	JUNE 2020	Δ %
Investments, real estate and cash	2,005.9	1,981.3	-1.2%
Technical provisions	3,684.0	3,497.0	-5.1%
Shareholders' equity	558.5	566.3	1.4%
ROE	9.8%	9.8%	0.0 p.p.

Figures in millions of euros

Breakdown of key countries

COUNTRY	Premiums			Attributable result			Combined ratio	
	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020
COLOMBIA	181.5	149.6	-17.6%	0.4	4.1	--	96.5%	92.1%
PERU	285.6	252.9	-11.5%	13.2	9.9	-25.1%	89.7%	92.0%
ARGENTINA	104.8	78.9	-24.6%	3.3	4.3	30.1%	105.2%	99.4%
CHILE	124.1	137.2	10.6%	3.2	2.7	-15.4%	98.3%	99.2%
URUGUAY	47.0	49.5	5.4%	2.0	2.6	30.2%	95.8%	92.5%
PARAGUAY	34.4	30.4	-11.5%	3.5	4.3	24.0%	92.4%	86.7%

Figures in millions of euros

Breakdown by key lines of business

ITEM	Premiums			Attributable result			Combined ratio	
	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020
LIFE	122.2	117.9	-3.6%	(3.7)	(1.0)	73.5%	--	--
LIFE PROTECTION	83.4	92.7	11.2%	(3.4)	(0.2)	93.9%	116.1%	107.9%
LIFE SAVINGS	38.8	25.1	-35.3%	(0.8)	(1.1)	-39.3%	--	--
AUTO	225.9	170.0	-24.7%	10.4	13.4	29.1%	98.3%	95.6%
GENERAL P&C	346.0	348.4	0.7%	14.7	10.5	-28.8%	89.5%	90.5%
HEALTH & ACCIDENT	88.8	72.1	-18.7%	2.7	4.7	72.1%	100.4%	96.6%

Figures in millions of euros

Premiums

Premiums in the region fell 10.0 percent, primarily as a result of the depreciation of the main currencies in the region: Colombian peso (11.4 percent), the Chilean peso (16.2 percent) and the Argentine peso (39.0 percent).

In general, issuing in the region grew in local currency at a good rate in almost all countries: Argentina (23 percent), Uruguay (24 percent), and Chile (32 percent), while Colombia, Paraguay and Ecuador went down.

By line of business, the Life Protection line stands out with an 11.2 percent improvement in premiums, which comes from operations carried out through the bancassurance channel in Peru. General P&C remains stable, while the Life Savings, Auto, and Health lines show declines compared to the same period the previous year.

Result

To the close of June 2020, LATAM SOUTH had an attributable result of 27.3 million euros, with a 6.4 percent improvement. The Non-Life combined ratio stands at 93.9 percent, lower than the same period the previous year, due to favorable development of losses in Auto and Health.

By country, Peru is the highest contributor to results in the region, with 9.9 million euros. Colombia closed the first half with a profit of 4.1 million euros from the positive development of Non-Life business, which implies a significant improvement compared to the same period the previous year. The rest of the countries show improved results, with the exception of Chile.

By line of business, the improvement in Life stands out. The Auto line shows improvement of 29.1 percent, and Health 72.1 percent, while the General P&C line results fall.

6.1.3. INTERNATIONAL

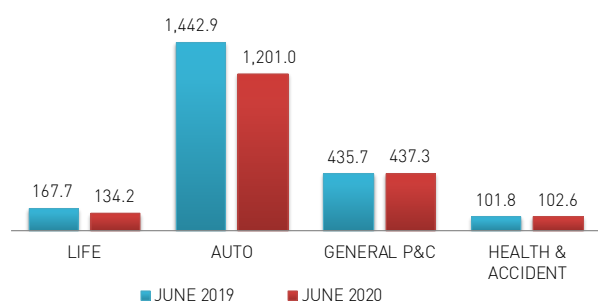
This territorial area comprises NORTH AMERICA and EURASIA.

Information by region

REGION	Premiums			Attributable result			Combined ratio		ROE	
	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020	DECEMBER 2019	JUNE 2020
NORTH AMERICA	1,215.8	1,115.8	-8.2%	45.6	53.2	16.8%	100.0%	99.1%	6.0%	6.3%
EURASIA	951.1	775.8	-18.4%	(0.6)	23.0	--	107.9%	97.1%	2.2%	5.6%

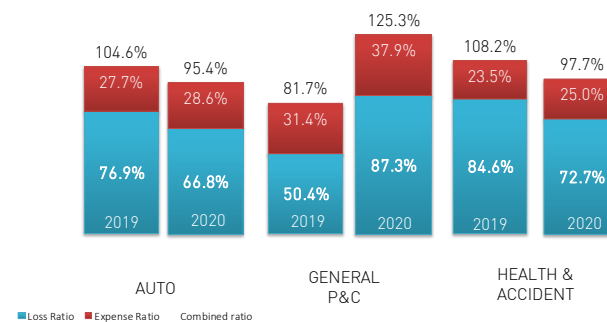
Figures in millions of euros

Written premiums in key lines

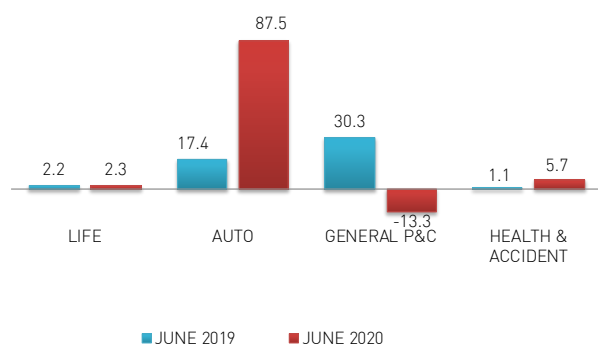


Figures in millions of euros

Combined ratio of key lines to June 2019 and 2020



Attributable result in key lines



Figures in millions of euros

NORTH AMERICA

This regional area has its headquarters in Webster, MA (USA) and encompasses the business activity in NORTH AMERICA (United States and Puerto Rico).

Key figures

ITEM	JUNE 2019	JUNE 2020	Δ %
Gross written and accepted premiums	1,215.8	1,115.8	-8.2%
Net premiums earned	932.5	835.6	-10.4%
Gross result	59.3	63.9	7.9%
Tax on profits	(13.7)	(10.7)	
Non-controlling interests	0.0	0.0	
Attributable net result	45.6	53.2	16.8%
Combined ratio	100.0%	99.1%	-0.9 p.p.
Expense ratio	28.5%	31.4%	2.9 p.p.
Loss ratio	71.5%	67.7%	-3.8 p.p.

ITEM	DECEMBER 2019	JUNE 2020	Δ %
Investments, real estate and cash	2,459.8	2,545.7	3.5%
Technical provisions	2,836.9	2,845.5	0.3%
Shareholders' equity	1,362.5	1,422.3	4.4%
ROE	6.0%	6.3%	0.2 p.p.

Figures in millions of euros

Breakdown by country / region

COUNTRY	Premiums			Attributable result			Combined ratio	
	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020
UNITED STATES	996.9	896.6	-10.1%	35.3	66.1	87.2%	101.1%	95.8%
Northeast	852.7	800.0	-6.2%	46.1	75.6	64.1%	98.0%	92.4%
West	66.2	49.8	-24.8%	2.6	7.3	181.1%	103.7%	88.8%
Exit states*	76.4	44.9	-41.3%	(6.5)	(10.0)	-53.9%	--	--
Verti	1.5	2.0	--	(6.9)	(6.8)	0.7%	--	--
PUERTO RICO	219.0	219.2	0.1%	10.3	(12.9)	--	92.8%	120.7%

Figures in millions of euros

*Includes businesses or states that are not part of MAPFRE's long-term strategic path in the United States

Breakdown by key lines

ITEM	Premiums			Attributable result			Combined ratio	
	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020
LIFE	2.1	1.5	-31.1%	0.5	0.6	25.4%	--	--
AUTO	811.4	715.0	-11.9%	(2.1)	64.7	--	103.3%	95.4%
GENERAL P&C	366.2	367.8	0.4%	43.4	(14.1)	-132.5%	76.1%	129.6%
HEALTH & ACCIDENT	28.3	27.6	-2.6%	(1.2)	1.8	--	104.7%	93.9%

Figures in millions of euros

Premiums

At the close of June, premiums in NORTH AMERICA registered an 8.2 percent decrease. Written premiums in dollars in NORTH AMERICA is 9.9 percent lower than the same period the previous year, though it is favorably compensated by the appreciation of the dollar (1.9 percent). Lower issuing in the United States is a consequence of the still slow process of commercial reactivation after the strict measures of technical control implemented in the last two years, as well as the impact of the measures restricting personal movement from the COVID-19 crisis.

In the United States, because of the COVID-19 crisis, in the second quarter of the year a financial aid program was established for clients, equivalent to 15 percent of the monthly premium, effective April and May. This program was applied in all states where MAPFRE USA has underwritten Retail Auto business, and had a total impact on premiums of 32.6 million euros to June, 30 2020.

Puerto Rico is stable, with issuing similar to the same period the previous year.

Result

The result in NORTH AMERICA to June 30, 2020 shows very positive development compared to the same date the previous year, reaching 53.2 million euros, 16.8 percent higher than the same period the previous year. This is primarily due to an improvement in the underwriting result and the reduction in the loss ratio in Auto from a decline in frequency from the lower use of vehicles, the combined ratio of which went from 103.3 to 95.4 percent.

The United States had a profit of 66.1 million euros, which is a significant improvement compared to the results from the previous year.

It is important to point out the absence of weather-related events in the first half of the year, which contributes to the improvement of the result in Homeowners insurance in the United States. Additionally, in the first half of the year, there was a pre-tax gain of 19.6 million dollars from the sale of a building in Boston.

Puerto Rico has losses of 12.9 million euros, as a result of the earthquakes that took place in January and May, which have had an impact of 32.6 million euros, net of reinsurance and before taxes (25.8 million euros, net of taxes).

EURASIA

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

Key figures

ITEM	JUNE 2019	JUNE 2020	Δ %
Gross written and accepted premiums	951.1	775.8	-18.4%
- Non-Life	785.6	643.1	-18.1%
- Life	165.6	132.7	-19.8%
Net premiums earned	640.9	565.4	-11.8%
Gross result	5.9	38.4	--
Tax on profits	(1.6)	(10.5)	
Non-controlling interests	(4.8)	(4.9)	
Attributable net result	(0.6)	23.0	--
Combined ratio	107.9%	97.1%	-10.8 p.p.
Expense ratio	26.5%	25.3%	-1.2 p.p.
Loss ratio	81.4%	71.7%	-9.6 p.p.

ITEM	DECEMBER 2019	JUNE 2020	Δ %
Investments, real estate and cash	4,304.2	4,192.0	-2.6%
Technical provisions	4,412.9	4,248.0	-3.7%
Shareholders' equity	709.5	700.8	-1.2%
ROE	2.2%	5.6%	3.4 p.p.

Figures in millions of euros

Breakdown by country

COUNTRY	Premiums			Attributable result			Combined ratio	
	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020
TURKEY	240.3	181.9	-24.3%	(3.1)	14.1	--	119.6%	99.3%
ITALY	264.3	180.7	-31.7%	(3.2)	2.9	191.0%	105.7%	96.5%
GERMANY	208.8	215.1	3.0%	2.9	2.7	-4.0%	99.5%	97.1%
MALTA	201.0	166.6	-17.1%	2.3	2.6	13.2%	89.9%	83.3%
PHILIPPINES	11.2	9.9	-11.5%	0.2	(0.2)	--	109.4%	105.3%
INDONESIA	25.5	21.6	-15.1%	0.4	0.9	147.2%	104.7%	101.3%

Figures in millions of euros

Breakdown by key lines

ITEM	Premiums			Attributable result			Combined ratio	
	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020	Δ %	JUNE 2019	JUNE 2020
LIFE	165.6	132.7	-19.8%	1.8	1.7	-5.0%	--	--
LIFE PROTECTION	12.1	13.0	7.6%	1.4	0.5	-67.4%	120.9%	102.1%
LIFE SAVINGS	153.5	119.7	-22.0%	0.3	1.2	--	--	--
AUTO	631.5	486.0	-23.0%	6.2	22.8	--	107.1%	95.5%
GENERAL P&C	69.5	69.5	0.1%	1.2	0.8	-35.2%	116.3%	101.6%
HEALTH & ACCIDENT	73.4	75.1	2.2%	(0.6)	3.9	--	109.7%	99.4%

Figures in millions of euros

Premiums

At the close of June, premiums in EURASIA registered a fall of 18.4 percent with a decline in all countries, with the exception of Germany, which grew 3 percent.

Issuing in Turkey is affected by a notable fall in Auto business, and by the strong depreciation of the Turkish lira (12.6 percent).

The fall in issuing in Italy is tied to the plummeting of the partnership business.

There has been a very positive result in Germany, with growth from a very good sales campaign and an excellent renewal ratio.

Lower premium issuing in Malta is in line with the notable decline of the Life Savings business as a result of the current low interest rate environment.

Finally, lower issuing in Indonesia is due to the fall in the Auto business, which comes, in large part,

from client financial entities, partially offset by relevant growth in the Health line.

Result

At the close of June 2020, EURASIA presents an attributable result of 23.0 million euros, which is a relevant improvement compared to the previous year.

The result in Turkey reached 14.1 million euros, which is a relevant improvement compared to the previous year, as a result of the decline in loss frequency in Auto and Health. Turkey had a good financial result from positive conversion differences from the positions held in dollars and euros.

Germany and Malta had a very positive performance, in line with expectations. Italy notably improved its result, which reached 2.9 million euros.

Indonesia showed positive development in the half year, with a significant improvement in the combined ratio, which at the close of June stood at 101.3 percent.

6.2. MAPFRE RE

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

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

MAPFRE RE also includes the Global Risks Unit, which is the specialized unit within MAPFRE Group

for managing global multinational insurance programs (for example, policies that cover aviation, nuclear, energy, third party liability, fire, engineering and transport risks).

The table below shows the key figures for MAPFRE RE.

Key figures

ITEM	JUNE 2019	JUNE 2020	Δ %
Gross written and accepted premiums	2,804.1	2,910.0	3.8%
- Non-Life	2,558.5	2,681.5	4.8%
- Life	245.6	228.4	-7.0%
Net premiums earned	1,518.4	1,519.5	0.1%
Gross result	113.0	(70.3)	-162.2%
Tax on profits	(28.1)	18.6	
Attributable net result	84.9	(51.7)	-160.9%
Combined ratio	94.5%	106.7%	12.1 p.p.
Expense ratio	31.3%	31.3%	0.0 p.p.
Loss ratio	63.2%	75.4%	12.2 p.p.

ITEM	DECEMBER 2019	JUNE 2020	Δ %
Investments, real estate and cash	5,076.2	5,072.5	-0.1%
Technical provisions	6,319.2	6,612.7	4.6%
Shareholders' equity	1,746.2	1,664.6	-4.7%
ROE	3.4%	-4.6%	-7.9 p.p.

ITEM	JUNE 2019	JUNE 2020	Δ %
Gross written and accepted premiums	2,804.1	2,910.0	3.8%
Reinsurance Business	2,237.1	2,123.2	-5.1%
Global Risks Business	566.9	786.8	38.8%
Attributable net result	84.9	(51.7)	-160.9%
Reinsurance Business	83.1	(47.7)	-157.4%
Global Risks Business	1.8	(4.0)	-317.6%
Combined ratio	94.5%	106.7%	12.1 p.p.
Reinsurance Business	93.5%	106.5%	13.0 p.p.
Global Risks Business	106.9%	109.1%	2.2 p.p.
Expense ratio	31.3%	31.3%	0.0 p.p.
Reinsurance Business	30.5%	31.5%	1.0 p.p.
Global Risks Business	40.8%	28.5%	-12.3 p.p.
Loss ratio	63.2%	75.4%	12.2 p.p.
Reinsurance Business	63.0%	75.0%	12.0 p.p.
Global Risks Business	66.1%	80.6%	14.5 p.p.

Figures in millions of euros

Breakdown of premium distribution to June 2020 is as follows:

ITEM	%	ITEM	%
By Type of business:		By Ceding company:	
Proportional	56.5%	MAPFRE	52.5%
Non-proportional	13.1%	Other	47.5%
Facultative	30.4%		
By Region:		By Insurance Lines:	
IBERIA	20.0%	Property	38.8%
EURASIA	39.0%	Life & Accident	11.4%
LATAM	27.2%	Motor	15.7%
NORTH AMERICA	13.8%	Global Risks business	27.0%
		Transport	2.8%
		Other Insurance lines	4.2%

Premiums

Total written premiums in MAPFRE RE went up 3.8 percent compared to the same period the previous year.

Premiums from the Reinsurance business reached 2.1 billion euros, which is a reduction of 5.1 percent compared to the previous year.

Premiums from the Global Risks Unit, integrated in MAPFRE RE, reached 786.8 million euros, representing 38.8 percent more than the previous period, as a result of an increase in tariffs.

Result

MAPFRE RE's net result at the close of June 2020 had a loss of 51.7 million euros, primarily as a result of losses from the earthquakes that occurred in Puerto Rico, which have had an attributable net impact of 35.4 million euros to June, and from the direct incurred losses from the claims directly related to COVID-19, for an attributable net amount of 56.9 million euros.

Of the latter amount, the attributable net loss from the Property line reaches 49.9 million euros, which comes from the claims filed by cedents, as well as the assessment of exposure sent by clients. The accounts do not include claims that have been denied, either because of the lack of coverage in the original policy or in the reinsurance contract. In some cases, said denials could lead to litigation (normally arbitration), and which will be resolved in future quarters. Similarly, many clients continue evaluating the direct impacts they could suffer and the possibility of recovering these amounts with their reinsurance coverage. No amounts have been given for possible future claims for events that had not occurred at the date of the close. The claims reported in the P&C lines are concentrated almost entirely in certain business interruption coverage in Europe, above all Germany, France, the United Kingdom and Switzerland. In the majority of the portfolio, business interruption coverage is dependent on the existence of material damage, and in this case, there is none. As such, this exposure only exists in exceptional cases. However, to date, there is a lot of uncertainty about the final amount for possible claims and the results of certain claims that get taken to court. MAPFRE RE has no claims for event cancellation, as the company does not underwrite this line. Likewise, there is no exposure to the Casualty or Workers' Compensation lines in the USA. To date, the impact on Life is immaterial.

The net attributable loss in the Credit line reaches 7.0 million euros. Although to date there are limited claims filed, in the coming quarter an increase in claims is expected to materialize.

The Non-Life combined ratio stood at 106.7 percent, 12.1 percentage points higher than the same period the previous year.

At the close of June 2020, 9.6 million euros of financial gains, net of financial losses, were recorded (14.8 million to June 2019).

The attributable result of the Reinsurance business reached a loss of 47.7 million euros, due to above mentioned effects. To June 2020, the earthquakes in Puerto Rico have had an impact of 26.4 million euros, net of taxes and minorities, on the Reinsurance business.

The attributable result of Global Risks business reports losses of 4.0 million euros, coming from

lower retention and lower net earned premiums, as well as from the occurrence of various large claims. To June 2020, the earthquakes in Puerto Rico have had an impact of 9.0 million euros, net of taxes and minorities, on the Global Risks Unit.

The combined ratio of the Reinsurance business stands at 106.5 percent, while the combined ratio for the Global Risks business stands at 109.1 percent. The 12.3 percentage point reduction in the expense ratio in the Global Risks business, due to the increase in commissions charged to reinsurers, is noteworthy.

6.3. MAPFRE ASISTENCIA

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

Key figures

ITEM	JUNE 2019	JUNE 2020	Δ %
Operating revenue	497.8	386.1	-22.4%
- Gross written and accepted premiums	452.2	337.7	-25.3%
- Other revenue	45.6	48.4	6.2%
Net premiums earned	309.3	272.9	-11.8%
Result from other business activities	5.8	[8.2]	--
Gross result	[2.2]	[7.9]	--
Tax on profits	[2.7]	[4.4]	
Non-controlling interests	[0.7]	[0.9]	
Attributable net result	[5.6]	[13.3]	-138.8%
Combined ratio	103.2%	100.3%	-2.9 p.p.
Expense ratio	42.1%	43.8%	1.7 p.p.
Loss ratio	61.2%	56.6%	-4.6 p.p.

ITEM	DECEMBER 2019	JUNE 2020	Δ %
Investments, real estate and cash	456.4	396.4	-13.1%
Technical provisions	763.5	693.4	-9.2%
Shareholders' equity	158.7	132.8	-16.4%
ROE	-44.4%	-51.5%	-7.2 p.p.

Figures in millions of euros

Premiums reached 337.7 million euros in MAPFRE ASISTENCIA, a decrease of 25.3 percent compared to the same period the previous year.

At the close of the first half of the year, MAPFRE ASISTENCIA recorded a negative attributable result of 13.3 million euros.

The loss is concentrated in Travel Insurance, from the strong impact on losses from trip cancellation coverage, stemming from flight cancellations by airlines as a result of COVID-19. The tourism sector and the Assistance companies are experiencing an unprecedented crisis that has not spared the InsureandGo operations (UK, Australia and Ireland). Cancellation costs are included in the Travel Cancellation Coverage. This coverage is affected by the limitations on travel and border closings. To June 30, InsureandGo has an incurred cost of 18.3 million euros, net of reinsurance, as a result of the abovementioned impacts.

At the end of February, the sale of Travel Insurance in InsureandGo was suspended through the online insurance comparison channel, in the context of the

current crisis. This sale is still suspended in this channel at June 30.

The following chart provides a breakdown of MAPFRE ASISTENCIA's operating result before taxes, by region and business line at the close of June 2020:

REGION	ASSISTANCE	TRAVEL INSURANCE	SPECIALTY RISKS	TOTAL 2020	TOTAL 2019
UNITED KINGDOM, BELGIUM AND FRANCE	0.0	[6.9]	[1.0]	[7.9]	[10.7]
REST OF EURASIA	4.7	[6.4]	0.8	[0.9]	5.8
LATAM	[1.4]	[1.7]	1.6	[1.5]	2.2
NORTH AMERICA	[0.8]	0.6	2.5	2.3	0.5
TOTAL	2.5	[14.4]	3.9	[8.0]	[2.2]

Figures in millions of euros

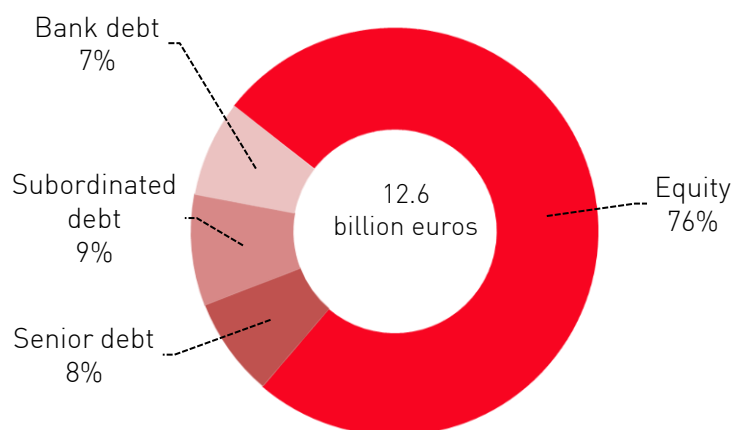
In the framework of the MAPFRE ASISTENCIA strategic restructuring that began in 2016, the closure of MAPFRE ABRAXAS operations in the United Kingdom - which implies a liquidation of the specialty risks business line - and of ROAD AMERICA operations in the United States was approved, the latter after the sale of its business portfolio.

No relevant economic impacts are expected as a result of this planned exits.

7. Capital Management & Debt

The chart below shows the composition of the capital structure at the close of June 2020:

Capital structure



Figures in billions of euros

Capital structure reached 12.6 billion euros, of which 76 percent corresponds to equity. The Group leverage ratio is 24.3 percent, a 1.6 percentage point increase compared to the close of 2019.

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

Debt instruments and leverage ratios

ITEM	DECEMBER 2019	JUNE 2020
Total Equity	10,106.0	9,542.2
Total debt	2,973.7	3,068.1
- of which: senior debt - 5/2026	1,004.8	995.6
- of which: subordinated debt - 3/2047 (First Call 3/2027)	617.8	602.5
- of which: subordinated debt - 9/2048 (First Call 9/2028)	503.3	511.9
- of which: syndicated credit facility - 02/2025 (€ 1,000 M)	610.0	630.0
- of which: bank debt	237.8	328.1
Earnings before tax	1,279.2	536.5
Financial expenses	78.5	42.1
Earnings before tax & financial expenses	1,357.7	578.6
Leverage	22.7%	24.3%
Equity / Debt	3.4	3.1
Earnings before tax & financial expenses / financial expenses (x)	17.3	13.8

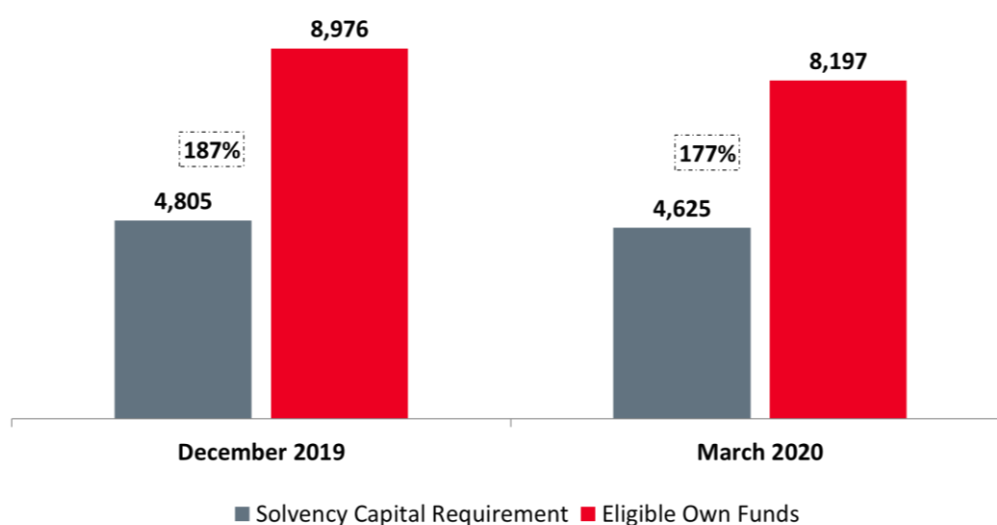
Figures in millions of euros

8. Solvency II

The Solvency II ratio for MAPFRE Group stood at 177.2 percent at March 2020, compared to 186.8 percent at the close of December 2019, including transitional measures. This ratio would be 163.8 percent, excluding the effects of those measures. Eligible Own Funds reached 8.2 billion euros in the same period, of which 85.5 percent are high quality funds (Tier 1).

Despite the sharp fall in stock markets and financial investments, the ratio maintains 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

As a result of the extraordinary situation from the COVID-19 pandemic, the insurance supervisor requested that the SCR be recalculated to March 2020. The SCR fell 180 million euros compared to December 2019, due, in large part, to the fall in

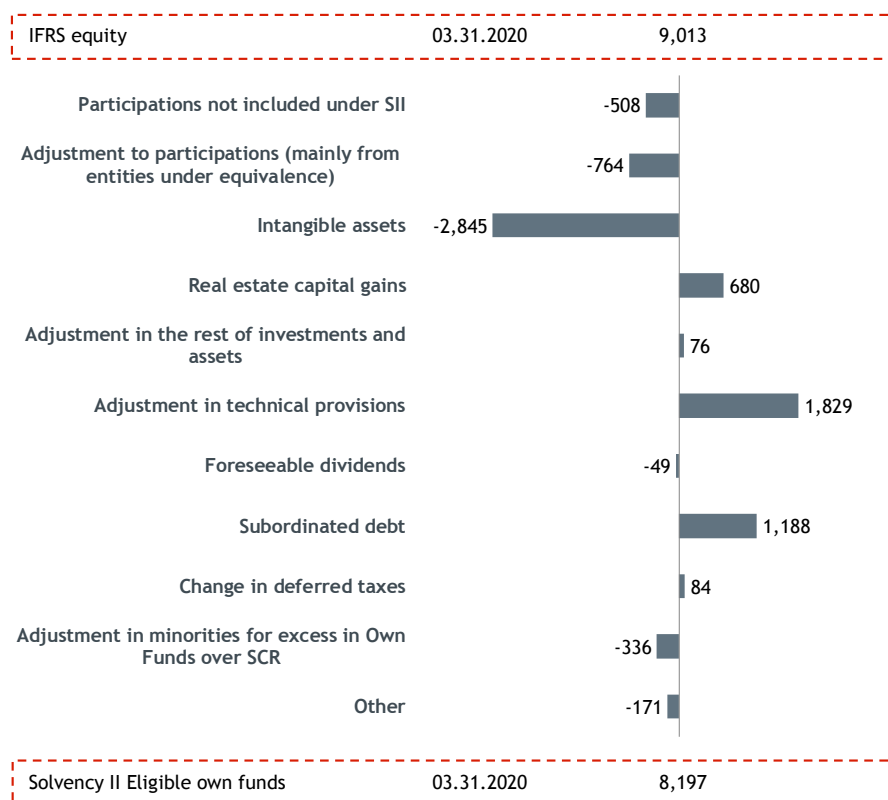
market value of the financial investment market and the subsequent fall in the market sub-risks (all sub-risks go down except for real estate).

Impact of transitional measures and matching volatility adjustments

Ratio at 03.31.2020	177.2%
Impact transitional for technical provisions	-13.2%
Impact equity transitional	-0.2%
Total ratio without transitionals	163.8%

Ratio at 03.31.2020	177.2%
Impact Matching adjustment	-2.2%
Impact Volatility adjustment	-4.5%
Total ratio without Matching and Volatility adjustments	170.6%

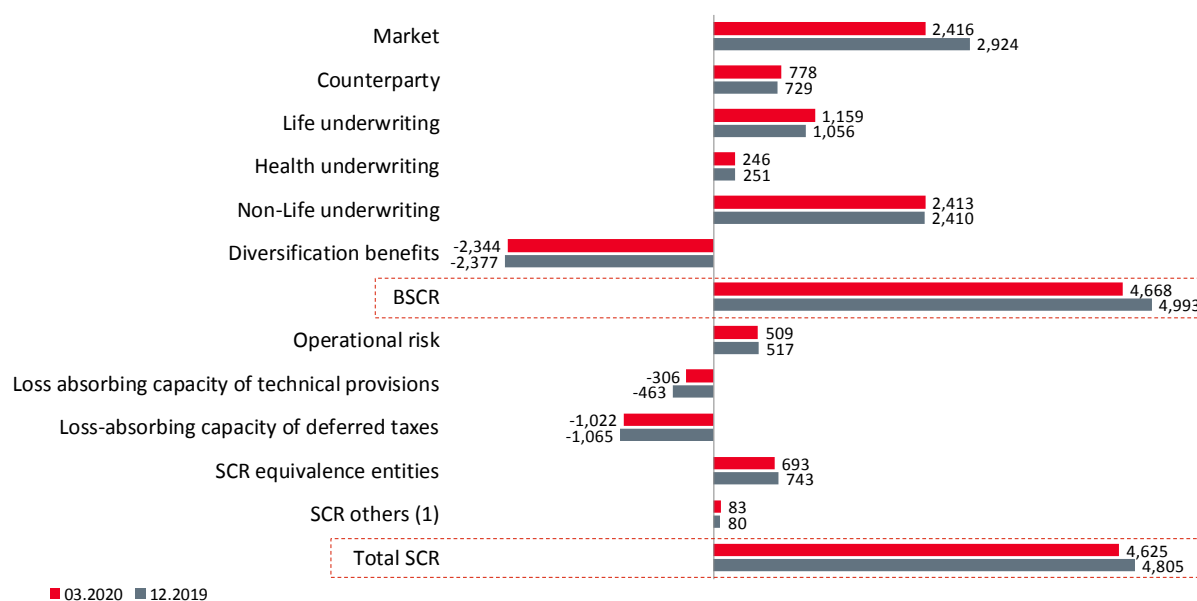
IFRS and Solvency II Capital Reconciliation



Figures in millions of euros

Breakdown of Solvency Capital Requirement (SCR)

The breakdown of the SCR calculated to March 2020 and December 2019, is as follows:



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

Figures in millions of euros

Regulatory aspects underway

MAPFRE currently has two initiatives related to aspects of Solvency II underway, focused on obtaining a better estimate of its risks:

- a. The application of a diversification benefit for credit risk for Life portfolios valued in line with the Matching Adjustment.
- b. The internal longevity model. In 2019, approval from the local Supervisor was received for the use of the internal model for longevity risk in the MAPFRE VIDA Unit. The process to use this model for the Group Solvency calculations is currently underway.

The following chart shows the impact these measures would have on the Solvency II ratio, based on figures from March 31, 2020

	03.31.2020
Solvency II Ratio	177.2%
Matching adjustment – diversification	12.0%
Internal longevity model	9.9%
Solvency II Ratio (pro-forma, combined impact)	194.2%

Main risks and uncertainties for the second half of the year

The spread of the COVID-2019 virus in 2020 is causing impacts that are still uncertain. Information on the development and future outlooks regarding the pandemic are included in Section 2.1.1 and throughout the entirety of the report.

9. Market Consistent Embedded Value (MCEV) 2019

The breakdown of the Market Consistent Embedded Value (MCEV) for 2019 is below. The MCEV reached 7.9 billion euros at the close of 2019, representing an increase of 20.5 percent compared to the previous year.

This increase comes from the following factors:

- a. Changes in model: The duration of projections has been increased from 2030 to natural life in Banco do Brasil's annual renewable business.
- b. Fall in discount rates in main currencies: This caused an increase in Value In Force (VIF) and a reduction in expected financial income.
- c. Favorable variation in experience: This generated an actual profit in 2019 higher than the previous year's estimate under MCEV, with risk-free returns.
- d. Value added by new business: Good performance due to an increase in the volume of premiums.

	2019	Δ %
Adjusted Net Asset Value (ANAV)⁽¹⁾	2,246.6	5.7%
Value of In-force Business (VIF)⁽¹⁾	5,607.9	27.7%
Market Consistent Embedded Value (MCEV)⁽¹⁾	7,854.5	20.5%
Attributable to the Parent Company	4,920.6	8.5%
Attributable to Non Controlling Interests	2,933.9	48.0%
Return on Embedded Value (RoEV)	6.6%	2.9 p.p.
Present Value of New Business Income (PVNBI)⁽¹⁾	6,608.3	36.1%
Value added by new business⁽¹⁾	418.8	35.6%
New business margin	6.3%	0.0 p.p.

Figures in millions of euros

(1) Not adjusted for the part corresponding to non-controlling interests

10. Ratings

In April, Moody's reaffirmed MAPFRE ASISTENCIA's rating at "A2" with outlook stable.

In the first quarter, MAPFRE requested the withdrawal of this rating, which took place in June.

At the end of April, Fitch confirmed MAPFRE S.A.'s credit rating and the financial strength rating of its subsidiaries.

The chart below details the current credit ratings for companies registered in Spain:

	S&P	Fitch	A.M. Best
MAPFRE S.A. - Issuer	A- (Stable)	A- (Stable)	-
MAPFRE S.A. - Senior debt	A-	BBB+	-
MAPFRE S.A. - Subordinated debt	BBB	BBB-	-
Financial strength			
- MAPFRE RE	A+ (Stable)	A+ (Stable)	A (Stable)
- MAPFRE ESPAÑA	-	A+ (Stable)	A (Stable)
- MAPFRE VIDA	-	A+ (Stable)	-
- MAPFRE ASISTENCIA	-	A+ (Stable)	-

The current credit ratings of the main group entities registered outside of Spain are as follows:

Company	Country	Rating type	Rating	Outlook
Fitch				
MAPFRE SIGORTA A.S.	Turkey	Financial strength	AA+ (tur)	Stable
MAPFRE SEGUROS GENERALES DE COLOMBIA	Colombia	Financial strength	AA (col)	Stable
A.M. Best				
MAPFRE U.S.A. Group	USA	Financial strength	A	Stable
MAPFRE PRAICO	Puerto Rico	Financial strength	A	Stable
MAPFRE MÉXICO	Mexico	Financial strength	A	Stable

11. The MAPFRE Share. Dividend Information.

In the first half of 2020, the price of MAPFRE S.A. shares decreased 32.9 percent, compared to a 40.7 percent decrease in the IBEX Banks index, comprising the six Spanish banks with the greatest market cap.

According to the data published by the Spanish Stock Market (BME), on this platform an average of 7,262,103 MAPFRE shares were traded daily and the

average daily effective value reached 13.0 million euros.

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

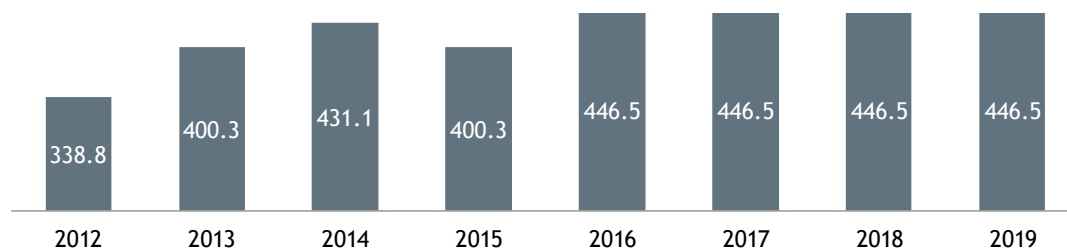
Stock Market Information

	2019	1H 2020
Total outstanding shares	3,079,553,273	3,079,553,273
Market cap (million euros, at close of the period)	7,268	4,878
Market value ratios (euros / share)	2019	1H 2020
Earnings (last 12 months)	0.198	0.164
Book value (at close of the period)	2.875	2.709
Dividend (last 12 months)	0.145	0.145
P/BV (at close of period)	0.821	0.585
Share price (euros / share)	2019	1H 2020
Share value (at beginning of the period)	2.320	2.360
Share value (at close of the period)	2.360	1.584
Price variation in the period	1.7%	-32.9%
Period high	2.750	2.434
Period low	2.250	1.370
Trading volume	2019	1H 2020
Average number of shares traded daily	5,128,636	7,262,103
Average daily effective value (million euros)	12.9	13.0

Dividend and Payout

On June 25, the final dividend of 0.0858 euros gross per share was paid, after having proportionately applied the amount corresponding to treasury stock to the remaining shares.

Dividends paid against results

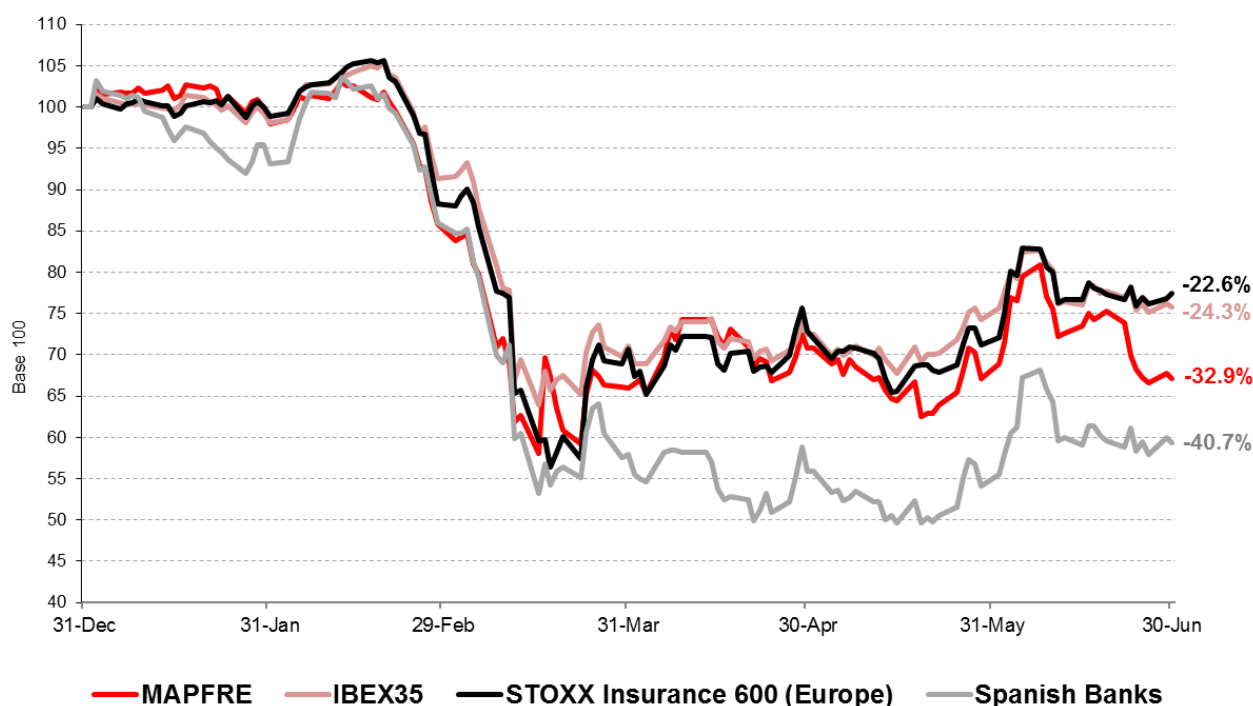


	2012	2013	2014	2015	2016	2017	2018	2019
Earnings per share (euros)	0.22	0.26	0.27	0.23	0.25	0.23	0.17	0.20
Dividend per share (euros)	0.11	0.13	0.14	0.13	0.145	0.145	0.145	0.145
Payout (%)	50.9%	50.6%	51.0%	56.5%	57.6%	63.7%	84.4%	73.3%

Million euros

The cash dividend paid against 2019 results and adjusted for treasury stock reached 0.146 euros gross per share.

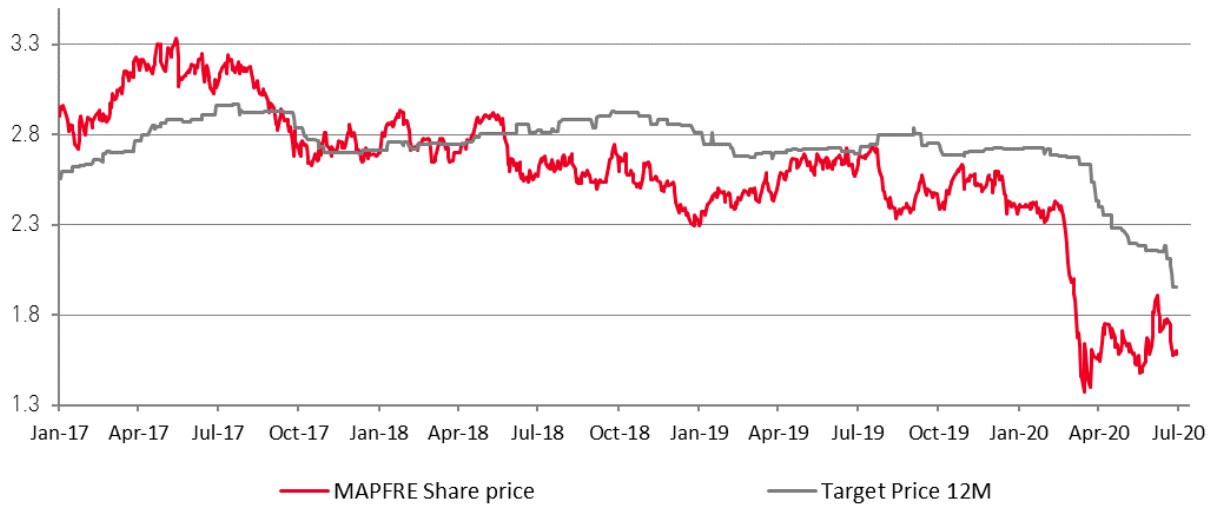
Share Performance: December 31, 2019 – June 30, 2020



Source: Bloomberg and own calculations

Spanish Banks: the six Spanish banks with the greatest market cap

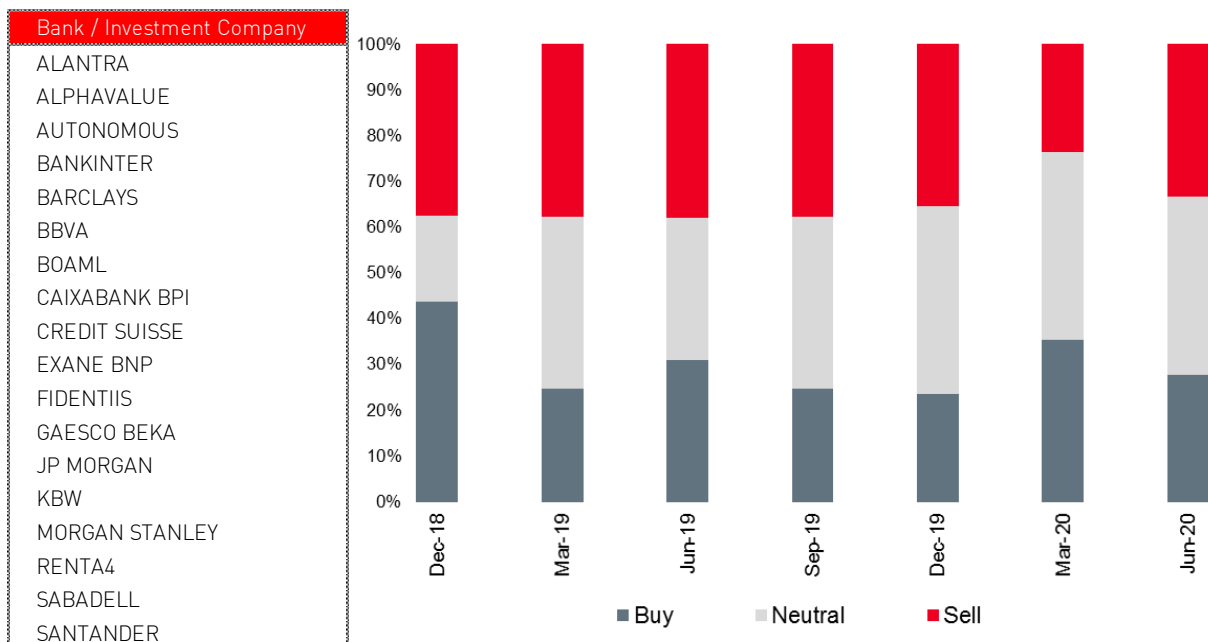
Target price (average provided by analysts) and share price: January 1, 2017 – June 30, 2020



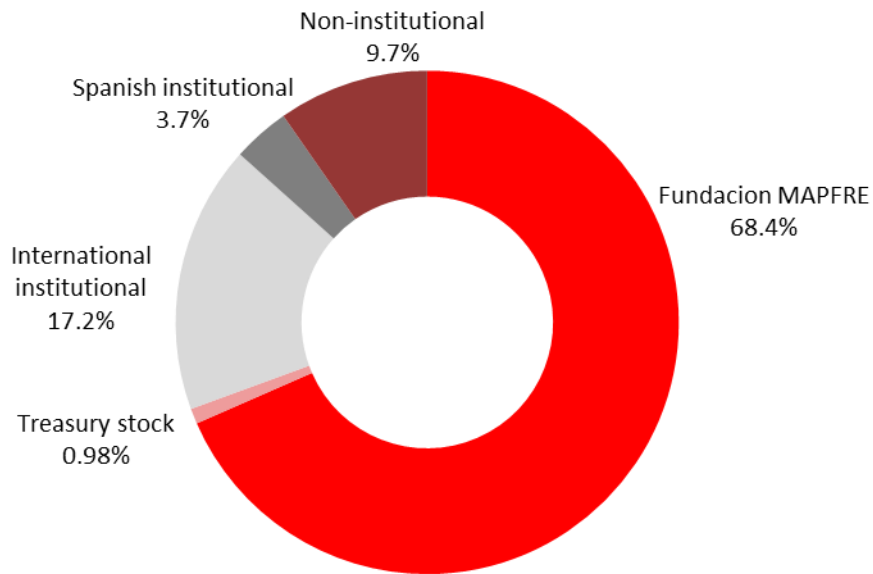
Source: Bloomberg

The average target price for the MAPFRE share stands at 2.12 euros at June 30, 2020, based on reports from the analysts covering the company.

Analyst coverage: Recommendation summary



Shareholder composition to June 30, 2020



12. Accolades received in the quarter

Group

MAPFRE holds its place as the sixth largest European Non-Life insurer

MAPFRE is one of the top 15 European insurers, according to the latest annual ranking prepared by MAPFRE Economics, MAPFRE's economic research area, and published by Fundación MAPFRE. Specifically, it held its positions in 2019, both eleventh position in the global ranking, and sixth position for Non-Life insurers.

MAPFRE, the seventh strongest insurance brand in the world, according to Brand Finance

MAPFRE is the seventh strongest insurance brand in the world, up ten positions from last year, according to the Brand Finance ranking, which analyzes the relative brand strength based on various parameters, such as marketing investment and corporate reputation, among others.

Spain

MAPFRE is one of the most socially committed companies acting against COVID-19

MAPFRE is among the 20 companies that are showing the greatest levels of commitment and social responsibility in light of the situation the country is experiencing as a consequence of the pandemic deriving from the coronavirus and leads the insurance sector ranking, according to the extraordinary ranking prepared by MERC0 (Corporate Reputation Business Monitor).

Regulatory agency names MAPFRE as the only internationally active Spanish insurance group

The DGSFP (Directorate General for Insurance and Pension Funds) has classified MAPFRE as the only internationally active insurance group (IAIG) in Spain to apply the common framework for the supervision of international insurance groups.

Antonio Huertas, leader in digital identity in Spain

Antonio Huertas tops the ranking of CEOs with the best digital identity in Spain, according to the results of the sixth annual Digital Investment Report by financial advisory firm Feelcapital.

MAPFRE Open Innovation, recognized as best practice by Aceleración Global

MAPFRE Open Innovation (MOI), MAPFRE's open innovation platform, has been recognized as a best practice in the Spanish corporate ecosystem, in the report prepared by investigators from Deusto Business School, Universidad Autónoma de Madrid, and Universidad Pontificia de Comillas-Icade, and sponsored by Santander Universidades.

Other countries and business units

MAPFRE remains one of the top 25 companies in Latin America in terms of reputation, according to Merco

MAPFRE maintains its position at number 21 in the list of companies with the best reputation in Latin America, according to the latest MERC0 ranking, and leads the insurance industry ranking for the region.

13. Events Subsequent to Closing

BANKIA MAPFRE VIDA, CAJA GRANADA VIDA and CAJAMURCIA VIDA Merger

MAPFRE VIDA and BANKIA have reached an exclusive strategic alliance for the development, commercialization and distribution as bancassurance, through the BANKIA network, of Life and Accident insurance underwritten by BANKIA MAPFRE VIDA in all of Spain. By virtue of this agreement, in 2019, MAPFRE acquired 51 percent of CAJA GRANADA VIDA and of CAJAMURCIA VIDA.

As all three companies are investee companies with the same shareholders and the same proportion of ownership (51 percent MAPFRE VIDA; 49 percent

BANKIA), and as their business objective is focused on Life and Accident insurance operations, the Annual General Meetings of the three companies approved the merger on July 23, 2020, by means of the absorption of CAJA GRANADA VIDA and CAJAMURCIA VIDA by BANKIA MAPFRE VIDA, effective in accounting as of January 1, 2020.

This merger will imply the integration and pooling of the professional teams and other resources used in insurance activity, for a more efficient use of these resources.

The operation is pending the corresponding administrative authorization.

14. Appendixes

14.1. Consolidated Balance Sheet

ITEM	DECEMBER 2019	JUNE 2020
A) INTANGIBLE ASSETS	3,300.1	3,239.91
I. Goodwill	1,773.2	1,687.35
II. Other intangible assets	1,526.9	1,552.56
B) PROPERTY, PLANT AND EQUIPMENT	1,377.2	1,325.08
I. Real estate for own use	1,111.6	1,071.28
II. Other fixed assets	265.5	253.80
C) INVESTMENTS	47,363.3	45,305.95
I. Real estate investments	1,323.4	1,330.44
II. Financial investments		
1. Held-to-maturity portfolio	1,973.4	1,742.14
2. Available-for-sale portfolio	37,085.2	36,301.57
3. Trading portfolio	5,937.3	4,872.68
III. Investments recorded by applying the equity method	207.8	330.48
IV. Deposits established for accepted reinsurance	543.7	514.34
V. Other investments	292.5	214.30
D) INVESTMENTS ON BEHALF OF LIFE INSURANCE POLICYHOLDERS BEARING THE INVESTMENT RISK	2,510.2	2,316.96
E) INVENTORIES	60.5	57.73
F) PARTICIPATION OF REINSURANCE IN TECHNICAL PROVISIONS	6,386.1	6,214.07
G) DEFERRED TAX ASSETS	307.0	240.02
H) RECEIVABLES	6,069.4	6,470.40
I. Receivables on direct insurance and co-insurance operations	3,945.1	4,492.82
II. Receivables on reinsurance operations	934.3	947.11
III. Tax receivables		
1. Tax on profits receivable	245.5	192.48
2. Other tax receivables	163.7	153.33
IV. Corporate and other receivables	780.8	684.67
V. Shareholders, called capital	0.0	0.00
I) CASH	2,537.5	2,655.33
J) ACCRUAL ADJUSTMENTS	2,217.3	2,036.76
K) OTHER ASSETS	117.2	112.40
L) NON-CURRENT ASSETS HELD FOR SALE AND FROM DISCONTINUED OPERATIONS	264.2	196.59
TOTAL ASSETS	72,509.9	70,171.20

Figures in millions of euros

ITEM	DECEMBER 2019	JUNE 2020
A) EQUITY	10,106.0	9,542.2
I. Paid-up capital	307.95	307.96
II. Share premium	1,506.7	1,506.7
III. Reserves	6,917.6	7,073.5
IV. Interim dividend	(184.8)	0.0
V. Treasury Stock	(63.8)	(63.4)
VI. Result attributable to controlling company	609.2	270.7
VII. Other equity instruments	0.0	0.0
VIII. Valuation change adjustments	1,003.7	910.2
IX. Currency conversion differences	(1,240.2)	(1,664.0)
Equity attributable to the controlling company's shareholders	8,856.3	8,341.6
Non-controlling interests	1,251.7	1,200.6
B) SUBORDINATED LIABILITIES	1,121.1	1,118.5
C) TECHNICAL PROVISIONS	48,521.4	47,053.4
I. Provisions for unearned premiums and unexpired risks	8,243.3	8,201.9
II. Provisions for life insurance	26,584.1	25,583.2
III. Provision for outstanding claims	12,624.0	12,105.3
IV. Other technical provisions	1,069.9	1,162.9
D) TECHNICAL PROVISIONS FOR LIFE INSURANCE WHERE POLICYHOLDERS BEAR THE INVESTMENT RISK	2,510.2	2,317.0
E) PROVISIONS FOR RISKS AND EXPENSES	709.3	580.5
F) DEPOSITS RECEIVED ON CEDED AND RETROCEDED REINSURANCE	68.1	106.6
G) DEFERRED TAX LIABILITIES	703.1	635.1
H) DEBT	8,318.9	8,392.0
I. Issue of debentures and other negotiable securities	1,004.8	997.0
II. Due to credit institutions	847.8	952.6
III. Other financial liabilities	1,913.1	1,840.5
IV. Due on direct insurance and co-insurance operations	928.1	1,015.4
V. Due on reinsurance operations	1,541.1	1,609.6
VI. Tax liabilities		
1. Tax on profits to be paid	101.2	112.2
2. Other tax liabilities	358.2	346.8
VII. Other debts	1,624.7	1,517.8
I) ACCRUAL ADJUSTMENTS	315.9	361.7
J) LIABILITIES LINKED TO NON-CURRENT ASSETS HELD FOR SALE AND FROM DISCONTINUED OPERATIONS	135.9	64.3
TOTAL EQUITY AND LIABILITIES	72,509.9	70,171.2

Figures in millions of euros

14.2. Consolidated Income Statement

ITEM	JUNE 2019	JUNE 2020
I. REVENUE FROM INSURANCE BUSINESS		
1. Premiums earned, net		
a) Written premiums, direct insurance	10,756.7	9,129.5
b) Premiums from accepted reinsurance	1,771.6	1,853.2
c) Premiums from ceded reinsurance	(2,370.2)	(2,065.6)
d) Variations in provisions for unearned premiums and unexpired risks		
Direct insurance	(1,070.6)	(511.8)
Accepted reinsurance	(116.0)	(66.7)
Ceded reinsurance	442.5	61.0
2. Share in profits from equity-accounted companies	2.6	3.6
3. Revenue from investments		
a) From operations	1,320.5	1,056.1
b) From equity	118.4	76.8
4. Gains on investments on behalf of life insurance policyholders bearing the investment risk	165.6	59.4
5. Other technical revenue	33.7	36.3
6. Other non-technical revenue	28.9	29.3
7. Positive foreign exchange differences	639.8	827.5
8. Reversal of the asset impairment provision	24.3	25.6
TOTAL REVENUE FROM INSURANCE BUSINESS	11,747.7	10,514.2
II. INSURANCE BUSINESS EXPENSES		
1. Incurred claims for the year, net		
a) Claims paid and variation in provision for claims, net		
Direct insurance	(6,000.0)	(5,697.7)
Accepted reinsurance	(1,087.1)	(1,186.7)
Ceded reinsurance	913.3	1,232.0
b) Claims-related expenses	(409.0)	(393.5)
2. Variation in other technical provisions, net	(562.2)	342.7
3. Profit sharing and returned premiums	(16.1)	(28.3)
4. Net operating expenses		
a) Acquisition expenses	(2,476.9)	(2,349.5)
b) Administration expenses	(362.6)	(375.4)
c) Commissions and participation in reinsurance	307.7	347.8
5. Share in losses from equity-accounted companies	(0.0)	0.0
6. Investment expenses		
a) From operations	(341.8)	(470.7)
b) From equity and financial accounts	(37.5)	(13.8)
7. Losses on investments on behalf of life insurance policyholders bearing the investment risk	(11.5)	(259.3)
8. Other technical expenses	(80.2)	(94.3)
9. Other non-technical expenses	(77.7)	(60.7)
10. Negative foreign exchange differences	(636.2)	(801.5)
11. Allowance to the asset impairment provision	(44.7)	(35.3)
TOTAL EXPENSES FROM INSURANCE BUSINESS	(10,922.7)	(9,844.2)
RESULT FROM THE INSURANCE BUSINESS	825.0	669.9
III. OTHER ACTIVITIES		
1. Operating revenue	162.7	143.7
2. Operating expenses	(207.3)	(218.8)
3. Net financial income		
a) Financial income	22.0	26.8
b) Financial expenses	(43.6)	(49.5)
4. Results from non-controlling interests		
a) Share in profits from equity-accounted companies	3.6	3.0
b) Share in losses from equity-accounted companies	(0.0)	(0.0)
5. Reversal of asset impairment provision	0.8	6.3
6. Allowance to the asset impairment provision	(4.1)	(36.3)
7. Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations	0.0	0.0
RESULT FROM OTHER ACTIVITIES	(65.9)	(124.9)
IV. RESULT ON RESTATEMENT OF FINANCIAL ACCOUNTS	(9.8)	(8.6)
V. RESULT BEFORE TAXES	749.2	536.5
VI. TAX ON PROFITS	(207.8)	(130.4)
VII. RESULT AFTER TAX	541.5	406.1
VIII. RESULT AFTER TAX FROM DISCONTINUED OPERATIONS	0.0	0.0
IX. RESULT FOR THE FINANCIAL YEAR	541.5	406.1
1. Attributable to non-controlling interests	167.0	135.4
2. Attributable to the controlling company	374.5	270.7

Figures in millions of euros

14.3. Key Figures by Business Unit. Quarterly Breakdown.

Period	2019				2020				Δ Annual Apr.-Jun. 2020/2019
	Jan.-Mar.	Apr.-Jun.	Jul.-Sept.	Sept.-Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sept.	Sept.-Dec.	
Consolidated figures									
Total consolidated revenue	7,674.8	7,376.3	6,567.4	6,853.8	7,332.8	5,944.2	--	--	-19.4%
Written and accepted premiums - Total	6,398.6	6,129.6	5,119.1	5,396.5	6,097.5	4,885.2	--	--	-20.3%
Written and accepted premiums - Non-Life	4,999.2	4,704.8	3,863.9	3,991.2	4,897.5	3,865.3	--	--	-17.8%
Written and accepted premiums - Life	1,399.4	1,424.8	1,255.2	1,405.3	1,200.0	1,019.9	--	--	-28.4%
Net result	188.1	186.4	88.4	146.3	126.8	143.9	--	--	-22.8%
Combined ratio	95.9%	96.0%	97.2%	101.4%	100.0%	93.1%	--	--	-2.9 p.p.
Loss ratio	67.3%	67.6%	68.9%	72.2%	70.8%	64.0%	--	--	-3.5 p.p.
Expense ratio	28.6%	28.4%	28.3%	29.2%	29.2%	29.1%	--	--	0.7 p.p.
Figures by business unit									
Written and accepted premiums - Total									
IBERIA	2,525.4	1,812.0	1,625.2	1,755.2	2,415.2	1,562.5	--	--	-13.8%
BRAZIL	966.8	1,089.4	1,044.1	877.2	838.0	774.0	--	--	-29.0%
NORTH AMERICA	550.6	665.2	601.9	514.0	510.5	605.3	--	--	-9.0%
EURASIA	527.3	423.8	350.4	394.1	473.2	302.6	--	--	-28.6%
LATAM SOUTH	397.7	409.6	383.0	406.4	371.1	355.7	--	--	-13.2%
LATAM NORTH	404.0	848.1	318.4	402.5	484.2	402.4	--	--	-52.6%
MAPFRE RE	1,541.1	1,262.9	1,279.0	1,497.4	1,413.6	1,496.4	--	--	18.5%
MAPFRE ASISTENCIA	232.8	219.4	232.1	176.7	219.7	118.0	--	--	-46.2%
Written and accepted premiums - Non-Life									
IBERIA	1,873.9	1,174.4	1,066.1	1,178.3	1,943.8	1,147.0	--	--	-2.3%
BRAZIL	602.8	680.6	658.1	533.4	500.5	501.5	--	--	-26.3%
NORTH AMERICA	549.6	664.0	600.7	513.0	509.6	604.7	--	--	-8.9%
EURASIA	442.1	343.4	295.3	322.4	393.9	249.2	--	--	-27.4%
LATAM SOUTH	342.8	342.3	323.8	346.5	310.7	298.2	--	--	-12.9%
LATAM NORTH	280.7	744.6	223.1	299.3	342.6	301.5	--	--	-59.5%
MAPFRE RE	1,421.8	1,136.7	1,179.7	1,248.5	1,304.8	1,376.8	--	--	21.1%
MAPFRE ASISTENCIA	232.8	219.4	232.1	176.7	219.7	118.0	--	--	-46.2%
Written and accepted premiums - Life									
IBERIA	651.6	637.6	559.1	576.9	471.5	415.4	--	--	-34.8%
BRAZIL	364.0	408.8	386.0	343.8	337.5	272.5	--	--	-33.3%
NORTH AMERICA	1.0	1.1	1.2	1.0	0.9	0.6	--	--	-44.3%
EURASIA	85.2	80.3	55.1	71.7	79.4	53.4	--	--	-33.5%
LATAM SOUTH	55.0	67.3	59.2	59.8	60.4	57.5	--	--	-14.6%
LATAM NORTH	123.3	103.5	95.4	103.2	141.6	100.9	--	--	-2.5%
MAPFRE RE	119.3	126.3	99.3	248.9	108.8	119.6	--	--	-5.2%
MAPFRE ASISTENCIA	--	--	--	--	--	--	--	--	--

Figures in millions of euros

Period	2019				2020				Δ Annual Apr.-Jun. 2020/2019
	Jan.-Mar.	Apr.-Jun.	Jul.-Sept.	Sept.- Dec.	Jan.-Mar.	Apr.-Jun.	Jul.-Sept.	Sept.-Dec.	
Net result									
IBERIA	119.6	112.1	117.6	148.5	103.2	118.0	--	--	5.2%
BRAZIL	24.4	24.4	21.5	26.6	28.8	31.5	--	--	29.0%
NORTH AMERICA	13.4	32.2	19.1	14.0	24.0	29.3	--	--	-9.1%
EURASIA	(2.0)	1.5	3.8	11.9	5.0	18.0	--	--	--
LATAM SOUTH	10.5	15.2	12.5	16.6	13.1	14.3	--	--	-6.1%
LATAM NORTH	13.3	15.6	13.0	21.2	23.1	20.5	--	--	31.0%
MAPFRE RE	51.5	33.4	17.2	(44.6)	(29.4)	(22.3)	--	--	-166.7%
MAPFRE ASISTENCIA	(4.0)	(1.6)	(80.0)	(2.4)	(11.9)	(1.4)	--	--	14.5%
Holdings and consolidation adjustments	(38.6)	(46.4)	(36.2)	(45.5)	(29.0)	(64.0)	--	--	-37.9%
Combined ratio									
IBERIA	92.6%	95.1%	93.8%	95.9%	96.5%	90.9%	--	--	-4.2 p.p.
BRAZIL	95.4%	87.6%	90.0%	95.7%	95.0%	81.1%	--	--	-6.6 p.p.
NORTH AMERICA	99.9%	100.1%	99.1%	102.3%	101.7%	96.2%	--	--	-3.9 p.p.
EURASIA	108.5%	107.2%	104.9%	103.6%	101.5%	92.1%	--	--	-15.1 p.p.
LATAM SOUTH	95.5%	96.0%	101.1%	107.6%	97.3%	89.5%	--	--	-6.5 p.p.
LATAM NORTH	96.2%	90.1%	101.6%	91.3%	90.9%	84.2%	--	--	-5.9 p.p.
MAPFRE RE	92.2%	96.6%	100.5%	114.1%	109.3%	104.4%	--	--	7.8 p.p.
MAPFRE ASISTENCIA	104.9%	101.7%	106.3%	100.5%	110.2%	87.8%	--	--	-13.9 p.p.
Loss ratio									
IBERIA	71.2%	74.0%	72.8%	74.5%	73.7%	67.6%	--	--	-6.4 p.p.
BRAZIL	59.5%	54.6%	54.1%	52.0%	60.3%	44.8%	--	--	-9.8 p.p.
NORTH AMERICA	71.4%	71.6%	70.4%	73.9%	71.8%	63.1%	--	--	-8.6 p.p.
EURASIA	81.6%	81.1%	79.9%	77.3%	76.1%	66.9%	--	--	-14.3 p.p.
LATAM SOUTH	60.6%	60.8%	64.2%	67.4%	61.9%	46.3%	--	--	-14.5 p.p.
LATAM NORTH	64.9%	59.8%	69.8%	60.0%	61.7%	60.5%	--	--	0.7 p.p.
MAPFRE RE	61.6%	64.7%	69.7%	85.3%	75.9%	75.0%	--	--	10.2 p.p.
MAPFRE ASISTENCIA	64.4%	58.2%	64.6%	61.8%	67.0%	43.2%	--	--	-15.0 p.p.
Expense ratio									
IBERIA	21.5%	21.1%	21.0%	21.4%	22.8%	23.3%	--	--	2.2 p.p.
BRAZIL	35.9%	33.0%	35.9%	43.7%	34.7%	36.2%	--	--	3.2 p.p.
NORTH AMERICA	28.5%	28.5%	28.7%	28.4%	29.9%	33.1%	--	--	4.7 p.p.
EURASIA	27.0%	26.1%	25.0%	26.3%	25.4%	25.2%	--	--	-0.8 p.p.
LATAM SOUTH	34.9%	35.2%	37.0%	40.1%	35.5%	43.2%	--	--	8.0 p.p.
LATAM NORTH	31.3%	30.3%	31.8%	31.3%	29.2%	23.7%	--	--	-6.6 p.p.
MAPFRE RE	30.6%	31.9%	30.8%	28.8%	33.4%	29.4%	--	--	-2.5 p.p.
MAPFRE ASISTENCIA	40.6%	43.5%	41.7%	38.7%	43.1%	44.6%	--	--	1.1 p.p.

Figures in millions of euros

14.4. Consolidated Statement of Other Comprehensive Income

	GROSS AMOUNT		TAX ON PROFITS		ATTRIBUTABLE TO NON-CONTROLLING INTERESTS		ATTRIBUTABLE TO CONTROLLING COMPANY	
	JUNE 2019	JUNE 2020	JUNE 2019	JUNE 2020	JUNE 2019	JUNE 2020	JUNE 2019	JUNE 2020
A) CONSOLIDATED RESULT FOR THE YEAR	749.2	536.5	(207.8)	(130.4)	167.0	135.4	374.5	270.7
B) OTHER RECOGNIZED REVENUE (EXPENSES)	1,035.5	(714.7)	(229.7)	38.5	47.5	(158.8)	758.3	(517.4)
1. Financial assets available for sale	2,357.9	(330.9)	(575.5)	84.8	222.4	(42.8)	1,559.9	(203.3)
a) Valuation gains (losses)	2,454.2	(268.2)	(598.2)	70.1				
b) Amounts transferred to the income statement	(96.4)	(62.7)	22.7	14.6				
c) Other reclassifications	0.1	0.0	0.0	0.0				
2. Currency conversion differences	61.0	(562.8)	(0.1)	0.0	10.7	(139.0)	50.2	(423.8)
a) Valuation gains (losses)	46.4	(563.1)	(0.1)	0.0				
b) Amounts transferred to the income statement	0.7	(0.1)	0.0	0.0				
c) Other reclassifications	13.9	0.3	0.0	0.0				
3. Shadow accounting	(1,384.9)	186.8	346.0	(46.5)	(185.7)	23.0	(853.3)	117.3
a) Valuation gains (losses)	(1,405.5)	175.3	351.1	(43.6)				
b) Amounts transferred to the income statement	20.6	11.5	(5.1)	(2.9)				
c) Other reclassifications	0.0	0.0	0.0	0.0				
4. Equity-accounted entities	0.5	(1.0)	0.0	0.2	0.0	0.0	0.5	(0.8)
a) Valuation gains (losses)	0.5	(1.1)	0.0	0.2				
b) Amounts transferred to the income statement	0.0	0.0	0.0	0.0				
c) Other reclassifications	0.0	0.0	0.0	0.0				
5. Other recognized revenue and expenses	1.1	(6.7)	0.0	0.0	0.0	(0.0)	1.0	(6.7)
TOTALS	1,784.7	(178.2)	(437.4)	(91.9)	214.5	(23.4)	1,132.8	(246.7)

Figures in millions of euros

14.5. Income Statement by Business Unit

ITEM	IBERIA		BRAZIL		NORTH AMERICA		EURASIA		LATAM SOUTH		LATAM NORTH	
	JUNE 2019	JUNE 2020	JUNE 2019	JUNE 2020	JUNE 2019	JUNE 2020	JUNE 2019	JUNE 2020	JUNE 2019	JUNE 2020	JUNE 2019	JUNE 2020
Gross written and accepted premiums	3,048.3	3,090.8	1,283.4	1,002.0	1,213.7	1,114.4	785.6	643.1	685.1	608.9	1,025.3	644.1
Net premiums earned	2,186.8	2,164.0	963.9	706.0	930.1	833.3	478.4	435.8	373.6	294.5	315.4	391.0
Net claims incurred and variation in other technical provisions	(1,587.0)	(1,531.3)	(550.6)	(377.3)	(665.1)	(564.1)	(389.2)	(312.6)	(226.7)	(162.2)	(196.5)	(239.2)
Net operating expenses	(447.8)	(467.6)	(332.2)	(249.8)	(271.4)	(267.3)	(125.6)	(107.0)	(131.9)	(116.4)	(91.6)	(99.3)
Other technical revenue and expenses	(17.8)	(31.8)	(0.2)	(0.1)	6.4	5.3	(1.2)	(3.4)	0.9	2.0	(5.6)	(5.1)
Technical result	134.1	133.3	80.9	78.8	(0.0)	7.3	(37.7)	12.8	15.9	18.0	21.7	47.5
Net financial income	84.5	63.5	39.7	37.7	73.2	61.9	36.3	20.2	35.0	29.5	16.6	14.7
Other non-technical revenue and expenses	(19.3)	(15.5)	(0.5)	(0.1)	(13.3)	(4.7)	(0.9)	(1.6)	(0.4)	(1.0)	(0.1)	(0.3)
Result of Non-Life business	199.3	181.3	120.1	116.4	59.9	64.4	(2.2)	31.4	50.6	46.4	38.1	61.9
Gross written and accepted premiums	1,289.1	886.9	772.8	610.0	2.1	1.5	165.6	132.7	122.2	117.9	226.8	242.4
Net premiums earned	1,251.6	844.1	640.7	534.1	2.4	2.3	162.5	129.6	104.0	83.0	176.1	189.1
Net claims incurred and variation in other technical provisions	(1,497.2)	(735.8)	(304.5)	(197.4)	(0.7)	(0.6)	(311.0)	(53.1)	(102.4)	(75.9)	(137.6)	(150.1)
Net operating expenses	(127.9)	(123.2)	(305.6)	(271.8)	(1.4)	(1.3)	(10.9)	(10.9)	(49.1)	(43.7)	(49.2)	(41.4)
Other technical revenue and expenses	(13.8)	(14.5)	(0.7)	(0.5)	0.0	0.0	0.3	0.3	(0.4)	(0.4)	(1.6)	(1.5)
Technical result	(387.3)	(29.4)	30.0	64.4	0.3	0.4	(159.0)	65.9	(47.9)	(37.0)	(12.2)	(4.0)
Financial result and other non-technical revenue	512.3	153.5	83.3	18.7	0.2	0.2	166.8	(58.6)	45.6	37.1	18.6	16.0
Result of Life business	125.0	124.1	113.3	83.1	0.5	0.6	7.8	7.3	(2.3)	0.1	6.4	12.0
Result from other business activities	24.3	20.1	(0.2)	2.9	(1.1)	(1.1)	0.3	(0.3)	2.9	0.9	0.4	(2.3)
Hyperinflation adjustments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(5.9)	(4.4)	0.0	0.0
Result before tax	348.6	325.5	233.2	202.4	59.3	63.9	5.9	38.4	45.3	43.0	44.9	71.6
Tax on profits	(78.8)	(68.4)	(73.5)	(56.3)	(13.7)	(10.7)	(1.6)	(10.5)	(16.5)	(13.3)	(11.4)	(18.5)
Result from discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-controlling interests	38.1	35.9	110.8	85.8	0.0	0.0	4.8	4.9	3.1	2.3	4.5	9.5
Attributable net result	231.7	221.2	48.9	60.3	45.6	53.2	(0.6)	23.0	25.7	27.3	28.9	43.6
Loss ratio	72.6%	70.8%	57.1%	53.4%	71.5%	67.7%	81.4%	71.7%	60.7%	55.1%	62.3%	61.2%
Expense ratio	21.3%	23.1%	34.5%	35.4%	28.5%	31.4%	26.5%	25.3%	35.1%	38.8%	30.8%	26.7%
Combined ratio	93.9%	93.8%	91.6%	88.8%	100.0%	99.1%	107.9%	97.1%	95.7%	93.9%	93.1%	87.8%

ITEM	IBERIA		BRAZIL		NORTH AMERICA		EURASIA		LATAM SOUTH		LATAM NORTH	
	DECEMBER 2019	JUNE 2020	DECEMBER 2019	JUNE 2020	DECEMBER 2019	JUNE 2020	DECEMBER 2019	JUNE 2020	DECEMBER 2019	JUNE 2020	DECEMBER 2019	JUNE 2020
Investments, real estate and cash	33,512.6	32,777.6	3,756.6	2,493.2	2,459.8	2,545.7	4,304.2	4,192.0	2,005.9	1,981.3	1,454.1	1,463.2
Technical provisions	29,602.0	29,735.8	4,777.7	3,489.2	2,836.9	2,845.5	4,412.9	4,248.0	3,684.0	3,497.0	1,748.9	1,591.9
Shareholders' equity	4,186.9	4,086.3	1,011.8	783.7	1,362.5	1,422.3	709.5	700.8	558.5	566.3	438.4	450.8
ROE	12.6%	11.8%	9.6%	12.0%	6.0%	6.3%	2.2%	5.6%	9.8%	9.8%	15.2%	17.8%

Figures in millions of euros

ITEM	MAPFRE RE		MAPFRE ASISTENCIA		CONS. ADJUST. & CORPORATE AREAS		TOTAL	
	JUNE 2019	JUNE 2020	JUNE 2019	JUNE 2020	JUNE 2019	JUNE 2020	JUNE 2019	JUNE 2020
Gross written and accepted premiums	2,558.5	2,681.5	452.2	337.7	(1,348.0)	(1,359.7)	9,704.0	8,762.8
Net premiums earned	1,315.5	1,317.5	309.3	272.9	0.6	0.7	6,873.6	6,415.6
Net claims incurred and variation in other technical provisions	(832.0)	(993.5)	(189.2)	(154.3)	(0.5)	(0.7)	(4,636.8)	(4,335.1)
Net operating expenses	(410.4)	(410.9)	(119.1)	(112.3)	2.4	2.4	(1,927.6)	(1,828.0)
Other technical revenue and expenses	(1.3)	(1.1)	(11.1)	(7.2)	(0.0)	(0.0)	(29.9)	(41.3)
Technical result	71.8	(87.9)	(10.0)	(0.9)	2.5	2.3	279.2	211.2
Net financial income	44.7	24.2	2.3	1.4	0.8	1.1	333.2	254.1
Other non-technical revenue and expenses	(4.9)	(4.1)	0.0	0.0	(0.2)	7.3	(39.6)	(19.9)
Result of Non-Life business	111.6	(67.8)	(7.7)	0.5	3.2	10.7	572.9	445.4
Gross written and accepted premiums	245.6	228.4	0.0	0.0	0.0	0.0	2,824.3	2,219.9
Net premiums earned	202.9	201.9	0.0	0.0	0.0	0.0	2,540.4	1,984.0
Net claims incurred and variation in other technical provisions	(172.5)	(183.4)	0.0	0.0	1.5	(0.0)	(2,524.3)	(1,396.3)
Net operating expenses	(60.0)	(57.0)	0.0	0.0	(0.0)	(0.0)	(604.2)	(549.2)
Other technical revenue and expenses	(0.4)	(0.2)	0.0	0.0	(0.0)	(0.0)	(16.6)	(16.7)
Technical result	(30.1)	(38.6)	0.0	0.0	1.5	(0.0)	(604.7)	21.7
Financial result and other non-technical revenue	31.4	36.1	0.0	0.0	(1.4)	(0.0)	856.8	202.9
Result of Life business	1.3	(2.5)	0.0	0.0	0.0	(0.0)	252.1	224.6
Result from other business activities	0.0	0.0	5.8	(8.2)	(98.3)	(136.9)	(65.9)	(124.9)
Hyperinflation adjustments	0.0	0.0	(0.3)	(0.3)	(3.6)	(3.9)	(9.8)	(8.6)
Result before tax	113.0	(70.3)	(2.2)	(7.9)	(98.7)	(130.1)	749.2	536.5
Tax on profits	(28.1)	18.6	(2.7)	(4.4)	18.6	33.2	(207.8)	(130.4)
Result from discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-controlling interests	(0.0)	0.0	0.7	0.9	4.9	(4.0)	167.0	135.4
Attributable net result	84.9	(51.7)	(5.6)	(13.3)	(85.0)	(93.0)	374.5	270.7
Loss ratio	63.2%	75.4%	61.2%	56.6%			67.5%	67.6%
Expense ratio	31.3%	31.3%	42.1%	43.8%			28.5%	29.1%
Combined ratio	94.5%	106.7%	103.2%	100.3%			95.9%	96.7%

ITEM	MAPFRE RE		MAPFRE ASISTENCIA		CONS. ADJUST. & CORPORATE AREAS		TOTAL	
	DECEMBER 2019	JUNE 2020	DECEMBER 2019	JUNE 2020	DECEMBER 2019	JUNE 2020	DECEMBER 2019	JUNE 2020
Investments, real estate and cash	5,076.2	5,072.5	456.4	396.4	497.1	427.6	53,522.7	51,349.5
Technical provisions	6,319.2	6,612.7	763.5	693.4	(3,113.5)	(3,343.2)	51,031.6	49,370.3
Shareholders' equity	1,746.2	1,664.6	158.7	132.8	(1,318.2)	(1,466.1)	8,854.3	8,341.6
ROE	3.4%	-4.6%	-44.4%	-51.5%			7.2%	5.9%

Figures in millions of euros

14.6. Terminology

CONCEPT	DEFINITION
TOTAL MANAGED ASSETS	Includes total balance sheet assets, pension funds, and mutual funds
MANAGED SAVINGS	Includes third party Life technical reserves, pensions funds and mutual funds
CORPORATE AREAS AND CONSOLIDATION ADJUSTMENTS	Includes the result attributable to MAPFRE RE and MAPFRE INTERNACIONAL's non-controlling interests and other concepts
GROSS RESULT	Result before taxes and non-controlling interests
MINIMUM CAPITAL REQUIREMENT (MCR)	Minimum level of capital below which the amount of financial resources should not fall
SOLVENCY CAPITAL REQUIREMENT (SCR)	Reflects a level of eligible own funds that enables insurance and reinsurance undertakings to absorb significant losses and meet their obligations to policyholders
FINANCIAL DEBT	Includes subordinated debt, senior debt and debt due to credit institutions
LEVERAGE RATIO	Financial debt / (Equity + Financial debt)
SENIOR DEBT	Issue of debentures and other negotiable securities
SUBORDINATED DEBT	Subordinated liabilities
ELIGIBLE OWN FUNDS/ EOF	Funds available to cover the Solvency Capital Requirement on an on-going basis, consisting of the insurance company's assets, free of any foreseeable liabilities, less any intangible items, and having applied another series of adjustments in line with the Solvency II regulation.
SOLVENCY RATIO	The coefficient between Eligible Own Funds and Solvency Capital Requirement
TECHNICAL AND FINANCIAL MARGIN – LIFE	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
OTHER BUSINESS ACTIVITIES	Includes the Group's non-insurance activities undertaken by the insurance subsidiaries, as well as by other subsidiaries: <ul style="list-style-type: none"> • Activities of the holding companies of MAPFRE S.A. and MAPFRE INTERNACIONAL • Non-insurance activities of the Group developed by its subsidiaries, mainly including: <ul style="list-style-type: none"> • MAPFRE INVERSIÓN (MAPFRE ASSET MANAGEMENT) • MAPFRE ASISTENCIA: Assistance and Specialty Risks • MAPFRE ESPAÑA: FUNESPAÑA (funeral services), MULTIMAP, GESTIÓN CENTROS MÉDICOS MAPFRE (medical services), CESVIMAP (research and training services) • MAPFRE INTERNACIONAL: GENEL SERVIS (vehicle repair shops in Turkey), BEE INSURANCE (advisory services in Malta), GROWTH INVESTMENTS (investment services in Malta)

PAYOUT	$(\text{Total dividend charged against earnings} / \text{Result for the year attributable to the controlling company}) \times 100$
TARGET PRICE	Average of the target prices calculated by analysts over a period of one year
COMBINED RATIO- NON-LIFE	Expense ratio + Loss ratio
EXPENSE RATIO- NON-LIFE	$(\text{Net operating expenses} - \text{other technical revenue} + \text{other technical expenses}) / \text{Net premiums earned. Figures regarding Non-Life Insurance}$
LOSS RATIO- NON-LIFE	$(\text{Incurred claims for the year, net} + \text{Variation in other technical provisions} + \text{Profit sharing and returned premiums}) / \text{Net premiums earned. Figures regarding Non-Life Insurance}$
SOLVENCY II RATIO	$\text{Eligible Own Funds} / \text{Solvency Capital Requirement (SCR)} \times 100$
DIVIDEND YIELD	$\text{Amount of dividend paid in the year} / \text{Average share price in the year}$
RESULT OF LIFE BUSINESS	Includes technical result, financial result and other non-technical revenue
ROE (RETURN ON EQUITY)	$(\text{Attributable result (see definition) for the last twelve months}) / (\text{Arithmetic mean of equity attributable to the controlling company (see definition) at the beginning and closing of the period (twelve months)}) \times 100$

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/en/financial-information/>

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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