

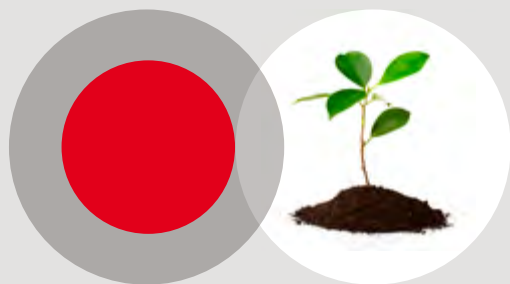


Consolidated
Annual Accounts
and Management
Report

Business Units,
Territorial Areas
and Regional Areas

Annual
Report
2015





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01



Governing bodies



Board of Directors		Steering Committee	Appointments and Remuneration Committee	Audit Committee	Risk and Compliance Committee
CHAIRMAN AND CEO	Antonio Huertas Mejías	<i>Chairman and CEO</i>			
FIRST VICE CHAIRMAN	Esteban Tejera Montalvo	<i>First Vice Chairman</i>			
SECOND VICE CHAIRMAN	Antonio Núñez Tovar	<i>Second Vice Chairman</i>			
THIRD VICE CHAIRMAN	Ignacio Baeza Gómez	<i>Member</i>			
BOARD MEMBERS	Rafael Beca Borrego				
	Adriana Casademont i Ruhí		<i>Member</i>		
	Rafael Casas Gutiérrez	<i>Member</i>			
	José Antonio Colomer Guiu			<i>President</i>	<i>Member</i>
	Georg Daschner	<i>Member</i>			<i>President</i>
	Rafael Fontoira Suris				
	María Leticia de Freitas Costa				
	Luis Hernando de Larramendi Martínez	<i>Member</i>	<i>Member</i>		
	Andrés Jiménez Herradón			<i>Member</i>	
	Alberto Manzano Martos				
	Rafael Márquez Osorio	<i>Member</i>			<i>Member</i>
	Antonio Miguel-Romero de Olano	<i>Member</i>		<i>Member</i>	<i>Member</i>
	Catalina Miñarro Brugarolas	<i>Member</i>	<i>Chairwoman</i>	<i>Member</i>	
	Alfonso Rebuella Badías		<i>Member</i>		
	SECRETARIES	Ángel L. Dávila Bermejo	<i>Secretary</i>	<i>Secretary</i>	<i>Secretary</i>
Jaime Álvarez de las Asturias Bohorques Rumeu					<i>Secretary</i>

Honorary Chairmen

Julio Castelo Matrán

José Manuel Martínez Martínez

Composition of the governing bodies resulting from the resolutions expected to be adopted on March 11, 2016.



Letter to shareholders

Dear Shareholder,

In 2015, our Group operated against an adverse backdrop, affected by extraordinary claims in the United States, very low interest rates in Europe, a depreciation of the main Latin American currencies against the euro, and higher tax rates in certain countries.

Within this context, it is worth highlighting the following aspects of MAPFRE's development:

- The outstanding results achieved in the majority of countries, especially Spain and Brazil, as well as those for the Reinsurance and Global Risks businesses.
- The growth in Non-Life premiums, both in Spain and overseas, and in reinsurance premiums, which has helped offset the contraction in Life Insurance in Spain.
- The solid development of the Life business results, thanks to improved underwriting results and stronger financial income in Brazil.

MAIN ACTIVITIES

The Board of Directors approved a set of policies, covering different issues, to strengthen MAPFRE's management model, as it relates to stakeholder relationships. In particular, the policies underline the company's commitment to meeting the recommendations set down in the Spanish National Securities and Exchange Commission's (CNMV) Code of

Good Governance for Listed Companies. Collectively, these policies represent MAPFRE's Institutional, Business and Organizational Principles, which were also ratified in 2015. Among these policies is the "Communication policy for shareholders, institutional investors and proxy advisors," which establishes the basic elements and communication channels for ensuring equality of treatment, thereby avoiding any privileged situations or market abuse.

During the year, the Group implemented a number of initiatives aligned with the execution of its main strategic objectives, focused on sustained and profitable growth:

- In April, the Group announced the signature of a share sale agreement whereby MAPFRE sold to CATALUNYA BANC its entire interests in CATALUNYACAIXA VIDA and CATALUNYACAIXA ASSEGUANCES GENERALS, held through its subsidiaries MAPFRE VIDA and MAPFRE FAMILIAR.
- In May, MAPFRE completed the acquisition of DIRECT LINE in Italy and Germany, after securing the requisite authorization from the national regulatory bodies of those countries and from the European Union competition authorities. MAPFRE then launched the integration process for both companies, which revolved around our firm commitment to multichannel sales, online direct insurance and a stronger presence in Europe.
- In September, a transaction was announced by which MAPFRE and BANKINTER would jointly acquire the BARCLAYS Life and Pensions business in Portugal. This move allows MAPFRE to reinforce its presence in the Portuguese market, where it has been operating since 1986.

In July, Standard & Poor's ratified its BBB+ issuer rating for MAPFRE and an A rating for the MAPFRE RE and MAPFRE GLOBAL RISKS subsidiaries. The agency based its decision on the strength of MAPFRE's competitive position, buttressed by its geographic and business diversification. Standard & Poor's cited the Group's strong equity position and generation of recurring earnings, as well as its sound financial flexibility, which allows it to access capital markets through several channels.

In 2015, MAPFRE and its subsidiaries continued to receive awards and accolades for their business performance, the quality of the services provided to clients and their

responsibility to their employees and society in general. One such example is the Carbon Disclosure Project's recognition of the MAPFRE Group as a global leader in taking action on climate change, including the Group in its Global Climate A list. This list comprises the top 113 global companies worldwide in relation to emissions reduction and the fight against climate change.

KEY FACTS AND FIGURES

The combined performance of our subsidiaries in 2015 is reflected in the following figures:

- Total consolidated revenues grew by 4.1 percent, reaching 26,702.2 million euros. Of that amount, 22,311.8 million euros comes from premiums, which increased by 2.3 percent over the year. By Territorial Area:
 - Written and accepted premiums in the IBERIA Territorial Area totaled 6,696.7 million euros, down 2.5 percent. This performance reflects the strong growth in the main Non-Life insurance lines, which has partially compensated for the lower premium volume in Life-Savings, resulting from low interest rates.
 - Premiums in the LATAM Territorial Area fell 9.7 percent, to 8,694.2 million euros. The reduction in premium volume is due to the depreciation of the Brazilian real and the steep drop in the Venezuelan exchange rate. In local currency terms, growth was recorded in all countries except Colombia, as a result of the non-renewal of loss-making Life contracts.
 - Businesses integrated within the INTERNATIONAL Territorial Area recorded premium volume of 4,873.1 million euros, up 39.4 percent, thanks to growth in Non-Life insurance in the United States and Turkey, the DIRECT LINE consolidation, higher Life premiums in Malta and the expansion of MAPFRE GLOBAL RISKS.
 - MAPFRE RE and its subsidiaries reported consolidated premiums of 3,731.9 million euros, up 11.6 percent, reflecting the solid performance of business from outside the Group and the positive effect of the appreciation of the U.S. dollar.

– Life insurance managed funds, pension funds and mutual funds stood at 37,917.3 million euros, a decline of 7.1 percent. Stripping out the effect of the discontinuation of the CATALUNYACAIXA businesses, growth would have been 0.3 percent.

– Consolidated net results were 708.8 million euros, a fall of 16.1 percent and earnings per share decreased from 0.27 euros per share to 0.23 euros per share. This performance reflects the reduction in the Non-Life technical result, primarily due to losses arising from the exceptional snowstorms seen in the United States and the spike in the claims ratio in Iberia and MAPFRE ASISTENCIA.

– Lastly, consolidated equity stood at 10,408.3 million euros, as against 11,469.4 in 2014. Of this amount, 1,834.6 million euros corresponds to non-controlling interests in €1.8 billion corresponds to holdings of minority shareholders in subsidiary companies. Consolidated shareholders' equity per share stood at 2.78 euros at the close of 2015, compared to 2.97 euros as at December 31, 2014.

OUR SHARE PRICE

In 2015, stock market performance was shaped by expectations surrounding future moves by the main central banks, interest rate changes, oil prices, and doubts regarding growth in China and other emerging economies, particularly Brazil. Against this backdrop, our share price fell 17.8 percent, to €2.31 per share. During the period, the Spanish stock market index IBEX 35 lost 7.2 percent, while the Dow Jones Stoxx Insurance index gained 14 percent.

DIVIDENDS

One of MAPFRE's objectives is to maintain a policy of growing dividends at the current levels of profitability, with payout of around 50 percent of the Group's earnings. In this respect, the Board of Directors has agreed to:

- pay an interim dividend against 2015 results of €0.06 per share, placing the total dividend payout for the year at €0.14 per share; and
- propose a final dividend of €0.07 per share (before tax) at the Annual General Meeting.

During the year, MAPFRE S.A. shareholders received dividends of €4.3 billion.

With 2015 firmly behind us, we now have a clear perspective of the results of our 2013-2015 Strategic Plan.

Over these three years, we have worked hard to clarify MAPFRE'S strategic focus for the coming years. The Group's new Strategic Identification was defined and approved, along with its Vision, Mission and Values. The Change Agenda was produced and the strategic initiatives, objectives and indicators were duly established, serving as a guide over these three years.

The implementation of a new global, corporate, regional and local structure was a banner achievement in the period, fitting squarely within the organization and providing a new definition of responsibilities. If the creation of the Global Corporate Areas was needed in order to develop consistent, more controlled management, there can be no doubt that setting up the Regional Areas, with a powerful management and supervision team at the helm of each of them, is proving key for the deployment of all corporate actions and policies. They also raise the level of supervision, monitoring and support for all the countries, which are the driving force behind MAPFRE's business, with highly decentralized procedures and execution.

During the three-year period from 2013 to 2015, the creation of sustainable value for shareholders was borne out through a constant payout above 50% during the period. This entailed dividend payments totaling €1.2 billion, which is in line with those paid in the previous three-year period (€1.3 billion).

Now, we are at the start of a new three-year cycle, governed by our 2016-2018 Strategic Plan, which has already been approved by the Board of Directors. The plan is titled A FOCUS ON PROFITABLE GROWTH and is underpinned by client management, digital transformation, technical management efficiency and the promotion of talent.

I would like to end this letter by expressly thanking our shareholders, our clients, the supervisory bodies, and everyone who has expressed their confidence and support in us throughout the year. I would also like to express my gratitude for all of MAPFRE's human resources teams (directors, executives, employees, delegates, agents and associates), whose efforts and activities helped us to achieve these excellent results.

Sincerely,

A handwritten signature in black ink, appearing to be 'M. G. S.', with a large, stylized flourish that loops around the letters.

03



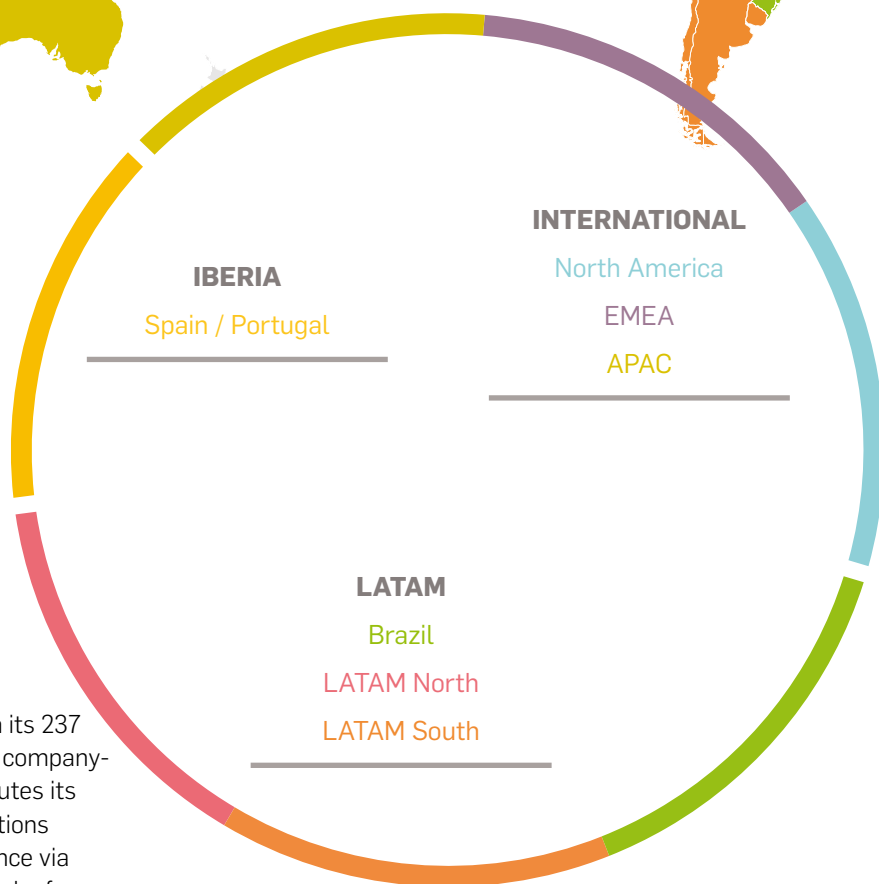
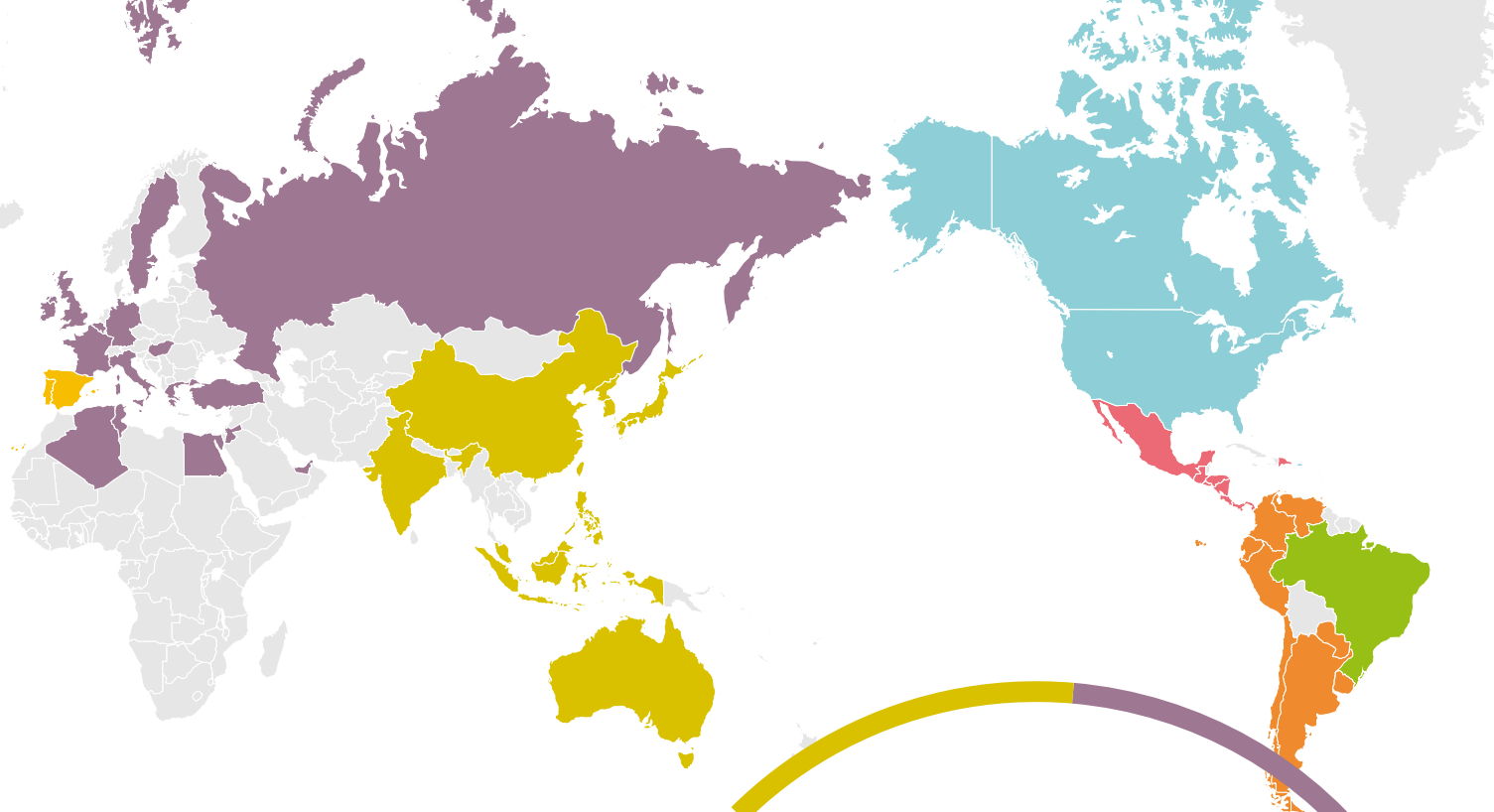
General information

MAPFRE is a global company engaged mainly in insurance and reinsurance activities which operates in over 50 countries on five continents. The Group's holding company is MAPFRE S.A., whose shares are listed on the Madrid and Barcelona Stock Exchanges. They are also listed on the IBEX35, Dow Jones STOXX Insurance, MSCI Spain, FTSE All-World Development Europe Index, FTSE4Good and FTSE4Good IBEX indices.

The majority shareholder of MAPFRE S.A. is Fundación MAPFRE, which guarantees its independence and institutional stability. Fundación MAPFRE engages in general interest activities in the fields of Social Action, Insurance and Social Protection, Culture, Accident Prevention and Road Safety, and Health Promotion.

The Group comprises four Business Units (Insurance; Assistance, Services and Specialty Risks; Global Risks; and Reinsurance), three large Territorial Areas, IBERIA, LATAM and INTERNATIONAL and seven Regional Areas: Iberia, LATAM North, LATAM South, Brazil, North America, EMEA and APAC.

MAPFRE has a broad international presence and is the largest Spanish insurance company in the world. At the close of the 2014 fiscal year, according to the latest available data, it ranked tenth in the European insurance market, where it additionally ranked fifth in Non-Life insurance, and it held first position in this segment in Latin America, where it is the second largest insurance group.



DEPLOYMENT

MAPFRE operates in a total of 51 countries through its 237 companies. At the end of 2015, MAPFRE had 5,848 company-owned offices worldwide. The company also distributes its products through 8,932 branches of banking institutions and other sales points that market MAPFRE insurance via partnership agreements. MAPFRE also has a network of over 80,000 agents and brokers, of which around 7,200 operate in the United States and more than 23,000 in Brazil.

In insurance activities, MAPFRE is the largest Spanish insurance company in the world and is the tenth largest insurance company in Europe. It is present in practically all Latin American countries - a region where it ranks second in insurance groups and is the leader in Non-Life insurance - and also in the United States - where it is one of the country's 20 largest automobile-insurance companies - as well as in Germany, the Philippines, Italy, Malta, Portugal, and Turkey.

In the Assistance segment, MAPFRE operates in 47 countries and is the sector's third largest company worldwide. Moreover, the group has a professional reinsurance company (MAPFRE RE) which is among the top 15 firms in the worldwide reinsurance ranking and does business around the globe through 19 offices and two subsidiary companies. The Group's specialized company MAPFRE GLOBAL RISKS manages global insurance programs.



Deployment

LATAM

TERRITORIAL AREA

BRAZIL

Brazil ● ● ○

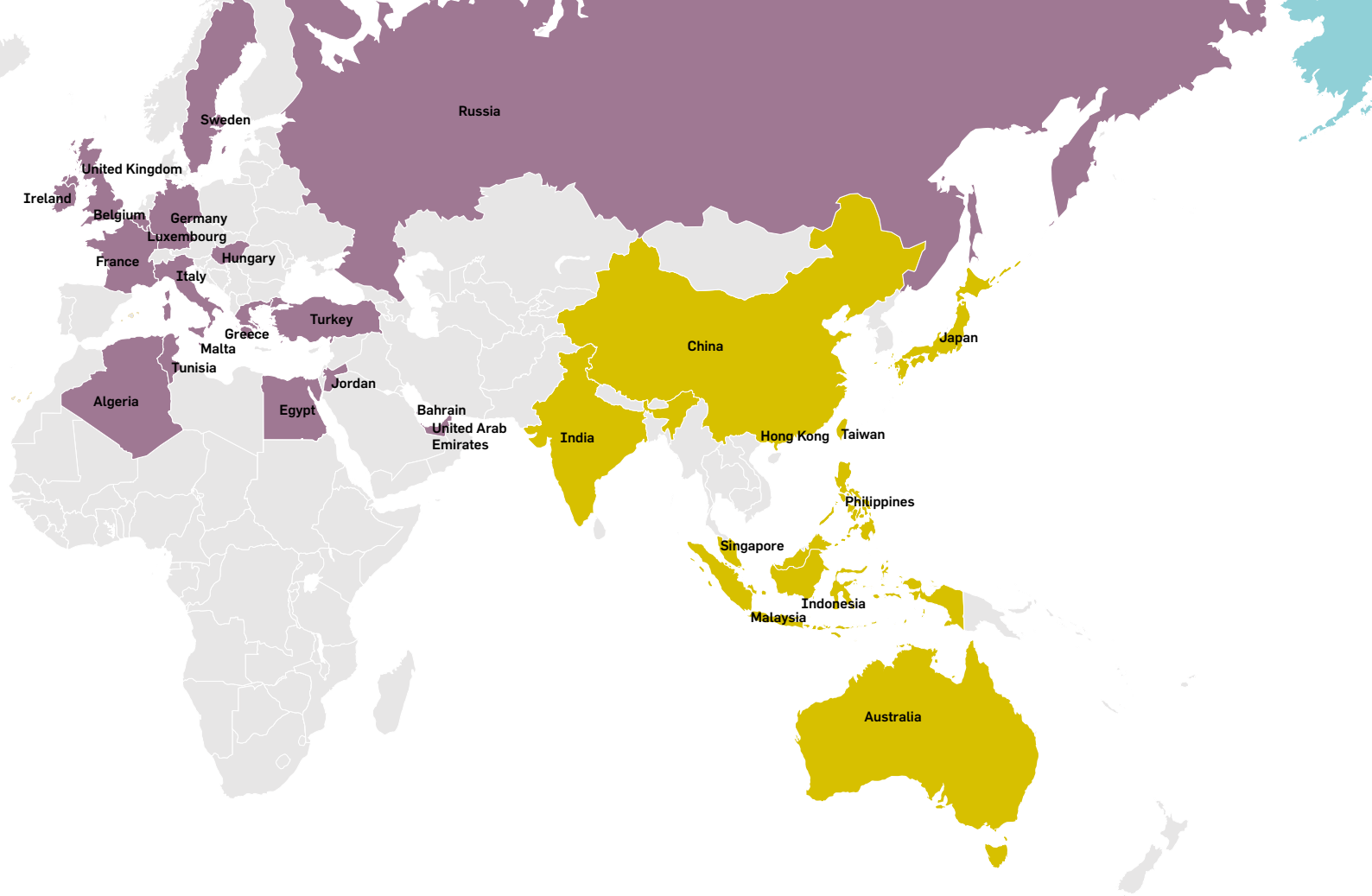
LATAM NORTH

Costa Rica ●	Honduras ● ●
Dominican Republic ● ●	Mexico ● ● ● ○
El Salvador ● ●	Nicaragua ● ●
Guatemala ● ●	Panama ● ●

LATAM SOUTH

Argentina ● ● ○	Paraguay ●
Chile ● ● ○	Peru ● ●
Colombia ● ● ○	Uruguay ● ●
Ecuador ● ●	Venezuela ● ● ○

- DIRECT INSURANCE
- ASSISTANCE
- GLOBAL RISKS
- REINSURANCE



EMEA

Algeria	•	Jordan	•
Bahrain	•	Luxembourg	•
Belgium	• ○	Malta	● •
Egypt	•	Russia	•
France	• ● ○	Sweden	•
Germany	● ● ● ○	Tunisia	•
Greece	•	Turkey	● •
Hungary	•	United Arab Emirates	•
Ireland	•	United Kingdom	• ● ● ○
Italy	● ● ● ○		

NORTH AMERICA

Canada	• ○
Puerto Rico	● •
USA	● • ○

APAC

Australia	•	Japan	•
China	• ○	Malaysia	○
Hong Kong	•	Philippines	● • ○
India	•	Singapore	○
Indonesia	•	Taiwan	•

● DIRECT INSURANCE ● GLOBAL RISKS

• ASSISTANCE ○ REINSURANCE



Deployment

IBERIA

TERRITORIAL AREA

IBERIA

Spain



Portugal



- DIRECT INSURANCE
- GLOBAL RISKS
- ASSISTANCE
- REINSURANCE

Portugal

Spain

Spain

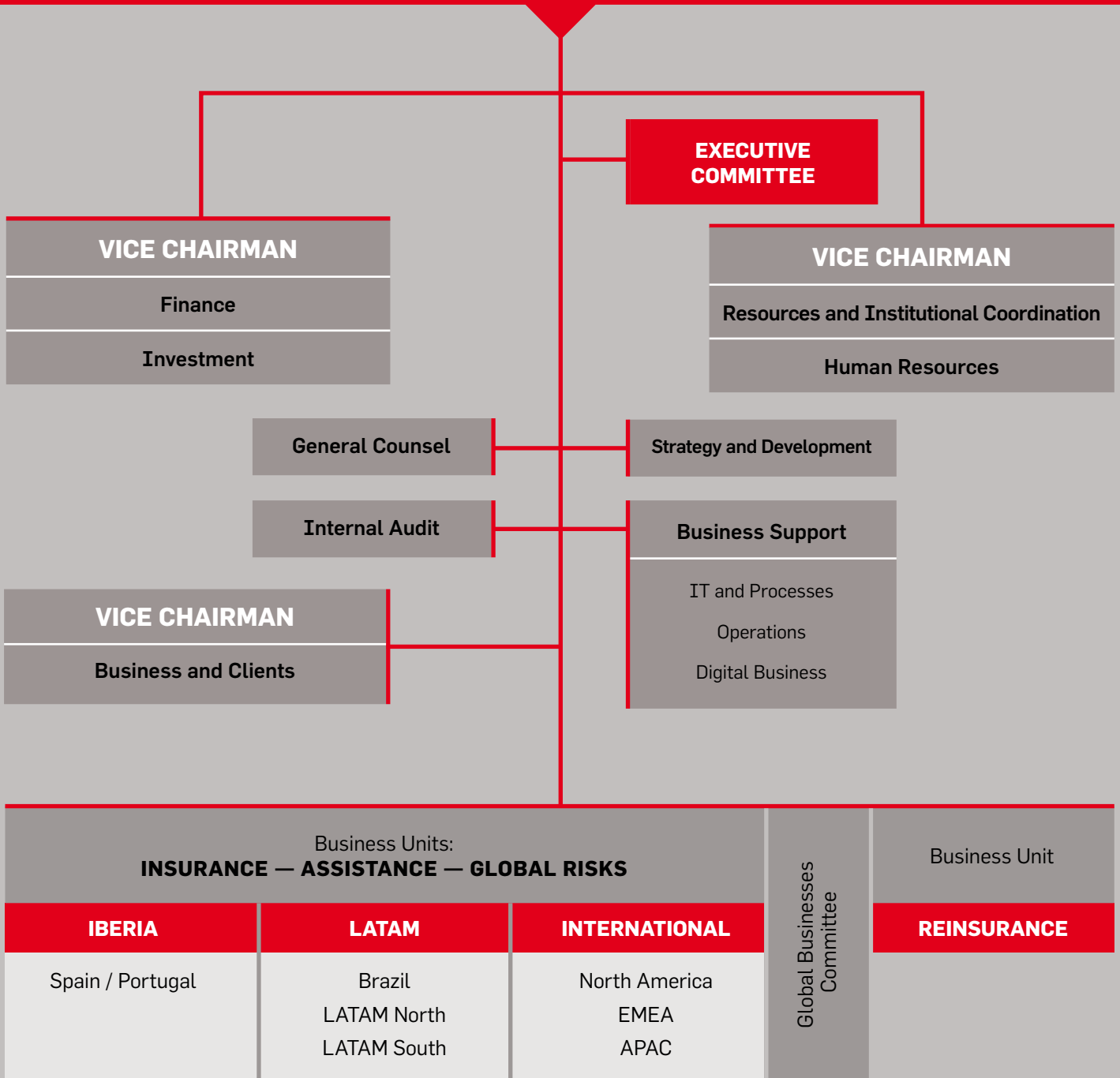
▶ **2,993** Direct offices

▶ **3,330** Bancassurance offices



MAPFRE S.A.

Antonio Huertas Chairman & CEO





04



Significant events in the year



YEAR 2015

_ JANUARY

JANUARY 9

MAPFRE Chairman and CEO Antonio Huertas describes the company's experience in Turkey during a business gathering about the Internationalization and Priority Markets Strategic Plan, hosted by the Spanish Business Council for Competitiveness (CEC).

JANUARY 13

MAPFRE Chairman and CEO Antonio Huertas takes part in a discussion panel on business opportunities in Spain during the 5th Spain Investors Day (SID).

JANUARY 15

Insure&Go, the MAPFRE ASISTENCIA subsidiary specializing in the sale of online travel insurance, wins the Silver award for "Best Travel Insurance Provider" in the British market.

JANUARY 16

MAPFRE, recognized as one of the medical insurance companies with the best reputation in Spain by the Healthcare Reputation Monitor (MRS).

JANUARY 20

MAPFRE includes digital protection coverage in its home insurance in Spain.

JANUARY 22

The Board of Directors approves new regulations and appoints independent director Rafael Beca Borrego as Supervising Director.

_ FEBRUARY

FEBRUARY 3

MAPFRE rolls out its innovation model which focuses on developing value propositions targeting its clients with the aim of fostering organic growth.

FEBRUARY 6

MAPFRE closes an agreement with MIDDLEOAK INSURANCE (USA) and starts operating in the home and automobile lines in Vermont and Maine (New England).

FEBRUARY 11

MAPFRE presents the Group's results for 2014, with revenues exceeding 26,367 million euros (up 1.8 percent) and net attributable profits of 845 million euros (up 6.9 percent).

The Board of Directors appoints Georg Daschner as a new independent director.

FEBRUARY 13

MAPFRE is recognized as the strongest worldwide car insurance brand according to the BSI (Brand Strength Index), in the study Top Social Brands, by Conzoom.

FEBRUARY 18

MAPFRE joins the Spanish Green Growth Group to fight climate change.

FEBRUARY 20

MAPFRE joins the Board of Directors of the PSI initiative (Principles for Sustainable Insurance), a global UN proposal for Environment and Financial Initiative.

_ MARCH

MARCH 3

MAPFRE INSURANCE reaches an agreement with Major League Soccer Columbus Crew SC to rename its ground the "MAPFRE Stadium".

MARCH 5

MAPFRE ASISTENCIA buys travel insurance customer portfolio of l'Européenne in Belgium.

MARCH 10

MAPFRE Chairman and CEO Antonio Huertas participates at the European Financial Services Round Table (EFR) meeting in Brussels, and the sixth annual meeting of the EFR Stakeholder Round Table between the chairmen and CEOs of international banks and insurance companies headquartered in Europe.

BB MAPFRE is chosen as the Top Employer Brazil 2015 by the Top Employers Institute international certification body.



MARCH 13

The MAPFRE Annual General Meeting approves the Group's financial statements and the proposal for the distribution of a total dividend of €0.14 per share against 2014 earnings, which represents a 7.7 percent increase on the previous year. Additionally, it appoints KPMG as the new accounts auditor for 2015, 2016 and 2017.

MARCH 16

MAPFRE signs the UN insurance sector declaration in support of disaster risk reduction.

MARCH 24

MAPFRE Chairman and CEO Antonio Huertas presides over the presentation of the report by the Spanish Business Council for Competitiveness on the growth of the Spanish economy over the coming years.

MARCH 26

BB MAPFRE opens a new call center in Franca, Sao Paulo (Brazil).

_ APRIL

APRIL 15

MAPFRE INSULAR opens first community offices for low-income clients in Ciudad Quezón (Metro Manila, Philippines).

APRIL 21

MAPFRE is recognized as one of the Best Companies To Work For in Spain according to the international human resources management consultancy firm Great Place To Work, in the category of organizations with over 1,000 employees.

APRIL 23

MAPFRE ASISTENCIA wins Innovation and Excellence award at the Corporate LiveWire Awards.

APRIL 28

For the eighth straight year, MAPFRE MEXICO is recognized as one of the best companies to work for in Mexico according to the Great Place to Work Institute.

APRIL 30

Ignacio Baeza, MAPFRE Vice Chairman, chosen as First Vice Chairman of the Spanish Association of Insurance and Reinsurance Companies, (UNESPA).

MAPFRE PARAGUAY receives Top of Mind award, which recognizes the best known companies in the country, for the fourth straight year.

_ MAY

MAY 1

MAPFRE GLOBAL RISKS organizes the 24th International Conference in Bilbao.

MAY 13

MAPFRE ranks 402 in the Global 2000 list of the most valuable companies in the world, as published by the Forbes magazine.

MAY 25

MAPFRE joins the Ibero American Council for Productivity and Competitiveness.

MAY 27

MAPFRE approves the update of its strategic framework for the security and environment function.

MAPFRE recognized as the insurance company with the best reputation in the Spanish market by the Advice consultancy.

MAY 29

MAPFRE concludes the acquisition of DIRECT LINE in Italy and Germany. With this transaction, MAPFRE gains 1.6 million new clients and 709 million euros in premiums.

_ JUNE

JUNE 8

MAPFRE receives an award for its 15 years as Reputational Leader during the ABC awards, given to companies that are part of the corporate Reputation Business Monitor (MERC0).

JUNE 10

MAPFRE RE hosts the 2015 International Forum with clients from 13 countries to discuss the challenges facing the sector.

JUNE 18

MAPFRE pays out a final dividend of €0.08 gross per share against 2014 results.

JUNE 24

The Board of Directors approves the Group's Institutional, Business and Organizational Principles which replace the Good Governance Code.

MAPFRE receives awards from Computerworld and Fujitsu in recognition of being one of the most advanced and innovative companies in the insurance industry.

_ JULY

13 JULY

MAPFRE ASISTENCIA reaches an agreement with the Erasmus Student Network (ESN) for the digital distribution of travel insurance for European Erasmus students.

17 JULY

Standard & Poor's maintains MAPFRE S.A.'s credit rating at "BBB+", with outlook stable.

21 JULY

BB MAPFRE ranked as one of the most innovative companies in Brazil by the Valor Económico newspaper and the Strategy& consultancy, part of PwC.

22 JULY

Moody's upgrades the rating of MAPFRE GLOBAL RISKS and MAPFRE ASISTENCIA from Baa1 to A3 with outlook positive.

24 JULY

The MAPFRE Board of Directors appoints María Leticia Freitas Costa as a new independent director.

28 JULY

MAPFRE GENEL SIGORTA moves its offices to the center of Smyrna, the third largest city in Turkey.

JULY 31

MAPFRE transfers 50.01 percent of its equity participation in CATALUNYACAIXA VIDA and CATALUNYACAIXA ASSEGUANCES GENERALS to CATALUNYA BANC for 606.8 million euros.

_ AUGUST

AUGUST 11

National Underwriter Property & Casualty magazine ranks MAPFRE number 39 in its list of the top 100 US insurance groups by net premium volume at the close of 2014.

_ SEPTEMBER

SEPTEMBER 1

BB MAPFRE recognized by the Great Place To Work institute as one of the best companies to work for in Brazil.

SEPTEMBER 2

MAPFRE and BANKINTER jointly acquire the BARCLAYS life and pensions business in Portugal for 75 million euros.

SEPTEMBER 7

DIRECT LINE receives award from Focus Money and ServiceValue for its client services.

SEPTEMBER 9

MAPFRE moves up 15 positions and now ranks 399 among the FORTUNE GLOBAL 500 largest corporations and companies in the world.

MAPFRE RE opens new branches in Labuan (Malaysia) and Singapore, with the aim of strengthening its reinsurance business in Asia.

SEPTEMBER 24

MAPFRE becomes the sole health provider for REPSOL employees in Spain.

SEPTEMBER 28

MAPFRE joins the governing board of the Members Program of the WTO.

SEPTEMBER 30

MAPFRE moves up 19 positions in Argentina's MERCO ranking to number 32, becoming the second most prestigious insurance company in the country.

_ OCTOBER

OCTOBER 1

The Board of Directors approves the creation of the new studies service, to be headed by Manuel Aguilera Verduzco, who had been the President of the National Insurance and Sureties Committee in Mexico since 1998.

OCTOBER 5

MAPFRE ASISTENCIA receives the Best in Insurance award from Apólíce magazine.

OCTOBER 9

MAPFRE GLOBAL RISKS chooses London as its strategic center for growing the international area of its business (EMEA, North America and APAC).

MAPFRE RE sponsors the 23rd Intereuropean Insurance Meeting, which is organized every year by the Instituto de Estudios Financieros (IESE).

OCTOBER 16

MAPFRE launches Multifondos Elección, a new unit-linked savings insurance.

MAPFRE MEXICO strengthens its domestic network with five new offices.

OCTOBER 26

MAPFRE, together with US company SOLERA HOLDINGS Inc., opens CESVI CHINA, a new technological development center for automobile repairs in Beijing (China), by means of a joint venture, STC, in which MAPFRE holds a 25 percent stake.

OCTOBER 29

The Board of Directors appoints Antonio Núñez Tovar as Second Vice Chairman to replace Francisco Vallejo Vallejo (on his reaching the maximum allowed age as per the entity's regulations), and Ignacio Baeza Gómez to replace Antonio Núñez Tovar as Third Vice Chairman.

_ NOVEMBER

NOVEMBER 2

VERTI receives AENOR Certificate for Good Practices in e-commerce.

NOVEMBER 3

The Board of Directors appoints Eduardo Pérez de Lema as CEO and President of the MAPFRE RE Management Committee.

NOVEMBER 4

MAPFRE is recognized as one of the leading companies in the fight against climate change during the 2015 Driving Sustainable Economies annual conference.

MAPFRE chosen as the best healthcare service insurance company in Spain during the 1st New Medical Economics awards.

NOVEMBER 6

MAPFRE moves up four positions to number 13, being recognized as the best insurance company to work for in Spain according to MERCO Talento.

NOVEMBER 10

MAPFRE MEXICO wins the Innovation in Partnership award during the fourth Annual Latin American Insurance Summit 2015.

NOVEMBER 11

MAPFRE wins the Spanish-Turkish Chamber of Commerce award for its contribution to the relationship between the two countries.

NOVEMBER 12

MAPFRE RE celebrates 25th anniversary of opening its offices and starting business as a reinsurer in Buenos Aires.

NOVEMBER 17

Superbrands recognizes MAPFRE MEXICO as one of the best brands by awarding it the Branding 2015-2016 and the Certification Stamp of Superbrands Mexico.

NOVEMBER 23

Chairman and CEO of MAPFRE Antonio Huertas is in Rio de Janeiro (Brazil) to preside over the international meeting of the company's CEOs in which, together with the company's senior executives worldwide, the growth strategy for MAPFRE for the near future was designed.



MAPFRE MIDDLESEA wins two awards at the Business Awards 2015: best insurance company in Malta and Best-in-Business Overall BIB Award.

NOVEMBER 24

MAPFRE recognized as the leading insurance company and listed among the most responsible and with best corporate governance in Spain and Latin America, according to the business study by the Corporate Reputation Business Monitor (MERC0).

NOVEMBER 27

The MAPFRE Executive Committee appoints Jesús Martínez Castellanos as new Regional CEO for the LATAM North Regional Area, replacing José Ramón Tomás Forés.

The Executive Committee approves the Corporate Volunteering Program.

NOVEMBER 30

MAPFRE moves up two positions to number 11, maintaining its position as the most responsible insurance company in Spain, according to the MERC0 report on Responsibility and Corporate Governance 2015.

_ DECEMBER

DECEMBER 3

Javier San Basilio, Regional Manager of MAPFRE RE in the United Kingdom, is appointed as the new President of the Spanish Chamber of Commerce in Great Britain.

DECEMBER 4

MAPFRE Chairman and CEO Antonio Huertas is unanimously elected President of the Alumni association at Salamanca University.

DECEMBER 7

MAPFRE recognized as one of the Best Companies To Work for in Peru according to the international human resources management consultancy firm Great Place To Work (GPTW).

DECEMBER 9

MAPFRE PORTUGAL chosen as the best Life insurance company in the category of Best Small and Medium-sized Life Insurance Company by Exame magazine thanks to its results in 2014.

DECEMBER 11

MAPFRE's Global Internet Framework is recognized by the companies SDL and FECRON as among the best projects in Spain for technology and digital transformation.

DECEMBER 22

MAPFRE appoints Elena Sanz Isla, General Manager of the MAPFRE Human Resources Corporate Area; Fernando Mata Verdejo, General Manager of the Corporate Strategy and Development Area; and Rafael Senén García, General Manager of the Corporate Business and Clients Area. MAPFRE also appoints Ignacio Baeza as President and CEO of MAPFRE ASISTENCIA; and José Manuel Inchausti as CEO of the Iberia Regional Area.

DECEMBER 23

MAPFRE MEXICO recognized as one of the top insurance companies by the National Commission for the Protection and Defense of Financial Services Users (CONDUSEF) for the second straight year.

KEY EVENTS IN MAPFRE'S EXPANSION AND DEVELOPMENT OVER THE LAST 10 YEARS

2006

- MAPFRE implements a new corporate structure.
- Results before tax exceed €1,000 million.
- MAPFRE S.A.'s market capitalization exceeds €4,000 million.
- An agreement is established with Caja Castilla La Mancha to develop the Life assurance and Pensions businesses of said institution.
- MAPFRE S.A.'s shares are incorporated into the FTSE4Good Social Responsibility index.

2007

- An agreement is established with Bankinter to develop the Life assurance and Pensions businesses of said bank.
- Acquisition of an 80% shareholding in Turkish insurance companies GENEL SIGORTA and GENEL YASAM.
- Offer to acquire the US insurance group COMMERCE, specializing in automobile insurance.
- Agreement to reorganize the Strategic Alliance with CAJA MADRID.
- Over six million cars insured in Spain.

2008

- Acquisition of COMMERCE, the Life and Pensions subsidiaries of CAJA DUERO and ATLAS (Ecuador).
- Dividend reinvestment plan.
- Conclusion of reorganization of the Strategic Alliance with CAJA MADRID.
- MAPFRE FAMILIAR is created.
- MAPFRE AMÉRICA VIDA is absorbed by MAPFRE AMÉRICA.
- Announcement of the reorganization of the COMMERCIAL and the INTERNATIONAL OPERATING UNITS.

2009

- Splitting up of the Commercial Insurance Operating Unit, to MAPFRE GLOBAL RISKS and MAPFRE SEGUROS DE EMPRESAS.
- Overseas business represents 50.6% of total Group premiums.
- Agreement with FINIBANCO (Portugal) to acquire 50% of FINIBANCO VIDA.

- MAPFRE is voted the Best Insurance Group in Latin America for the fourth consecutive year.

- Memorandum of understanding signed with Banco do Brasil.
- Agreement to jointly develop insurance activities with GRUPO MUNDIAL (Panama).

2010

- Completion of the organizational and operational restructuring of the commercial insurance businesses.
- Approval of the Group's operational and management structures.
- Formalization of the strategic alliance with BANCO DO BRASIL.
- Bancassurance agreement with CATALUNYACAIXA.
- Acquisition of INSUREANDGO (UK), the British leading online travel insurance company.
- Launch of VERTI, the new company specializing in the sale of direct insurance.

2011

- VERTI, the Group's new internet and telephone direct sales company, starts operations.
- GRUPO SEGURADOR BANCO DO BRASIL & MAPFRE commences operations.
- Agreement with CAJA MADRID CIBELES to purchase the 12.5% it owns in MAPFRE INTERNACIONAL.
- MAPFRE increases its stake in MIDDLESEA INSURANCE, thus becoming the majority shareholder.
- Creation of a new sales structure in the Direct Insurance Spain Division and the reorganization of the regional structure in Spain.

- Mr. Antonio Huertas elected as the Group's new Chairman and CEO, effective from March 10, 2012 replacing Mr José Manuel Martínez.

2012

- Acquisition of 10.36% of MAPFRE AMERICA, owned by BANCO FINANCIERO Y DE AHORROS. MAPFRE, S.A. thus increasing its stake to 99.22%.
- Formalization of the agreement with EULER HERMES to jointly develop credit insurance in Spain and four countries in Latin America.
- MAPFRE AMÉRICA controls a 100% shareholding in MAPFRE MUNDIAL.
- Acquisition by MAPFRE ASISTENCIA of the US company CENTURY AUTOMOTIVE SERVICE CORPORATION, which specializes in the sale of warranty products for cars.
- Transfer of the the Health and Workers' Compensation lines in Argentina to the GALENO business group.
- VISION, MISSION and VALUES. The Board of Directors approves the strategic bases for the Group's plans for the forthcoming years.

2013

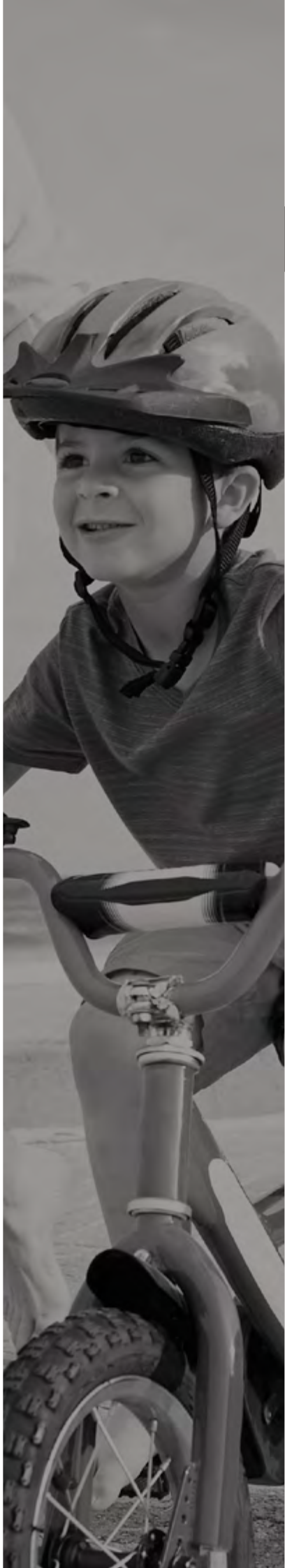
- SOLUNION, the new credit insurance company jointly owned by MAPFRE and EULER HERMES on a 50/50 basis, commences operations.
- MAPFRE acquires a 20 percent stake in Indonesian insurer ASURANSI BINA DANA ARTA, (ABDA).
- Review of the Group's financial structuring concludes with the negotiation of a syndicated debt facility of €750 million.
- New corporate structure is approved, comprising nine Corporate Areas, four Business Units, three Territorial Areas and seven Regional Areas.
- Creation of an Executive Committee and a Global Businesses Committee.

2014

- Global bancassurance agreement with BANKIA through which MAPFRE becomes its exclusive provider of Life and Non-Life insurance solutions, which includes the contribution of ASEVAL and LAIETANA VIDA to the merged Life entity.
- Launch of the first global product, GLOBAL EXPAT, a Health insurance solution targeted at expatriate workers.
- Commencement of Life operations in the United States, and extension of the Automobile and Home businesses in Pennsylvania, (United States).
- Announcement of the agreement to acquire the direct Automobile insurance companies, DIRECT LINE Italy and DIRECT LINE Germany, for 550 million euros.
- Launch of InsureandGo in France.
- Announcement of entry into the Health line in Brazil.

2015

- MAPFRE rolls out its innovation model focused on developing client-oriented value propositions with the aim of stimulating organic growth.
- Agreement with MIDDLE OAK (USA), and commencement of operations in home and auto lines in the states of Vermont and Maine (New England).
- MAPFRE completes the acquisition of Direct Line in Italy and Germany. The transaction brings with it 1.6 million clients and 709 million euros in premiums.
- MAPFRE and BANKINTER jointly acquire the BARCLAYS life and pensions in Portugal for 75 million euros.
- MAPFRE and the US company SOLERA Holdings Inc. inaugurate CESVI CHINA in Beijing (China), a technical development center for the repair of automobiles in China.



05



Consolidated Management Report



The content of this Consolidated Management Report has been prepared in accordance with the recommendations set out in the Guide for the preparation of management reports by listed companies published by the Spanish National Securities and Exchange Commission (the "CNMV").

ORGANIZATIONAL OVERVIEW

Organizational structure

MAPFRE is a multinational group operating in 51 countries through 237 companies, primarily in insurance and reinsurance activities.

The Group's holding company is MAPFRE S.A., whose shares are listed on the Madrid and Barcelona Stock Exchanges. They are also listed on the IBEX35, Dow Jones Stoxx Insurance, MSCI Spain, FTSE All-World Development Europe Index, FTSE4Good and FTSE4Good IBEX indices.

MAPFRE S.A. is a subsidiary of CARTERA MAPFRE, S.L. Sociedad Unipersonal, which is wholly controlled by Fundación MAPFRE.

The Group's business activities have been executed via the new organizational structure made up of four Business Units (Insurance; Assistance, Services and Specialty Risks; Global Risks; and Reinsurance); three Territorial Areas (IBERIA, LATAM and INTERNATIONAL); and seven Regional Areas (Iberia (Spain and Portugal), Brazil, LATAM North, LATAM South, North America, EMEA (Europe, Middle East and Africa) and APAC (Asia Pacific)).

All the Business Units, except the Reinsurance Unit, are organized according to the Regional Areas of MAPFRE that make up the planning, support and supervisory geographical units for all Business Units in the region.

The activities of the various Business Units supplement those of the Group's Corporate Areas (Finance, Investment, Human Resources, Resources and Institutional Coordination, Business Support, Internal Audit, Strategy and Development, General Counsel, and Business and Clients), which have jurisdiction within the entirety of MAPFRE's businesses worldwide in terms of development and implementation of, and compliance with, global, regional and local corporate policy.

The fact that the various MAPFRE companies belong to a business group implies, without prejudice to their legal autonomy, that they are de facto integrated into an organic structure that regulates their relationships, the coordination of their activities, and the supervision of dependent companies by their parent companies, and all of these, ultimately by the group parent itself.

The MAPFRE S.A. Board of Directors is the senior management and supervisory body for the entire Group. It features a Steering Committee that acts within all of its powers, except those which cannot be ceded by Law, Bylaws or the Regulations of the Board of Directors, and three Sub-Steering Committees (Audit, Appointments and Remuneration, and Risks and Compliance).

The Executive Committee is the body that, under mandate from the Board of Directors, exercises direct supervision over management of the Business Units and coordinates the various Areas and Units in the Group. The Global Business Committee is also responsible for analyzing the development of MAPFRE's insurance business and services throughout the world, compliance with approved plans, and proposing corrective or improvement measures for the same.

The management, coordination and supervision of the activities of the Business Units and Areas has been carried out, according to its respective area of activity, by the Local and Regional Management Committees, as well as those of the Business Units, and by the Executive Committee.

Each subsidiary company has its own governing body, the structure and complexity of which depend on the importance of its activity and the legal provisions to which it is subject. They usually have a Board of Directors, in addition to a Management Committee, and if the importance of their activity so merits, bodies that are substituted for two Administrators within vital companies, or those of reduced dimensions.

The section on General Information of the annual report contains the Group's organization chart as of December 31, 2015.



Annual general meeting 2015

Functioning

During 2015, the Group's activities were carried out through its Business Units (Insurance: Assistance, Services and Specialty Risks; Global Risks and Reinsurance), which are geographically organized in line with the structure of Territorial and Regional Areas.

The IBERIA Territorial Area coincides with the Iberia Regional Area, which is made up of Spain and Portugal. The LATAM Territorial Area is subdivided into the Regional Areas of Brazil, LATAM North (Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama and the Dominican Republic) and LATAM South (Argentina, Colombia, Chile, Ecuador, Paraguay, Peru, Uruguay and Venezuela). The INTERNATIONAL Territorial Area is formed by the Regional Areas of North America (Canada, United States and Puerto Rico), EMEA (includes operations in Europe – except Spain and Portugal –, Middle East and Africa) and APAC (Australia, China, Philippines, Hong Kong, India, Indonesia, Japan and Taiwan).

MAPFRE has the most extensive distribution network in the Spanish insurance industry, and one of the widest for a financial group in Latin America. MAPFRE is determined to maintain its own networks in the countries where it operates, which is compatible with the use of other distribution channels. Some of the key features behind the success of MAPFRE's business model include its client focus, global product offering and adaptation to the legal and commercial nature of each market.

As of year-end 2015, MAPFRE's global distribution network included 14,780 offices. The network breaks down as follows:

OFFICES	2015	2014
IBERIA		
Direct and Sub Offices	3,073	3,149
Bancassurance	3,330	3,861
Subtotal IBERIA	6,403	7,010
LATAM		
Direct and Sub Offices	2,331	2,087
Bancassurance	5,602	5,623
Subtotal LATAM	7,933	7,710
INTERNATIONAL		
Direct and Sub Offices	444	288
Subtotal INTERNATIONAL	444	288
TOTAL OFFICES	14,780	15,008

At the close of the financial year, the presence of MAPFRE in Spain stands out, with 2,993 offices, as well as in Brazil with 944 offices, and Mexico, with 439 offices.

Overall, MAPFRE's global network facilitated the collaboration of over 80,000 partners in 2015, including agents, delegates and brokers. The breakdown of these partners is shown in the table below:

COMMERCIAL NETWORK	2015	2014
IBERIA		
Agents	9,498	10,999
Representatives	2,575	2,697
Brokers	5,268	5,038
Subtotal IBERIA	17,341	18,734
LATAM		
Agents	13,286	12,599
Representatives	7,155	6,161
Brokers	32,357	33,459
Subtotal LATAM	52,798	52,219
INTERNATIONAL		
Agents	8,548	6,742
Representatives	101	197
Brokers	1,542	1,397
Subtotal INTERNATIONAL	10,191	8,336
TOTAL COMMERCIAL NETWORK	80,33	79,289



WITHIN THE INSURANCE SECTOR, MAPFRE IS THE LARGEST SPANISH INSURER IN THE WORLD, WITH A SHARE IN THE SPANISH MARKET OF 15 PERCENT IN NON-LIFE INSURANCE, AND 6.8 PERCENT IN LIFE INSURANCE.



Annual general meeting 2015

MAPFRE's own distribution networks are supplemented by the distribution capabilities provided for under its agreement with various entities, particularly with regard to bancassurance (BANKIA, BANKINTER, BANCO CASTILLA-LA MANCHA (subsidiary of LIBERBANK), BANCO DE CAJA ESPAÑA DE INVERSIONES, SALAMANCA Y SORIA (subsidiary of UNICAJA), BANCO DO BRASIL, BHD LEON and BANK OF VALLETTA, among others). During 2015 MAPFRE distributed its products through 8,932 bancassurance offices (3,330 of which are located in Spain and 5,424 in Brazil). MAPFRE also has 2,604 distribution agreements, including a significant proportion with financial institutions (122), automobile dealerships (1,479) and shopping centers and service providers (66).

Within the insurance sector, MAPFRE is the largest Spanish insurer in the world, with a share in the Spanish market of 15 percent in Non-Life insurance, and 6.8 percent in Life insurance. Additionally, it is the tenth-largest insurer in Europe, and is present in practically all countries in Latin America – a region in which it is the second-largest insurance group, and the leader in Non-Life Insurance, with a market share of 9.7 percent (according to numbers from the financial year 2014, the latest available). Furthermore, MAPFRE RE, the Group's worldwide professional reinsurance business, is included in the top 15 ranking of global reinsurance companies.



Annual general meeting 2015

BUSINESS PERFORMANCE AND RESULTS

Economic Context

In 2015, the economic context was shaped to a large extent by greater uncertainty. Among other factors this was due to the negotiations between Greece and its creditors, slower global growth, stalling of emerging economies, severe drops in the prices of raw materials and increased volatility of financial markets, associated with the expectations concerning the start of the U.S. interest rate increase cycle.

Advanced economies registered continued recovery thanks to favorable financing conditions, contained salary cuts and low prices of raw materials. In this group of countries, inflation maintained its downward trend and reached very low levels which, in general, were clearly below the medium-term goals of the Central Banks.

In the United States, the very dynamic performance of first quarter (GDP increased by 3 percent year-on-year) lost steam as the year went on and reached 2.2 percent in the third quarter. External trade showed signs of stalling due to a strong dollar, its forward position in the economic cycle and the move of exchange rates toward interest rates. Extraordinary events could explain the economic trend to a large extent, e.g. port

strikes, adverse weather conditions and the closure of several atypical oil companies (before the drop in oil prices), go some way to explaining the trend in the economy, which depends on a strong labor market and real estate sector.

In the eurozone, there was moderate recovery in activity due to: progress made in reorganizing banking balance sheets, continued monetary stimulus, lower budgetary austerity and continued domestic reforms in countries such as Italy. In Q3, the region's GDP increased 1.6 percent year-on-year which accounted for a one-tenth increase on Q2. This was supported by a rise in private consumption, while there was an increase in uncertainty with regard to industrial production, exports and business investment. Despite a drop in world trade, the German economy was the main driver of the region's growth with year-on-year growth of 1.7 percent in Q3. The unexpectedly solid growth rates in Italy and particularly Ireland and Spanish should also be noted.

The Spanish economy kept expanding in Q3 2015 and was one of the most dynamic economies in the eurozone. GDP increased by 3.4 percent year-on-year due mostly to the strong private internal demand since the external sector's performance was moderately negative. A particularly important factor was solid household expenditure which relied on a positive performance from the job market and benefited from an increase in income thanks to lower energy prices and interest rates.



Annual general meeting 2015

Japan came out of technical recession in Q2. However, the extraordinary fiscal and monetary stimulus policies were below expectations and growth stabilized at 1 percent year-on-year in Q3. Also, an increase in salaries, depreciation of the yen and strong drop in oil prices hardly affected weak domestic demand, and consumer prices remained unchanged in Q3. Additionally, the positive effect of the yen's depreciation on exports was mitigated by lower demand in China, its main trade partner.

In most emerging countries, economic activity slowed due to contextual international factors and structures unbalances such as excess capacity, low productivity and current account deficits. Price advances remained low in most emerging economies, especially in Asia and Europe. However, in some cases such as Latin America, Russia and Turkey, there was resistance to the decrease mostly due to currency depreciations. Given its growing weight in the world economy, China's economic slowdown was particularly noteworthy; where GDP increased by 6.9 percent in Q3 against 7.2 percent in Q4 of 2014. Furthermore, there was still uncertainty about its medium-term growth rate because of its profound economic transformation toward a more sustainable model which is less dependent on exports. This rebalancing includes the introduction of different reforms such as greater financial deregulation, e.g. liberalization of bank deposits, opening variable-income markets to more investors and the connection between the Hong Kong and Shanghai stock markets. At the same time, the Chinese stock markets were highly turbulent.

In Latin America, Brazil's slowdown is particularly important: in addition to cyclical weakness, there was a need to make adjustments to correct the public deficit, external deficit and inflation. This situation was only made worse by political tensions. As a consequence, the country went into recession, and GDP decreased by 4.5 percent year-on-year in Q3. Recession may continue in 2016 but a decrease in political tension may have a favorable effect.

Capital markets started the year in a more optimistic frame of mind after the European Central Bank (ECB) announced in January that it would extend its sovereign debt asset purchasing scheme. The program was further extended later in the year until March 2017, and debt purchasing included regional and local entities. Additionally, with the aim of stimulating investment and financing, the ECB reduced the interest rate on deposits by 10 basis points to -0.30 percent. In this context, public debt yields in the eurozone countries kept decreasing and reached historical minimum values with negative yields in a large number of countries. In Spain, the yield on 10-year government bonds reached historical minimum levels of 1.14 percent in March and the differential with German public debt dropped to 90 basis points. Subsequently, both the yield and the differential increased mostly due to the Greek crisis and the instability in China. As for the credit market, CDS average premiums for non-financial companies increased while premiums for financial companies hardly changed.

Equity markets varied strongly throughout the year with major differences between the progress made by stock markets in developed countries as compared to emerging countries. Thanks to the strongly expansion-focused initiatives of the Central Banks during the first quarter, stock market indices of some advanced economies moved up 20 percent. However, these gains were diluted in Q3 after the market caps dropped in value due to factors such as disappointing business results, uncertainty about the pace of normalization of the Federal Reserve monetary policy, instability of emerging economies, and major sales by sovereign funds of some oil-exporting countries with the aim of mitigating budgetary unbalance caused by the drop in oil prices. Consequently, the S&P 500 dropped 0.7 percent in the year (2,043.9) and the EuroStoxx

50, 3.8 percent (3,267.5), while the Nikkei 225 appreciated 9 percent (19,033.7), driven by the strongly expansionary policy of the Bank of Japan. The Spanish stock market was not able to capitalize on the good economic performance recorded because of the close link between major Spanish companies and the Latin American region, and the political uncertainty caused by the call for general elections. As a result, the Ibex 35 closed the year with a drop of 7.1 percent to 9,544 points.

The currency markets saw several exceptional events. Firstly, the Swiss National Bank abandoned the floor of 1.20 Swiss francs per euro and, as such the Swiss currency floated freely, resulting in a drop on the interest rate paid on bank deposits from -0.25 percent to -0.75 percent. As a consequence, the euro immediately depreciated by 17 percent against the franc. In turn, the Chinese central bank devalued its currency three times in 72 hours to 6.041 units per US dollar, which led to a 4.6 percent loss in value against the dollar, the most significant devaluation in two decades. Additionally, late in the year the International Monetary Fund voted to incorporate the yuan into the currency basket used to calculate Special Drawing Rights, the currency used by the 188 IMF members in their reserves or transactions. It should also be noted that the euro depreciated significantly –around 10 percent– against the main currencies that, in the case of the US dollar, was underpinned by expectations that differences between the US and EU monetary policies would keep widening.

The main consequences of China's economic slowdown are mainly evident in the economies of countries exporting raw materials due to the drop in prices. As for the oil market, a weaker global economy and Iran's return to the market have resulted in lower rates. Nevertheless, the main reason for this was the excess supply from exporting countries which were trying to face competition from US unconventional oil companies, and the decrease in revenue from lower prices; the result as a buildup of inventory. Consequently, Brent oil prices decreased by around 35 percent to about 35 dollars a barrel. Industrial raw materials were the worst affected by the economic downturn: nickel lost around 40 percent of its value, and copper around 25 percent.

In short, the global macroeconomic status in 2015 was marked by the moderate recovery of advanced economies and the continued slowing trend of emerging economies. Everything indicates that economic activity in developed economies should keep strengthening, with the support of low raw material prices and favorable monetary policies. And this should happen despite the questions surrounding the Chinese economy, uncertainty concerning the start of the US interest rate increase cycle and the new trend to have different monetary policies in developed countries. And we should not forget the euro depreciation and the neutral tone of tax policy in the eurozone countries after several years of budgetary consolidation.

Development of insurance markets

THE SPANISH MARKET¹

According to initial estimates, the total volume of direct insurance premiums issued in 2015 rose to 56,833 billion euros, with the following breakdown by business line:

Lines	2015	2014	% Var. 15/14
Life	25,521	25,106	1.7%
Non-Life	31,312	30,580	2.4%
TOTAL DIRECT INSURANCE	56,833	55,686	2.1%

Figures in millions of euros

Non-Life insurance saw an increase of 2.4 percent, which includes the highest growth levels of the main lines, especially health, multiperil-home and death coverage. The Automobile line accounts for the greatest premium volume in Non-Life insurance; however, it has once again been affected by a highly competitive market. Nevertheless, in 2015 the increase in new car sales and the consolidation of Spain's economic recovery have changed the trend of recent years, and this business grew by 1.7 percent.

¹ Source: ICEA.

The following chart shows the breakdown by lines of the total estimated volume of Non-Life insurance premiums and its variations on the previous year:

Lines	2015	2014	% Var. 15/14
Automobiles	10,046	9,878	1.7%
Health	7,356	7,133	3.1%
Multi-peril	6,662	6,550	1.7%
Other Non-Life lines	7,249	7,019	3.3%
TOTAL NON-LIFE	31,313	30,580	2.4%

Figures in millions of euros

In view of the data at the close of September, technical profitability has worsened over the previous year, mainly due to the increase in claims in the lines of automobile and multiperil insurance. In the case of automobiles, the claims ratio rose from 78.2 percent in September 2014 to 80 percent in 2015.

The following chart shows the progress of the combined ratio, which measures the technical result calculated for earned premiums net of reinsurance:

	TOTAL		AUTOMOBILES		MULTI-PERIL		HEALTH	
	30.09.15	30.09.14	30.09.15	30.09.14	30.09.15	30.09.14	30.09.15	30.09.14
Claims	72.1%	71.1%	80.0%	78.2%	60.4%	60.0%	81.2%	82.3%
Expenses	22.3%	22.2%	19.9%	20.0%	30.7%	30.1%	12.0%	11.6%
COMBINED RATIO	94.4%	93.3%	99.9%	98.2%	91.1%	90.1%	93.2%	93.9%

The volume of savings managed by Life insurance, represented by technical provisions, reached 167,594 billion euros, an increase of 0.8 percent compared to last year.

The following chart shows the progress of Life assets under management, mutual funds and pension funds, as well as their corresponding variations with regard to the previous year:

CONCEPT	2015	2014	% Var. 15/14
Life Insurance	167,594	166,305	0.8%
Mutual Funds	219,866	194,830	12.9%
Pension Funds	104,518	100,457	4.0%
TOTAL	491,978	461,592	6.6%

Figures in millions of euros

Special notice should be given to the excellent development of mutual funds and the good growth of pension funds mostly due to the low interest rates and the demand for exposure to financial assets with a higher expected yield.

LATIN AMERICAN MARKETS²

The following chart shows the variation in issued premium volumes³ on the same period the previous year for the main Latin American insurance markets, according to the most recent information available:

Country	Date	Non Life	Life	Total
Argentina	30/06/15	23.8%	16.7%	22.8%
Brazil	30/09/15	2.6%	20.5%	11.9%
Chile	30/09/15	13.1%	22.7%	19.4%
Colombia	30/09/15	13.3%	15.1%	13.7%
Mexico	30/09/15	15.2%	9.1%	12.5%
Peru	30/09/15	18.7%	10.7%	14.1%
Puerto Rico	30/09/15	18.9%	(1.6%)	16.5%
Venezuela	30/09/15	n.d.	n.d.	115.9%

The following trends were observed during the year:

– Once again, insurance markets in the region remain relatively independent from their underlying economic activity and have grown above GDP in all countries. The elevated nominal growth in some markets (particularly Venezuela) reflects high levels of inflation.

– Non-Life insurance has been in good shape, despite the high level of competition, especially in the automobile line. Brazil slowed down because economic activity contracted.

– In Life insurance, growth remained high, due to higher savings levels and the development of pension systems. Brazil's growth must be mentioned, resulting from high interest rates which made life-savings products more attractive. Chile saw strong recovery thanks to the regulatory changes which favored an increase in sales of pension savings products. Colombia registered an increase over the previous fiscal year thanks to the externalization of pension obligations. The slowdown in Peru derives from the expected changes in the regulations on pension savings products currently in progress. In Puerto Rico the decline in the life insurance business is due to the slowdown in the sale of annuity products.

OTHER MARKETS

In the United States, based on market estimates to September, growth in Non-Life was similar to the prior year at around 4.2 percent. This was mainly due to higher prices in products for individuals as well as for businesses, and an increase in the purchase of insurance products as a result of economic growth. Meanwhile, Life insurance experienced an increase of 3.8 percent, reflecting increased demand for annuity products, primarily. The health segment grew by 13.2 percent, driven by increased demand and price increases stemming from rising medical costs.

In Turkey, with figures to the end of October 2015, the insurance market presented a total growth of 17.3 percent, which represents a significant acceleration in relation to the same period in the previous year. Automobile insurance is the main component of Non-Life insurance at 47 percent of total Non-Life premiums, and was up 17 percent. This is due to the 33 percent increase in car sales and the significant increase in third-party liability motor insurance rates during the second half of 2015.

² The data for Latin American markets have been obtained from the supervising bodies and sector associations of each country, as well as from the MAPFRE companies operating in them.

³ The percentage variations were calculated using the most recent information available for each country.



SPECIAL NOTICE SHOULD BE GIVEN TO THE
EXCELLENT DEVELOPMENT OF MUTUAL FUNDS
AND THE GOOD GROWTH OF PENSION FUNDS.



Press conference to present the 2015 results

THE REINSURANCE MARKET

The lack of significant disasters for the fourth straight year has meant that the reinsurance market achieved positive albeit decreasing results over the year.

Premium and margin growth were substantially reduced because of pricing competitiveness due to excess capacity in damages lines; margins were also affected by a decrease in the release of reserves and, in some cases, by their reinforcement. Additionally, reduced interest rates increased the pressure on income statements and affected all lines, especially the yield in personal lines.

Insufficient profits have led to an increase in business consolidation operations which aim to increase scale and diversify their income and investments; as a consequence, it is possible to adjust shareholders' equity by sharing dividends or repurchasing shares. In addition to the above, we must mention the distortions derived from currency market volatility which affected virtually all of the largest market operators.

Over the next few months, it is expected that interest rates will rise slightly, and economic growth in developed countries will proceed at a moderate pace. As a consequence, there will be a slight increase in premium volume and positive results will be maintained. However, this scenario could change in the event of a disaster since this would consume the low technical margin.

Revenue on operations and funds managed

Written and accepted premiums by the grouping of Territorial Areas and the Reinsurance Business Unit that make up the Group increased during the 2015 financial year to 23,995.9 million euros, up 2.8 percent. Consolidated premiums amounted to 22,311.8 million euros, an increase of 2.3 percent. Total operating revenues totaled 27,571.1 million euros, including 868.9 million euros in new gross contributions to pension funds. The revenue mentioned is distributed by activity type as follows⁽¹⁾:

	2015	2014	% 15/14
Written and accepted premiums	22,311.8	21,815.5	2.3%
Financial income	3,866.7	3,301.8	17.1%
Revenue from non-insurance companies and others	523.7	534.7	(2.1%)
Subtotal consolidated revenue	26,702.2	25,652.0	4.1%
Gross contributions to pension funds ⁽²⁾	868.9	790.1	10.0%
TOTAL REVENUES BY TRANSACTIONS	27,571.1	26,442.1	4.3%

Figures in millions of euros

(1) For the sake of comparison, CATALUNYACAIXA was excluded in 2014 because it can be classified as an interrupted activity.

(2) Includes MAPFRE INVERSIÓN, BANKINTER VIDA, CCM VIDA Y PENSIONES and DUERO PENSIONES.

Consolidated revenue for the 2015 financial year presents figures 4.1 percent higher than those from the previous year and includes:

- Growth in Non-Life insurance premiums, throughout Spain and in the other countries, as well as in reinsurance, which has enabled the decline in Life insurance in Spain to be absorbed, as a result of the low interest rates scenario.
- Enhanced financial income from Brazil and MAPFRE RE.

The following table illustrates the performance of managed funds, including all technical provisions of Life insurance entities and provisions in Life insurance from multiline insurance entities:

	2015	2014	% 15/14
Life technical provisions	28,104.7	30,615.1	(8.2%)
Pension funds	5,076.2	5,788.8	(12.3%)
Mutual Funds and portfolios under management	4,736.4	4,413.6	7.3%
TOTAL	37,917.3	40,817.5	(7.1%)

Figures in millions of euros

Excluding the effects of the discontinuity in the CATALUNYACAIXA operation in 2014, managed savings would have grown 0.3 percent, due to the fact that good performance in attracting and revaluing pension funds and mutual funds has offset the effect of the lower market value of the investment portfolio.

Discounting adjustments for changes in the market value of assets backing the technical provisions of Life insurance, managed funds would have decreased by 7.6 percent (+0.8 percent excluding CATALUNYACAIXA).

Financial information by Territorial Areas

IBERIA

Written and accepted premiums for the group of insurers in this Territorial Area reached the amount of 6,696.7 million euros, an increase of 2.5 percent, as per the following breakdown by country⁽¹⁾:

	2015	2014	% 15/14
IBERIA	6,696.7	6,865.2	(2.5%)
SPAIN	6,497.9	6,665.5	(2.5%)
PORTUGAL	198.8	199.7	(0.5%)

Figures in millions of euros

(1) For the sake of comparison, CATALUNYACAIXA was excluded in 2014 because it can be classified as an interrupted activity.

The variation in the figures for premiums includes:

- In Non-Life insurance, the growth primarily in health, home and death insurance businesses.

- The lower premium volume in life-saving insurance due to the low interest rate scenario, offset in part by the good performance of the agents channel in the fourth quarter.

- The incorporation of business coming from ASEVAL, LAIETANA VIDA and LAIETANA SEGUROS GENERALES as of November 1, 2014, which contributed premiums of 90.8 million euros in the 2015 financial year.

New gross contributions to pension funds increased to 868.9 million euros, with an increase of 10 percent.

The following table details the premiums issued and accepted in Spain in the various lines in 2015 and 2014, together with market share (provisional for 2015)⁽¹⁾:

				MARKET SHARES ⁽²⁾	
	2015	2014	% change	2015	2014
Motor	2,043.8	2,025.9	0.9%	20.4%	20.5%
Health	458.1	426.5	7.4%	6.2%	5.9%
Other Non-Life	2,171.6	2,140.8	1.4%	15.7%	15.9%
TOTAL NON-LIFE	4,673.5	4,593.2	1.7%	15.0%	15.0%
Life Risks	338.2	330.1	2.5%		
Life Savings	1,391.6	1,650.0	(15.7%)		
TOTAL LIFE	1,729.8	1,980.1	(12.6%)	6.8%	8.4%
Accidents ⁽³⁾	94.6	92.2	2.6%		
TOTAL	6,497.9	6,665.5	(2.5%)	11.3%	12.1%

Figures in millions of euros

(1) For the sake of comparison, CATALUNYACAIXA was excluded in 2014 because it can be classified as an interrupted activity.

(2) Market shares are based on figures published by ICEA, which only include issued premiums. This includes: premiums from MAPFRE GLOBAL RISKS and from MAPFRE ASISTENCIA.

(3) Accident premiums are included in "Other Non Life" for the purposes of calculating market share.

Companies involved in stock market brokerage and investment and pension fund management, integrated into MAPFRE INVERSIÓN, recorded assets in investment funds and managed portfolios to the sum of of 3,852.9 million euros, which represents a rise of 9 percent; and assets from pension funds totaled 2,032.4 million euros, an increase of 6.9 percent.

LATAM

Written and accepted premiums for the group of insurers within this Territorial Area totaled 8,694.2 million euros, with an decrease of 9.7 percent. Below, the figures are shown that correspond to the Regional Areas and the main countries:

	2015	2014	% 15/14
BRAZIL	4,814.2	5,553.3	(13.3%)
LATAM SOUTH	2,030.4	2,863.9	(29.1%)
of which:			
COLOMBIA	466.2	612.8	(23.9%)
ARGENTINA	379.3	307.1	23.5%
PERU	465.8	349.8	33.2%
CHILE	377.1	322.7	16.9%
LATAM NORTH	1,849.6	1,211.6	52.7%
of which:			
MEXICO	1,296.0	805.4	60.9%

Figures in millions of euros

In relation to the figures shown on the previous table, the following is particularly prominent in the Non-Life business:

- The issuing increase in LATAM North, in both the industrial risk and transportation segments, because of the underwriting of the PEMEX policy (387 million euros) in Mexico in the second quarter. In addition, there has been good progress in other countries in Central America.

- Healthy growth in local currency in Brazil (total +3.6 percent; motor +1.1 percent; other non-life +11 percent; agricultural insurance +13.2 percent), where premiums fall due to the depreciation of the Brazilian real.

- The drop in LATAM South, following the sharp deterioration of the Venezuelan bolivar, despite the good performance in Peru (motor, simple risks and health), Chile and Colombia (industrial risks) and Argentina (motor).



MAPFRE STILL LEADS THE RANKING OF IBERO-AMERICAN NON-LIFE INSURANCE COMPANIES, WITH A MARKET SHARE OF APPROXIMATELY 9.7 PERCENT IN THE COUNTRIES AND TERRITORIES IN WHICH IT OPERATES.

Premium performance for the Life insurance business takes in the following:

- In Brazil, a slight decrease in local currency (-0.4 percent) due to lower production in the fourth quarter of 2015, compared to the previous year.
- The decrease in issues in LATAM South following the cancellation of loss-making contracts in Colombia, partially offset by the consolidation of the strong growth in Peru.
- In LATAM North, the incorporation of a large Life-Risk policy in Mexico.

According to the latest available figures for the 2014 financial year, MAPFRE still leads the ranking of Ibero-American Non-Life insurance companies, with a market share of approximately 9.7 percent in the countries and territories in which it operates.

The following table shows market shares for direct Non-Life insurance in various main countries:

Country	Ranking	Market Shares ⁽¹⁾
Argentina	12	2.5%
Brazil	1	16.4%
Chile	3	11.0%
Colombia	7	6.3%
Mexico	6	5.8%
Peru	3	15.3%
Puerto Rico	2	13.9%
Venezuela	5	6.7%

(1) Figures according to the latest available information for each market. Source: FUNDACIÓN MAPFRE

INTERNATIONAL

Written and accepted premiums for the group of insurers in this Territorial Area reached a figure of 4,873.1 million euros, an increase of 39.4 percent compared with the previous year.

Below are the figures that correspond to the Regional Areas and the main countries

	2015	2014	% 15/14
NORTH AMERICA	2,776.8	2,105.9	31.9%
of which:			
UNITED STATES	2,390.1	1,796.7	33.0%
PORTO RICO	384.2	309.0	24.3%
EMEA	1,981.7	1,288.0	53.9%
of which:			
TURKEY	752.8	572.9	31.4%
UNITED KINGDOM	273.7	219.6	24.6%
MALTA	271.2	189.3	43.3%
ITALY	339.9	84.1	---
GERMANY	140.8	24.6	---
APAC	114.6	101.2	13.2%

Figures in millions of euros

In relation to the figures shown on the previous table, the following is particularly prominent in the Non-Life business:

- Growth in North America, derived from the strong performance of the motor, home and assistance businesses in the United States, mainly stemming from the growth outside Massachusetts, as well as the appreciation of the US dollar.
- The expansion of EMEA because of the consolidation of DIRECT LINE (374 million euros), growth in Turkey, particularly in the Motor segments, and the expansion of GLOBAL RISKS in the United Kingdom.

The performance of the Life insurance premium figure is primarily based on the growth in the business volume for Life-Savings in Malta (44 percent).

MAPFRE RE

In the accepted reinsurance business, MAPFRE RE and its subsidiaries reported consolidated premiums of 3,731.9 million euros (3,343.3 million euros in 2014), with an increase of 11.6 percent coming from incorporating new business into the Life Insurance business and solid growth in the Non-Group Non-Life business, despite difficult market conditions.

Earnings

Net profit attributable to the parent company (discounting external partners) reached the amount of 708.8 million euros, a decrease of 16.1 percent. This is broken down in the following table, by origin and composition of the result:

	2015	2014	% 15/14
NON-LIFE INSURANCE AND REINSURANCE			
Written and accepted premiums	17,441.3	16,370.1	6.5%
Premiums earned net of ceded and retroceded reinsurance	13,601.4	13,188.3	3.1%
Net claims incurred and variation in other technical provisions	(9,527.4)	(8,967.6)	6.2%
Operating expenses net of reinsurance	(3,838.7)	(3,609.9)	6.3%
Other technical revenue and expenses	(48.1)	(50.8)	(5.3%)
Technical Result	187.2	560.0	(66.6%)
Net financial and other non-technical income	731.8	756.6	(3.3%)
NON-LIFE BUSINESS EARNINGS	919.0	1,316.6	(30.2%)
LIFE INSURANCE AND REINSURANCE			
Written and accepted premiums	4,870.5	5,445.4	(10.6%)
Premiums earned net of ceded and retroceded reinsurance	4,386.9	4,690.7	(6.5%)
Net claims incurred and variation in other technical provisions	(3,863.1)	(4,284.3)	(9.8%)
Operating expenses net of reinsurance	(1,101.3)	(1,128.7)	(2.4%)
Other technical revenue and expenses	(13.0)	(10.0)	30.0%
Technical Result	(590.5)	(732.3)	(19.4%)
Net financial and other non-technical income	1,218.1	1,290.7	(5.6%)
Unrealized capital gains (losses) on Unit-Linked investment	71.7	101.9	(29.6%)
LIFE BUSINESS EARNINGS	699.2	660.3	5.9%
OTHER ACTIVITIES			
Operating revenue	417.0	446.1	(6.5%)
Operating expenses	(519.0)	(473.1)	9.7%
Other revenue and expenses	(32.1)	(131.0)	(75.5%)
EARNINGS FROM OTHER ACTIVITIES	(134.1)	(158.0)	(15.1%)
Earnings on restatement of financial accounts	(8.0)	(73.5)	(89.1%)
Pre-tax earnings	1,476.1	1,745.5	(15.4%)
Tax on profits	(463.6)	(486.3)	(4.7%)
Earnings after tax	1,012.5	1,259.2	(19.6%)
Earnings after tax from discontinued operations	186.5	64.3	–
Annual earnings	1,199.0	1,323.5	(9.4%)
Earnings attributable to non-controlling interests	(490.2)	(478.4)	2.5%
EARNINGS ATTRIBUTABLE TO CONTROLLING COMPANY	708.8	845.1	(16.1%)

Figures in millions of euros

Note: As a result of the agreement reached with CATALUNYA BANC and with a view to having the 2015 consolidated balance be comparable to its 2014 counterpart, the latter has been restated.

The breakdown of results by Regional Areas is shown below:

	2015	2014	% 15/14
IBERIA	494.8	448.1	10.4%
BRAZIL	153.4	142.9	7.3%
NORTH AMERICA	(32.7)	67.1	(148.7%)
LATAM SOUTH	49.4	92.4	(46.5%)
EMEA	(2.4)	47.9	(105.0%)
LATAM NORTH	42.4	57.7	(26.5%)
APAC	(3.4)	5.4	(163.0%)
TOTAL REGIONAL AREAS	701.5	861.5	(18.6%)
MAPFRE RE	152.6	141.5	7.8%
HOLDINGS & ELIMINATIONS	(145.3)	(157.9)	(8.0%)
TOTAL	708.8	845.1	(16.1%)

Figures in millions of euros

Information from 2014 includes adjustments in the regional allocation of costs and revenues of MAPFRE ASISTENCIA

Balance sheet

The following table shows the consolidated balance sheet:

	2015	2014
Goodwill	2,068.0	2,030.5
Other intangible assets	1,629.6	2,046.3
Other property, plant and equipment	331.1	303.8
Cash	989.1	1,188.6
Investment and real estate	45,275.6	47,484.5
Participation of reinsurance in technical provisions	3,869.5	3,367.2
Reinsurance and insurance operations	5,299.8	4,973.9
Deferred tax assets	255.9	206.8
Assets held for sale	35.7	9.4
Other assets	3,735.0	3,804.3
TOTAL ASSETS	63,489.3	65,415.3
Equity attributable to controlling company	8,573.7	9,152.7
External partners	1,834.6	2,316.7
Financial and subordinated debt	1,772.5	1,788.2
Technical provisions	45,061.1	46,444.9
- Life insurance provisions ⁽¹⁾	26,825.2	29,472.1
- Other technical provisions	18,235.9	16,972.8
Provisions for risks and expenses	697.0	688.3
Insurance and reinsurance operations	2,309.0	1,973.7
Deferred tax assets	710.5	845.7
Liabilities held for sale	0.0	0.0
Other Liabilities	2,530.9	2,205.1
TOTAL LIABILITIES	63,489.3	65,415.3

Figures in millions of euros

1 Includes unit-linked.

Total assets under management, including mutual funds and pension funds, increased to 73,301.9 million euros (75,617.7 million euros at year-end 2014), a decrease of 3.1 percent (+1 percent without CATALUNYACAIXA).

Main activities during the fiscal year

ACQUISITIONS, PROJECTS AND DISPOSALS

The following operations took place during the year:

– Sale of equity participation in CATALUNYACAIXA VIDA and CATALUNYACAIXA ASSEGUANCES GENERALS.

On April 23, 2015, a share sale agreement was announced as formalized: MAPFRE sold to CATALUNYA BANC all of its participation held through the subsidiaries MAPFRE VIDA and MAPFRE FAMILIAR. This represented 50.01 percent in equity of CATALUNYACAIXA VIDA and CATALUNYACAIXA ASSEGUANCES GENERALS, respectively. The total price was 606.8 million euros.

On July 31, 2015, the deal was closed after approval by the regulatory and supervision authorities. This deal generated consolidated net gains for the 2015 fiscal year of approximately 155 million euros.

– Acquisition of DIRECT LINE subsidiaries in Italy and Germany completed.

On May 29, 2015, MAPFRE closed the acquisition of DIRECT LINE in Italy and Germany after receiving due authorization from the domestic regulatory bodies and the competent European Union authorities.

This authorization allowed MAPFRE to launch the integration process for both companies. The deal strengthens its presence in Europe, and is part of the company's strong focus on multichannel and online direct car insurance.

The deal was closed for 550 million euros, and since its integration in 2015, it has generated 374 million euros in premiums in two major European markets.



MAPFRE's presence at the meeting on the Development Agenda organized by the Spanish Network of the United Nations Global Compact with the assistance of the UN Secretary General, Ban Ki-moon

– Joint agreement between BANKINTER and MAPFRE to acquire the BARCLAYS life and pensions business in Portugal.

On September 2, the joint agreement between BANKINTER and MAPFRE and BARCLAYS was announced, whereby they acquired the life and pensions business of this financial institution in Portugal for 75 million euros. This deal was closed through BANKINTER SEGUROS DE VIDA, investee company of both MAPFRE and BANKINTER.

This transaction strengthens MAPFRE's presence in the Portuguese market where it has operated since 1986. BARCLAYS Life and Pensions earned 150 million euros in premiums and 12.7 million euros in net profit in 2014 in Portugal. It has over 1,000 million euros of managed assets and 1.4 percent market share.

INVESTMENT

The management of securities investments continues to be carried out with prudence, both in terms of credit risk and in terms of risk of fluctuation of the stock markets while in line with the 2015 Investment Plan.

In this regard, investment-grade fixed-income investments account for more than 95 percent, and bonds with a credit rating of AA or higher represent approximately 18 percent. Moreover, the relative weight of BBB rated bonds increased their relative weight by half a percentage point, explained by the increase in the value of bonds issued by Spanish residents.

Turning to the stock market risk, equity positions in portfolios with an investment policy contemplating these assets make up slightly over 60 percent of all financial investments, increasing by 1 percent to a figure slightly over 9 percent of the volume of these portfolios.

The decrease in the financial investments of some institutions located outside the eurozone (measured in euros) should also be mentioned in view of the depreciation of their currencies in 2015, particularly the Brazilian real and the Colombian peso. The US dollar rose 10 percent with respect to the euro, hence the weight of investments in dollars has increased.

The interest rate risk of Life insurance portfolios remains very low, particularly in portfolios in euros. More than two thirds of life insurance portfolios, other than those covering unit-linked policies, are composed of fixed-income assets and financial swap transactions, enabling a high degree of hedging of future flows on savings policies. In non-immunized portfolios subject to Non-Life lines, the modified duration has remained relatively stable throughout the year, with regional differences in terms of changing expectations on the interest rates in each country.

Real estate investment equity market underwent a steep climb in volume and number of transactions, especially in the market for rental offices, commercial centers and hotels. The decline in capitalization rates, caused by the drop in long-term interest rates on Spanish bonds, increased demand for rented assets with binding performance contracts.

Additionally, the real estate promotion of homes, though facing limited financing to the promoter, was highly active in cooperatives that are rapidly covering first-residence metropolitan areas in Madrid and Barcelona.

The real estate strategy in 2015 focused on divesting non-strategic property, essentially shops, small footprint offices, and assets for institutional use, arising from the network and subsidiaries. The residential rental portfolio decreased to two homes and there are no residual units of the promotion business.

The most salient of the divestments included the sale of the Cotochico lot in Marbella (Malaga) for 12.2 million euros and the San Javier and San Antonio clinics in Bilbao for 4 and 3.3 million euros respectively. Moreover, 42 additional yet insignificant minor assets were also sold. The sales totaled 34.5 million euros, with a gross profit of 11.3 million euros.

On the investment side, highlights include the purchase of the property at Plaza de Independencia 6 in Madrid for 82 million euros and the purchase of an office building at One Winthrop Square in Boston (USA) for 55 million dollars.

Likewise, analysis has begun on the renovation of some properties in Madrid and Barcelona, which will commence in 2016. The façade on the Provenza building in Barcelona was refurbished and property refurbishments in Malta and Brussels were completed in 2015.

The accounting balance of property investment at year-end (2,267.7 million euros) represented 4.6 percent of total investments. Of that amount, 943.4 million euros (41.6 percent) corresponded to properties used by the Group, and the remaining 58.4 percent (1,324.3 million euros) to properties that are for lease or for sale. At year-end the occupancy rate of rental properties was to 85.9 percent.

INTERNAL CONTROL

MAPFRE has continued working on applying the rules, procedures, and guidelines that must be carried out to maintain the presence and operation of all components in the Internal Control System (Control Environment, Risk Assessment, Control, Reporting and Communication Activities, and Supervision Activities).

In Q3 2015, risk and control monitoring was promoted in the Global Corporate Areas and 53 entities. This control activity allows processes and operations managers to inform of any change to the organization (changes to businesses and operational processes, and changes to the Group's organizational and share structure). This mechanism aims to determine whether the risks may lead to new risks or control, by measuring the global impact on risk criticality and control effectiveness.

The 3rd Risk Control Conference took place in November with the aim of allowing Riskm@p managers to exchange best practices with regard to documentation and ensuring that the organization keeps the information on operations and processes up to date. They also identified the risks that stop us achieving goals, controls which respond to these risks and the people responsible for implementing them.

The Group's Internal Control Area has coordinated the creation and reporting of the Internal Control Report to the Governing Body with the internal control managers in 53 entities. Part of the Supervision Activities, this is the internal continuous evaluation procedure for diagnosing the presence and operation of the Internal Control System within the Group and identifying areas for improvement.

By generating internal control reports, diagnosing the Internal Control System and performing independent evaluations (Internal Audit), it has been possible to confirm that the internal control model and its specific actions are globally complied with.



HAS BEEN ASSUMED TO LAUNCH INITIATIVES FOR IMPROVING EFFICIENCY, QUALITY AND RESPONSE TIMES THAT SUPPORT PROVIDES TO THE BUSINESS.

INTERNAL AUDIT

The company and its subsidiaries have five Internal Audit Services located in Spain, one of which is specific for Information Technology and the remaining four serve the IBERIA Territorial area, the LATAM Territorial area, the INTERNATIONAL Territorial area and the Reinsurance, Assistance and Global Risks Business Units. Additionally, there are 14 internal audit units located abroad, which are distributed among the various Regional Areas of MAPFRE, and a cross-disciplinary Continuous Auditing Unit that serves all MAPFRE.

The MAPFRE internal audit teams are coordinated and supervised by the Group's Corporate Internal Audit Division, which created a Quality and Procedures Office with global powers in early 2014.

During 2015, 968 internal audits were performed, 85 of which correspond to specific Information Technology audits. Of the total work done, 287 were related to the Internal Control and Financial Reporting System (ICFR) In addition, 21,597 hours were involved to training internal auditors, an average of 124 hours per auditor each year.

The Corporate Internal Audit Division has reviewed the Management Reports and Annual Accounts of the Company for 2015, the quarterly reports submitted to the Spanish National Securities and Exchange Commission (the CNMV) and significant financial information submitted to MAPFRE's governing bodies. The Audit Committee is informed regularly of all these actions.

BUSINESS SUPPORT

The Corporate Business Support Area, comprising the Corporate Digital Business and Corporate Technology and Processes Divisions, has concluded their second year of activity in rising to meet the challenge of providing support to MAPFRE in its transformation process.

Having consolidated the initial planning, focusing on shoring up the support activity that each area division develops for business, harnessing and strengthening the synergies arising from undertaking their activities in the same area, the challenge has been assumed to launch initiatives for improving efficiency, quality and response times that support provides to the business.

During 2015, the three corporate divisions have progressed considerably, laying sound foundations for providing support to regions and business units when carrying out their activities. The most significant activities engaged by each one are highlighted below, grouped by Division:

Digital Business

This Corporate Division's most relevant activities in 2015 were:

- Start work on defining the Digital Business Plan that will contribute to the development of the existing operations and creation of new ones, thus increasing the weight of the MAPFRE business in this distribution model.
- The optimization of marketing actions and digital usability so that MAPFRE operations can improve client incorporation effectiveness.
- Driving toward approval for using the VERTI brand for MAPFRE's Specific Digital Business operations worldwide.
- Constitution of three Digital Business Skill Centers, experts in price comparators, insurance based on client use and digital experience.
- Collaboration in the design, together with local guidelines, strategy for launching digital operations, and the redesign of the digital strategy of existing direct business entities.



Company Client Segmentation Conference

Operations

This Corporate Division has centered its 2015 activity on executing the following activities of strategic relevance for MAPFRE:

- The creation of an objective digital business operating model for implementing digital operations in different markets more efficiently.
- The definition of a catalog of claim solutions based on components for generating value in the short term (in economic terms and in quality).
- The implementation of the Task Force model, as the axis for executing the work to integrate companies.
- The establishment of the global model for gauging the perceived level of quality, identifying specific actions for improving the satisfaction of clients.
- The implementation in the global provider model for promoting the improvement of the service and quality levels furnished by providers for identifying improvement levers.
- Production launch of MAPFRE commercial portals within the Global Internet Framework Project, thus enabling a uniform image of MAPFRE, promoting sales, shoring up client and provider loyalty, and full adaptation to different devices.

Technology and Processes

The MAPFRE Corporate Technology and Processes Division has been working throughout 2015 to achieve the following milestones:

- Definition and start of the execution of the main work lines for achieving globalization, which will help implementation of the Corporate Technology Platform, enable synergy capture and improve the efficiency of the support provided to the business through a global IT operational model.
- Collaboration and active participation in activities and projects driving the digital transformation at MAPFRE.
- Extension of the Corporate Technology Platform for globally and uniformly integrating all IT and Business solutions. The following advances are particularly salient in the technological platform:
 - Implementation of the corporate solution for economic-financial management in 11 countries (Spain, Mexico, Argentina, Ecuador, Colombia, Chile, Paraguay, Sweden, the Philippines, Turkey, Costa Rica) and the corporate purchasing process in 7 countries (Spain, Mexico, Argentina, Ecuador, Colombia, Chile and Paraguay)
 - Regarding the business processes, the implementation in the Philippines of the Tronweb application for the automobiles line is particularly salient. In Brazil, the Life insurance system (VIDA NOVA) now has the Request Refusal Letter – Group and the welcome kit for newly underwritten contracts. In Spain, some of the General Territorial Divisions have implemented the New System for Issuing Home Insurance, the systems providing a response to the Individual Risk have been established, and new Life insurance products are now on the market. The Assistance business has continued extending corporate solutions to countries such as Panama, Greece and the United Kingdom. The new Global Expat application has been implemented for expatriates and their families around the world. Global Risks has implemented the new Underwriting Platform application for backing the underwriting process for large risks and providing the necessary functionalities for automating the activity.

- The corresponding contact centers were integrated at MAPFRE CHILE and MAPFRE SEGUROS GERAIS Portugal, in Australia, Chile, Indonesia and Italy for the ASISTENCIA business, and in UK (Bristol) and France for service to Insurance&Go.
 - MAPFRE already has a market solution for developing mobile applications for smartphones and tablets. The first projects were deployed in 2015 while the necessary guides and good practices were established for sharing knowledge and software in initiatives of this sort.
- Definition and implementation of the MAPFRE process management model with a priority focus on automating, standardizing and generating efficiencies.
 - Data Processing Center infrastructures were successfully transferred this year from Majadahonda to the new Data Processing Center in Alcalá de Henares, where there was also consolidation of the infrastructures of Portugal and other entities (Malta MSI), and work commenced for consolidating the infrastructures of other companies (DIRECT LINE Italy, DIRECT LINE Germany, Malta MSV). Likewise the infrastructures corresponding to Costa Rica, Nicaragua and Guatemala were migrated to the corporate data processing centers in Miami and São Paulo. All these efforts have afforded MAPFRE with a robust and secure infrastructure.
 - The completion of the Data Processing Center in Alcalá de Henares and its greater response capacity regarding contingency solutions enabled us to update the Disaster Recovery Plan solution, which migrated from one based on a single Backup Center (Ávila) to a solution based on services managed by a provider at a reduced cost.
 - With a view to testing the usability of the Global Area of the Corporate Global Intranet and maximizing the experience of portal users, a remote pilot ran during the summer of 2015 with the participation of 347 employees in 47 countries and in 15 different languages on PC and mobile devices. The resulting set of improvements will be implemented during the first quarter of 2016 in parallel with the worldwide deployment of this area.

- The Technology Solutions Division has reached Maturity Level 2 according to the CMMI-DEV® model for project and maintenance processes. This certification is an official recognition of MAPFRE's IT organization as highly oriented toward processes with a strong involvement in continued improvement and applying best practices of the software sector in the scope of development projects.

SECURITY

Contributions to MAPFRE sustainability continued in 2015 through suitable protection of tangible and intangible assets, and the continued enhancement of the resiliency capacity of our operations in case of a physical and/or logistical disaster.

From the point of view of Security Governance, in 2015 the strategic objectives of the Function were updated, seeking better alignment with the strategy and needs of the company and better coverage of threats and opportunities.

Turning to the protection of our people, our company's main asset, noteworthy efforts were made to ensure that the main MAPFRE facilities were equipped with updated Emergency and Evacuation Plans. Likewise addressing the needs for globalization and mobility that could include transfers to countries having risk situations, security guides and protocols were created and provide information and useful recommendations for employees who travel to these places for business.

Various corporate-level Cyber Risk protection projects are underway, conceived to increase the capabilities of detecting and preventing cyber-attacks. They aim to reduce the response times in case of such attacks and the overall capacity to take action and achieve cost efficiencies. MAPFRE returned to participate in the 2015 version of the cyber-exercises organized by the Spanish Ministry of Industry and Ministry of Interior. These exercises evaluate the capabilities of large domestic companies when faced with a massive cyber-attack. We also continued improving our cybersecurity self-assessment capabilities by implementing constant revision mechanisms.

Our involvement in the sustainability of operations continues in the fight against fraud by collaborating with the Security Forces and Corps, and developing early detection and alert scenarios of potentially fraudulent activity via harmonized corporate-level software tools.

Also seeking to ensure the survival of operations, the Business Continuity Plans (BCP) of MAPFRE have been completed in Turkey, Nicaragua, subsidiaries of MAPFRE Asistencia USA (Road America, Federal Assist and Insure &Go) and Business Continuity Plans of SOLUNION, MAPFRE Serviços Financeiros in Brazil and D. G. Asistencia e Posvendas de BB e MAPFRE.

Similarly, and in order to verify the effectiveness and validity of existing Business Continuity Plans, testing has been conducted with a view to recovering services to clients in case of serious contingency or disaster, in Portugal, Peru, Mexico and Colombia, as well as in VERTI, MAPFRE GLOBAL RISKS, MAPFRE RE, MAPFRE INVERSIÓN and the MAPFRE ESPAÑA Benefits and Providers Area.

Also associated with sustainability, within the framework of the Principles for Sustainable Insurance (PSI) of UNEP FI, MAPFRE has adhered to the overall commitment of the insurance industry to support Disaster Risk Reduction (United for disaster resilience) and has expressed their individual commitments to help build coping mechanisms in the event of disasters.

To improve the effectiveness and efficiency of the Function, structures have been optimized, including all MAPFRE business in a given country within the coverage of the local security and the environment organization located in the same. The countries in the regional areas of North America and LATAM North were equipped with a consolidated security structure in 2015.

During this year, we also advanced in the implementation of the Corporate Office for Data Protection and Privacy, which will provide the Group with global and uniform capacities insofar as the protection of the personal data of clients and stakeholders. Moreover, we continue working on anticipating the regulatory requirements that will most likely be binding upon entry of the future European Data Protection Regulations.

With a view to providing added value to the business, we have continued working on implementing digital signature solutions, particularly for underwriting motor insurance in Spain from a mobile via an electronic signature through a trusted third party, implemented biometric signatures at the Commercial Network offices also in Spain, and set up a system enabling the electronic signature of agreements between Group companies.

By virtue of our vision of a secure and safe culture based on people, we continue focusing on employee training and awareness-raising activities. In this regard, we updated the corporate security and environment e-learning platforms in 2015. We also developed a global calendar for directors and held a specific awareness-raising session on cybersecurity for executives.

The involvement of the Function is particularly salient in the integration of security and environmental risk management in the new corporate initiatives, particularly at DIRECT LINE Italy and Germany, and throughout the other projects and activities associated with digitally transforming the Group and enhancing our clients' experience.

COMMUNICATION

Throughout 2015, the Group continued its efforts to enhance awareness of MAPFRE's strategy, corporate values, culture, projects and activities in every field in which it operates, so as to contribute to the continuous improvement of its reputation among key audiences: society at large and the organization itself.

Furthermore, a single reporting and measuring model has been rolled out for all (external and internal) communication activities. This model is operational in five strategic countries: Brazil, Spain, USA, Mexico and Turkey.

Additionally, implementation of the international communication action plan in 25 countries has proceeded. A new internal communication model for the entire Group has been created. A new structure has been designed for social networks so that the Group's activities gain relevance in these channels – each area carries out its own activities independently albeit in a coordinated fashion, and a social network communication plan has been drawn up.



MAPFRE Blog

The following actions in 2015 should be noted in this regard:

External communication

- 384 interviews were arranged with the media, 540 press releases were issued, 994 requests from journalists for information about MAPFRE were answered, and 47 events were organized.
- Continuous updating of the Press Room.
- Management of corporate communication through the MAPFRE Twitter profile, through which MAPFRE communicates with the media and which has been 6,368 followers.
- Publication of a corporate blog to share information with society on the world of insurance and other related issues, such as innovation, the stock market and finance, automobiles and corporate social responsibility, and which received 40,583 visits during the year.

Internal Communication

- Dissemination of 1,104 news items through MAPFRE Hoy (MAPFRE Today), the corporate portal purpose-designed for broadcasting the company's in-house information, and which is read every week by around 12,000 employees and representatives.

- Publication of The World of MAPFRE corporate magazine in both its digital and printed versions. Four publications were issued as well as a special supplement on the Annual General Meeting. The digital version is published in the three corporate languages (Spanish, English and Portuguese).

ADVERTISING AND BRANDING

The 2015 advertising campaigns adopted the corporate slogan “Your Trusted Global Insurance Company”. In this way, we seek to retain the trust as the basis of client relationships and strengthen our emotional link with clients.

The branding campaign moved forward with a strong image component and successive product versions (home, motor, health, life and pensions). Additionally, the high visibility of sporting sponsors (tennis, sailing and motorcycle racing) secures a steady and consistent presence in conventional media, especially on television, and digital media.

The impact of this activity in Spain is once again reflected in the ICEA Brand Image Survey (2nd wave 2015), which reveals unaided awareness of the MAPFRE Brand in 84 percent of the population, aided awareness of the brand by 99.9 percent of the population, and campaign recall by more than 82 percent of respondents.

Turning to global sponsorship, the fifteenth Volvo Ocean Race between October 2014 and June 2015 is particularly prominent, since our company became, for the first time ever, a main sponsor of one of the racing yachts participating in



MAPFRE in the Volvo Ocean Race

the competition, the MAPFRE yacht. This sponsorship reaped substantial benefits of brand awareness and content, and public and corporate relations.

The Volvo Ocean Race cultivated significant interest worldwide and our brand, only in news published via the digital press at the international level, appeared in over 26,400 articles referring to the MAPFRE yacht, for which Spain, France, Italy the United States and Brazil were the countries with the largest number of articles.

Since its beginning, the Volvo Ocean Race has provided our brand with nearly 758 hours of television exposure time, and the image of our team reached 83 countries, particularly the United States, China, Spain, Portugal and Italy.

Key indicators

SOLVENCY MARGIN

The solvency margin reflects the sufficiency of uncommitted equity to cover minimum regulatory requirements.

The Group's solvency margin in the 2015 and 2014 financial years amounted to 9,825.15 million euros and 10,349.40 million euros, respectively. These figures exceeded the required minimum (3,850.35 million euros and 3,996.39 million euros, respectively) by 2.55 times in 2015 and by 2.59 times in 2014.

RETURN ON EQUITY (ROE)

Return on equity (ROE) represents the relationship between net profit attributable to the parent company (deducting the share of external partners) and average shareholders' equity: this stood at 8 percent in 2015 (10 percent in 2014).

This progress includes:

- Consequently, the reduction in the technical result of Non-Life, primarily the losses due to exceptional snowfall on record in the United States and the spike in the claims ratio in Iberia and in MAPFRE ASISTENCIA.
- The good technical-financial result for the Life insurance business in Brazil.
- The decrease in shareholders' equity, propitiated by the fall in the market value of the financial investment portfolio, the depreciation of the main currencies against the euro, with the exception of the US dollar, and the sale of the insurance business of CATALUNYACAIXA.

MANAGEMENT RATIOS

The combined ratio measures the relationship between management expenses and costs from claims in a year against premiums for the same period. In 2015 this ratio held at 98.6 percent, hence an increase of 2.8 percentage points compared to the previous year. This performance contains, as discussed in the previous section, the impact of the snowstorms in the United States, which added 1.3 percentage points to the

combined ratio, and the rise in claims in Iberia and MAPFRE ASISTENCIA.

The following table shows the main management ratios:

	EXPENSES RATIO ⁽¹⁾		CLAIMS RATIO ⁽²⁾		COMBINED RATIO ⁽³⁾	
	2015	2014	2015	2014	2015	2014
IBERIA	22.2%	20.9%	75.0%	74.0%	97.2%	94.9%
LATAM NORTH	35.9%	35.5%	60.9%	59.5%	96.8%	95.0%
LATAM SOUTH	38.1%	33.3%	60.0%	65.6%	98.1%	98.9%
BRAZIL	33.8%	32.9%	60.8%	60.2%	94.6%	93.1%
EMEA	28.4%	27.6%	74.2%	68.6%	102.6%	96.2%
NORTH AMERICA	27.7%	27.7%	80.4%	74.4%	108.1%	102.1%
APAC	29.4%	28.4%	74.4%	65.1%	103.8%	93.5%
MAPFRE RE	29.3%	28.6%	64.6%	64.5%	93.9%	93.1%
MAPFRE S.A.	28.6%	27.8%	70.0%	68.0%	98.6%	95.8%

(1) (Reinsurance net operating expenses - other technical revenues + other technical expenses) / Premiums booked net of reinsurance. Figures relating to Non-Life insurance.

(2) (Claims ratio for the year net of reinsurance + change in other technical provisions + profit sharing and returned premiums) / Premiums booked net of reinsurance. Figures relating to Non-Life insurance.

(3) Combined ratio = Cost ratio + Claims ratio. Figures relating to Non-Life insurance. In 2014 the profit sharing and returned premiums was included in the cost ratio.

Note: The information from 2014 has been restated to include the classification of the business of CATALUNYACAIXA as discontinued, and includes adjustments in the regional allocation of expenses and revenues of MAPFRE ASISTENCIA.

Issues relating to the environment and employees

ENVIRONMENT

One of the ways that MAPFRE builds trust among its stakeholders is by promoting the creation of a sustainable environment in which to conduct its activity. During 2015, the Group has initiated actions to comply with the new commitments on the modification and updating of its corporate environmental policy and focused on transparently displaying its environmental performance under aspects considered material both at the internal and at the stakeholder level, and on reinforcing its global commitment in this regard.

With regard to mitigation and adaptation to climate change, MAPFRE has continued to develop the actions defined in its Strategic Plan for Climate Change and Energy Efficiency, which aims to reduce Group emissions by 20 percent by 2020. In this respect, the first verification of the corporate model for quantification and reporting of emissions and reductions of greenhouse gases of MAPFRE Group in Spain is noteworthy. Furthermore, the Corporate Work Group for the Mitigation and Adaptation to Climate Change was set up, led by the Corporate Safety and Environment Division, in which experts

from the Global Risks, MAPFRE RE and International Risks and Organizations Areas take part.

As a result of the actions performed in the field, three weeks before the United Nations' conference on climate change (COP21) in Paris, historical global milestone in the fight against climate change, the CDP (Driving Sustainable Economies) recognized MAPFRE as a leading global company in acting against climate change by including it in its Global Climate A List.

Also related to the agreement resulting from the COP21, MAPFRE, as a signatory of the Principles for Sustainable Insurance (PSI), has adhered to the Paris Pledge for Action initiative, for which it reaffirms its commitment to achieving a secure and stable environment in which the temperature rise is limited below two degrees Celsius, thus reinforcing the actions associated with its Strategic Plan for Energy Efficiency and Climate Change.



Meanwhile, the strategic environmental and energy management model (SIGMAYE) continued to expand internationally, obtaining a new ISO 14001 certificate in Paraguay and AndiAsistencia Colombia, which joins those of the insurance companies of Colombia, Puerto Rico, Brazil and Mexico as well as the 25 HQ buildings with ISO 14001 certificates, and 9 with ISO 50001 certificates for energy management, based in Spain.

With regard to the preservation of biodiversity, membership to the Agreement for Biodiversity from the Spanish Company and Biodiversity Initiative was highlighted, as well as the collaboration agreement signed with WWF Spain for the protection of the Iberian lynx and the reforestation of a hectare of the Doñana National Park.

MAPFRE has also continued contributing to the protection of the environment through its products and services, through the correct management of environmental risks in the underwriting and technical assistance processes of its insurance policies, the incorporation of environmental criteria in corporate procurement processes, which includes the acquisition of electrical energy from renewable sources in over 60 percent of the MAPFRE facilities in Spain, and selling products and services that favor environmental protection and saving resources.

As far as participation and raising awareness among employees is concerned, specific campaigns have been launched, such as "Cool biz" to improve the energy efficiency of our facilities, the photography competition "Objetivo Biodiversidad" and the "Commuting" survey to quantify the impact of employees commuting to the workplace on the company's Carbon Footprint. To increase the scope of awareness-raising and participation of other stakeholders, MAPFRE signed up to the campaign "1 million commitments to the climate" by the Ministry of Agriculture, Food and Environment, aimed at people and companies making specific commitments to the fight against the climate change.

MAPFRE's corporate commitment to the environment and sustainability is made clear once again by it signing up to new initiatives such as the United Nations Declaration to support the Reduction of the Risk of Disasters, and the Declaration of Barcelona to drive the change of model toward an economy low in carbon and a sustainable development.

Further information on the Group's environmental policy and activities are set out in its Corporate Social Responsibility Report.



PERSONNEL

The chart below shows the headcount at the end of 2015, compared with the headcount for the previous financial year.

CATEGORIES	NUMBER					
	SPAIN		OTHER COUNTRIES		TOTAL	
	2015	2014	2015	2014	2015	2014
EXECUTIVES	522	491	1,029	1,009	1,551	1,500
SUPERVISORS	1,186	1,167	3,246	2,864	4,432	4,031
TECHNICIANS	6,469	6,257	11,390	7,946	17,589	14,203
ADMIN. ASSISTANTS	2,797	2,743	11,766	14,576	14,563	17,319
TOTAL	10,974	10,658	27,431	26,395	38,405	37,053

MAPFRE's goals include the professional development of its employees and strengthening their employability and well-being by developing their abilities and skills. All in an understanding environment of mutual respect; free of offense, intimidation, harassment or discrimination, a work environment that guarantees job safety and stability.

It also has a Code of Ethics and Conduct that is inspired by the institutional and business principles of MAPFRE and which is intended to reflect corporate values and the basic principles that should guide the conduct of MAPFRE and the people that form part of it.

The company values the diversity of all the people that make up the company in all the countries in which it is present. The different generational, cultural and gender characteristics enrich the company, contributing to its growth and increasing innovation and creativity.

This year it has implemented a global strategic talent management initiative to identify the strategic profiles required for the organization, abilities and skills of employees so as to establish development plans that boost employability and functional and geographic mobility and covers vacancies and positions required by the organization, committed to retaining talent and internal promotion.

MAPFRE has a global hiring procedure which ensures objectivity, rigor and non-discrimination in all processes.

There is also a commitment to include employees with disabilities to the workforce, promoting their professional and personal development and their quality of life. The Global Disability Program was continued in 2015, being implemented in 22 countries.

MAPFRE is clearly committed to mobility as an opportunity for employees people to develop their professional career. This process is a reference of internal employability at MAPFRE.

The Global Training Model is organized through schools of knowledge and is designed around four major areas, depending on the group and the nature of the training material.

- Technical-commercial knowledge through the Technical Knowledge Schools.
- Cross-disciplinary training at the Culture and Global Policies School, Skills School and Language School.
- Training for development at the Professional Development School.
- Training for leadership at the Leadership School.

Training is designed and taught around the world according to a standard learning model aligned with the company's strategy.

In 2015 the Group invested 15.1 million euros in training, equivalent to 1 percent of remuneration paid. MAPFRE has increased its investment in training year after year. The last three years saw a 4.1 percent increase in training investment.

MAPFRE maintains reconciliation measures related with working times. In 2015, two flexi-time initiatives were implemented; one at MAPFRE RE by which employees can choose to work new, flexible times, which responds to the business needs whilst reconciling workers' personal and work lives, and another in Brazil, by which employees have a broad flexible margin at the start of the day and can also avail of a time bank to compensate with free time.

Furthermore, volunteering is becoming one of the corporate programs that is having the greatest impact on society, where the spirit of solidarity of MAPFRE's stakeholders is channeled, with employees being the main participants, through social activities coordinated by the company and where the initiatives proposed by workers are of great importance. In 2015, we had 4,120 volunteers around the world and a Global Volunteering Work Program, which gives guidelines for carrying out local plans.

Satisfaction, commitment and reputation surveys were carried out in some of the main countries in which MAPFRE operates. The Great Place To Work (GPTW) survey, which measures employee satisfaction and commitment, was conducted in 13 countries in 2015 with a total of 9,786 employees taking part. Furthermore, MAPFRE has been recognized as a Best Workplace in nine countries (Brazil, El Salvador, Spain, Guatemala, Honduras, Mexico, Nicaragua, Panama and Peru) and at general level in Latin America, Central America and the Caribbean.

The "MAPFRE and its Employees" section of the Social Responsibility Report includes extensive information on the Group's Human Resources policy and activities.



IN 2015 THE GROUP INVESTED 15.1 MILLION EUROS IN TRAINING. MAPFRE HAS INCREASED ITS INVESTMENT IN TRAINING YEAR AFTER YEAR.

LIQUIDITY AND CAPITAL RESOURCES

Investments and investment funds

On December 31, 2015, liquid investments and funds has a book value of 46,264.7 million euros, down 4.9 percent on the previous year. These are detailed in the following table:

	2015	% of total	2014	% of total
Risk-free investment	2,788.0	6.0%	3,275.8	6.7%
- Cash	989.1	2.1%	1,188.6	2.4%
- Investment on behalf of policyholders	1,798.9	3.9%	2,087.2	4.2%
Property investment	2,267.7	4.9%	2,392.0	4.9%
- Property for own use	943.4	2.0%	1,165.7	2.4%
- Other real estate investment	1,324.3	2.9%	1,226.3	2.5%
Financial investment	40,159.2	86.8%	41,951.4	86.2%
- Shares	1,473.2	3.2%	1,377.1	2.8%
- Fixed income	36,821.2	79.6%	39,010.4	80.1%
- Mutual Funds	1,284.2	2.8%	1,057.2	2.2%
- Other financial investment	580.6	1.3%	506.7	1.0%
Other investment	1,049.8	2.3%	1,053.9	2.2%
- Investment in investee companies	197.3	0.4%	233.6	0.5%
- Deposits established for accepted reinsurance	557.2	1.2%	473.0	1.0%
- Other	295.3	0.6%	347.3	0.7%
GENERAL TOTAL	46,264.7	100.0%	48,673.1	100.0%

Figures in millions euros

The property investments shown in the above table do not include tacit capital gains, which at year-end stood at 974.9 million euros, based on valuations by independent experts.

Financing operations

The main changes in the sources of the Group's finance during 2015 were:

– Partial use of the revolving credit facility syndicated credit of 470 million euros during the second quarter of 2015 for financing the acquisition of DIRECT LINE.

– The MAPFRE simple debentures that matured in November 2015 (1 billion euros) and the syndicated loan contributed to its refinancing, with a balance at December 31, 2015 of 1,000 million euros.

– As stipulated in the contract, the maturity of the syndicated loan was extended from December 2019 to December 2020.

Overall, the Group's consolidated financial and subordinated debt showed a net decrease of 16 million euros in the year.

Financial expenses amounted to 107.7 million euros (118.1 million euros in 2014), with a decrease of 8.8 percent.

Capital resources

Consolidated equity stood at 10,408.3 million euros, compared to 11,469.4 million euros in 2014, and 1,834.6 million euros of this corresponds to holdings of non-controlling interests in subsidiaries. Consolidated shareholders' equity per share stood at 2.78 euros at year-end 2015 (2.97 euros at 12/31/2014).

Changes in equity during the year are shown in the table below:

	Shareholders' Equity	Non-controlling Interests	2015	2014
BALANCE AT 31/12 OF THE PREVIOUS YEAR	9,152.7	2,316.7	11,469.4	9,893.7
Income and expenses recognized directly in equity				
Available-for-sale portfolio	(474.8)	(135.6)	(610.4)	2,843.6
Foreign exchange conversion differences	(506.0)	(362.5)	(868.6)	158.4
From application of shadow accounting to provisions	221.5	99.0	320.5	(2,135.6)
Other	(4.9)	(0.2)	(5.0)	4.2
TOTAL	(764.2)	(399.3)	(1,163.4)	870.6
Result for the period	708.8	490.2	1,198.9	1,323.4
Distribution of result from the previous year	(246.4)	(310.8)	(557.1)	(527.5)
Interim dividend for current year	(184.8)	(38.6)	(223.3)	(263.0)
Other changes in equity	(92.5)	(223.7)	(316.2)	172.2
CLOSING BALANCE FOR PERIOD	8,573.7	1,834.6	10,408.3	11,469.4

Figures in millions of euros

Changes to equity include:

- The result for the period including the net profit of 155 million euros from the sale of the insurance business CATALUNYACAIXA.

- The fall in the value of the financial investment portfolio, partly offset by shadow accounting, as a result of the market disturbances, despite an improvement in the fourth quarter.

- The appreciation of the main currencies against the euro, with the exception of the US dollar, with the Brazilian real plummeting during the second half of the year.

- The final dividend approved by the Annual General Meeting and paid in June and dividends paid by subsidiaries to external partners.

- The interim dividend of MAPFRE S.A. which was paid in December and interim dividends shared between the subsidiaries with external partners.

- The impact of the sale of CATALUNYACAIXA on non-controlling interests.

ANALYSIS OF CONTRACTUAL OPERATIONS AND OFF-BALANCE SHEET OPERATIONS

At year-end 2015, MAPFRE had formalized the following agreements for the development and distribution of its insurance products in Spain with various entities, some of which have been, or still are, involved in bank restructuring processes:

- Agreement with BANKIA, S.A. in relation to the strategic alliance commenced in 1998 with predecessor CAJA DE AHORROS Y MONTE DE PIEDAD DE MADRID, which was rewoded in 2014 by including a new agreement that allows the exclusive distribution of MAPFRE Life and Non-Life insurance through the whole BANKIA commercial network (hereinafter the "Agreement") and allows the continued joint participation in BANKIA MAPFRE VIDA (previously

called MAPFRE-CAJA MADRID VIDA), which specializes in marketing Life insurance through said sales network. The Agreement reached between MAPFRE and BANKIA involves the restructuring of the bancassurance business and includes an Assur banking agreement through which MAPFRE will distribute BANKIA financial products through its sales network.

The Agreement also involved the purchase of 51 percent of shares in ASEVAL and LAIETANA VIDA and 100 percent of shares in LAIETANA GENERALES, for an overall price of 151.7 million euros.

The final economic value of the Agreement will depend on the future level of compliance with the agreed Business Plan.

– Agreement with BANCO CASTILLA-LA MANCHA, S.A. (as the successor to the banking and para-banking activity of CAJA CASTILLA-LA MANCHA) for exclusive distribution of the personal insurance and pension schemes of the jointly-owned company CCM VIDA Y PENSIONES (of which MAPFRE owns 50 percent), through its commercial network.

The acquisition price of the shares was 112 million euro in cash, plus additional amounts to be paid in 2012 and 2021. In 2012, 4.5 million euro were paid to CAJA DE AHORROS CASTILLA LA MANCHA (currently BANCO DE CASTILLA-LA MANCHA), with a further 14 million euro to be paid in 2021.

– Agreement with BANKINTER, S.A. for the exclusive distribution of Life and Accident insurance and pension schemes for the jointly-owned company BANKINTER SEGUROS DE VIDA (of which MAPFRE owns 50 percent), through the bank's commercial network.

The acquisition price of the shares was 197.2 million euros in cash, with two further payments of 20 million euros plus interest, which will become due, depending on the degree of performance of the agreed business plan, on the fifth and tenth anniversary. In 2012, as the Business Plan had been achieved, the first additional payment planned was made, amounting to 24.2 million euros.

On September 2, 2015, BANKINTER SEGUROS DE VIDA signed an agreement for the acquisition of the insurance business BARCLAYS VIDA Y PENSIONES, in Portugal, with the base price of 75 million euros, adjusted on the closing of the transaction by the date of same. The operation is subject to the fulfillment of various conditions precedent, including the establishment of a branch of BANKINTER SEGUROS DE VIDA in Portugal, obtaining the corresponding authorizations from the Insurance Supervisors of Spain and Portugal and the competition authorities in addition to the effective execution of the acquisition by BANKINTER of the banking business of BARCLAYS BANK through its branch in Portugal.

– Agreement with BANKINTER, S.A. for the exclusive distribution of general and business insurance (excluding Automobile, Travel and Home insurance) for the jointly-owned company BANKINTER SEGUROS GENERALES (of which MAPFRE owns 50.1 percent), through the bank's commercial network.

The acquisition price of the shares was 12 million euros in cash (in addition to payment of 3 million euros for purchase of shares on December 27, 2011), plus an additional 3 million euros to be paid if the "December 2012 Business Plan" is fully performed at year-end 2015.

– Agreement with BANCO DE CAJA ESPAÑA DE INVERSIONES, SALAMANCA Y SORIA, S.A. (as the successor to the banking and para-banking activity of CAJA ESPAÑA DE INVERSIONES, SALAMANCA Y SORIA, CAJA DE AHORROS Y MONTE DE PIEDAD, which in turn had succeeded CAJA DE AHORROS DE SALAMANCA Y SORIA (CAJA DUERO)) for exclusive distribution of Life and Accident insurance and pension schemes for the jointly-owned companies UNIÓN DEL DUERO COMPAÑÍA DE SEGUROS DE VIDA (DUERO VIDA) and DUERO PENSIONES ENTIDAD GESTORA DE FONDOS DE PENSIONES (DUERO PENSIONES) (of which MAPFRE owns 50 percent) through the commercial network thereof.

The acquisition price of the shares was 105 million euros in cash, plus an additional maximum payment of 25 million euros, depending on performance of the agreed Business Plan for 2008-2014.



MAPFRE HAS SYSTEMS TO MONITOR AND CONTROL OPERATIONAL RISK.

Furthermore, MAPFRE has signed shareholder agreements on standard business terms, including prohibitions on transfer of shares during certain periods and options to withdraw under certain conditions (for example, failure to achieve the Business Plan, change of control, company blocks or serious contractual non-performance, etc.).

MAPFRE and BANCO DO BRASIL also signed a strategic partnership through the constitution of two holding companies (BB-MAPFRE, for the life and agriculture business, and MAPFRE-BB, for the motor and general insurance business), which comprise the insurance subsidiaries of both groups in Brazil and that distribute their products, both through the bank's network as well as through other distribution channels including those traditional to MAPFRE.

In addition, MAPFRE and EULER HERMES have signed an agreement to establish a strategic partnership to jointly develop the surety and credit insurance business in Spain, Portugal and Latin America. Under this agreement, both companies hold a 50 percent stake in a joint venture called SOLUNION, integrating the businesses of both groups in the aforementioned markets. SOLUNION covers risks in countries on all five continents and has an international network of risk analysts located in more than 50 countries that continuously monitor the situation of the risks of their insured, as well as an extensive distribution network in countries in which it is present.

Finally, the minority shareholders of the subsidiaries MAPFRE AMÉRICA and MAPFRE RE have a put option on the shares of these entities. If exercised, MAPFRE or a MAPFRE Group entity, would have to acquire the shares from the selling minority shareholder. The purchase price of the MAPFRE AMÉRICA and MAPFRE RE shares would be calculated using the pre-agreed formulas for each case. As of 31 December 2015, based on the variables included in the aforementioned formulas, MAPFRE's liability in the event of exercise of all of the rights mentioned would be approximately 114.5 million euros.

Without prejudice to the foregoing, during the 2015 fiscal year, the strategic agreement between MAPFRE and CATALUNYA BANC, S.A. (as the successor to the banking and para-banking activity of CAIXA CATALUNYA, CAIXA D'ESTALVILS DE TARRAGONA Y CAIXA D'ESTALVILS DE MANRESA) for exclusive distribution of Life and Accident and Various insurance and pension schemes through CATALUNYACAIXA VIDA and CATALUNYACAIXA ASSEGURANCES GENERALS respectively, of which MAPFRE owns 50.01 percent of share capital.

Given the restructuring plan of CATALUNYA BANC and the entity's acquisition from BBVA by FROB, MAPFRE and CATALUNYA BANC signed a shares sale agreement in April 2015, and terminated their strategic agreement whereby MAPFRE sold its joint shares with CATALUNYA BANC in the insurance companies. The total price was 606.8 million euros. The deal was closed on July 31, 2015.

MAIN RISKS AND UNCERTAINTIES

MAPFRE has adopted a three-lines-of-defense model for risk management.

Moreover, the consolidated group of insurance companies has a Risk Management System (RMS) based on the integrated management of each and every business process, and on the tailoring of the risk level to the established strategic objectives.

Additionally, the MAPFRE Group has established the risk level that the Group would be ready to assume to attain its business objectives with no relevant deviations, even in adverse situations. This level, which delimits limits and sub-limits per risk type, configures the MAPFRE Group's Risk Appetite.

Operational Risks

REGULATORY RISK

Legal risk is defined as the event comprising a change in regulations, law or administrative procedures that could adversely affect the Group.

In recent years, the legislative framework to which the insurance industry adheres has been growing with new regulations both internationally as well as locally. In this regard, it should be borne in mind that the Group works in a complex environment under increasing regulatory pressures, not only in the insurance sector but also insofar as matters including technology, corporate governance or corporate criminal responsibility.

The interpretation made by various supervisors of Europe's Solvency II is particularly prominent in this regard, since this legislation applies to the entire Group.

Insurance subsidiaries are subject to special regulation in the countries in which they operate. Supervisory bodies exercise a high level of administrative control over various aspects of the insurance business. This control can affect the value of premiums, marketing and sales practices, the distribution of profits among insurance policy holders and shareholders, advertising, license agreements, policy models, solvency, capital requirements and permitted investments. The supervisory authorities could, for example, prohibit certain risks being included in the cover given, such as the risk of terrorist acts.

Changes to tax regulations could affect the advantages of some of the Company's or its subsidiaries' products that currently receive tax breaks.

OPERATIONAL RISK

Operational risk is defined as the risk of withstanding losses due to the inadequacy or failure of internal processes, personnel or systems; or external events.

The operational risk management model is based on a process-based dynamic analysis of the company, whereby enabling the managers of each area or department to identify and assess the potential risks affecting the following business and support processes: Product Development, Underwriting, Claims / Benefits, Administrative Management, Commercial Activities, Human Resources, Committees, Coinsurance / Reinsurance, Technical Provisions, Investments, IT Systems, and Customer Service.

MAPFRE has systems to monitor and control operational risk. However, the possibility of suffering losses due to this type of risk, which is highly difficult to predict and quantify, cannot be ruled out.

Operational risks are identified and evaluated with Riskm@p, a software application developed in-house at MAPFRE, which draws up the risk maps for the companies, analyzing the significance and probability of occurrence of the different risks. Riskm@p is the corporate tool for handling control activities (process manuals, inventory of controls associated to risks and evaluation of their effectiveness).

CLIENT CONCENTRATIONS

The Group's insurance risk is highly diversified, as it operates in nearly all insurance lines and has a strong international presence, and because it applies a system of procedures and limits to control concentrated insurance risk.

Reinsurance contracts are routinely used to mitigate the insurance risk arising from concentrated or accumulated guarantees exceeding the maximum acceptance levels.

Financial Risk

MARKET AND INTEREST RATE RISK

Market price fluctuations, particularly may reduce revenue from the investment portfolio, and this could have a negative impact on the financial situation and consolidated results.

A prudent selection of the right financial assets to fulfill obligations assumed is the main way to mitigate potential adverse effects of changes in market prices. In the management of investment portfolios, a distinction is made between those that seek to match the obligations arising from the insurance contracts and those where there is active management. The former minimize interest rate risks and other risks of price fluctuations, while the latter maintain a management policy with a certain degree of market risk assumption.

MAPFRE mitigates its exposure to this type of risk by means of a prudent investment policy, with a high proportion of investment-grade fixed-income securities. Most investments are represented by fixed interest securities, which accounted for 92 percent of the total financial investment portfolio in 2015 (93 percent in 2014). The market price of these securities may fluctuate due to changes in the interest rate level (interest rate risk). As mentioned above, exposure to this kind of risk is mitigated through asset-liability matching. The market price of fixed-rate securities may also fluctuate due to changes in the perception of the solvency margin of issuers (spread risk). The treatment for this type of risk is explained below under Credit Risk.

Investments in equity instruments and investment funds have a limited weight in the portfolio, accounting for around 6.9 percent of total financial investments in 2015 (5.8 percent in 2014).

Demand for products linked to fixed-income instruments, such as pension funds that invest in such assets, may decrease when equity markets perform strongly and increase when equity markets are weak. Demand for products linked to fixed-income instruments, such as investment funds that invest in such assets, may decrease when equity markets perform strongly, but is normally weaker when equity markets are on a downward trend.

Changes to returns on fixed-income instruments also influence the behavior of consumers, which could affect the Company's Life insurance business and asset management.

Revenues on MAPFRE's Life insurance and asset management operations are directly related to the value of the assets under management. A dip in the market could therefore have a negative impact on said revenues.

EXCHANGE RATES RISK

Changes in the value of the euro have affected and could still affect the value of MAPFRE's assets and liabilities, and, therefore, its net equity, operating results and cash flow. Foreign exchange conversion differences resulted in negative acknowledgment of 506 million euros in 2015 (earnings in shareholders' equity of 143.3 million euros in 2014).

While most governments of the countries in which MAPFRE operates have not imposed bans on repatriating dividends or capital divestment, restrictive exchange control policies might be established the future. No exchange or interest rate hedging instruments have been taken out. The Group studies the best alternatives to mitigate the impact of the volatility of the most important currencies for the Group.

With regard to technical provisions for operations abroad, the Group generally applies a policy of investing in assets denominated in the same currency as the commitments acquired by the insurer.

Credit Risk

Returns on investments are also sensitive to changes in general economic conditions, including changes to the general credit ratings of issuers of debt instruments. For example, the value of a fixed-income instrument may be reduced by changes to the credit rating or insolvency of the issuer. There are similar risks in terms of exposure to insurance, reinsurance and banking counterparties.

Exposure to credit risks is mitigated through a policy based on the prudent selection of security issuers and counterparties on the basis of their solvency; seeking an elevated degree of geographic correspondence between issuers of assets and commitments; maintaining an appropriate level of



Worldwide senior management meeting in Brazil

diversification; and securing, if necessary, guarantees, collateral and other sorts of coverage.

Investments in fixed-income securities and variable annuities are subject to limits by issuer. The policy establishes limits according to the risk profile of the counterparty or investment instrument, and exposure limits in connection with the counterparty's rating.

Liquidity Risk

Liquidity risk is mainly managed by maintaining cash balances sufficient to cover any contingency arising from its obligations vis-à-vis insured parties and creditors. As at December 31, 2015, the cash balance amounted to 989 million euros (1,188.6 million euros in the preceding year), equivalent to 2.2 percent of total financial investments and cash (2.4 percent in 2014). For Life and Savings insurance, the investment policy preferably applied consists of matching the maturities of investments with obligations entered into under insurance contracts, in order to mitigate the exposure to this type of risk. In addition, most fixed-income investments are investment grade and are traded in organized markets, thus providing significant scope for action in the event of potential liquidity strains. Finally, there are bank credit facilities to cover temporary cash shortfalls.

Additional information

Detailed information on the various risks faced by the Group is given in Note 7, "Risk Management", of the consolidated annual report.

SIGNIFICANT EVENTS AFTER THE YEAR END

Directive 2009/138/ED of the European Parliament and the Council, dated November 25, 2009, on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (hereinafter "The Solvency II Directive"), consolidated most of the European law on private insurance and articulated a conception of the solvency of insurers and reinsurers.

Law 20/2015 on Planning, Monitoring and Solvency of Insurance and Reinsurance Entities, of July 14, which is mandatory for fiscal years beginning on or after January 1, 2016, and the implementing regulations approved by Royal Decree 1060/2015 of November 20, on planning, monitoring and solvency of insurance and reinsurance entities, transposed into Spanish law, among other things, The Solvency II Directive.

The parent and other obligated companies in the Group are finalizing the transition plan, as set out in the Order ECC/730/2014, of April 29, on temporary measures to facilitate the gradual adaptation to the compulsory regime of the Solvency II Directive from January 1, 2016, as well as the provisions of the resolution of March 25, 2015 of the General Insurance and Pension Fund Management

Measures taken include the adjustments made to supply the quantitative and qualitative information required, and those established for calculating the mandatory solvency in accordance with the risks assumed.



A REINFORCEMENT WAS MADE IN 2013-2015 OF ACTIVITIES AIMING TO MATERIALIZE THE VISION, MISSION AND VALUES OF THE GROUP IN ADDITION TO THE IMPLEMENTATION OF THE STRATEGY MAP.

The Parent Company estimates that the application of the aforementioned regulations will have no significant effect on the Group's financial position and earnings.

There have been no other significant events subsequent to year end.

INFORMATION ON EXPECTED DEVELOPMENTS

Economic outlook

The International Monetary Fund's world growth forecasts for 2016 of 3.4 percent are slightly up on 2015, which will close at nearly 3.1 percent. The figure in 2015 is four tenths less than the forecast twelve months ago and three tenths less than the forecast for the previous year, which confirms that the world recovery rate falls short of the initial forecast.

These outlooks for 2016 are based on the favorable expectations of growth for advanced economies of 2.1 percent (two tenths higher than in 2015) and 4.3 percent for emerging and developing economies (three tenths higher than in 2015). The Eurozone is expected to grow around 1.7 percent, merely two tenths higher than 2015, which was the first year since the economic crisis broke out in which the four leading economies in the Euro Area have recorded positive growth. In this regard, Spain topped the list by closing the year at 3.2 percent.

The major risks for 2016 are geopolitical risks (Middle East and international tensions arising from the conflict between Ukraine and Russia); deflation episodes in the Eurozone; political tensions in the European Union caused by the British referendum or nationalist movements; unexpected over-tightening of the North American monetary policy, which could worsen the financial conditions of emerging economies; or a greater than expected deceleration in China and other economies such as Brazil or Russia.

The monetary policies of the main economies show diverging situations. The US Federal Reserve has initiated a cycle change in its monetary policy after 12 years without raising the official rates. To the contrary, both the European Central Bank (ECB) and the Bank of Japan will continue to apply very lax monetary policies. The ECB, which confirmed its willingness and capacity to increase the expansive tone of its monetary

policy, will maintain very low interest rates for the Eurozone for a prolonged period in an attempt to bring the inflation rate closer to the target of 2 percent.

Spain, following a growth rate of 3.2 percent (one of the largest among advanced economies) in 2015, will undergo a slight deceleration in the growth rate of up to 2.7 percent. The foreign sector will most likely continue hampering growth in the upcoming quarters. The growth shall be supported by internal demand, though with a growing weight of the investment against public and private consumption. Consumption will continue contributing to growth as a result of greater confidence, improving job market and the improved net wealth (increasing prices of homes and reduction in private debt). This positive scenario for Spain could nevertheless be truncated because of underlying risks, including a highly indebted economy, elevated unemployment rate and weaknesses in the country's main trading partners.

Emerging and developing countries will grow by approximately 4.3 percent in 2016, a three tenths above 2015. This will be the first year of an accelerating growth after five years of downward trending figures. Growth is expected to maintain a high level in Asia (with acceleration in India of up to 7.5 percent and a slight deceleration in China). Latin America will show a growth rate of nearly 0 percent, a consequence of figures approaching 3 percent such as in Mexico, in combination with countries undergoing a recession such as Brazil. However, similar to the situation in Spain in recent years, the second half of the year could show some improvement.

The growth of emerging and developing countries will be based both on the expansion of internal demand and the forecast increase in exports. Economies that have a substantial dependency on exporting oil and other raw materials and/or foreign capital flows could encounter imbalances in their main economic figures.

In the aforementioned macroeconomic context, the governing bodies of MAPFRE consider that the Group has the capacity to continue a profitable growth, creating employment and generating sustainable value for its shareholders as a result of:

- The growing international diversification of the insurance activity, particularly focusing on strategic businesses.
- The strong potential for business growth through agency networks, bancassurance agreements and development of alternative distribution channels.
- The focus on digital transformation.
- Excellence in the management of risks inherent to the insurance business.
- Constant and overall effort to reduce operating costs.
- Continuous improvement in the service provided to our clients.
- Efficiently harnessing the resources of our wealth of human capital and flexible organizational structure.
- Its financial robustness.

Strategic planning

MAPFRE is particularly focused on Strategic Planning as a tool for achieving medium- and long-term objectives as set down by Management. A reinforcement was made in 2013-2015 of activities aiming to materialize the Vision, Mission and Values of the Group in addition to the implementation of the Strategy Map. The most important challenges for the coming years will focus on the following aspects:

- Permanent adaptation of the objectives of the Strategy Map to business performance and economic and social contexts.
- Adjustment of strategic initiatives to concentrate efforts on initiatives that best contribute to achieving Group objectives.



2nd Global Strategy Program

- Updating indicators and metrics at both corporate as well as the various regional and unit levels constituting the Group's business structure.

The Governing Bodies of the Group approved the global strategic initiative framework for 2016-2018 and have virtually observed the continuity of the planning from recent years. The most relevant aspects are described below:

CLIENT ORIENTATION

MAPFRE will continue moving forward in developing and executing client segmentation and experience gauging with a view to earning and renewing their trust.

A Model is being implemented for gauging all instances of contact with clients so as to guide the quality model to their needs, hence a further step in managing satisfaction toward managing experience and developing value propositions and models of specific relationships for each client type.

DIGITAL TRANSFORMATION

This initiative aims to adapt MAPFRE to the new social and technological reality of the New Digital Era.

To do so, we will engage from two aspects. Firstly, operating processes will be digitalized, thus reducing business operating costs while increasing efficiency and productivity.

We will also digitalize our clients' experience, which will enable us to ensure the quality and service levels provided.



Participation of MAPFRE GLOBAL RISKS
in the 35th FIDES Hemispheric Insurance Conference

EXCELLENCE IN TECHNICAL MANAGEMENT

There are regulatory changes stemming from the new solvency framework in most of the countries in which MAPFRE operates. Consequently, we will need to continue developing excellence in the management and control of our risks to guarantee the solvency and profitability of our units.

CULTURE AND HUMAN TALENT

With a view to developing and training our staff with the talent and skills required for such strategic goals, a worldwide initiative will be undertaken so we can identify the talent available within the Organization and the new profiles required. On the basis of this analysis, individual development and External Talent capture plans will be drawn up and executed for profiles that are currently not inside the organization.

R&D&I ACTIVITIES

Client orientation is one of the main axes of the MAPFRE Strategic Plan, which has identified innovation as one of the tools that can offer insurance solutions focused on client needs. Innovating in client-oriented products and services thus becomes a key element for achieving the strategic objectives in the short, medium and long term, as well as consolidating its position as the "most trusted global insurance company".

In 2014 the MAPFRE Innovation Model was launched, which was designed to promote a culture of innovation throughout the organization and to respond to business challenges. The Corporate Innovation Committee was established to govern the model, which is composed of members of areas that are relevant to innovation and the Corporate Innovation Division was created, which leads innovation in MAPFRE. The innovation model, serving both local and global strategy, has become a key instrument for achieving differentiation and reaching the goals for the Group's organic growth.

In 2015 the implementation of the innovation model was consolidated, incorporating thirteen Innovation and Development Offices in all Regional Areas and Business Units in which the Group is divided. These offices promote a culture of innovation, provide work methodologies and contribute, through innovation projects, toward the alignment of the organization around innovation in fulfilling its strategic goals.

The model was completed in 2015 with the Innoagents network, comprised of employees acting as ambassadors of innovation, contributing working methodologies and helping to achieve a cultural transformation of the company toward innovation. This drive for innovation is completed by the contribution of the ingenuity and creativity of all people working in MAPFRE and contribute to achieving the Group's strategic challenges.

Innovation in products and insurance services

In relation to the actions performed in R&D+i, MAPFRE released more than 40 insurance products and services in 2015.

In addition, it has more than 30 products and services in its portfolio related to the environment and high social value for groups with limited income levels.

MAPFRE also operates the MAPFRE RESEARCH AND ROAD SAFETY CENTER (CESVIMAP) with operations in Argentina, Spain, Brazil, Colombia, France and Mexico. This Center investigates techniques for repairing vehicles after accidents and trains technical personnel in repair and valuation of damage to vehicles. Also, in Spain, through CESVI RECAMBIOS, MAPFRE is continuing to work on the management of retired vehicles with a view to reducing the environmental impact from the end of their useful lives and facilitating non-polluting waste treatment, specifically enabling the recovery of components, parts and materials for new uses.

In addition, through the engineering company ITSEMAP, SERVICIOS TECNOLÓGICOS MAPFRE with operations in Brazil, Spain, Mexico and Portugal, is involved in health and safety projects in industrial facilities and technical assistance for managing industrial-environmental risk for global clients.



Participation of MAPFRE ASISTENCIA in the 5th Insurance Industry Meeting

Quality of service

Group entities work continually to ensure high-quality service standards for clients and policyholders, focusing particularly on the rapid, efficient and fair handling and settlement of claims, and service. One tool that helps to achieve this target are quality certifications that require companies to maintain high customer service standards, providing a guarantee of the quality of service offered.

The Group's main quality certification is as follows:

CERTIFICATIONS	COUNTRY
ISO 9001:2008	Spain, Brazil, Colombia, Nicaragua, Turkey
ISO 14001:2004	Spain, Paraguay, Portugal,
Quality seal of the Portuguese Association of Contact Centers (APCC)	Portugal
PROBARE certificate	Brazil

THE MAPFRE QUALITY OBSERVATORY

Ensuring the quality of the products offered is a primary goal for MAPFRE. Therefore, and in order to evaluate the quality perceived by clients, the MAPFRE Global Model for Measuring client Experience was defined in 2015. To this end, the MAPFRE Quality Observatory has been created, which is responsible for carrying out all measures of perceived and delivered quality through client surveys.

This initiative aims:

- To be constantly aware, by using a consistent methodology, of the level of client satisfaction in the different countries and businesses.
- To identify the aspects that impact the client experience in order to improve it.
- To provide countries with a tool to help them define and implement actions, assigning the most appropriate priority level.
- To set goals for improvement and aspire to be a benchmark in all countries and lines.

The MAPFRE Quality Observatory will measure the client experience in every country where it operates, covering all lines of insurance and assistance services, every six months, by analyzing the Net Promoter Score (NPS®) indicator, evaluating satisfaction and critical points of client contact.

Digital transformation

MAPFRE is undergoing a digital transformation process that is necessary to harness innovation and technological development for the benefit of the client, improving and adapting processes, which make it possible to get to know the client better, become more efficient and competitive in the service provided. Projects have been launched in 2015 that will help make progress in this area.

ACQUISITION AND DISPOSAL OF TREASURY STOCK

MAPFRE S.A. shares are bought and sold in accordance with the regulations in force, the relevant Annual General Meeting decisions and MAPFRE Group Treasury Stock Policy (as approved in June 2015) on how to handle transactions which involve the Company's own shares.

MAPFRE Group treasury stock transactions have a legitimate purpose, and always observe the recommendations about treasury stock discretionary transactions issued by the Spanish National Securities and Exchange Commission.

"Legitimate purpose" refers to:

- Favor trading liquidity and regularity of buying MAPFRE shares.
- Allow MAPFRE to access the stock necessary for complying with potential duties to deliver derivative stock for example, obligations concerning shareholder, executive or employee payment or loyalty schemes, and obligations concerning issuing of corporate stock or operations.

In any case, treasury stock transactions are performed under conditions which ensure neutrality in price setting of MAPFRE shares in the market and full transparency in relationships with supervisors and market governing bodies. Additionally, these transactions are never carried out based on privileged information.

The Treasury Stock Policy includes general rules on the transaction volume, maximum and minimum order price and execution time limits.

During 2015, a total of 1,012,666 treasury stock have been acquired that account for 0.0329 percent of capital, amounting to 2,392,792.20 euros. At the end of last year, the treasury stock balance was zero.

OTHER RELEVANT INFORMATION

Stock market information

MAPFRE'S SHARES

Basic data concerning MAPFRE's shares as at the end of the 2015 fiscal year:



Number of shares outstanding

3,079,553,273

fully subscribed and paid up.

Face value of each share

0.1€

Share class

Common, represented by book entries. All outstanding shares carry identical voting and dividend rights.

Main stock market index membership

- _ IBEX 35
- _ Dow Jones STOXX Insurance
- _ MSCI Spain
- _ FTSE All-World Developed Europe
- _ FTSE4Good(*) and FTSE4Good IBEX(*)

* Indexes which assess the performance of companies based on their actions in upholding and supporting sustainable development and human rights.

Stock exchange listings

Madrid and Barcelona Stock Exchange (Continuous Market).

ISIN Code

ES0124244E34



At the end of the 2015 financial year, the Company had a total of 232,095 shareholders, 228,867 of which were resident in Spain and held individual shares of less than 0.10 percent of the capital. Fundación MAPFRE, through its direct and indirect holdings, held 67.8 percent of the share capital; Spanish investors with a holding over 0.1 percent represented 0.3 percent. Foreign shareholders holding over 0.1 percent accounted for 19.2 percent of investors, and others 1.7 percent.

The table below depicts MAPFRE's share price performance during the last five years compared to two key benchmark indices (the IBEX 35 and the Dow Jones STOXX Insurance indices):

	1 year	3 years	5 years
MAPFRE	(17.8%)	(0.1%)	11.3%
DJ Stoxx Insurance	14.0%	61.3%	84.9%
IBEX 35	(7.2%)	16.9%	(3.2%)

The trend in MAPFRE's earnings per share (EPS) during the same five-year period was as follows:

	2015	2014	2013	2012	2011
EPS (euros)	0.23	0.27	0.26	0.22	0.32
Increase	(14.8%)	3.8%	18.2%	(31.3%)	3.2%

During 2015, MAPFRE S.A. shares were traded for 257 days on the Continuous Market, with a frequency index of 100 percent. 2,553,834,115 securities were underwritten, compared to 2,986,558,095 in the previous year, reflecting a decrease of 14.5 percent. The effective value of this transactions rose to 7,314.2 million euros, compared to 8,813.8 million euros in 2014, a decrease of 17 percent.

At year-end of 2015, six Spanish and international investment banks had "Buy" recommendations for the Company's shares, compared to six who held "Hold" recommendations, while five had the stock on their "Sell" lists.

Dividend policy

One of MAPFRE's main goals is to generate value and suitable shareholder remuneration. Therefore, in October the Board of Directors deemed it appropriate to pay an interim dividend against the 2015 balance sheet of 0.06 euros per share, taking the total dividend payout in 2015 to 0.14 euros per share.

In 2015, the total dividend payout increased to 431.1 million euros, the same amount as the previous fiscal year. It is noteworthy that since the economic and financial crisis broke out in 2007, MAPFRE has increased the amount allocated to dividends by 72.2 percent.

The total proposed dividend against the 2015 earnings has been increased to 0.13 euros gross per share, and includes the final dividend of 0.07 euros gross per share to be proposed at the Annual General Meeting. This dividend has a payout ratio (percentage of the net earnings distributed in the form of dividends) of 56.5 percent.


The trend in dividend payments and the dividend yield, calculated based on average share prices, is set out below:

	2015	2014	2013	2012	2011
Dividend (euros)	0.14	0.14	0.12	0.12	0.15
Dividen yield	4.9%	4.7%	4.4%	6.1%	5.9%

Credit rating management

MAPFRE and its subsidiaries have credit ratings from the main ratings agencies. These agencies have been selected because of their international presence, relevance to the insurance industry and capital markets and their experience. The process of reviewing the Group's credit risk profile entails holding annual meetings at which each agency receives operating and financial information from the business units and the Group. A quantitative and qualitative analysis is conducted, likewise considering, in addition to the financial situation of the Group, other factors such as the strategy, corporate governance and competitive situation.

Below are the credit ratings given by the main ratings agencies at the end of the last two years:



STANDARD & POOR'S		
AGENCY	2015	2014
MAPFRE S.A. (Debt issuer rating)	BBB+ Stable outlook	BBB+ Stable outlook
MAPFRE S.A. (Subordinate debt €700 million)	BBB- Stable outlook	BBB- Stable outlook
MAPFRE GLOBAL RISKS (Financial strength rating)	A Stable outlook	A Stable outlook
MAPFRE RE (Financial strength rating)	A Stable outlook	A Stable outlook
A.M. BEST		
AGENCY	2015	2014
MAPFRE RE (Financial strength rating)	A Stable outlook	A Stable outlook
MAPFRE GLOBAL RISKS (Financial strength rating)	A Stable outlook	A Stable outlook
MOODY'S		
AGENCY	2015	2014
MAPFRE GLOBAL RISKS (Financial strength rating)	A3 Positive outlook	Baa1 Positive outlook
MAPFRE ASISTENCIA (Financial strength rating)	A3 Positive outlook	Baa1 Positive outlook

On August 6, 2015, the agency Standard & Poor's announced that, following Spain's improved credit rating review, MAPFRE S.A.'s credit rating was confirmed as BBB+ with a stable outlook, likewise confirming the financial strength classification of MAPFRE RE and MAPFRE GLOBAL RISKS at A, also with a stable outlook in both cases.

On July 21, 2015, Moody's raised the rating of MAPFRE GLOBAL RISKS and MAPFRE ASISTENCIA from Baa1 to A3 with a positive outlook, two rungs above the sovereign rating of Spain. This rating improvement was primarily due to the reduction in the Group's Spanish assets caused by the sale of the insurance businesses of CATALUNYACAIXA.

Financial contribution to society

Insurance activities generate direct economic value through the constant flow of the transactions that are conducted (premium payments, benefit payments, investment management, etc.), which have an effect on the different aspects related to the economic and social development of the environment in which the company operates.

Out of the consolidated income collections of 26,702.2 million euros (25,652 million euros in 2014) reached during the fiscal year, MAPFRE has made financial contributions to society through the following payments.

Item	2015	2014	%15/14
Benefits paid ⁽¹⁾	14,954.0	14,132.7	5.8%
Payments to providers ⁽²⁾	7,527.5	7,492.1	0.5%
Wages and salaries, and other ⁽³⁾	1,502.7	1,370.4	9.6%
Activity subtotal	23,984.2	22,995.2	4.3%
Dividends ⁽⁴⁾	784.8	776.6	1.1%
Shareholders subtotal	784.8	776.6	1.1%
Net payment for income tax	540.6	602.4	(10.3%)
Social Security	236.0	230.8	2.2%
PA Subtotal	776.6	833.2	(6.8%)
Interest paid	108.3	119.5	(9.4%)
Other related expenses	187.0	294.8	(36.6%)
Subtotal financing	295.3	414.3	(28.7%)
TOTAL	25,840.9	25,019.3	3.3%

Figures in millions of euros

(1) Provisions paid and related expenses of accepted direct insurance and reinsurance.

(2) Including payment of commissions and other activity services.

(3) Wages and salaries accounted for 1,191.5 million euros in 2015 (1,089.7 million euros in 2014).

(4) Dividend payments made during the year.

While working in insurance, the organization assumed commitments from insured parties in exchange for resources management, which were invested principally in financial assets.

The following table shows information about the entity as an institutional investor at the close of the last two financial years.

Item	2015	2014	%15/14
Third party funds under management⁽⁵⁾	37,917.3	40,817.5	(7.1%)
TOTAL INVESTMENTS	42,533.3	44,231.6	(3.8%)
Financial investments	40,159.2	41,951.4	(4.3%)
Fixed income	36,821.2	39,010.4	(5.6%)
- Issued by governments	26,412.3	27,017.6	(2.2%)
- Other fixed-income securities	10,408.9	11,992.8	(13.2%)
Other financial investments	3,337.93	2,941.0	(13.5%)
Property investment ⁽⁶⁾	1,324.3	1,226.3	(8.0%)
Other investments	1,049.8	1,053.9	(0.4%)

Figures in millions of euros

(1) Technical provisions for Life, pension funds, investment funds and managed portfolios.

(2) Excluding property for own use.

Provider payment terms

Details of the payments made by the group's fully consolidated Spanish companies to providers in the financial years 2015 and 2014 are shown below.

Item	DAYS	
	2015	2014
Average provider payment period	6.93	8.42
Ratio of paid operations	6.79	8.14
Ratio of operations pending payment	110.62	109.18

Item	MILLIONS OF EUROS	
	2015	2014
Total payments made	1,390.94	1,253.16
Total pending payments exceeding the maximum statutory term	0,97	0,80

CORPORATE GOVERNANCE REPORT

The Company's Annual Corporate Governance Report, issued pursuant to the provisions of section 49.4 of the Spanish Commercial Code, as reworded in Act 16/2007, follows.

A OWNERSHIP STRUCTURE

A.1 Fill in the following table on the company's share capital:

Date of last modification	Share capital (euros)	Number of shares	Number of voting rights
01/07/2011	307,955,327,30	3,079,553,273	3,079,553,273

Indicate if there are different kinds of shares with different rights associated to them:

Yes No

A.2 State the direct and indirect owners of substantial holdings, of their company as at the close of the financial year, excluding directors:

Name or company name of the shareholder	Number of direct voting rights	Number of indirect voting rights	Number of total voting rights
FUNDACIÓN MAPFRE	0	2,088,859,359	67.83%

Name or company name of the shareholder	By: Name or company name of the direct holder of the shares	Number of voting rights
FUNDACIÓN MAPFRE	INSTITUTO TECNOLÓGICO DE SEGURIDAD MAPFRE, S.A.	652,755
FUNDACIÓN MAPFRE	CARTERA MAPFRE, S.L. SOCIEDAD UNIPERSONAL	2,084,906,327
FUNDACIÓN MAPFRE	FUNDACIÓN CANARIA MAPFRE GUANARTEME	3,300,277

State any significant modifications in the shareholding structure that have occurred during the financial year:

A.3 Complete the following table about the members of the Board of Directors of the company who have voting rights on company shares:

Name or company name of the director	Number of direct voting rights	Number of indirect voting rights	% of total voting rights
MR. LUIS ITURBE SANZ DE MADRID	34,816	0	0.00%
MR. ANTONIO NÚÑEZ TOVAR	305,330	0	0.01%
MR. ESTEBAN TEJERA MONTALVO	23	0	0.00%
MR. ANDRÉS JIMÉNEZ HERRADÓN	23,452	0	0.00%
MR. RAFAEL MÁRQUEZ OSORIO	69,804	0	0.00%
MR. ANTONIO MIGUEL-ROMERO DE OLANO	30,325	2,242	0.00%
MR. ALFONSO REBUELTA BADIÁS	44,346	0	0.00%
MS. CATALINA MIÑARRO BRUGAROLAS	1,510	0	0.00%
MR. RAFAEL BECA BORREGO	0	457,807	0.01%
MR. ALBERTO MANZANO MARTOS	90,154	0	0.00%
MR. RAFAEL FONTOIRA SURIS	23	0	0.00%
DOÑA ADRIANA CASADEMONT I RUHÍ	0	0	0.00%
MR. RAFAEL CASAS GUTIÉRREZ	82,231	0	0.00%
MR. IGNACIO BAEZA GÓMEZ	173,875	0	0.01%
MR. LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	69,977	23	0.00%
MR. ANTONIO HUERTAS MEJÍAS	327,485	0	0.01%
MR. GEORG DASCHNER	20,000	0	0.00%
MRS. MARÍA LETICIA DE FREITAS COSTA	0	0	0.00%

Name or company name of the shareholder	By: Name or company name of the direct holder of the shares	Number of voting rights
MR. ANTONIO MIGUEL-ROMERO DE OLANO	OTHER SHAREHOLDERS OF THE COMPANY	2,242
MR. RAFAEL BECA BORREGO	OTHER SHAREHOLDERS OF THE COMPANY	457,807
MR. LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	OTHER SHAREHOLDERS OF THE COMPANY	23

total % of voting rights held by the Board of Directors 0.04%

Fill in the following tables with the members of the company's Board of Directors with voting rights on company shares

A.4 Where applicable, list any family, commercial, contractual or corporate relationships between holders of significant shareholdings, insofar as the company is aware of them, unless they are of little relevance or due to ordinary commercial traffic and exchange:

A.5 Where applicable, list any family, commercial, contractual or corporate relationships between holders of significant shareholdings, and the company and/or its group, unless they are of little relevance or due to ordinary commercial traffic and exchange:

A.6 Indicate if any shareholder agreements have been disclosed to the company that affect it under art. 530 and 531 of the Spanish Corporations Act. Where applicable, briefly describe them and list the shareholders bound by such agreement:

Yes No

Indicate whether the company knows the existence of concerted actions among its shareholders. If so, describe them briefly:

Yes No

If there has been any alteration or breakdown of said pacts or agreements or concerted actions during the financial year, indicate this expressly.

There has not been any modification or termination of arranged pacts, agreements or actions.

A.7 Indicate whether any person or organization exercises or may exercise control over the company pursuant to article 4 of the Stock Exchange Act. If so, identify them:

Yes No

Name or company name

FUNDACIÓN MAPFRE

Remarks

A.8 Fill in the following tables regarding the company's treasury stock:

As at the closing date of the financial year:

Number of direct shares	Number of indirect shares (*)	Total % of share capital
1,012,666	0	0.03%

(*) Through:

List significant changes occurring during the financial year, pursuant to Royal Decree 1362/2007:

Explain significant changes

No significant changes have occurred in the financial year, as per Royal Decree 1362/2007.

A.9 Detail the terms and conditions of the current Annual General Meeting authorization to the Board of

Directors to issue, buy back or transfer treasury stock. The Board of Directors is currently authorized by the General Meeting so that the Company can increase the share capital once or several times by up to a maximum of 153,977,663.65 euros, equivalent to 50 percent of the share capital. The duration of the authorization is of five years calculated from the date of the resolution, passed on 9 March 2013.

The Board of Directors is currently authorized by the General Meeting so that the Company can proceed, directly or through subsidiary companies, to the derivative acquisition of treasury stock, subject to the following limits and requirements:

a) Categories: acquisition by sale, or by any other transaction inter vivos for good and valuable consideration, of shares free of any liens or encumbrances.

b) Maximum number of shares to be acquired: shares whose face value, added to the face value of the shares already owned by the Company and its subsidiaries, does not exceed 10 percent of the share capital of MAPFRE S.A.

c) Minimum and maximum acquisition price: 90 percent and 110 percent, respectively, of their listed quotation on the acquisition date.

d) Duration of the authorization: five years calculated from the date of the resolution, passed on 9 March 2013.

A.9.bis Estimated floating capital:

Estimated floating capital 32.10%

A.10 Indicate whether there is any restriction on the transferability of securities and/or any restriction on voting rights. In particular, will be notified the existence of any type of restrictions to the takeover of the company by means of share purchases on the market.

Yes No

A.11 Indicate whether the Annual General Meeting has approved measures to counteract a public acquisition bid, pursuant to Act 6/2007.

Yes No

If so, explain the measures approved and the terms and conditions under which the restrictions would become inefficient:

A.12 Indicate if the company has issued securities that are not traded in a regulated community market.

Yes No

If so, indicate the different kinds of shares and, for each kind of share, the rights and obligations conferred.

B GENERAL MEETING

B.1 Indicate and, where applicable, give details, about whether there are any differences from the minimum standards established under the Capital Companies Act (LSC) with respect to the quorum and constitution of the Annual General Meeting.

Yes No

B.2 Indicate, and where applicable give details, whether there are any differences from the minimum standards established under the Capital Companies Act (LSC) with respect to the adoption of corporate resolutions:

Yes No

Describe any differences from the guidelines established under the LSC.

	Reinforced majority different from that established in art. 201.2 of the LSC for the cases cited in art. 194.1	Other cases of reinforced majority
% established by the company for adopting agreements	0.00%	50.01%

Describe the differences

Article 201 of Capital Companies Law establishes that, to adopt the agreements referred to in article 194, if the present or represented capital exceeds 50 percent, it will be enough for the agreement to be adopted by absolute majority. Nonetheless, a favorable vote will be required from two thirds of the capital present or represented at the assembly when, at a second meeting, there are shareholders representing 25 percent or more of the subscribed capital with a right to vote but not fifty percent.

At the second meeting, it will be enough for 25 percent of the aforementioned capital to attend.

Pursuant to the provisions of article 26 of the Corporate Bylaws, the amendment of the provisions of Title IV "Protection of the Company's General Interest" (articles 26 to 29) can only be amended by a resolution approved with the votes in favor of more than fifty percent of the share capital at the Extraordinary General Meeting specifically called for this purpose.

B.3 Indicate the rules applicable to amendment of the company's articles of association. In particular, will be notified the majorities established for the amendment of the articles of association, as well as, where applicable, the rules established for protection of the shareholders rights in the amendment of the articles of association.

There are no particularities other than those established in the legislation in force for amendment of the Company's bylaws, except for the amendment of articles 26 to 29 (Title IV- Protection of the Company's General Interest). As stated in the previous paragraph B.2, a resolution adopted with the favorable vote of more than fifty percent of share capital at the Extraordinary General Meeting called for that purpose is necessary.

B.4 Give attendance data on the Annual General Meetings held during the financial year to which this report refers and those from the previous financial year:

DATE OF ANNUAL GENERAL MEETING	ATTENDANCE DATA				
	% OF SHAREHOLDERS PRESENT	% ATTENDING BY PROXY	% VOTING REMOTELY		TOTAL
			E-voting	Other	
14/03/2014	76.23%	0.14%	0.00%	3.48%	79.85%
13/03/2015	67.82%	8.27%	0.00%	2.38%	78.47%

B.5 Indicate the number of shares, if any, that are required to be able to attend the Annual General Meeting and whether there are any restrictions on such attendance in the bylaws:

Yes No

Number of shares necessary to attend the Annual General Meeting 1.000

B.6 Section repealed.

B.7 Indicate the address and method of access to the company's website, to the information on corporate governance and other information on Annual General Meetings that must be available to shareholders through the company's website.

Access is as follows: www.mapfre.com
Shareholders and Investors Section.

C GOVERNANCE STRUCTURE OF THE COMPANY

C.1 Board of Directors

C.1.1 Maximum and minimum number of directors established in the corporate bylaws:

Maximum number of directors	<u>20</u>
Minimum number of directors	<u>5</u>

C.1.2 Fill in the following table on the board members:

Name or company name of the director	Representative	Category of the director	Post on the Board	Date of first appointment	Date of last appointment	Procedure
MR. LUIS ITURBE SANZ DE MADRID		Independent	DIRECTOR			Annual General Meeting Resolution
MR. ANTONIO NÚÑEZ TOVAR		Executive	VICE CHAIRMAN 2nd	05/03/2011	13/03/2015	Annual General Meeting Resolution
MR. ESTEBAN TEJERA MONTALVO		Executive	VICE CHAIRMAN 1st	08/03/2008	10/03/2012	Annual General Meeting Resolution
MR. ANDRÉS JIMÉNEZ HERRADÓN		Nominee	DIRECTOR	29/12/2006	14/03/2014	Annual General Meeting Resolution
MR. RAFAEL MÁRQUEZ OSORIO		Nominee	DIRECTOR	29/12/2006	29/12/2014	Annual General Meeting Resolution
MR. ANTONIO MIGUEL-ROMERO DE OLANO		Nominee	DIRECTOR	17/04/1999	13/03/2015	Annual General Meeting Resolution
MR. ALFONSO REBUERTA BADIÁS		Nominee	DIRECTOR	17/04/1999	13/03/2015	Annual General Meeting Resolution
MRS. CATALINA MIÑARRO BRUGAROLAS		Independent	DIRECTOR	30/10/2013	14/03/2014	Annual General Meeting Resolution
MR. RAFAEL BECA BORREGO		Independent	DIRECTOR	29/12/2006	29/12/2014	Annual General Meeting Resolution
MR. ALBERTO MANZANO MARTOS		Nominee	DIRECTOR	28/05/1987	13/03/2015	Annual General Meeting Resolution
MR. RAFAEL FONTOIRA SURIS		Independent	DIRECTOR	29/12/2006	14/03/2014	Annual General Meeting Resolution
MRS. ADRIANA CASADEMONT I RUHÍ		Independent	DIRECTOR	09/03/2013	09/03/2013	Annual General Meeting Resolution
MR. RAFAEL CASAS GUTIÉRREZ		Executive	DIRECTOR	09/03/2013	09/03/2013	Annual General Meeting Resolution
MR. IGNACIO BAEZA GÓMEZ		Executive	VICE CHAIRMAN 3rd	08/03/2008	10/03/2012	Annual General Meeting Resolution
MR. LUIS HERNANDO DE LARRAMENDI MARTÍNEZ		Nominee	DIRECTOR	17/04/1999	13/03/2015	Annual General Meeting Resolution
MR. ANTONIO HUERTAS MEJÍAS		Executive	CHAIRMAN and CEO	29/12/2006	14/03/2014	Annual General Meeting Resolution
MR. GEORG DASCHNER		Independent	DIRECTOR	10/02/2015	13/03/2015	Annual General Meeting Resolution
MRS. MARÍA LETICIA DE FREITAS COSTA		Independent	DIRECTOR	23/07/2015	23/07/2015	Acuerdo Consejo de Administracion

Total number of directors 18

Indicate which directors have left their seat on the Board of Directors during the period subject to information:

Name or company name of the director	Category of the director upon removal	Termination date
MR. MATÍAS SALVÁ BENNASAR	Independent	29/03/2015
MR. FRANCISCO VALLEJO VALLEJO	Nominee	29/10/2015

C.1.3 Fill in the following tables on the board members and their different kinds of directorship:

EXECUTIVE DIRECTORS

Name or company name of the director	Post within company organization
MR. ANTONIO NÚÑEZ TOVAR	SECOND VICE CHAIRMAN
MR. ESTEBAN TEJERA MONTALVO	FIRST VICE CHAIRMAN
MR. RAFAEL CASAS GUTIÉRREZ	DIRECTOR
MR. IGNACIO BAEZA GÓMEZ	VICE CHAIRMAN 3
MR. ANTONIO HUERTAS MEJÍAS	CHAIRMAN and CEO

Total number of executive directors 5
% of total board 27.78%

EXTERNAL NOMINEE DIRECTORS

Name or company name of the director	Name or company name of the substantial shareholder represented or proposing his/her appointment
MR. ANDRÉS JIMÉNEZ HERRADÓN	CARTERA MAPFRE, S.L. SOLE CORPORATION
MR. RAFAEL MÁRQUEZ OSORIO	CARTERA MAPFRE, S.L. SOLE CORPORATION
MR. ANTONIO MIGUEL-ROMERO DE OLANO	CARTERA MAPFRE, S.L. SOLE CORPORATION
MR. ALFONSO REBUERTA BADIÁS	CARTERA MAPFRE, S.L. SOLE CORPORATION
MR. ALBERTO MANZANO MARTOS	CARTERA MAPFRE, S.L. SOLE CORPORATION
MR. LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	CARTERA MAPFRE, S.L. SOLE CORPORATION

Total number of nominee directors 6
% of total board 33.33%

INDEPENDENT EXTERNAL DIRECTORS

Name or company name of the director:

Mr. Luis Iturbe Sanz De Madrid

Profile:

Degree in Law. Director of the Madrid Stock Exchange until 2003. Senior Executive at BBVA until 2002.

Name or company name of the director:

Ms. Catalina Miñarro Brugarolas

Profile:

Degree in Law. State Attorney on leave of absence.

Name or company name of the director:

Mr. Rafael Beca Borrego

Profile:

Commercial Expert. Chairman of different Real Estate and Agricultural Development Companies.

Name or company name of the director:

Mr. Rafael Fontoira Suris

Profile:

Architect. Head Architect of the Galician Regional Government on leave of absence (for 30 Years). Board Member of the Commission on Historical Artistic Heritage of the Regional Government of Galicia (1976-1996).

Name or company name of the director:

Ms. Adriana Casademont i Ruhí

Profile:

With a Degree in Business from the Universidad Autónoma de Barcelona (Autonomous University of Barcelona), Diploma in Communication and Public Relations from the Universitat de Girona (Girona University) and Master's Degree in Strategic Marketing from ESADE. Occupies several Senior Executives of Representation and Management in Agro-Food Companies and in Educational Institutions.

Name or company name of the director:

Mr. Georg Daschner

Profile:

Professional career in Munich Re (1965-2014): Chairman of Munchener Venezuela (1983-1988), Chairman of the Spain and Portugal Branch (2000-2003), Member of the Management Board of the Munich Re Group, in charge of the Europe and Latin America Business Area (2003-2014).

Name or company name of the director:

Mrs. María Leticia de Freitas Costa

Profile:

Degree in Product Engineering and Master's Degree In Business Administration (MBA). Manager of the Insper Center for Strategic Research and Partner of Prada Assessoria.

Indicate whether any director classified as independent receives from the company, or from its group, any amount or earning for a concept different from director's remuneration, or maintains or has maintained, during the last financial year, a business relationship with the company or with any company from its group, whether on his or her own behalf or as a significant shareholder, director or top executive in a company that maintains or has maintained such a relationship.

No director classified as an independent director receives, from the company or the group, any amount or benefit for a concept other than director's remuneration.

If so, a reasoned statement from the Board on the reasons why it considers that this director may perform his or her duties as an independent director will be included.

OTHER EXTERNAL DIRECTORS

Identify other external directors and explain in detail the reasons for which they cannot be considered nominee or independent directors, as well as their affiliations with the company, its management or its shareholders:

Indicate any changes that may have occurred during the period in the type of category for each director:

Total number of independent directors	7
total % of the board	38.89%

C.1.4 Fill in the following table with information relating to the number of female directors during the last 4 financial years, as well as the category of these female directors:

	NUMBER OF FEMALE DIRECTORS				% OF THE TOTAL DIRECTORS OF EACH TYPE			
	Year 2015	Year 2014	Year 2013	Year 2012	Year 2015	Year 2014	Year 2013	Year 2012
Executive	0	0	0	0	0.00%	0.00%	0.00%	0.00%
Nominee	0	0	0	0	0.00%	0.00%	0.00%	0.00%
Independent	3	2	3	1	42.86%	33.33%	42.86%	16.67%
Other External	0	0	0	0	0.00%	0.00%	0.00%	0.00%
Total:	3	2	3	1	16.67%	11.11%	15.00%	4.55%

C.1.5 Explain the measures that, where applicable, have been adopted in order to include in the Board of Directors a number of women that allows reaching a balanced presence of men and women.

Explanation of the measures

The institutional, corporate and organizational principles of the MAPFRE Group, approved by the Board of Directors of MAPFRE on June 24, 2015, expressly provide that the Board of Directors of MAPFRE shall develop a plan for filling vacancies to ensure the suitability of applicants thereto, based on their skills and professional and geographical origins, as well as a sufficient presence of members of both genders.

Similarly, it is established that the competent bodies of Group companies will ensure that, when vacancies arise, equal opportunities are guaranteed for candidates regardless of their gender, and they must seek to achieve an effective presence of directors of both genders.

Furthermore, the Directors Selection Policy expressly establishes that, during the selection process, any kind of implicit biases will always be avoided, which may involve discrimination and, in particular, biases that interfere with the selection of persons of either gender. It also includes the commitment to ensure that in the year 2020 the number of female directors shall represent at least thirty percent of the total of members of the Board of Directors.

C.1.6 Explain the measures that, where applicable, the Appointments Committee have agreed so that the procedure for filling Board vacancies has no implicit bias against women candidates, and the company makes a conscious effort to include women with the target profile among the candidates for Board seats

Explanation of the measures

The Appointments and Remuneration Committee must ensure that during the candidate selection process, any kind of implicit biases are always avoided, which may involve discrimination and, in particular, those biases that interfere with the selection of persons of either gender.

In the year 2015, the Appointments and Remuneration Committee approved a renewal plan for the Board of Directors where the steps are established to follow in the 2015-2020 period, to adapt the structure of the Board of Directors to the new legal requirements and recommendations contained in the new Unified Code of Good Governance of the Spanish National Securities and Exchange Commission (the "CNMV").

When, in spite of the measures that have been adopted where applicable, there are few or no female directors, explain the reasons that justify this.

Explanation of the reasons

The appointment of new directors largely depends on the appearance of vacancies on the Board, which does not occur frequently. During the year 2015, a female independent director (Mrs. María Leticia de Freitas Costa) was appointed at the proposal of the MAPFRE Appointments and Remuneration Committee. Jointly with the appointments of the female independent directors Mrs. Adriana Casademont i Ruhí and Mrs. Catalina Miñarro Brugarolas in 2013, both appointed by proposal of the Appointments and Remuneration Committee, the number of women in the Board of Directors is now three.

C.1.6 bis Explain the conclusions of the appointments committee on the verification of compliance with the directors selection policy. And in particular, how this policy is promoting the goal that by 2020 the number of female directors represents at least 30 percent of the total of members of the Board of Directors.

Explanation of the conclusions

The MAPFRE directors selection policy, approved by the Board of Directors of MAPFRE on July 23, 2015, aims to ensure that the proposals for nomination and reappointment of directors are based on a preliminary analysis of the requirements of the Board of Directors and to promote diversity of knowledge, experiences and gender thereof. It expressly includes the commitment to ensure that by 2020, the number of female directors represents at least thirty percent of the total of members of the Board of Directors. In line with this commitment, Mrs. Maria Leticia de Freitas Costa was appointed as an independent director on July 23, 2015.

In addition, as indicated in the above section C.1.6, the Appointments and Remuneration Committee has approved a renewal plan for the Board of Directors, in which specific measures are set to promote the goal that by 2020 the number of female directors represents at least 30 percent of the total of members of the Board of Directors.

The verification of compliance with the directors selection policy is undertaken annually, therefore the Appointments and Remuneration Committee shall perform the first verification in 2016.

C.1.7 Explain the method of representation in the Board of shareholders with significant shareholdings.

The shareholders with significant shareholdings (see section A.2 of this report) have nominee directors appointed to the Company's Board of Directors. Details of the external nominee directors are provided in the previous section C.1.3.

C.1.8 Explain, where applicable, the reasons why nominee directors have been appointed at the behest of shareholders whose shareholding is less than 3 percent of the capital:

Indicate whether formal petitions for a seat on the Board have been ignored from shareholders whose holding is equal to or higher than others at whose behest nominee directors were appointed. Where applicable, explain why these petitions have been ignored:

Yes No

C.1.9 Indicate if any director has stood down before the end of his/her term in office, if the director has explained his/her reasons to the Board and through which channels, and if the director sent a letter of explanation to the entire Board, explain below, at least the reasons that he/she gave:

C.1.10 Indicate, where applicable, any powers delegated to the managing director(s):

C.1.11 Identify, where applicable, any members of the board holding posts as directors or managers in other companies that form part of the listed company's group:

Name or company name of the director	Company name of the Group company	Position	Do they have executive duties?
MR. ANTONIO NÚÑEZ TOVAR	MAPFRE INMUEBLES. S.A.	JOINT ADMINISTRATOR	NO
MR. ANTONIO NÚÑEZ TOVAR	MAPFRE ESPAÑA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	DIRECTOR	NO
MR. ANTONIO NÚÑEZ TOVAR	MAPFRE AMERICA. S.A.	FIRST VICE CHAIRMAN	NO
MR. ESTEBAN TEJERA MONTALVO	MAPFRE ESPAÑA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	DIRECTOR	NO
MR. ESTEBAN TEJERA MONTALVO	MAPFRE VIDA. S.A. DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	DIRECTOR	NO
MR. ESTEBAN TEJERA MONTALVO	MAPFRE AMERICA. S.A.	DIRECTOR	NO
MR. ESTEBAN TEJERA MONTALVO	MAPFRE INTERNACIONAL.S.A.	DIRECTOR	NO
MR. ANDRÉS JIMÉNEZ HERRADÓN	BB MAPFRE SH2 PARTICIPAÇÕES. S.A.	DIRECTOR	NO
MR. ANDRÉS JIMÉNEZ HERRADÓN	MAPFRE BB SH1 PARTICIPAÇÕES. S.A.	DIRECTOR	NO
MR. RAFAEL MÁRQUEZ OSORIO	MAPFRE AMERICA. S.A.	DIRECTOR	NO
MR. ANTONIO MIGUEL- ROMERO DE OLANO	MAPFRE ESPAÑA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	DIRECTOR	NO
MR. ANTONIO MIGUEL- ROMERO DE OLANO	MAPFRE ASISTENCIA, COMPAÑÍA INTERNACIONAL DE SEGUROS Y REASEGUROS. S.A.	VICE CHAIRMAN	NO
MR. ALFONSO REBUERTA BADIÁS	MAPFRE GLOBAL RISKS, COMPAÑÍA INTERNACIONAL DE SEGUROS Y REASEGUROS S.A.U.	VICE CHAIRMAN	NO
MR. ALFONSO REBUERTA BADIÁS	MAPFRE AMERICA. S.A.	DIRECTOR	NO
MS. CATALINA MIÑARRO BRUGAROLAS	MAPFRE ESPAÑA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	DIRECTOR	NO
MR. RAFAEL BECA BORREGO	MAPFRE AMERICA. S.A.	SECOND VICE CHAIRMAN	NO
MR. ALBERTO MANZANO MARTOS	MAPFRE ESPAÑA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	DIRECTOR	NO
MR. ALBERTO MANZANO MARTOS	MAPFRE AMERICA. S.A.	DIRECTOR	NO
MR. RAFAEL FONTOIRA SURIS	MAPFRE ESPAÑA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	DIRECTOR	NO
MS. ADRIANA CASADEMONT I RUHÍ	MAPFRE ASISTENCIA, COMPAÑÍA INTERNACIONAL DE SEGUROS Y REASEGUROS. S.A.	DIRECTOR	NO
MR. RAFAEL CASAS GUTIÉRREZ	BB MAPFRE SH2 PARTICIPAÇÕES. S.A.	DIRECTOR	NO
MR. RAFAEL CASAS GUTIÉRREZ	MAPFRE BB SH1 PARTICIPAÇÕES. S.A.	DIRECTOR	NO
MR. RAFAEL CASAS GUTIÉRREZ	MAPFRE GLOBAL RISKS, COMPAÑÍA INTERNACIONAL DE SEGUROS Y REASEGUROS S.A.U.	DIRECTOR	NO
MR. RAFAEL CASAS GUTIÉRREZ	MAPFRE AMERICA, S.A.	CHAIRMAN and CEO	YES
MR. RAFAEL CASAS GUTIÉRREZ	MAPFRE RE, COMPAÑÍA DE REASEGUROS, S.A.	DIRECTOR	NO
MR. RAFAEL CASAS GUTIÉRREZ	MAPFRE INTERNACIONAL, S.A.	DIRECTOR	NO
MR. IGNACIO BAEZA GÓMEZ	MAPFRE ESPAÑA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	CHAIRMAN and CEO	YES
MR. IGNACIO BAEZA GÓMEZ	MAPFRE ASISTENCIA, COMPAÑÍA INTERNACIONAL DE SEGUROS Y REASEGUROS. S.A.	DIRECTOR	NO
MR. IGNACIO BAEZA GÓMEZ	MAPFRE INTERNACIONAL. S.A.	FIRST VICE CHAIRMAN	NO
MR. LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	MAPFRE VIDA. S.A. DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	SECOND VICE CHAIRMAN	NO
MR. LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	MAPFRE INTERNACIONAL.S.A.	DIRECTOR	NO
MR. IGNACIO BAEZA GÓMEZ	MAPFRE VIDA. S.A. DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	CHAIRMAN and CEO	NO
MR. LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	MAPFRE ESPAÑA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	SECOND VICE CHAIRMAN	NO

C.1.12 List, where applicable, any directors of the company that sit on the Board of Directors of other companies publicly traded in Spain outside the group, of which the company has been informed:

Name or company name of the director	Company name of the Group company	Position
MS. CATALINA MIÑARRO BRUGAROLAS	ACS, ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS, S.A.	DIRECTOR

C.1.13 Indicate and, where applicable, explain whether the company has established rules on the number of boards on which its directors may sit:

Yes No

Explanation of the rules

According to article 4 of the MAPFRE Regulation of the Board of Directors, no director can simultaneously be a member of more than five Boards of Directors of companies that do not form part of the Group, except for personal or family companies.

C.1.14 Section repealed.

C.1.15 Indicate the overall remuneration of the Board of Directors:

Remuneration of the Board of Directors (thousands of euros)	8,415
Amount corresponding to the rights accumulated by current directors regarding pensions (thousands of euros)	11,938
Amount corresponding to the rights accumulated by former directors regarding pensions (thousands of euros)	0

C.1.16 Identify the members of senior management that are not also executive directors, and indicate the total remuneration earned by them during the financial year:

Name or company name	Position
MR. ÁNGEL LUIS DÁVILA BERMEJO	SECRETARY GENERAL - GENERAL MANAGER OF LEGAL AFFAIRS
MR. JOSÉ MANUEL MURIES NAVARRO	GENERAL MANAGER OF INTERNAL AUDIT
MR. FRANCISCO JOSÉ MARCO ORENES	GENERAL MANAGER OF BUSINESS SUPPORT
MR. FERNANDO MATA VERDEJO	DEPUTY GENERAL MANAGER OF STRATEGY AND DEVELOPMENT

Total remuneration of senior management (in thousands of euros)	1,428
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C.1.17 Indicate, where applicable, the identity of board members who also sit on Boards of Directors of companies of significant shareholders and/or companies in their group:

Name or company name of the director	Company name of the significant shareholder	Position
MR. ANTONIO NÚÑEZ TOVAR	CARTERA MAPFRE, S.L. SOLE CORPORATION	DIRECTOR
MR. ESTEBAN TEJERA MONTALVO	CARTERA MAPFRE, S.L. SOLE CORPORATION	DIRECTOR
MR. IGNACIO BAEZA GÓMEZ	CARTERA MAPFRE, S.L. SOLE CORPORATION	DIRECTOR
MR. ANTONIO HUERTAS MEJÍAS	CARTERA MAPFRE, S.L. SOLE CORPORATION	CHAIRMAN and CEO

List, where applicable, the relevant affiliations other than those considered in the above paragraph, that link members of the Board of Directors to significant shareholders and/or companies in their Group:

C.1.18 Indicate whether during the financial year there has been any change in the Board of Directors Regulations.

Yes No

Description of modifications

On January 22, 2015 the Board of Directors approved a new Regulation of the Board of Directors in order to adapt its content to the Capital Companies Act after its amendment by Law 31/2014, of December 3, by which it is modified to improve corporate governance.

On December 17, 2015, the Board of Directors agreed on the following amendments:

- Amend section c) of article 4 to determine the maximum number of Boards of Directors of companies outside MAPFRE on which directors may sit.
- Amend article 8 in order to (i) set the annual minimum number of meetings of the Board of Directors to 8; (ii) allow issues not included in the agenda to be addressed in board meetings, after consent from the majority of the directors present; and (iii) refer to current legislation the cases in which the directors may not attend and participate in the deliberations and voting.
- Amend section 2 of article 12 in order to establish the same regulations governing the composition for the Risks and Compliance Committee as for the Audit Committee and the Appointments and Remuneration Committee.
- Amend article 13 to include improvements to the wording.

C.1.19 Indicate procedures for selection, appointment, re-election, evaluation and removal of directors. List the competent bodies, the procedures to be followed and the criteria to be employed in each procedure.

Persons to whom the position of MAPFRE S.A. director is offered, or of a subsidiary company, must first make an accurate and complete declaration of their relevant personal, family, professional and business circumstances, specifically indicating the following: (i) persons or companies that are, with respect to him/her, the condition of linked persons as provided for in current legislation; (ii) any circumstances that may imply a cause of incompatibility in accordance with the laws, the Corporate Bylaws or these Regulations, or a conflict of interest; (iii) any other professional obligations, in case they interfere with the commitment required for the position; (iv) any criminal proceedings in which he/she appears as a defendant or accused party; and (v) any other fact or situation affecting him/her and that may be relevant to his/her performance as a director. This declaration must be made on the form provided for such purposes by MAPFRE, and shall include an express acceptance of the regulations set out in the Corporate Bylaws and other internal regulations, as well as in current legislation.

Any person who holds the position of director must be of renowned prestige in his/her professional and business area, and hold all necessary professional qualifications or experience as provided by law for financial institutions or insurance companies subject to supervision by public authorities.

Specifically, people cannot be members of the Board of Directors if they hold significant shares in, or provide professional services to, competing businesses of the Company or of any company of the Group, or if they work as employees, managers, or administrators of them, unless they are granted express authorization from the Board of Directors.

– Proposals for the appointment or reappointment of independent directors must be preceded by a proposal from the Appointments and Remuneration Committee.

The proposed reappointment of such directors must include an assessment of the performance of their positions by directors during the previous mandate and, where appropriate, of the positions performed by candidates in the board, taking into account or assessing the amount and quality of the work done by them, and their commitment to the position.

– The formulation of proposals for appointment or reappointment by the Board of Directors must be preceded:

a) In the case of nominee directors, by a suitable proposal of the shareholder backing their appointment or reappointment.

b) In the case of executive directors, as well as the secretary, whether or not a director, by a suitable proposal from the Chairman of the Board.

Both types of proposals must also be preceded by the corresponding report from the Appointments and Remuneration Committee.

– The proposed reappointment of nominee and executive directors must be preceded by a report issued by the Appointments and Remuneration Committee, including an assessment of the performance of the positions by directors during the previous mandate and, where appropriate, of the positions performed by candidates in the board, taking into account or assessing the amount and quality of the work undertaken by them, and their commitment to the position.

– In any case, the proposals for appointment and reappointment of directors must be accompanied by an explanatory report of the board which assesses the responsibility, experience and merits of the candidate.

The Board of Directors will not propose to the General Meeting that any independent director be removed from office before end of the term for which the director has been elected, unless the Board of Directors considers, after a report from the Appointments and Remuneration Committee, that there are grounds for doing so. In particular, the removal proposal shall be deemed justified when the director has failed to comply with the duties inherent to the position, has not complied with any requirement set forth for independent directors, or has incurred in an insuperable conflict of interest according to the provisions of current legislation.

C.1.20 Explain how the annual assessment of the board has led to significant changes in its international organization and in the procedures that apply to its activities:

Description of modifications

In line with the results of the annual self-evaluation, the Board of Directors has increased the number of meetings and has incorporated in them case studies of previously addressed aspects of business development, to a greater extent, by the Steering Committee.

C.1.20.bis Describe the evaluation process and the evaluated areas undertaken by the Board of Directors assisted, where appropriate, by an external consultant with respect to diversity in its composition and responsibilities, operation and composition of its committees, performance of the Chairman of the Board and the chief executive of the company and the performance and contribution of each director.

In accordance with the provisions of the Regulations of the Board of Directors of MAPFRE, the Board undertakes an annual assessment of the quality of its work, the performance of the Chairman and CEO based on the report drawn up for this purpose by the Appointments and Remuneration Committee, and the operation of its Committees and Steering Committee; and it proposes, where appropriate, an action plan to correct the detected deficiencies.

In the year 2015, the Steering Committee and the Audit, Appointments and Remuneration and Risk and Compliance Committees drew up their respective self-evaluation reports concerning their composition and operation during 2014.

In addition, the Board of Directors undertook the evaluation of its composition and operation during 2014, as well as that of its Committees and Steering Committee on the basis of previous reports.

The Board of Directors, following a report from the Appointments and Remuneration Committee, evaluated the performance of the Chairman and CEO of MAPFRE in 2014, concluding that it was very favorable in all aspects.

C.1.20.ter List, where appropriate, the business relationships maintained by the advisor or any company in the group with the company or any company in its group.

C.1.21 Indicate the circumstances under which directors are obliged to resign.

According to the provisions of the Corporate Bylaws, the Regulations of the Board of Directors, and the Institutional, Business and Organizational principles of the MAPFRE Group, all members of the Board of Directors must retire upon reaching the age of 70, and therefore must submit their corresponding resignation. The Chairman and CEO, Vice Chairmen and directors who perform executive duties, and the secretary of the board must retire from office upon reaching 65 years of age or, on any earlier date according to the terms and conditions of their respective contract, submitting the corresponding resignations, but they may continue as members of the board without any executive duties for a maximum of five years in the same conditions as external nominee directors.

All directors must resign from their directorship on the Board of Directors and any office held, such as on the Committees and Steering Committee, and tender their formal resignation should the Board of Directors deem it pertinent, in the following cases:

- a) Whenever they cease to hold the executive office associated with their appointment as members of these governing bodies.
- b) Should they become subject to any disqualification or prohibition laid down by law.
- c) If they are accused of (or a court issues an order for the opening of a trial for) allegedly committing any crime or are involved in disciplinary proceedings involving a serious or very serious fault at the instance of the supervisory authorities.
- d) If they receive any serious warning from the Risk and Compliance Committee due to any infringement of their obligations as directors.

e) When they are affected by circumstances in which their remaining on these governing bodies might cause damage to the Company's credit or reputation, or place its interests at risk. When such events or circumstances are well-known or public, the Appointments and Remuneration Committee, by agreement of the majority of its members, may request the resignation of the affected director.

f) If the reasons (if any expressly exist) for which they were appointed cease to apply.

Resignation from these positions must be formally tendered in a letter addressed to all members of the Board of Directors.

Directors who, at the time of their appointment, do not hold any executive position or perform any executive duties in the Company, or in another Group company, will not be able to perform any executives duties unless they first resign their directorship, even though they may subsequently remain eligible for the position.

Nominee Directors must also tender their resignation when the shareholder that appointed them sells its shareholding.

When a shareholder reduces its shareholding, a proportionally equivalent number of Nominee Directors that it has appointed must resign.

MAPFRE's Independent Directors must also tender their resignation when they have held office for twelve years in a row.

C.1.22 Section repealed.

C.1.23 Are reinforced majorities required, aside from legal majorities, for any type of resolution?

Yes No

If so, describe the differences.

C.1.24 Explain whether there are specific requirements, other than those regarding directors, to be appointed Chairman of the Board.

Yes No

Requirements description

In accordance with the provisions of article 5 of the Regulations of the Board of Directors MAPFRE, the position of Chairman and CEO must go to an executive director who has the status of most senior management representative, and such a designation requires the favorable vote of two thirds of the members the Board of Directors.

C.1.25 Indicate whether the Chairman has a casting vote:

Yes No

Circumstances requiring a casting vote

In general, the Chairman and CEO has a casting vote in the event of a tie.

C.1.26 Indicate whether the bylaws or the Board regulations establish any age limit for directors:

Yes No

Age limit for Chairman	65 years
Age limit for managing director	65 years of age
Age limit for director	70 years

C.1.27 Indicate if the bylaws or the board regulations establish any limit for independent directors' term of office, other than that established in the regulations:

Yes No

C.1.28 Indicate if the bylaws or the regulations of the Board of Directors establish specific regulations for delegating votes in the Board of Directors, how to do it, and in particular, the maximum number of delegations a director can have, as well as if any limit has been established regarding the categories in which it is possible to delegate, beyond the limits imposed by legislation. If so, describe such regulations briefly.

There are no specific regulations for delegating votes on the Board of Directors.

C.1.29 Indicate the number of meetings the Board of Directors has held during the financial year. Where applicable, indicate how many times the Board has met without the Chairman in attendance: In calculating this number, attendance shall mean proxies given with specific instructions.

Number of board meetings	10
Number of board meetings not attended by the Chairman	0

If the Chairman is an executive director, indicate the number of meetings held, unattended or without representation, by any executive directors and chaired by the coordinating director

Number of meetings	0
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Indicate the number of meetings the Board's different Committees have held during the financial year.

Committee	No. of Meetings
Steering Committee	8
Audit Committee	6
Appointments and Remuneration Committee	7
Risk and Compliance Committee	4

C.1.30 Indicate the number of meetings the Board of Directors has held during the financial year with the attendance of all its members. In calculating this number, attendance shall mean proxies given with specific instructions:

Number of meetings attended by all directors	182
% of attendances over total votes during the year	100.00%

C.1.31 Indicate whether the individual and consolidated annual accounts presented to the board for approval were certified beforehand:

Yes No

Where applicable, identify the person(s) who certified the individual and consolidated annual accounts to be drawn up by the board:

Name	Position
MR. ESTEBAN TEJERA MONTALVO	FIRST VICE CHAIRMAN
MR. JOSÉ MANUEL MURIES NAVARRO	GENERAL MANAGER OF INTERNAL AUDIT
MR. CARLOS BARAHONA TORRIJOS	ASSISTANT GENERAL MANAGER OF CONTROL AND FINANCIAL INFORMATION

C.1.32 Explain the mechanisms, if any, established by the Board of Directors to prevent the individual and consolidated accounts that it draws up from being presented to the Annual General Meeting with reservations on the audit report.

The company has never presented accounts with reservations on the audit report.

The Company has the Finance, General Counsel and Internal Audit Corporate Areas, which oversee all aspects of the annual accounts, as well as the MAPFRE Audit Committee, which is a delegate body that was created by the board for this purpose and with supervisory powers in 2000.

According to article 25 of the Regulation of the Board of Directors of MAPFRE, the Board of Directors must always draw up the annual accounts so that the external auditor has no reservations or provisos regarding them. Nonetheless, when the board considers that it must maintain its criteria, the Chairman of the Audit Committee will publicly explain the content and scope of the discrepancies that may have led to these reservations or provisos.

C.1.33 Is the Board Secretary a director?

Yes No

If the secretary does not have the status of director, complete the following table:

Name or company name of the secretary	Representative
MR. ÁNGEL LUIS DÁVILA BERMEJO	

C.1.34 Section repealed.

C.1.35 Indicate what mechanisms the company has established, if any, to preserve the independence of the external auditors, the financial analysts, the investment banks and the ratings agencies.

In addition to the provisions of the law, the Company has decided to voluntarily propose compliance with a set of general guidelines that clearly and accurately ensure the attainment and maintenance of the necessary independence of the external auditors with respect to it, as called for in the Regulations of the Board of Directors of MAPFRE, which establish the following criteria regarding the external auditors:

The relationship of the Board of Directors with the Company's external auditor shall be maintained through the Audit Committee.

The Board of Directors shall refrain from hiring any auditing firms that receive or that will receive annual fees from the Group, in which amount for all concepts exceeds 5 percent of its total annual revenue; and it shall report, in the annual public documentation, the total fees that the Group paid the external auditor for the various services it provided.

Apart from the Audit Committee's powers and duties as specified in the bylaws and the Board of Directors Regulations, the Audit Committee will be informed at least once every six months of all services rendered by the external auditor and their corresponding fees.

Every year, the Audit Committee will assess the Accounts Auditor, the scope of the audit and the external auditor's independence,

considering whether the quality of the audit control measures is adequate and any services other than accounts audit services are compatible with the auditor's independence.

In accordance with the provisions of the Internal Code of Conduct regarding listed securities issued by MAPFRE, which sets out the procedures relating to the publication of relevant information, the financial analysts will not be provided with any relevant information that is not available to the public at large.

C.1.36 Indicate whether the company changed its external auditor during the financial year. If so, identify the incoming and outgoing auditors:

Yes No

Outgoing auditor	Incoming auditor
ERNST & YOUNG, S.L.	KPMG AUDITORES, S.L.

If there were disagreements with the outgoing auditor, explain their grounds.

Yes No

C.1.37 Indicate whether the audit firm does other work for the company and/or its Group other than the audit. If so, declare the amount of fees received for such work and the percentage of such fees in the total fees charged to the company and/or its Group:

Yes No

	Company	Group	Total
Amount for work other than audit (thousands of euros)	106,627	1,526,010	1,632,637
Amount of work other than audit/total amount billed by the audit firm (in %)	17.46%	20.64%	20.40%

C.1.38 Indicate whether the audit report on the annual accounts for the previous financial year contained reservations or provisos. If so, indicate the reasons given by the Chairman of the Audit Committee to explain the content and scope of such reservations or provisos.

Yes No

C.1.39 Indicate the number of financial years during which the current audit firm has been doing the audit of the annual accounts for the company and/or its group without interruption. Indicate the percentage of the number of financial years audited by the current auditing firm to the total number of financial years in which the annual accounts have been audited:

	Society	Group
Number of financial years running	1	1
Number of financial years audited by current audit firm/ number of financial years the company has been audited (in %)	4.00%	4.00%

C.1.40 Indicate and, where applicable, give details on the existence of a procedure for directors to get external advisory services:

Yes No

Details of the procedure

According to the provisions of the Regulations of the Board of Directors of MAPFRE, and for the purpose of assisting the Directors in the exercise of their duties, the Directors may request that external advising be contracted, at the Company's cost, whenever special circumstances arise that so warrant. Any such engagement of experts must necessarily be related to specific problems of special import and complexity that arise during the exercise of the office as director.

The request for advising must be addressed to the Chairman or the secretary of the Board of Directors and may be vetoed by the Board of Directors, if it is established that:

- That it is not necessary for the proper performance of the duties entrusted to the directors.
- That the cost is unreasonable, bearing in mind the significance of the problem and the company's assets and revenues.
- That the technical assistance sought may be adequately provided by experts and technicians already employed by the company or the group.

C.1.41 Indicate and, where applicable, give details on the existence of a procedure for directors to get the information they need to prepare the meetings of the management bodies in sufficient time:

Yes No

Details of the procedure

The Chairman takes appropriate measures to ensure that the directors receive sufficient information on the matters on the agenda prior to the meeting. This aspect is subject to a specific analysis by the Board of Directors of the company in its annual self-evaluation session.

C.1.42 Indicate and, where applicable, give details on whether the company has established rules obliging directors to inform and, where applicable, to resign in those cases that may harm the company's credit and reputation:

Yes No

Explain the rules

The Directors must place their office(s) at the disposal of the Board of Directors, both as directors and any other position they might hold on any Committee or Steering Committees thereof, and formalize any resignation, should the Board deem it necessary, in the following cases:

- Whenever they are removed from the executive office associated with their appointment as a member of these governing bodies.
- Should they become subject to any disqualification or prohibition laid down by law.
- If they are accused of (or a court issues an order for the opening of a trial for) allegedly committing any crime or are involved in disciplinary proceedings involving a serious or very serious fault at the instance of the supervisory authorities.
- If they receive any serious warning from the Risk and Compliance Committee due to any infringement of their obligations as directors.
- When they are affected by circumstances that might harm the Company's credit or reputation or place its interests at risk were they to remain on these governing bodies. When such events or circumstances are well-known or public, the Appointments and Remuneration Committee, by agreement of the majority of its members, may request the resignation of the affected director.
- If the reasons (if any expressly exist) for which they were appointed cease to apply.

C.1.43 Indicate whether any member of the Board of Directors has informed the company of being sued or having any court proceedings opened against him or her for any of the offenses listed in article 213 of the Spanish Corporations Act:

Yes No

Indicate whether the Board of Directors has analyzed the case. If so, explain the grounds for the decision reached as to whether or not the director should remain on the Board or, where applicable, explain the actions carried out by the Board of Directors until the date of this report or that has planned to carry out.

C.1.44 List the significant resolutions adopted by the company and that take effect, are amended or conclude in the event of a change in control of the company on account of a public takeover bid, and its effects.

There are no significant resolutions adopted by the Company and that take effect, are amended or conclude in the event of a change in control of the Company on account of a public takeover bid.

C.1.45 Identify in aggregate and identify in detail, the resolutions between the company and its administration and management or employees who receive compensations, ring-fence or guarantee clauses, when these dismissed or who are unfairly dismissed, or when the relationship comes to an end on the occasion of a public takeover bid or other type of operations.

Number of beneficiaries: 0

Type of beneficiary:
[Description of type of beneficiary]

Description of the Agreement:

The term of the contracts of the executive directors is related to their time as a director. Removal this position entails the lifting of the suspension of the relationship prior to the appointment as such. The executive directors must be exclusively engaged in their position, and there are no contractual conditions relating to post-contractual non-competition agreements and permanence.

The early termination of the previous relationship entails compensation under the terms established by the Workers' Statute in relation to unfair dismissal, except when there is good cause for dismissal. In the event of early termination by decision of the Company, it shall inform the director of his/her removal three (3) months prior to the date of termination.

Contracts that regulate prior relationship establish the termination of this relationship on January 1 of the year after which the director reaches the age of 60, unless annual extensions are implemented at the initiative of the Company until the date on which the executive reaches the age of 65, as a maximum.

There are no clauses relating to signing bonuses.

Indicate whether these contracts must be disclosed and/or approved by the company or Group governance bodies:

	Board of Directors	General meeting
Body authorizing the clauses	Yes	No
		Yes No
Is the General Meeting informed of the clauses?		X

C.2 Board of Directors' Committees

C.2.1 List all the Board of Directors' Committees, their members and the percentage of Executive, Nominee, Independent and other External Directors that compose them:

STEERING COMMITTEE

Nombre	Position	Category
MR. ANTONIO HUERTAS MEJÍAS	CHAIRMAN and CEO	Executive
MR. ESTEBAN TEJERA MONTALVO	VICE CHAIRMAN	Executive
MR. ANTONIO NÚÑEZ TOVAR	VICE CHAIRMAN	Executive
MR. IGNACIO BAEZA GÓMEZ	BOARD MEMBER	Executive
MR. RAFAEL CASAS GUTIÉRREZ	BOARD MEMBER	Executive
MR. GEORG DASCHNER	BOARD MEMBER	Independent
MR. LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	BOARD MEMBER	Nominee
MR. RAFAEL MÁRQUEZ OSORIO	BOARD MEMBER	Nominee
MR. ANTONIO MIGUEL-ROMERO DE OLANO	BOARD MEMBER	Nominee
MS. CATALINA MIÑARRO BRUGAROLAS	BOARD MEMBER	Independent

% of Executive Directors	50.00%
% of Nominee Directors	30.00%
% of Independent Directors	20.00%
% of other external directors	0.00%

Explain the duties attributed to this committee, describe its procedures and rules of organization and functioning and summarize its most important actions during the fiscal year.

It is the delegate body of the Board of Directors, responsible for senior management and permanent oversight of the strategic and operational aspects of the Company's ordinary business affairs and those of its subsidiaries. It also makes any decisions necessary for proper operation. It has the ability to make decisions of a general scope and is expressly delegated with all the powers that pertain to the Board of Directors, except for those that cannot be delegated due to legal requirement or, where applicable, as expressly established in the Corporate Bylaws or in the Regulations of the Board of Directors of MAPFRE S.A.

The Committee will have a maximum of ten members, all of whom are members of the Board of Directors. Its Chairman, First and Second Vice Chairmen and secretary will automatically be members of the Board. Members must be appointed with a favorable vote from two-thirds of the members of the Board of Directors.

During the year 2015, the Steering Committee was responsible for approving the nominations and removals of the Company and the Group, authorizing the transactions of subsidiary and investee companies, approving the salary remuneration for fiscal year 2015, approving the real estate transactions of the Group, being familiar with relationships with official bodies and the main contentious issues of the Group's companies and being familiar with the purchase of MAPFRE shares by members of governing and management bodies, among other things.

Indicate whether the composition of the Executive or Steering Committee reflects the participation of different directors on the board according to their category:

Yes No

If not, explain the composition of the Executive or Steering Committee

The company has its own standard, establishing it as a delegate body of a pronounced executive nature with the presence of the executive directors, as well as the presence of three external nominee directors and two independent directors.

AUDIT COMMITTEE

Name	Position	Category
MR. LUIS ITURBE SANZ DE MADRID	CHAIRMAN and CEO	Independent
MR. ANDRÉS JIMÉNEZ HERRADÓN	BOARD MEMBER	Nominee
MR. ANTONIO MIGUEL-ROMERO DE OLANO	BOARD MEMBER	Nominee
MS. CATALINA MIÑARRO BRUGAROLAS	BOARD MEMBER	Independent

% of Nominee Directors	50.00%
% of Independent Directors	50.00%
% of other external directors	0.00%

Explain the duties attributed to this committee, describe its procedures and rules of organization and functioning and summarize its most important actions during the fiscal year.

The Audit Committee has the following responsibilities:

- a) To report to the General Meeting regarding the issues that arise in their area of responsibility.
- b) To supervise the efficacy of the internal control of the Company, internal audit and risk management systems, including fiscal systems, as well as debating with the External Auditor regarding any significant weaknesses in the internal control system detected when carrying out audits.

c) To supervise the process of drawing up and presenting the mandatory financial information.

d) To bring before the Board of Directors, for submission to the Annual General Meeting, the proposals for the selection, appointment, reappointment and replacement of the external auditor as well as the conditions of his/her contract and to gather information from him/her regularly regarding the audit plan and its execution, in addition to preserving his/her independence in the performance of his/her duties.

e) To establish appropriate relationships with the External Auditor in order to receive information concerning those issues which may jeopardize their independence, so that they may be examined by the Committee, and any other issues related to the accounts auditing process, as well as other communications provided for in the accounts auditing legislation and in the auditing regulations.

f) To release on an annual basis, prior to the publication of the accounts audit report, a report expressing an opinion concerning the independence of the External Auditor.

g) To ensure that, as far as possible, the external auditor of the Group takes responsibility for auditing all the companies belonging to it.

h) To ensure the independence and efficacy of the internal audit; to propose the selection, appointment, reappointment and removal of its most senior management, as well as its annual budget; to receive regular information on its activities; and to check that senior management takes the conclusions and recommendations of its reports into account.

i) To inform the Board of Directors in advance on all matters provided in the law, the Corporate Bylaws and Board Regulations.

j) To establish and supervise a mechanism that enables employees to communicate confidentially irregularities they notice within the company that may be of potential importance, especially financial and accounting irregularities.

The Committee is made up of a minimum of three and a maximum of five members, all of which shall be non-executive, and at least two of which must be independent directors, one of which shall be designated based on his or her knowledge and experience in the area of accounting or auditing or both. Its Chairman shall be an Independent Director and must be substituted in this position every four years, only to be re-elected to the post one year after leaving that position. The Secretary of this Committee will be the Secretary to the Board of Directors. The Internal Audit General Manager of the Group shall attend the meetings as a guest.

During the year 2015, the Audit Committee was responsible for issuing an opinion on the Annual Accounts from fiscal year 2014, for supervising the efficacy of the company's internal control, for the internal audit and the risk management systems of the Company and the Group, for approving extra fees from the external auditor, for reporting on the relationship with the external auditor, for learning of appointments in the Internal Audit and for being familiar with the quarterly financial information to be presented to the Spanish National Securities and Exchange Commission, among other things.

Identify the director who is a member of the Audit Committee and who is designated based on his/her knowledge and experience in the area of accounting or auditing or both, and state the number of years that the Chairman of this Committee has held the position.

Name of the director with experience	Mr. Luis Iturbe Sanz de Madrid
No. of years of the Chairman in the position	2

APPOINTMENTS AND REMUNERATION COMMITTEE

Name	Position	Category
MR. LUIS ITURBE SANZ DE MADRID	CHAIRMAN and CEO	Independent
MS. ADRIANA CASADEMONT I RUHÍ	BOARD MEMBER	Independent
MR. LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	BOARD MEMBER	Nominee
MR. ALFONSO REBUelta BADÍAS	BOARD MEMBER	Nominee

% of Nominee Directors	50.00%
% of Independent Directors	50.00%
% of other external directors	0.00%

Explain the duties attributed to this committee, describe its procedures and rules of organization and functioning and summarize its most important actions during the fiscal year.

The Appointments and Remuneration Committee is the delegate body of the Board of Directors for the coordinated development of appointment and remuneration policy regarding the directors and senior management of the Group. It has the following responsibilities:

- To evaluate the balance of skills, knowledge and experience required on the Board of Directors, defining the duties and responsibilities required of the candidates to fill each vacancy accordingly, and decide the time and dedication necessary for them to properly perform their duties.
- Establish an objective of representation for the less-represented sex in the Board of Directors and create orientations regarding how to reach said objective.
- To bring before the Board of Directors the appointment proposals of Independent Directors for them to be designated by cooptation or for them to be subject to the decision of the Annual General Meeting, as well as proposals for reappointment or separation, and to report on cases related to proposals that affect the remaining Directors.
- Report regarding the proposals for nomination and separation of top executives and the core conditions for their contracts.
- Examine and organize, the succession of the Chairman of the Board of Directors and, as necessary, put proposals to the Board for an orderly, well-planned succession.

f) To propose to the Board of Directors the remuneration policy of Directors and General Managers or anyone who performs senior management duties under the direct control of the Board, the Steering Committee or the Managing Directors, as well as individual remuneration and other conditions of the contracts of Executive Directors, ensuring their enforcement.

g) Propose to the Board of Directors the candidates for the nomination of the Patrons of FUNDACIÓN MAPFRE, whose designation corresponds to the Company.

h) Authorize the nomination of the External Directors of the remaining companies of the Group.

The Committee is made up of a minimum of three and a maximum of five members, all of which shall be non-executive, and at least two of which must be independent directors. These Committees' Chairman shall be an Independent Director. The secretary of the Board of Directors will also be the secretary of the Committee.

During the year 2015, the Appointments and Remuneration Committee was responsible for reporting the appointments and removals of directors and executives, reporting on the Chairman's actions during fiscal year 2014, bringing to the Board of Directors the appointment proposal of Mr. Georg Daschner and Ms. María Leticia de Freitas Costa to the position of independent director, approving the Board of Directors Renewal Plan, approving the salary remuneration of senior management positions for fiscal year 2015, authorizing the granting of pension agreements to senior management positions and approving the granting of management contracts, among other things.

RISK AND COMPLIANCE COMMITTEE

Name	Position	Category
MR. GEORG DASCHNER	CHAIRMAN and CEO	Independent
MR. LUIS ITURBE SANZ DE MADRID	BOARD MEMBER	Independent
MR. RAFAEL MÁRQUEZ OSORIO	BOARD MEMBER	Nominee
MR. ANTONIO MIGUEL-ROMERO DE OLANO	BOARD MEMBER	Nominee

% of Nominee Directors	50.00%
% of Independent Directors	50.00%
% of other external directors	0.00%

Explain the duties attributed to this committee, describe its procedures and rules of organization and functioning and summarize its most important actions during the fiscal year.

It is the delegate body of the Board of Directors for supporting and advising the Board of Directors on the definition and assessment of risk management policies and on the determination of risk propensity and the risk strategy, as well as overseeing the correct application of the code of good governance and external and internal regulations in the company and the Group. It has the following duties:

- a) To support and advise the Board of Directors in the definition and evaluation of the policies of risk for the Group and in the determination of the propensity to risk and the risk strategy.
- b) Assist the Board of Directors in the oversight of the application of the risk strategy.
- c) To come to know and evaluate the methods and tools for risk management, carrying out the follow-up on the models applied in terms of results and validation.
- d) Oversight for the application of rules for good governance established at all times.
- e) Supervise the compliance of internal and external rules, and in particular, the internal codes of conduct, for the rules and procedures of prevention of money laundering and financing terrorism, as well as formulating proposals for its improvement.
- f) Supervise the adoption of actions and measures that are the result of reports or actions for inspection of administrative authorities for supervision and control.

The Committee will be made up of a minimum of three and a maximum of five members, all of which shall be non-executive, and at least two of which must be independent directors. These Committees' Chairman shall be an Independent Director.

The Board of Directors will designate a secretary, a position that need not be filled by a director.

During the year 2015, the Risk and Compliance Committee was responsible for defining and assessing risk management policies and determining risk propensity and the risk strategy, in addition to supervising the correct application of the code of good governance and external and internal regulations in the company and the Group, among other things.

C.2.2 Fill in the following table with information related to the number of female directors that belong to the Board of Directors' Committees during the last 4 financial years:

	NUMBER OF FEMALE DIRECTORS							
	YEAR 2015		YEAR 2014		YEAR 2013		YEAR 2012	
	Number	%	Number	%	Number	%	Number	%
STEERING COMMITTEE	1	10.00%	1	11.11%	0	0.00%	0	0.00%
AUDIT COMMITTEE	1	25.00%	1	25.00%	2	40.00%	1	25.00%
APPOINTMENTS AND REMUNERATION COMMITTEE	1	25.00%	1	20.00%	0	0.00%	0	0.00%
RISK AND COMPLIANCE	0	0.00%	0	0.00%	0	0.00%	0	0.00%

C.2.3 Section repealed.

C.2.4 Section repealed.

C.2.5 Indicate, where applicable, the existence of regulations for the Board Committees, where they can be consulted and any amendments made to them during the financial year. Indicate whether an annual report on the activities of each Committee has been drawn up voluntarily.

Committee name

STEERING COMMITTEE

Brief description

The Steering Committee is regulated in the corporate bylaws and in the Board Regulations.

These are available on the company's website, www.mapfre.com, in the public records of the "CNMV and in the Madrid Company Registry.

In the year 2015, this Committee's regulations, as contained in the Corporate Bylaws and the Board Regulations, were modified in order to decrease the maximum number of Committee members to 10.

Committee name

AUDIT COMMITTEE

Brief description

Regulated in the corporate bylaws and in the Board Regulations.

These are available on the company's website, www.mapfre.com, in the public records of the CNMV and in the Madrid Company Registry.

In the year 2015, this Committee's regulations, as contained in the Corporate Bylaws and the Board Regulations, were modified in order to adapt its content to the Capital Companies Act after its amendment by Law 31/2014, of December 3, 2014, whereby it is modified to improve corporate governance.

In the year 2005, the Audit Committee began publishing an annual report on its activities, which is made available to shareholders at the Ordinary General Meeting.

Committee name

APPOINTMENTS AND REMUNERATION COMMITTEE

Brief description

Provided for in the corporate bylaws and regulated in the Board of Directors' Regulations.

These are available on the company's website, www.mapfre.com, in the public records of the CNMV and in the Madrid Company Registry.

In the year 2015, this Committee's regulations, as contained in the Corporate Bylaws and the Board Regulations, were modified in order to adapt its content to the Capital Companies Act after its amendment by Law 31/2014, of December 3, 2014, whereby it is modified to improve corporate governance.

In 2008, the company began publishing an annual report on its remuneration policy, which is put to a vote, on a consultative basis and as a separate point on the agenda, at the Ordinary General Meeting.

Committee name

RISK AND COMPLIANCE COMMITTEE

Brief description

Provided for in the corporate bylaws and regulated in the Board of Directors' Regulations.

These are available on the company's website, www.mapfre.com, in the public records of the CNMV and in the Madrid Company Registry.

In the year 2015, the responsibilities and the rules governing the composition and operation of this Committee were modified.

C.2.6 Section repealed.

D RELATED-PARTY TRANSACTIONS AND INTRA-GROUP TRANSACTIONS

D.1 Explain, where applicable, the procedure for approving related-party and intra-group transactions.

Procedure for reporting the approval of related-party transactions

MAPFRE has a policy for managing conflicts of interest and related-party transactions with significant shareholders and senior representative or management positions, which regulates the procedure to be followed in relation to related-party transactions.

The Board of Directors shall be familiar with the transactions conducted by the company, directly and indirectly, with directors, with significant shareholders or shareholders represented on the Board of Directors, or with individuals associated with them, and these transactions shall require authorization by the Board of Directors, after receiving a report from the Audit Committee, unless they are transactions that are part of the normal or ordinary activities of the parties concerned, which are undertaken under normal market conditions and for amounts that are insignificant or irrelevant to the company.

Significant shareholders, Directors and senior management must inform the secretary of the Board of Directors of MAPFRE in writing regarding any transaction that they or individuals associated with them (in this last case, whenever the affected person is aware of it) intend to conduct with MAPFRE or with any other company of its Group and which constitutes a related-party transaction subject to authorization by the Board of Directors.

The notification must include sufficient information on the aspects of the transaction to make it possible for MAPFRE to properly identify it.

D.2 List any significant transactions between the company or its group companies and the company's significant shareholders which are relevant due to their amount or subject matter:

Name or Company name of the significant shareholder	Name or company name of the company or group company	Nature of the relationship	Type of transaction	Amounts (thousands of euros)
CARTERA MAPFRE, S.L. SOLE CORPORATION	MAPFRE S.A.	Corporate	Dividends and other profits distributed	292,031
CARTERA MAPFRE, S.L. SOLE CORPORATION	MAPFRE S.A.	Contractual	Financing agreements: loans	140,000
CARTERA MAPFRE, S.L. SOLE CORPORATION	MAPFRE S.A.	Contractual	Interest paid	307

D.3 List the transactions between the company or its group companies and the company's directors or executives which are relevant due to their amount or subject matter:

D.4 Report on the significant transactions in which the company has engaged with other companies belonging to the same group, as long as they are not eliminated in the process of drawing up the consolidated financial statements and are not part of the company's usual trade with respect to its purpose and conditions.

In any case, report on any intra-group operations with entities established in countries or territories considered tax havens:

D.5 Indicate the amount of the transactions conducted with other related parties.

0 (in thousands of euros).

D.6 List the mechanisms in place to detect, determine and resolve possible conflicts of interest between the company and/or its group, and its directors, executives and/or significant shareholders.

All Directors and executives must make a Prior Declaration with regard to these matters at the time of their appointment. Furthermore, they are required to update this Declaration on a regular basis, and whenever a potential situation of conflict arises.

Also, the Internal Code of Conduct and policy for managing conflicts of interest and related transactions with significant shareholders and senior representative or management positions regulates the special obligations relating to potential conflicts of interest.

The Board of Directors has the final decision on these issues. There is a special procedure in place for the adoption of resolutions with regard to matters where there is a potential conflict of interest with a Director. The Director in question must abstain from being present or participating in these decisions.

D.7 Are more than one of the Group's companies listed in Spain as publicly traded companies?

Yes No

Identify the listed subsidiary companies in Spain:

Listed subsidiary company

FUNESPAÑA, S.A.

Indicate whether they have publicly and precisely defined the areas of activity they engage in and any business dealings between them, as well as between the listed controlled company and other Group companies.

Yes No

Define any business dealings between the parent company and the listed subsidiary company, and between the latter and other Group companies

The business dealings with FUNESPAÑA, S.A. and its group mainly involve the burial insurance processing services that this company and its subsidiary company All Funeral Services, S.A. provide to MAPFRE ESPAÑA, Compañía de Seguros y Reaseguros, S.A., a subsidiary company of MAPFRE S.A.

Identify the mechanisms in place to resolve possible conflicts of interest between the listed subsidiary company and other Group companies:

Mechanisms to resolve possible conflicts of interest

The Framework of Relationships between MAPFRE and FUNESPAÑA establishes abstention duties for those senior executives in the MAPFRE Group or the FUNESPAÑA Group who are part of the administration body of another Company of the other Group. Moreover, the provisions relating to conflicts of interest set out in the Internal Code of Conduct for listed securities issued by MAPFRE apply.

E RISK CONTROL AND MANAGEMENT SYSTEMS

E.1 Explain the scope of the company's risk management system, including taxation.

The consolidated group of insurance companies has a Risk Management System (RMS) based on the integrated management of each and every one of the business processes, and on the tailoring of the risk level to the established strategic objectives. The different types of risks have been grouped under four areas, or categories, as detailed below:

- Operational Risk: Includes the risk of loss arising from the inadequacy or dysfunction of internal processes, personnel or systems, or arising from external events.
- Financial and Credit Risk: Includes interest rate, liquidity, exchange rate, market and credit risk.
- Insurance Activity Risk: Groups together, separately for Life and Non-Life, the risk of premium shortfalls, sufficiency of technical provisions and reinsurance.
- Strategic and Corporate Governance Risk: Includes the business ethics and corporate governance risks, as well as risks related to organizational structure, alliances, mergers and acquisitions, regulatory (including tax) issues and, lastly, competition.
- Tax Risks: Includes the risks of differences in the interpretation of tax law and the determination of market prices in transactions between related companies.

On a quarterly basis, the Governing Bodies receive information regarding the quantification of the main risks to which the Group is exposed and the capital resources available to deal with them. This quantification is performed in accordance with:

- Current legal requirements;
- A standard model of fixed factors and
- Internal management models, in the companies that have them.

In 2015, the Board of Directors of MAPFRE S.A. approved, among others, the following written policies regarding risk management:

- Liquidity risk management policy.
- Credit risk management policy.
- Operational risk management policy.
- Assets and liabilities management policy.
- Reinsurance policy.
- Underwriting policy.
- Policy on the constitution of technical provisions.
- Corporate tax policy.

E.2 Identify the bodies of the company which are responsible for the preparation and implementation of the risk management system, including taxation.

The Regulations of the Board of Directors of MAPFRE sets out the duties and responsibilities of the MAPFRE Governing Bodies and its Committees and Steering Committee related to the risk management system.

The Board of Directors has the responsibility, which may not be delegated, to determine the general policies and strategies, and in particular the policy to identify, manage and control risks, including taxes, and monitor internal information and control systems.

The Steering Committee has the general capacity of decision with express delegation in its favor of all powers that correspond to the Board of Directors, except for those that may not be delegated by legal imperative or, where applicable, by express provision in the Corporate Bylaws or in the Regulations of the Board of Directors of MAPFRE S.A.

The Audit Committee monitors the effectiveness of the Company's internal control, internal auditing and the risk management systems, including taxes.

The Risk and Compliance Committee is the delegate body of the Board of Directors to support and advise the Board of Directors in defining and evaluating the risk management policy and determining the susceptibility to risk and the risk strategy, in addition to overseeing the correct application of the good governance rules and external and internal regulations in the company and in the Group.

In this sense, their duties in the framework of the risk management system are as follows:

- To support and advise the Board of Directors in the definition and evaluation of the risk policies of the Group and in the determination of the susceptibility to risk and the risk strategy.
- To assist the Board of Directors in overseeing the implementation of the risk strategy.
- To be familiar with and value the methods and tools for risk management, undertaking follow-up on the models applied regarding results and validation.

E.3 List the main risks that might affect the achievement of the business objectives, including taxes.

– 1. Financial and Credit Risk

MAPFRE mitigates its exposure to this type of risk by means of a prudent investment policy, with a high proportion of investment-grade fixed-income securities.

There are three different types of portfolios within the investment portfolio management:

- Those that seek strict immunization of the obligations deriving from the insurance contracts. This group includes the portfolios that cover unit-link policies consisting of assets whose risk is borne by the policyholders.
- Those that look to exceed the guaranteed return and achieve the highest return for the policyholders within the prudential parameters, such as profit sharing portfolios.
- The free-management portfolios, which have an active management that is only conditioned by legal rules and internal risk limitations.

Within the first group, the immunized portfolios minimize the interest rate risk, while the portfolios that cover the unit-link policies include the financial instruments whose risk is borne by the policyholders. A certain degree of market risk is accepted in the other portfolios, as set out below:

- The management variable of interest rate risk is modified duration, which is conditional on the limits established in the investment plan approved by the Board of Directors of MAPFRE S.A. for open-management portfolios, and for the modified duration of liabilities in the event of long term commitments with policyholders.
- Exposure to exchange rate risk is minimized in the case of insurance liabilities. Exposure to this type of risk may not exceed a fixed percentage established in the annual investment plan, for investment management reasons.
- Investments in shares are subject to a maximum limit of the investment portfolio.
- Risk limitations are established in quantitative terms measured based on variables that are easy to observe. However, a probabilistic risk analysis is also conducted based on past volatilities and correlations.

With regard to credit risk, the policy is based on applying criteria of prudence in line with the issuer's solvency and seeking a high degree of geographical correspondence between the issuers of the assets and the commitments. Investments in fixed-income securities and variable annuities are subject to limits by issuer.

The credit risk management policy establishes limits according to the risk profile of the counterparty or of the investment instrument, as well as exposure limits related to the counterparty's rating. There is also a system for tracking and notifying of credit risk exposure.

– 2. Insurance Activity Risk

MAPFRE, specialized in different types of business, requires a high degree of autonomy in the management of its business, in particular in the underwriting of risks and price fixing, and the indemnities or provision of services in the case of incidents.

Premium adequacy is a particularly important element, and its determination is supported by specific computer applications.

Premium adequacy is a particularly important element, and its determination is supported by specific computer applications.

Treatment of claim-related benefits, as well the adequacy of provisions, are basic principles of insurance activity. Technical provisions are estimated by the actuarial teams of the different companies and in certain cases are also reviewed by independent experts. The preponderance of the personal injuries business at MAPFRE, with fast settlement of claims, as well as the minor significance of insured long-tail risks, such as asbestos or professional liability, are factors that mitigate this kind of risk.

MAPFRE's presence in countries highly prone to disasters (earthquakes, hurricanes, etc.) calls for special treatment of these types of risk. The companies that are exposed to this type of risk have specialized reports on catastrophic exposure, usually drawn up by independent experts, which estimate the extent of losses in the event of a catastrophic occurrence. The underwriting of catastrophe risks is based on this information and on the economic capital available to the company that underwrites them. Equity exposure to this kind of risk is mitigated by taking out specific reinsurance cover.

In this connection, it is important to highlight the contribution of MAPFRE RE, which provides the group with its extensive experience in the catastrophe risk market. Every year, it determines the global catastrophic capacity that it assigns to each territory, and establishes the maximum underwriting capacities by risk and event. It is also protected by risk retrocession programs to cover deviations or increases in the catastrophe claims ratio in the different regions.

[The information in this section continues in section h.1 of this report]

E.4 Identify whether the company has a level of tolerance to risk, including taxation.

In the appetite for risk document of the MAPFRE Group, approved by the Board of Directors of MAPFRE S.A., the risk level is established that the Group would be ready to assume to attain its business objectives with no relevant deviations, even in adverse situations. That level, which defines limits and sub-limits per risk type, is set by the appetite for risk of the MAPFRE Group.

The purpose of MAPFRE Group's risk management is to maintain a level of capitalization to comply with its obligations according to an "AA" or equivalent rating.

Allocated capital is generally determined pursuant to an estimation based on the budgets for the following financial year and is revised at least once a year, according to the development of risks.

Certain companies require a level of capitalization that exceeds the one obtained by the aforementioned general rule, either because they operate in different countries with different legal requirements, or because they are subject to financial solvency requirements since they have a rating. In these cases, the MAPFRE Steering Committee sets the level of capitalization on an individual basis.

E.5 Indicate what risks have arisen during the financial year, including taxes.

The main financial risks that materialized during the financial year were as follows:

- Depreciation of certain currencies with regard to the euro, mainly the Brazilian real.
- The decline in the value of a share in MAPFRE LA SEGURIDAD (Venezuela) as a result of the application of the SIMADI exchange rate.

With regard to insurance activities risk, the following should be mentioned for the year 2015:

- The impact of the snow storms in the United States.

Regarding tax risks, some discrepancies have arisen with tax authorities in the interpretation of tax law in some countries, although the impact was not significant.

E.6 Explain the response and supervision plans for the company's main risks, including taxation.

With regard to risk management, MAPFRE has adopted a three-lines-of-defense model whereby:

- a) The managers of the first line of defense accept the risks and exercise the controls.
- b) The "second line of defense" areas perform independent supervision of the risk management activities conducted by the first line of defense, within the framework of the policies and limits established by the Board of Directors.
- c) Internal Audit is a "third line of defense," an independent area that evaluates the risk management system. MAPFRE has a structure consisting of Areas with activities, within their respective fields of competence, regarding the independent supervision of the risks assumed.

The areas defined for this purpose are:

- The Actuarial Area is responsible for preparing mathematical, actuarial, statistical and financial calculations that enable the determination of the rates, the technical provisions and the modeling of risk on which the calculation of the capital requirements in the insurance entities is based, in close collaboration with the Risk Management Area, and that contribute to the achievement of the intended technical result and of the desired solvency margins.

- The Compliance Area, which identifies, measures, monitors and reports on the exposure of the activities performed by the group to compliance risk.

- The Internal Control Area is responsible for ensuring that the Internal Control System works appropriately in MAPFRE's environment and that the procedures established are complied with.

- The Risk Management Area, which is responsible for:

- Supervising and monitoring the effectiveness of the MAPFRE Group risk management system.
- Identifying and measuring risks.
- Calculating the solvency margin.
- Monitoring and reporting on the exposure to risks.

- The Security and Environment Area is responsible for preventing and mitigating security risks that may cause damage to the Group, disrupting, limiting or reducing its productive, financial or business capacity, as well as those that may hinder the fulfillment of the social and environmental commitments, the business objectives and strategy or the provisions of current regulations.

- The Internal Audit Area provides an independent evaluation of:

- The suitability, sufficiency and effectiveness of the internal control system elements.
- The Risk Management System.
- The suitability and performance of the key duties set out in the governance system provided for in the Solvency II Directive.

The aforementioned structure meets the requirements related to the governance of the risk management system established by the Solvency II Directive.

The Group's General Secretary's Office is the body responsible for issuing instructions and ensuring compliance with the various regulations affecting the company and the Group. Moreover, and through the Tax Affairs department, the General Counsel of the Group has information relative to the tax risks detected in each country.

The MAPFRE Group appetite for risk document establishes a measuring scale based on the distance of the risk level from its maximum limit. Each of the areas defined in the appetite for risk entails the corresponding notification, monitoring, control or mitigation measures.

F INTERNAL RISK CONTROL AND MANAGEMENT SYSTEMS IN RELATION TO THE FINANCIAL REPORTING PROCESS (ICFR)

Describe the mechanisms that make up the risk control and management systems in relation to your company's financial reporting process (ICFR).

F.1 Control environment of the company

Report, indicating the main characteristics of at least:

F.1.1. Which bodies and/or duties are responsible for: (i) the existence and maintenance of an appropriate and effective icfr process, (ii) its implementation and (iii) its supervision.

MAPFRE's internal control system is a set of ongoing processes which are the responsibility of the Board of Directors, senior management and all other MAPFRE personnel, as set out in the Group's internal control policy approved by the Board of Directors in 2010, and updated on December 17, 2015 with entry into force on January 1, 2016.

The Regulation of the Board of Directors which was updated and adopted on January 22, 2015, adapting its content to the Capital Companies Act after its amendment by Law 31/2014 to improve corporate governance, includes the duties and responsibilities of the Board of Directors, the Steering Committee and other Executive Committees.

The Board of Directors delegates ordinary management to the Steering Committee and to Senior Management, and reserves the right to approve the risk control and management policies and to approve both the regular monitoring of the internal information and control systems and the financial information it is required to disclose as a listed company.

Under the mandate of the Board of Directors, the Executive Committee exercises direct supervision over management of the Business Units and coordinates the various areas (except for internal audit) and units in the Group.

Meanwhile the Audit Committee, in its capacity as a delegate body of the Board of Directors, and in relation to the internal information and control systems, has, among others, the responsibilities of supervising the drawing up and the integrity of the financial information relating to the Company and the Group, reviewing compliance with applicable regulations, the appropriate delimitation of the consolidation perimeters, and the proper application of accounting criteria; and to regularly review the internal control and risk management systems to ensure that the main risks are identified, managed and sufficiently well known.

The Internal Audit Charter, which was updated and approved by the Audit Committee and the Board of Directors on December 17, 2015, sets out the main internal control system supervisory activities, as

well as those relating to the Solvency II Directive, conducted by the Audit Committee through the Global Internal Audit Corporate Area, which are listed in section F.5.1 of this document.

F.1.2. Whether the following elements exist, particularly in relation to the procedure for drawing up the financial information:

– Departments and/or mechanisms entrusted with: (i) the design and review of the organizational structure, (ii) the clear definition of lines of responsibility and authority, with an appropriate distribution of tasks and duties, and (iii) the existence of sufficient procedures for proper dissemination in the company.

The regulation on the Institutional, Business and Organizational Principles of the MAPFRE Group, approved by the Board of Directors of MAPFRE S.A., at its meeting on June 24, 2015, replaces the Good Governance Code of the MAPFRE system and constitutes the mandatory minimum framework for all the companies making up MAPFRE and their respective governing bodies.

The Board of Directors reviews and authorizes the Group's organizational structure and approves the lines of responsibility and authority based on the organizational structure defined.

The distribution of duties and definition of scopes of activity/ authority and of hierarchical levels are undertaken in line with the organizational structure manual prepared by the Corporate Human Resources Area.

The organization of positions defines and analyzes the jobs from a functional point of view, including the set of positions existing in MAPFRE.

The organizational structure corresponds to the formal representation of the Group's organization, as defined by the Management Bodies.

The concordance between the position organization and the structure is necessary, since it relates the duties, roles and responsibilities with each other for the appropriate running of the business.

The Corporate Finance Area establishes the accounting policies and standards applicable to the Group, and is responsible for the coordination between the various business units and global corporate areas in relation to drawing up of the consolidated financial information.

– Code of conduct, approval body, degree of dissemination and instruction, principles and values included (indicating whether there are specific mentions to the registration of operations and drawing up of financial information), body entrusted with analyzing non-compliance and proposing corrective measures and sanctions.

The Code of Ethics and Conduct was approved in 2009 by the Steering Committee (delegate body of the Board of Directors). It is inspired by the contents of the Good Governance Code, recently replaced by the MAPFRE Group Institutional, Business and Organizational Principles, and aims to reflect the corporate values

and the basic principles that should guide the actions of MAPFRE and its personnel.

Communication campaigns were conducted to ensure that all employees were aware of the Code, and it is available to them on the intranet or internal portal.

The e-learning course on the Code of Ethics and Conduct was launched in 2011 to ensure its endorsement. It applies to all the Group's employees. Up to December 31, 2015, this course was completed by 17,673 employees around the world (with an approximate scope of 46 percent of the workforce), and there is a 2-year plan for all the other Group's employees to enroll.

The Code sets out specific principles that are binding for all employees, regarding the processing of the Group's financial information so as to ensure its confidentiality, integrity and availability in accordance with MAPFRE's information security policy. It also states that all employees are responsible for ensuring that the information provided is accurate, clear and truthful.

To guarantee the application of the Code, as well as supervision and control of compliance therewith, the Ethics Committee was set up as the body entrusted with ensuring compliance and analyzing and resolving complaints lodged for non-compliance. Any employee with questions about the application of the Code or who observes a situation that could indicate noncompliance or infringement of any principle or standard of ethics or conduct, may notify the Ethics Committee, which will act within the scope of its advisory duties to resolve any complaint that may arise due to noncompliance of the Code.

To notify the Ethics Committee of questions or complaints, there is a Questions and Complaints Channel, whose operating rules are published on the Group's internal portal, with direct access via that portal.

Every year, the Ethics Committee reports to the Steering Committee on the activities performed during the financial year.

– Whistle-blower channel to enable the communication of financial and accounting irregularities to the Audit Committee, in addition to possible breaches of the code of conduct and irregular activities in the organization, indicating, as the case may be, whether the information is confidential.

In addition to the Ethics Committee's Questions and Complaints Channel, reflected in the previous section, there is a Channel for Financial and Accounting Complaints, which allows Group employees to report any potentially significant financial and accounting irregularities they observe to the Audit Committee confidentially, via an electronic mailbox or written correspondence to a specific address.

The operating rules of the MAPFRE Group Channel for Financial and Accounting Complaints, approved by the Audit Committee in 2011, are published on the Group's intranet or internal portal.

The Audit Committee receives the complaints and resolves them by treating each one as it deems appropriate. In order to perform its duties properly, it relies on assistance from the General Counsel and the Corporate Internal Audit Area.

In cases of complaints concerning the Group's subsidiary companies which have their own mandatory Whistle-blower Channel, the Audit Committee and the competent body of the subsidiary company liaise in handling and resolving any complaints received.

The parties involved in the Channel have controls for restricting access to the information, and the confidentiality of the whistle-blower's identity is guaranteed through the collection of personal data provided in accordance with the requirements set out by current data protection legislation.

Every year, the General Secretary's Office issues a report for the Audit Committee, outlining the Whistle-blower Channel's activities and the final result of the complaints made.

– Training programs and regular updating for personnel involved in the drawing up and review of financial information, as well as evaluation of the ICFR, covering, at least, accounting rules, audit, internal control and risk management.

MAPFRE has a Global Training Model that is the basis of the Corporate University. This university is organized into Schools of Knowledge, which encompass all of the training programs that are developed locally and globally.

Among the Technical Knowledge Schools, in 2015, progress continued on developing the School of Finance, which aims to provide all employees in all financial areas with the necessary knowledge to guarantee efficient financial and risk management, a key aspect of MAPFRE's growth. This school's training contents are based on the following pillars:

- Risk Management
- Management, Administration and Accounting Control
- Corporate Finance
- Investment

In 2015, MAPFRE organized several training programs in Spain on financial, risk and internal control issues, representing a total of 8,095 training hours for 5,423 participants.

In November 2015, the 3rd Risk Control Conference was held, allowing Riskm@p managers to work on key aspects for development and also making it possible to share existing best practices across the organization. This year, the program, which lasted 24 hours and was attended by 38 participants, focused on the main stages of the Formal risk control system methodology, new Riskm@p features, risk assessment and control indicators using questionnaires (which will be implemented in 2016) and basic aspects to consider when analyzing and presenting the results of these questionnaires.

Furthermore, in 2015, the following training and certification programs were launched:

– **Global Risk Management in Insurance Companies (GREA) Program and Certification:** a program that was designed in collaboration with the Instituto de Estudios Bursátiles (IEB) and aims to provide participants with concepts, methodology and quantitative tools (as well as their practical application) for a detailed understanding of value and risk in insurance companies, in addition to preparing participants to undertake the implementation of Enterprise Risk Management (ERM) systems with guaranteed success. Thirty-three employees from 11 countries, representing different regional areas, business units and corporate areas, are participating in this program, which began in September 2015 and ends in June 2016.

– **Financial Risk Management (FRM) Certification:** is the most internationally recognized professional certification program for professionals in the field of financial risk and is awarded by the Global Association of Risk Professionals (GARP®). MAPFRE wants to motivate employees with a high level of management skill and financial expertise to choose to receive training to prepare for this accreditation and to obtain the certification. It also wishes to guarantee that interested employees are able to do so.

– **Chartered Financial Analyst (CFA) Certification:** a professional certification program in finance with global prestige and certainly a distinguishing factor in the financial industry due to the high quality standards it sets and the in-depth and global vision of financial markets that it implies.

The implementation of CFA and FRM certification programs is a sign of the commitment to provide the training necessary to prepare for and obtain this accreditation. In 2015-2016, six employees are participating from different corporate and regional areas (North America, Iberia and APAC).

In the area of e-learning, it is worth mentioning the course on "internal control rules," which all Group employees must attend. In 2015, 11,146 employees enrolled and 11,146 training hours were recorded. In the last seven years, a total of 45,938 employees and brokers have enrolled in this course and have received 45,938 hours of training.

In 2015, a new e-learning course on the Regulatory Compliance Function was developed and incorporated into the eCampus platform. The purpose of this course is to share information on this function, its features, objectives and responsibilities and the importance of implementing the Compliance Function in organizations to minimize the risk of legal and regulatory noncompliance to which they are exposed. Enrollment for this course will begin in year 2016.

Training also continued in 2015 in the Auditing School, which aims to provide all professionals in MAPFRE's audit areas around the world with the knowledge necessary to perform internal audits and to share established management tools and best practices.

A training seminar for internal auditors was organized in 2015 with the participation of 75 MAPFRE employees in Spain and Portugal. These sessions addressed issues related to financial information and internal control, among others.

At the international level, in May, an Internal Audit Program was conducted in Peru with the participation of 21 Group managers from 14 countries (Brazil, Chile, Colombia, Spain, Malta, Mexico, Panama, Peru, Portugal, Puerto Rico, the Dominican Republic, Turkey, the USA and Venezuela). At these session, the risks faced by different MAPFRE companies throughout the world were analyzed, among other issues, and the figures of Quality Audits, Continuous Auditing and IT Auditing were strengthened.

With regard to the elaboration of financial information, the General Counsel and the Corporate Finance Area issued memos containing instructions, including an update of applicable regulations. Additionally, financial division managers have access to specific models and instructions for preparing financial information through the Consolidation Manual (which includes applicable accounting regulations and policies) and the Account Models, which are updated annually.

F.2 Financial information risk assessment

Report, at least:

F.2.1. What the main characteristics of the risk identification process are, including error or fraud risks, in relation to:

– **Whether the process exists and is documented.**

MAPFRE has a risk management system (RMS) that applies to Group companies, in accordance with the internal regulations of each of the risk categories considered.

The description of the RMS is included in Section E. Risk Control and Management Systems of this Corporate Governance Report.

Regarding the risk control system, risk factors are identified for each of the processes that the Group considers fundamental, which are categorized into 23 risk types. Among the risk factors listed for each process, one is always included on the registration and accounting of financial information.

These risk factors are associated with the major figures of the main sections of financial statements. In this process of identifying the major figures, quantitative and qualitative factors (complexity of transactions, risk of fraud and other aspects) were considered.

The Group also updates and monitors its risk control system through specific questionnaires on risk, establishing control activities and action plans.

– Whether the procedure covers all financial information targets (existence and occurrence; integrity; assessment; presentation, breakdown and comparability; and rights and obligations), whether it is updated and how frequently.

The risks that cover the objectives of existence and occurrence, integrity, assessment, presentation, breakdown and comparability, and rights and obligations of financial information are identified through the process of preparing the quarterly questionnaire of internal controls on financial information.

The purpose of preparing this questionnaire is to leave documentary evidence, using a flexible and simple system, of the main activities and controls executed in the process of preparing the financial information, which MAPFRE insurance companies perform at quarterly and annual closes.

This procedure covers major transactions that may affect financial statements. On a quarterly basis, those responsible for completing them review and update the activities and controls documented to the characteristics and distinctive features of the business.

– The existence of a procedure for identification of the consolidation perimeter, bearing in mind, *inter alia*, the possible existence of complex corporate structures, instrumental entities or special-purpose companies.

The MAPFRE Consolidation Manual, prepared by the Corporate Finance Area, describes the process for identifying the scope of consolidation, which encompasses all the companies of the Group and is updated on a monthly basis.

The Consolidation Division provides the Consolidation Team Leader of each subgroup with the list of companies included in the scope of consolidation, along with the direct and indirect participation percentages and the consolidation method that applies. Any modification to the information provided shall be reported to the Consolidation Division, which will make a decision on the modification after analyzing the reasons given.

The functional structure and the tasks assigned to the process managers are reflected in the Consolidation Manual.

– Whether the process takes into account the effects of other types of risk (operational, technological, financial, legal, reputational, environmental, etc.) insofar as they affect the financial statements.

Risk control takes into account the different types of operational, technological, financial, legal, reputational and environmental risks, as well as the risks inherent in the insurance and reinsurance business.

In this process, each risk factor, where appropriate, is linked to the section of the financial statements that would be affected if the potential risk became a reality, the main sections being: premiums, provisions, financial returns, acquisition expenses, administration expenses and benefit expenses.

Risk control is promoted in the Group, both in Spain and abroad, through the Riskm@p software application, which is developed internally by MAPFRE and which aids in the creation of company risk maps. These maps analyze the significance and probability of occurrence of different risks. The management model is based on a dynamic analysis by processes, in which the managers of each area or department identify and assess the potential risks that affect business and support processes, as well as key economic figures, among other aspects, by completing self-evaluation questionnaires.

– Which of the entity's governing bodies oversees the process.

The Audit Committee's responsibilities with regard to the information and internal control systems include, among others, the regular review of the internal control systems and the risk identification and management systems. The Internal Control System and Risk Management System are reviewed at least once a year.

With regard to the ICFR report, the External Audit reviews and analyzes its content and issues its own report on the consistency or impact of the information that pertains to it.

The ICFR report, along with the report prepared during the External Audit, is overseen by the Internal Audit Committee, once it is presented to the Board of Directors.

F.3 Control activities

Report, indicating its main characteristics, if it at least has:

F.3.1. Procedures for reviewing and authorizing financial information and the ICFR description (to be published in securities markets), indicating responsible personnel, as well as descriptive documentation on activity and control flows (including those related to fraud risk) of the different types of transactions that could have a material effect on the financial statements, including the procedure for accounting close and the specific review of relevant opinions, estimates, assessments and projections.

The financial reports on the annual accounts and biannual and quarterly information, prepared by the Corporate Finance Area, are submitted to the Audit Committee, and subsequently to the Board of Directors.

In the case of individual and consolidated annual accounts, the most senior management representative of the consolidated group, the Internal Audit General Manager and the executive responsible for preparing these accounts certify their accuracy and integrity to the Board of Directors.

The closing calendar, prepared by the General Management of Accounting Coordination, lists the main activities of the process of consolidating and preparing the annual and biannual accounts and the corresponding controls, providing deadlines for compliance.

The different Group companies report financial information through their assigned representatives, which the Corporate Finance Area consolidates to prepare the reports. During the consolidation process, controls are in place to detect any errors liable to materially affect the financial statements.

Additionally, the Audit Committee supervises the following information:

- The management report and individual and consolidated annual accounts of MAPFRE S.A. and its dependent companies.
- The report on the limited review of intermediate, summarized, consolidated financial statements of MAPFRE S.A. corresponding to the intermediate period ending on June 30 of each financial year.
- The information that MAPFRE S.A. sends to the Spanish National Securities and Exchange Commission (the "CNMV") every quarter. This economic-financial information is reviewed first by the Corporate Internal Audit Area, which issues a report in which it emphasizes that the intermediate financial statements of MAPFRE S.A. were prepared by applying the same criteria as that applied to annual accounts and that these criteria are reasonable, objective and verifiable.
- The information prepared by MAPFRE S.A. for investors and analysts, which is reviewed and analyzed by the Audit Committee before publication.

Further, as indicated in the previous section, the companies complete the questionnaire on internal controls of financial information quarterly. This questionnaire includes documented evidence of the activities and controls performed with regard to the main transactions that could affect the financial statements.

In addition to the procedures indicated above, during the risk control process, internal control manuals and other descriptive documents are prepared that contain procedures and activities and the parties involved in them, identifying the associated risks and the controls for mitigating them, including those related to fraud risk and the accounting close process.

The Board of Directors bases its estimates and assumptions on hypotheses about the future and on uncertainties that basically refer to losses from impairment of certain assets; the calculation of provisions for risk and charges; the useful life of intangible assets and of tangible fixed asset items; and the fair value of certain non-listed assets.

The estimates and hypotheses used are included in the accounting close instructions, are reviewed regularly, and are based on historical experience and on other factors that may be considered more reasonable at any given time. If the review leads to changes in estimates in a given period, their effect is applied during that period and, where appropriate, in subsequent periods.

F.3.2. Internal control policies and procedures for information systems (among others, safe access, change control, operation thereof, operational continuity and segregation of duties) supporting the entity's relevant procedures in relation to the drawing up and publication of financial information.

The Corporate Safety and Environment Division, which reports to the Corporate Resources and Institutional Coordination Area, works directly with regulations related to information security.

Specifically, the measures established take the form of an Information Security Document System (SDSI) or a Body of Regulations on Information Security, organized according to the goals set in the Information Security Plan (PSI) approved by the Management Committee in 2004.

The information systems are subject to three types of security procedures and controls: preventive, informational and reactive, resulting in the publication of standards, the monitoring of systems and the review of any measures and controls in place.

Consequently, the Regulatory Body of Information Security establishes the following aspects, among others: a control of information systems, through inventory procedures that make it possible to identify the resources and the information contained therein; verification of user identity; and the use of passwords that follow the password strength criteria indicated in the body of regulations, which contributes to maintaining an appropriate separation of duties, among other things.

In turn, and as a result of the obligations set out in the Regulatory Body of Information Security, there is a General Control Center that monitors the activity in the Group's information systems and is responsible for responding to any possible security incidents that may arise.

Further, every year, the Corporate Security and Environment Division creates a security checks plan aimed at verifying the security controls in place and discovering any vulnerabilities in information systems.

Both the policy and the rules and standards of this Regulatory Body of Information Security are published on the internal portal to enable all employees to access them.

In addition, the Group has a Policy, a Governance Framework and a Business Continuity Methodology that define the framework and actions necessary to guarantee the proper operation of the procedures in the event of the occurrence of a high-impact incident, so as to minimize the damage caused.

Every year, the Global Internal Audit Corporate Area verifies the proper operation of the Internal Control System of the main computer systems, whose scope is the general information technology (IT) controls, the IT control environment and the application controls.

F.3.3. Internal control policies and procedures intended for supervising the management of activities subcontracted to third parties, as well as those evaluation, calculation or assessment aspects entrusted to independent experts, which may have a material effect on the financial statements.

All services subcontracted to third-parties materialize through specific contracts and the contracting units or areas undertake the direct supervision of the providers, except in the case of exceptional services (that are not recurring over time), which due to their reduced amount, duration and minor importance are processed through the system based on the provider's offer.

Providers are selected on the basis of objective criteria that assess factors such as quality, price, provider infrastructure, market recognition and membership of the group of collaborators of one of the Group's entities, and their track record in terms of service quality.

Compliance with current legislation in the various countries and implementation of security measures where applicable are essential prerequisites for selection. Other highly rated attributes include response times, after-sales service, geographic reach and the added value they can contribute.

Currently, the Resources and Institutional Coordination Area is developing a Global Service Procurement and Contracting Plan, which includes different categories, including an external services category, which encompasses all services with any financial impact stemming from a required assessment, calculation or evaluation. Among the external services currently categorized are services related to auditing, advising and property appraisal work, among other things.

During the development of this plan, the Steering Committee approved the Purchasing Regulations in 2013, which contain the basic principles and criteria for the procurement of goods and services for all Group companies, regardless of their geographical location and type of business. Providers are approved and contracted, in general, by the Purchasing Area, and once the contract is executed, it is the applicant who ensures that the service is delivered correctly and in accordance with current legislation.

Notwithstanding the aforementioned, in the cases of external services that are subcontracted for value estimation and require specific technical expertise (corporate transactions, asset and portfolio valuation, etc.), the areas will contract and oversee the service directly, as they have personnel qualified to assess the capacity and qualifications of the provider and the conclusions reflected in the reports issued.

Currently, the main providers that are contracted recurrently are approved, with the aim of having all recurrent providers or providers with special relevance for the MAPFRE Group approved.

F.4 Information and Communication

Report, indicating its main characteristics, if it at least has:

F.4.1. A specific duty entrusted with defining, keeping accounting policies up-to-date (accounting policies area or department) and resolving doubts or disputes deriving from their interpretation, maintaining continuous communication with those responsible for activities in the organization, as well as an updated manual of accounting policies that is communicated to the units through which the company operates.

The Accounting Coordination General Management, which reports to the Global Finance Corporate Area, is entrusted with updating accounting policies and applicable rules that concern the Group's financial information, and for resolving consultations and disputes deriving from their interpretation.

At the same time, it maintains a close and fluid relationship with the financial divisions of the different entities and with the Global Corporate Areas, to which it communicates formally established accounting procedures and rules.

The Group's subsidiaries receive the information about the applicable procedures and regulations through the parent companies of the Subgroups, which receive the instructions directly from the Accounting Coordination Area.

The Accounting Coordination Area updates the individual and consolidated annual accounts models applicable to the various Group companies, which include accounting policies and breakdowns of information to be presented. The Economic Control and Information General Management of the Corporate Finance Area defines instructions on accounting policies and breakdowns for preparation of the Group's consolidated information using the consolidation manual.

At least once a year, and during the last quarter of the financial year, the Annual Accounts and the Consolidation Manual Models are reviewed and any changes are reported to the parties involved. However, whenever there are changes that affect periods of time of less than one year, these changes are reported immediately.

F.4.2. Mechanisms for the capture and preparation of financial information with homogeneous formats, for application and use by all units of the company or the Group, that support the main financial statements and notes, as well as information provided on the ICFR.

Since March 2010, the financial information of the companies in the MAPFRE Group has been managed using the corporate consolidation application, a tool that constitutes a centralized database (common and single data repository) This application has been programmed to automatically execute the consolidation entries and process controls, which guarantees that the criteria set out in the Consolidation Manual are applied homogeneously to all the automatic entries and minimizes the likelihood of errors.

Within the procedure for preparation of financial information, the consolidation certificates represent the medium for communication of the information necessary in the consolidation procedure or in the preparation of consolidated financial statements. The certificates are reviewed and updated at least one a year.

Based on the information contained in the consolidation certificates and using the accounts model approved by the Accounting Coordination Area, the Control and Economic Information Area prepares the consolidated annual accounts and all other financial statements.

The Accounting Coordination Area is responsible for preparing the ICFR-related report. To do so, it identifies those areas involved in the financial information preparation process, to which it transmits instructions to complete this report and from which it requests, at least annually, the update of the support documentation that backs up the actions performed.

F.5 Supervision of the system's operation

Report, indicating its main characteristics of, at least:

F.5.1. The supervision activities of the ICFR conducted by the Audit Committee and whether the company has an internal audit duties that includes the responsibility of support to the Committee in its supervision of the internal control system, including the ICFR. At the same time, the scope of evaluation of the ICFR made during the financial year and the procedure whereby the person responsible for executing the evaluation communicates its results will be reported, whether the company has a plan for action that describes possible corrective measures, and whether its impact on financial information has been taken into account.

MAPFRE S.A. has a Corporate Global Internal Auditing Area formed in 2014 by 5 Internal Auditing Services located in Spain (Iberia Insurance, Latam Insurance, International Insurance, Reinsurance, Asistencia and Global Risks, and Information Technology) a Continuous Internal Audit Unit in Spain and 14 Internal Audit Units of internal auditing abroad that are fully independent and review and evaluate the suitability and correct operating of the Group's processes as well as the internal control system.

The structure of MAPFRE's Corporate Global Internal Auditing Area depends functionally on the Board of Directors of MAPFRE S.A. through the Audit Committee (Delegate Body of the Board) and of its Chairman in particular.

The directors of the auditing services and units depend (functionally and hierarchically) on the General Manager of Internal Auditing.

The Audit Committee supervises the financial information shown in the previous Section F.3.1 of this report, and also approves the annual Internal Auditing Plan and performs a periodic follow-up of it.

The Audit Plan outlines the supervisory work that the Internal Audit Global Corporate Area will carry out during the financial year. The content and scope of which is established in terms of risk identified, requests received and own experience. The Plan is managed uniformly from a single, Group-wide technological platform that allows the information to be processed according to levels of access according to the established responsibilities.

The Internal Audit Charter provides that the Internal Audit Area has, inter alia, the following duties:

- Evaluation of the reliability and integrity of accounting and individual and consolidated information and other economic information prepared by MAPFRE S.A., its Dependent Companies, Business Units, Territorial Areas, Regional Areas and Global Corporate Areas, as well as the validity, sufficiency and application of accounting and legal principles and rules.
- To supervise the suitability and efficacy of the Internal Control System and other elements of the Governance System, which is centered on:
 - Evaluation of the suitability, sufficiency and efficacy of elements of the Internal Control System.
 - Evaluation of the Risk Management System (SGR) based on integrated management of each and every one of the business procedures and on suitability of the risk level for the strategic targets of the MAPFRE GROUP.
 - Evaluation of the suitability and performance of governance duties included in the Governance System provided in Solvency Directive II.
 - To contribute to good corporate governance through the verification of compliance with the rules established by the Institutional, Corporate and Organizational Principles of MAPFRE.

The evaluation and assessment of the MAPFRE internal control system conducted by the Internal Audit Global Corporate Area follows a pre-established methodology based on variables such as the revision of the IT internal control, the assessment of audits conducted in the year and compliance with recommendations, which is first approved by the Audit Committee. The result of this review is reflected in an annual report on the effectiveness of Internal Control procedures. Whenever appropriate, individual recommendations are made to the company with a view to improve the Internal Control System. Subsequently, the Audit Committee monitors their compliance.

Every year, the Audit Committee holds a monograph meeting on internal control, at which the evaluations and recommendations issued by the Internal Audit Area on the Internal Control System (which includes the ICFR) are analyzed, along with the Internal Control Reports approved by the Boards of Directors of the various Group companies.

The Internal Audit Area checks the operation of the Internal Control System of the main IT systems as indicated in section 3.2 above.

The Internal Auditing Corporate Area also analyzes the work conducted over the year by internal auditing and its impact on the financial statements.

The external auditor, as part of the audit procedures performed to validate the annual accounts, issues a memorandum of recommendations in its interim visit that is submitted to the Audit Committee.

F.5.2. If there is a procedure for discussion whereby the accounts auditor (pursuant to the provisions of the NTAs), the internal audit and other experts, can communicate to senior management and to the Audit Committee or company Directors significant weaknesses in internal control identified during procedures to review the annual accounts or others that may have been commissioned. Furthermore, it will report if it has an action plan that endeavors to correct or mitigate the weaknesses observed.

The previous section F.5.1 indicates the procedure used by auditing to communicate the evaluation of aspects relating to internal control.

Communication with the external auditor is very frequent and fluid in the MAPFRE GROUP. Planning, follow-up and coordination meetings are held at the beginning, during and upon completion of work to review the company's annual accounts by the external auditors, these meetings are attended by external auditors, internal auditors, the general secretary, the Accounting Coordination General Management and those responsible for the accounting, administration and other areas concerned. Likewise, at completion of work a meeting is held with the Internal Audit General Manager to publicize the results and conclusions detected. Action plans are available to correct or mitigate weaknesses observed, which incorporate the responses prepared by the Division to the recommendations put forward by the external auditors; these plans

are submitted to the Audit Committee. The external auditor attends the Audit Committee when it discusses issues regarding the audit of the annual and half-yearly accounts, their preliminary review, as well as whenever required on account of other issues.

F.6 Other relevant information

There is no other relevant information about the ICFR that has not been included in this report.

F.7 External auditor report

Report of:

F.7.1. Whether the ICFR information sent to the markets has been reviewed by the external auditor. If so, the company should attach the relevant report as an annex. Otherwise, it must state the reasons.

The ICFR information has been reviewed by the external auditor, whose report is attached as an annex.

G DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Indicate the extent to which the company follows the recommendations of the Good Governance Code for listed companies.

In the event that any recommendation is not followed or is partially followed, a detailed explanation of the reasons should be included, so that shareholders, investors and the market in general, have enough information to value the conduct of the company. No general explanations will be accepted.

1. That the bylaws of listed companies should not place a maximum limit on the votes that can be cast by a single shareholder, or impose other obstacles to the takeover of the company by purchasing their shares on the market.

Complies Explain

2. When a parent company and a subsidiary are publicly traded, the two should provide detailed disclosure on:

a) The type of activity they engage in, and any business dealings between them, as well as between the subsidiary and other companies of the Group.

b) The mechanisms in place to resolve possible conflicts of interest.

Complies Complies in part
Explain Not applicable

3. That during the Ordinary General Meeting, in addition to broadcasting the Annual Corporate Governance Report, the Chairman of the Board must inform the shareholders verbally, in sufficient detail, on the most relevant aspects of the corporate governance of the company and, in particular:

a) On the changes that have occurred since the last Ordinary General Meeting.

b) On the specific reasons why the company does not follow any of the recommendations of the Corporate Governance Code and, if applicable, on the alternative rules that it applies on these matters.

Complies Complies in part Explain

4. That the company shall define and promote a new policy on communication and contact with shareholders, institutional investors and proxy advisors that is fully respectful of the rules against market abuse and treating all the equal treatment of shareholders in the same position.

And that the company shall make this policy public through its website, including information relating to the way in which it has been put into practice and identifying the interlocutors or those responsible for this happening.

Complies Complies in part Explain

5. That at the Annual General Meeting, the Board of Directors shall not put forward a proposal for delegating powers, to issue duties or convertible values excluding the right of first refusal, for more than 20 percent of the capital at the time of delegation.

And that when the Board of Directors approves any issuance of shares or convertible bonds, excluding the right of first refusal, the company shall publish the reports on this exclusion, referred to by corporate legislation, on its website immediately.

Complies Complies in part Explain

6. That the listed companies that develop the reports cited below, whether this is mandatory or voluntary, shall publish them on their website with sufficient notice before the Ordinary General Meeting is held, though its distribution is not mandatory:

a) Report on the independence of the auditor.

b) Report on the operating of Auditing and Appointments and Remuneration Committees.

c) Report of the Audit Committee on related operations.

d) Report on the corporate social responsibility policy.

Complies Complies in part Explain

In the year 2015 the Company developed reports on the independence of the external auditor and on the corporate social responsibility policy corresponding to the year 2014, with the latter only made public on the Company website.

In 2014, the MAPFRE Audit Committee issued the report on the independence of external auditors, although it was not made available to the shareholders when the 2015 Annual General Meeting was held, arranged prior to the approval of the Good Governance Code by the Board of the Spanish National Securities and Exchange Commission.

7. That the company shall broadcast the Annual General Meetings live on its website.

Complies Explain

8. That the Audit Committee shall ensure that the Board of Directors avoids presenting accounts to the Annual General Meeting without limitations nor reservations in the auditing report. When this is not possible, both the Chairman of the Audit Committee and the auditors must clearly explain the content and scope of these limitations or reservations.

Complies Complies in part Explain

9. That on its website, the company shall make publically and permanently available the requirements and procedures that it will accept to support the ownership of shares, the right to attend the Annual General Meeting and voting or proxy voting.

And that these requirements and procedures will promote attendance and the exercising of rights of the shareholders and must be applied in a non-discriminatory manner.

Complies Complies in part Explain

10. That when, prior to the Annual General Meeting, any entitled shareholder has exercised the right to complete the agenda or present new proposals for resolution, the company:

- a) Shall immediately broadcast these new and additional proposals for resolution.
- b) Shall publicize the model attendance card or proxy form or distance vote with the necessary modifications so that they can vote on the new points in the agenda and proposed alternatives for resolution in the same terms as those proposed by the Board of Directors.
- c) Shall submit all of those points and proposed alternatives to voting and apply the same voting rules as those set by the Board of Directors, including, in particular, the presumptions or inferences on how to vote.
- d) Following the Annual General Meeting, it shall communicate the breakdown of the vote on those additional points or proposed alternatives.

Complies Complies in part
Explain Not applicable

11. That if the company plans to pay for attendance premiums for the Annual General Meeting, it shall establish a general policy on those premiums previously and this policy must be established.

Complies Complies in part
Explain Not applicable

12. That the Board of Directors shall perform its duties with a unified purpose and independent judgment, it treat all shareholders in the same position equally and be guided by corporate interest, understood as a profitable business that is sustainable in the long term and that promotes the continuation and maximization of the economic value of the company.

And that, in the pursuit of corporate interest, in addition to compliance with the laws and regulations and a behavior based on good faith, ethics and in compliance with the commonly accepted uses and good practices, shall seek to reconcile, as appropriate, corporate interest with the legitimate interests of its employees, providers, its clients and those of the other stakeholders that can be affected, as well as the impact of the companies activities on the community as a whole and the environment.

Complies Complies in part Explain

13. That the Board of Directors shall be of the required size, enabling efficient and participatory functioning, meaning it is advisable for it to have between five and 15 members.

Complies Explain

The large number of companies belonging to the MAPFRE Group and its multinational nature, with a presence on five continents, along with its financial and corporate relevance justifies the number of members of the Board, which is appropriate for effective and participatory operation.

Despite this, in year 2015 the corporate bylaws were modified in order to reduce the maximum number of members of the Board of Directors from 24 to 20, with it currently formed of 18 directors.

14. That the Board of Directors shall approve a directors section policy that:

- a) Is specific and reasonable.
- b) Ensures that the appointment or reappointment proposals are based on a prior analysis of the needs of the Board of Directors.
- c) Promotes diversity of knowledge, experience and gender.

That the results of the prior analysis of the needs of the Board of Directors shall be gathered in the explanatory report of the Appointments Committee that is published when the Annual General Meeting is called, to which the ratification, appointment or reappointment of each director is submitted.

And that the director selection policy shall promote the objective for the number of directors in year 2020 to represent at least 30 percent of the total members of the Board of Directors.

The Appointments Committee shall verify the compliance with the director selection policy annually and shall inform on this in the Annual Corporate Governance Report.

Complies Complies in part Explain

15. That the nominee and independent directors shall constitute a large majority of the Board of Directors, and the number of executive Directors should be the minimum required to deal with the complexity of the corporate group and reflect the percentage of shares held in the company by the executive directors.

Complies Complies in part Explain

16. That the percentage of nominee directors of the total number of non-executive directors should not be greater than the ratio between the company capital represented by these directors and the rest of the capital.

This criterion can be relaxed:

- a) In large cap companies where there are few equity stakes that are legally considered as significant.
- b) In companies with a plurality of shareholders represented on the Board of Directors who are not related.

Complies Explain

17. That independent directors should account for at least half of the total number of directors.

That, however, when the company is not high cap, or when, even though it is, it has one or several shareholders acting in unison controlling more than 30 percent of the share capital, the number of independent directors should represent at least a third of all directors.

Complies Explain

18. That companies shall publish the following director particulars on their website and keep them updated permanently:

- a) Professional experience and background.
- b) Other boards to which they belong, whether or not listed companies, as well as other paid activities performed, whatever their nature.
- c) An indication as to whether the directorship is executive, indicating shareholder-nominated or independent; in the case of nominee directors, stating the shareholder they represent or to whom they are affiliated.
- d) The date of his/her first and subsequent appointments as a company director, as well as later reappointments.
- e) Company shares, and share options, of those which are held.

Complies Complies in part Explain

19. That the Annual Corporate Governance Report, following verification from the Appointments Committee, shall disclose the reasons for the appointment of nominee directors at the behest of shareholders controlling less than three percent of capital; and it should explain any rejection of a formal request for a Board place from shareholders whose equity stake is equal to or greater than that of others appointed for a nominee directorship.

Complies Complies in part
Explain Not applicable

20. That nominee directors must resign when the shareholders they represent transfer their ownership interest in its entirety. If such shareholders reduce their stakes, thereby losing some of their entitlement to nominee Directors, the number of such nominee Directors should be reduced accordingly.

Complies Complies in part
Explain Not applicable

21. That the Board of Directors must not propose the separation of independent directors before the expiry of their term in office pursuant to the bylaws, except where due cause is found by the Board of Directors, based on a report from the Appointments Committee. In particular, it must be understood that there is just cause when the director takes on new positions or contracts new debentures that prevents him/her from devoting necessary time to the performance of the duties of a director, fails to comply with the work inherent to his/her position or is involved in any of the circumstances that cause the loss of his/her independent status, in accordance with that established in applicable legislation.

The separation of independent directors can also be proposed as a result of public takeover bid, merger or similar corporate actions that causes change in the capital structure of the company, when these changes in the structure of the Board of Directors are supported by the proportionality criteria, indicated in recommendation 16.

Complies Explain

22. That companies shall establish rules obliging directors to inform the Board of Directors of any circumstance that might undermine the organization's name or reputation, tendering their resignation as the case may be, with particular mention of any criminal charges brought against them and the progress of any subsequent proceedings.

And that if a director is indicted or tried for any of the crimes stated in corporate law, the Board of Directors should examine the matter as soon as possible and, in view of the particular circumstances, decide whether or not he/she should be called on to resign. And that the Board of Directions should also disclose all of this in the Annual Corporate Governance Report.

Complies Complies in part Explain

23. That the directors should clearly express their opposition when they consider that a resolution submitted to the Board of Directors may go against the corporate interest. And that, in particular, independent directors and other directors unaffected by the potential conflict of interest should challenge any decision that could go against the interests of shareholders lacking representation in the Board of Directors.

And that when the Board of Directors adopts important or reiterated resolutions on issues about which a director has expressed serious reservations, it must draw the pertinent conclusions. If chosen to resign, the reasons for this must be set out in the letter referred to in the following recommendation.

This recommendation should also apply to the secretary of the Board of Directors, even if the secretary is not a director.

Complies Complies in part
Explain Not applicable

24. That if leaving office before the end of his/her term, whether due to resignation or other reasons, the director should explain the reasons in a letter sent to all members of the Board of Directors. And that, whether or not such resignation is filed as a significant event, the reasons for leaving must be explained in the Annual Corporate Governance Report.

Complies Complies in part
Explain Not applicable

25. That the Appointments Committee must ensure that the non-executive directors have sufficient time available to perform their duties correctly.

And that the board regulations establish the maximum number of company directorships that can form part of their directors.

Complies Complies in part Explain

26. That the Board of Directors should meet with the necessary frequency to perform its duties properly, and at least eight times a year, following the schedule of dates and matters set at the beginning of the financial year, to which each director may propose the addition of other items individually.

Complies Complies in part Explain

27. That directors should keep their absences to a bare minimum. Absences should be quantified in the Annual Corporate Governance Report. And that when they have to be absent, they should delegate their representation with instructions.

Complies Complies in part Explain

28. That when directors or the company secretary express concerns about a proposal or, in the case of directors, about the company's performance, and such concerns are not resolved in the Board of Directors, the person expressing them may request they be recorded in the minutes.

Complies Complies in part
Explain Not applicable

29. That the company must establish the appropriate channels for the directors to obtain precise advice for the completion of their duties, including, if the circumstances demand, external advising at the company's expense.

Complies Complies in part Explain

30. That, independently of the knowledge demanded of the directors to perform their duties, companies also offer refresher programs, when the circumstances so advise.

Complies Explain Not applicable

31. That the agenda of the sessions must clearly indicate those points about which the Board of Directors must make a decision or an resolution that enables the directors to study or previously obtain the information required for this to take place.

When, in exceptional circumstances, as a matter of urgency, the director wishes to submit decisions or resolutions that are not part of the agenda to the Board of Directors, prior and express consent must be obtained from the directors present, which must be duly recorded in the minutes.

Complies Complies in part Explain

32. That the directors must be informed periodically on the movements of the shareholders and the opinions that the significant shareholders, investors and ratings agencies have on the company and its group.

Complies Complies in part Explain

33. That the Chairman, responsible for the efficient operating of the Board of Directors, as well as performing the legal and bylaw duties that are attributed to it, must prepare and submit a schedule of dates and matters to discuss to the Board of Directors, organize and coordinate the periodic evaluation of the board, as well as, where applicable, the chief executive of the company, he/she will be responsible for managing the Board and the efficiency of its performance, ensure that enough time is devoted to discussing strategic matters, and consent to and review the refresher programs for each director, when the circumstances so advise.

Complies Complies in part Explain

34. That when there is a director supervisor, the bylaws or regulations of the Board of Directors, as well as the powers that are legally entitled, he/she is assigned the following: to chair the Board of Directors in the absence of the Chairman and Vice Chairmen, if applicable, voice the concerns of the non- executive directors, maintain contact with investors and shareholders to be aware of their points of view in order to form an opinion on their concerns, particularly in relation to the corporate governance of the company, and coordinate the succession plan of the president.

Complies Complies in part
Explain Not applicable

The Regulations of the Board of Directors assigns the Coordinator Director the powers to request the Board of Directors to be convened, or the inclusion of new points in the agenda from a Board meeting already convened, coordinate and bring together the non-executive directors and, if required, direct the periodical evaluation of the Chairman of the Board of Directors.

Likewise, in accordance with that established in the Board Regulations, in the absence of the Chairman and Vice Chairmen, the oldest director is called upon to chair the meeting.

As regards the relationships with shareholders and investors, the Board of Directors itself is responsible for establishing and supervising appropriate mechanisms for communication and relationship with the shareholders and investors, focusing on the channels for communicating with them in the Policy for Communication with Shareholders, Institutional Investors and Proxy Advisors.

Finally, the Board of Directors' Regulations assign the Appointments and Remuneration Committee the power to examine and organize the succession of the Chairman of the Board, as established in article 529n of the Capital Companies Act.

35. That the secretary of the Board of Directors should in particular ensure that Board of Directors has the recommendations on good governance at hand during its actions and decisions applicable to the company, these are contained in this Good Governance Code.

Complies Explain

36. That the Board of Directors should evaluate and adopt an action plan in full once a year, if applicable, that corrects the weaknesses detected, in relation to:

- a) The quality and efficiency of the operating of the Board of Directors.
- b) The operating and composition of its committees.
- c) The diversity in the composition and responsibilities of the Board of Directors.
- d) The performance of the Chairman of the Board of Directors and the chief executive of the company.
- e) The performance and contribution of each director, paying special attention to those responsible for the different board committees.

The various committees are evaluated on the basis of the report that they present to the Board of Directors, and for the latter, on the report presented to the Appointments Committee.

Every three years, the Board of Directors will be assisted by an external advisor to perform the evaluation, the independence of whom will be verified by the Appointments Committee.

The business relationships maintained by the advisor or any company in its group with the company or any company in its group must be displayed in the Annual Corporate Governance Report.

The process and the areas evaluated must be described in the Annual Corporate Governance Report.

Complies Complies in part Explain

37. That when the company has an Executive Committee, the breakdown of its members by director category should be similar to that of the Board of Directors itself. The secretary of the Board should also act as secretary to the Executive Committee.

Complies Complies in part
Explain Not applicable

The Company has its own criteria, configuring it as a delegate body with a pronounced executive nature, with the presence of the senior managers of the Group, as well as the presence of three external nominee directors and two independent directors.

In addition, according to the Corporate Bylaws, and the Board Regulations, the Secretary of the Board will automatically be the Secretary of the Steering Committee.

38. That the Board of Directors should be kept fully informed of the matters discussed and resolutions adopted by the Executive Committee. To this end, all members of the Board of Directors should receive a copy of the Executive Committee's minutes.

Complies Complies in part
Explain Not applicable

39. That all members of the Audit Committee, particularly its Chairman, should be appointed with regard to their knowledge and background in accounting, auditing and risk management. The majority of these members should be independent directors.

Complies Complies in part Explain

The recommendation is complied with, except for in relation to the majority presence of independent directors in the Audit Committee. The new composition of this Committee meets the requirements of article 529n of the Capital Companies Act, which requires this Committee to be made up solely of external directors with at least two of them having to be independent.

The Audit Committee is formed by four directors, two of whom are independent, and two are nominee, with the Chairman as an independent director, holding the casting vote in the event of a tie.

40. That under the supervision of the Audit Committee, there should be a unit that assumes the internal auditing function that ensures the proper performance of the information and internal control systems, and functionally operates under the non-executive director of the board or the Audit Committee.

Complies Complies in part Explain

41. That the manager of the unit that assumes the internal auditing function must present an annual work program to the Audit Committee; report to it directly on any incidents arising during its implementation; and submit an activities report at the end of each financial year.

Complies Complies in part
Explain Not applicable

42. That, in addition to the provisions of the law, the following duties must correspond to the Audit Committee:

1. In relation to the information and internal control systems:

a) To supervise the process of drawing up the financial information and its integrity for the company and its group, reviewing compliance with regulatory requirements, suitable scope of the consolidation perimeter and the correct application of accounting principles.

b) To ensure the independence of the unit that assumes the internal auditing function; to propose the selection, appointment, reappointment and removal of the internal audit officer; to propose the budget for the internal audit service; to approve the guidance and its work plans, ensuring that its activity primarily focuses on risks relevant to the company, to receive periodic information on its activities; and to check that the senior management takes the conclusions and recommendations of its reports into account.

c) To establish and supervise a mechanism that enables employees to confidentially and, if this is deemed possible and appropriate, communicate irregularities they notice anonymously within the company that may be of potential importance, especially financial and accounting irregularities.

2. With respect to the external auditor:

a) Should the external auditor resign, to examine the circumstances leading to the resignation.

b) Ensure that the remuneration of the external auditor for his/her work does not compromise his/her quality nor independence.

c) Oversee that the company notifies any change of auditor to the CNMV as a significant event, accompanied by a statement of any disagreements arising with the outgoing auditor and the reasons for these.

d) Ensure that the external auditor maintains an annual plenary meeting of the Board of Directors to inform them on the work performed and on the development of the accounting situation and risks of the company.

e) Ensure that the company and the external auditor respect prevailing standards on the provision of services other than auditing, the limits on concentration of the auditor's business and, in general, other standards established to guarantee auditors' independence.

Complies Complies in part Explain

All recommendations except for Section 2.d are complied with in relation to the annual meeting of the external auditor with the Board of Directors in full. In the year 2015, external auditors have attended five of the six meetings of the Audit Committee to inform on the work performed and on the development of the accounting

situation and risks of the Company. The Chairman of the Audit Committee informs the Board of Directors on the content of the meetings of this body.

43. That the Audit Committee can call to meet with any company employee or executive, even ordering their appearance without the presence of another executive.

Complies Complies in part Explain

44. That the Audit Committee must be informed on the corporate and structural modification actions that the company plans to perform for its analysis and report before the Board of Directors on its economic conditions and its accounting impact, particularly, in this case, on the proposed exchange ratio.

Complies Complies in part
Explain Not applicable

45. That the oversight and risk management policy should specify at least:

- a) The different types of risk, financial and non-financial (among other functional, technological, legal, social, environmental, political and reputational) faced by the company, including, among the financial and economic risks, the contingent liabilities and other off-balance-sheet risks.
- b) The risk level that the company considers acceptable.
- c) The measures established to mitigate the impact of the risks identified, should they materialize.
- d) The internal control and reporting systems that will be used to control and manage said risks, including contingent liabilities and off-balance-sheet risks.

Complies Complies in part Explain

46. That under the direct supervision of the Audit Committee, or, in this case, a specialized committee of the Board of Directors, there should be an internal control function and management of risks performed by a unit or department within the company that is expressly assigned the following duties:

- a) To ensure the proper functioning of the risk control and management systems and, in particular, that they properly identify, manage and quantify all significant risks that affect the company.
- b) To actively participate in the development of the risk strategy and the important decisions on its management.
- c) Ensure that the risk control and management systems mitigate the risks properly in the policy framework defined by the Board of Directors.

Complies Complies in part Explain

47. That the members of the Appointments and Remuneration Committee - or the Appointments Committee and Remuneration Committee -, if separate, must be appointed, ensuring that they have the knowledge, skills and experience appropriate for the duties that they are called to fulfill. The majority of these members should be independent directors.

Complies Complies in part Explain

The company has its own criteria regarding the composition of the Appointments and Remuneration Committee, that it meets the requirements of article 529n of the Capital Companies Act requiring this Committee to be made up solely of external directors with at least two of them being independent.

The Appointments and Remuneration Committee is formed by four directors, two of whom are independent, and two are nominee, with the Chairman as an independent director, holding the casting vote in the event of a tie.

48. That the large cap companies have a separate Appointments Committee and Remuneration Committee.

Complies Explain Not applicable

The company considers the issues regarding appointments and remuneration to be closely related, it is therefore seen as appropriate for them to be analyzed by the same committee.

49. That the Appointments and Remuneration Committee shall consult with the Chairman of the Board of Directors and the Chief Executive, particularly with respect to matters relating to executive directors.

And that any Board member may request directorship candidates for the Appointments Committee to take into consideration if seen as suitable.

Complies Complies in part Explain

50. That the Remuneration Committee shall perform its duties independently and, in addition to the duties assigned by law, the following correspond:

- a) To propose the basic conditions for the contracts of the top executives to the Board of Directors.
- b) To check compliance with the remuneration policy set by the company.
- c) To periodically review the remuneration policy applicable to directors and top executives, included in the remuneration systems with shares and their application, as well as to guarantee that their individual remuneration is proportional to that paid to the rest of the directors and top executives of the company.
- d) Ensure that possible conflicts of interest do not harm the independence of the external advising given to the committee.
- e) To verify the information on remuneration of directors and top executives contained in the different corporate documents, included in the annual report on the remuneration of directors.

Complies Complies in part Explain

51. That the Remuneration Committee shall consult with the company Chairman and the Chief Executive, especially with respect to matters related to executive directors and top executives.

Complies Complies in part Explain

52. That the rules governing the composition and operation of the Supervision and Control Committee contained in the regulations of the Board of Directors and shall be consistent with those applicable to legally obliged committees in accordance with the previous recommendations, including:

a) That they are formed exclusively of non-executive directors, with a majority of independent directors.

b) That their Chairmen should be independent directors.

c) That the Board of Directors should appoint the members of such Committees in view of the knowledge, skills and experience of its directors and the terms of reference of each committee; discuss their proposals and reports; and be held accountable in the first plenary Board of Directors meeting, following its meetings, on its activity and respond to the work performed.

d) That the committees may engage external advising, when it is considered necessary for performing their duties.

e) That the minutes shall be taken from their meetings that are made available to all directors.

Complies Complies in part
Explain Not applicable

The whole recommendation is complied with, apart from in that referring to the requirements of the composition of the Risk and Compliance Committee. The company has configured the composition of this committee in the same terms as with the other Delegated Committees, meaning it contains a minimum of three and a maximum of five directors, all of whom are non-executive and at least two of whom are independent directors. These Committees' Chairman shall be an Independent Director. The Board of Directors will designate a secretary, a position that need not be filled by a director.

The Risk and Compliance Committee is formed by four directors, two of whom are independent, and two are nominee, with the Chairman as an independent director, holding the casting vote in the event of a tie.

53. That the supervision of compliance with the rules of corporate governance, the internal codes of conduct and the social corporate responsibility policy shall be attributed to one, or distributed among several committees of the Board of Directors that can be the Audit Committee, the Appointments Committee, the Corporate Social Responsibility Committee, if applicable, or a specialized committee that the Board of Directors, in the performance of its powers for self-organization, decides to create for the purpose, for those which are specifically attributed the following minimum duties:

- a) The supervision of the compliance with internal codes of contact and rules of corporate governance of the company.
- b) The supervision of the communication strategy and relationship with shareholders and investors, including the small and medium shareholders.
- c) The periodic development of the suitability of the corporate governance system of the company, with the purpose of it fulfilling its mission or promoting corporate interest and bearing in mind, as applicable, the legitimate interests of the remaining stakeholders.
- d) The revision of the corporate responsibility policy of the company, ensuring that it is aimed at the creation of value.
- e) The follow-up of the strategy and practices of corporate social responsibility and the evaluation of their level of compliance.
- f) The supervision and evaluation of the relational processes with other stakeholders.
- g) The evaluation of everything relating to the non-financial risks of the company - including operational, technological, legal, social, environmental, political and reputational.
- h) The coordination of the report process of non-financial information and on diversity, in accordance with the applicable regulations and international reference standards.

Complies Complies in part Explain

Duties a), c) and g) expressly correspond to the Risk and Compliance Committee.

As indicated in recommendation 34, the Board of Directors itself is responsible for establishing and supervising appropriate mechanisms for communication and relationship with the shareholders and investors.

As regards the responsibilities on corporate social responsibility matters, the company has a Corporate Committee for Social Responsibility, in charge of, among other duties, approving the Social Responsibility Strategy, proposing specific actions, objectives and deadlines.

54. That the corporate social responsibility policy shall include the principles and commitments that the company assumes voluntarily in its relationship with other stakeholders and, at minimum, identify:

- a) The objectives of the corporate social responsibility policy and development of support instruments.
- b) The corporate strategy related to sustainability, the environment and social issues.
- c) Specific practices on matters relating to: shareholders, employees, clients, providers, social issues, the environment, diversity, fiscal responsibility, compliance with human rights and the prevention of illegal conduct.
- d) The follow-up methods or systems for the results of the application of specific practices indicated in the above letter, the associated risks and their management.
- e) The mechanisms for non-financial risk supervision, ethics, corporate conduct.
- f) Channels for communication, participation and dialog with stakeholders.
- g) Responsible communication practices that prevent information manipulation and protect honor and integrity.

Complies Complies in part Explain

55. That the company inform on matters relating to corporate social responsibility in a separate document or a management report, using one of the internationally excepted methods to do this.

Complies Complies in part Explain

56. That the remuneration of directors shall be as necessary to attract and retain directors from the desired profile and reward the commitment, qualification and responsibility demanded by the position, but not so high that the independence of criteria for non-executive directors is compromised.

Complies Explain

57. That the executive directors shall be confined to the variable remuneration relating to the performance of the company and the individual, as well as remuneration through the delivery of shares, options or rights on shares and instruments referenced to the value of the share and the long term saving systems as well as pension plans, retirement systems or other social protection systems.

The delivery of shares can be considered as the remuneration to non-executive directors when it is conditional that they are held until they cease to be directors. This does not apply to the shares that a director needs to transfer, if necessary, to meet the costs related to their acquisition.

Complies Complies in part Explain

58. That in the case of variable remuneration, the remuneration policies shall give the limits and specific technical safeguards to ensure that the remuneration reflect the professional performance of the beneficiaries and not simply the general progress of the markets or the company's sector, atypical or exceptional transactions or circumstances of this kind.

And, in particular, the variable components of the remuneration:

- a) They are linked to performance criteria that are predetermined and measurable, and these criteria should consider the risk taken for obtaining a result.
- b) Promote the sustainability of the company and include non-financial criteria that are suitable for creating long term value, such as compliance with the internal rules and procedures of the company and its policies for risk control and management.
- c) They are set on the basis of a balance between compliance with short, medium and long term objectives, which allows remuneration for continued performance over a period sufficient to appreciate the contribution to the creation of sustainable value, so the elements of measurement of that performance are not based solely on specific, occasional or extraordinary events.

Complies Complies in part
 Explain Not applicable

59. That the payment of a significant portion of the variable components of remuneration is deferred for a minimum period that is sufficient to verify that the previously established performance conditions have been complied with.

Complies Complies in part
 Explain Not applicable

The remuneration policy for directors, which was submitted to the Annual General Meeting before the publication of this recommendation, does not include such deferrals. However, the Board of Directors will submit a new remuneration policy for directors to the next Annual General Meeting. This new remuneration policy for the directors provides that payment of at least 30 percent of the variable remuneration will be deferred for at least three years to verify that the performance conditions under the policy have been met.

60. Deductions should be made to remuneration linked to company earnings, for any qualifications stated in the external auditor's report that reduce such earnings.

Complies Complies in part
 Explain Not applicable

61. That a significant percentage of the variable remuneration of the executive directors is related to the delivery of shares or financial instruments referenced to its value.

Complies Complies in part
 Explain Not applicable

As noted in recommendation 59, the Board of Directors will submit a new remuneration policy to the next Annual General Meeting. This new remuneration policy for the directors provides that a significant percentage of the variable remuneration of the executive directors will be linked to delivery of shares.

62. That once shares, or options or rights to corresponding shares, are allocated to the remuneration system, directors cannot transfer ownership of a number of shares equivalent to twice their fixed annual remuneration, or exercise the options or rights until after a period of at least three years from their allocation.

This does not apply to the shares that a director needs to transfer, if necessary, to meet the costs related to their acquisition.

Complies Complies in part
Explain Not applicable

63. That the contractual agreements include a clause that allows the company to demand re-payment of variable components of remuneration when payment has not been adjusted to the performance conditions or when awarded on the basis of data which is subsequently shown to be incorrect.

Complies Complies in part
Explain Not applicable

As noted in recommendation 59, the Board of Directors will submit a new remuneration policy to the next Annual General Meeting. This new remuneration policy for the directors provides that in contracts with executive directors there will be a clause with the terms stated in the recommendation.

64. That the payments for contract termination do not exceed a fixed amount equivalent to two years' total annual remuneration, and will not be paid until the company has shown that the director has met the pre-established performance criteria.

Complies Complies in part
Explain Not applicable

For external directors, there is no compensation for leaving the position. Regarding executive directors, leaving this position means lifting the suspension of the relationship prior to the appointment as executive director.

The early termination of the previous relationship, except when there is good cause for dismissal, implies compensation under the terms established by the workers' statute in relation to unfair dismissal.

H OTHER USEFUL INFORMATION

1. If there is any relevant aspect regarding corporate governance in the company or in the Group companies that has not been covered in the remaining sections of this report, but that should be included in order to provide more complete and explanatory information about the structure and governance practices of the company or its group, please provide a brief explanation here.

2. This section may also include any other relevant information, clarification or detail related to previous sections of the report so long as they are relevant and not repetitive.

Specifically, indicate whether the company is subject to corporate governance legislation of any country other than Spain and, if so, include the compulsory information to be provided when different from that required by this report.

3. The company may also indicate if it has voluntarily adhered to other Codes of ethical principles or best practices, be they international, sector specific or of another scope. If so, the code in question and the adherence date will be indicated.

CONTINUATION OF SECTION E.3

MAPFRE's policy regarding reinsurance risk is to transfer business to reinsurers with proven financial capacity (generally those with a financial solvency rating of not less than an "A" rating from Standard & Poor's (or other equivalent external ratings agency or CRA), and exceptionally to other reinsurers following an internal analysis that demonstrates the availability of a solvency margin equivalent to the aforementioned rating or by providing suitable guarantees).

3. Operational Risk

The risk control model is based on a dynamic processes analysis of each company, in which the managers of each area or department assess the potential risks that affect activities and the effectiveness of the controls related to each process. To perform this control, risk self-evaluation questionnaires are used, along with internal control manuals, inventory controls associated with risks, assessment of their effectiveness and management of the corrective measures in place to mitigate or reduce the risks and/or improve the control environment.

4. Strategic and Corporate Governance Risk

Ethical principles applied to business management have been a permanent feature at MAPFRE and are a part of its by-laws and of its day-to-day activities. To standardize this corporate culture and adapt the legal requirements of governance and transparency in management, the Board of Directors of MAPFRE S.A., on June 24, 2015 approved the Institutional, Corporate and Organizational Principles of the MAPFRE Group, which replace the previous Good Governance Code of the MAPFRE System, and which constitute the minimum framework binding on all companies that make up MAPFRE and their respective management bodies. The strict application of these principles is considered the most efficient way to mitigate this type of risk.

5. Tax Risks

The performance of the Group in the field of taxation has always been dominated by compliance with current tax legislation in the territories in which it operates, which constitutes a practical application of the institutional principle of ethically and socially responsible taxation.

The tax risks of the Group in each jurisdiction are handled internally by the Administration and Tax Affairs departments, always subcontracting the required tax consulting services with the leading companies in the sector.

As regards the valuation of transactions between Group companies, significant in terms of global projects, technology and reinsurance, an annual review and documentation of individual transactions is conducted in cooperation with an independent expert firm.

The company adheres to (since July 22, 2010) and complies with the content of the Code of Good Taxation Practices approved and sponsored by the Forum for Large Companies and the Spanish Tax Agency.

This annual report on corporate governance was approved by the Company's Board of Directors at its meeting on 02/09/2016.

Indicate whether any Board members voted against the report or abstained.

Yes No



KPMG Auditores S.L.
Edificio Torre Europa
Paseo de la Castellana, 95
28046 Madrid

Auditors' Report on the "Information concerning the System of Internal Control over Financial Reporting (ICFR)" of Mapfre, S.A. for 2015

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the Directors
Mapfre, S.A.

As requested by the Board of Directors of Mapfre, S.A. (the "Company") and in accordance with our proposal letter dated 18 January 2016, we have applied certain procedures to the "Information concerning the ICFR" attached in section F of the Annual Corporate Governance Report of Mapfre, S.A. for 2015, which summarises the Company's internal control procedures for annual financial reporting.

The Board of Directors is responsible for adopting appropriate measures to reasonably ensure the implementation, maintenance and oversight of an adequate system of internal control, the development of improvements to that system and the preparation and definition of the content of the information concerning the ICFR attached.

In this respect, it should be borne in mind that irrespective of the quality of the design and operation of the internal control system adopted by the Company in relation to annual financial reporting, the system may only provide reasonable, but not absolute assurance in relation to the objectives pursued, due to the limitations inherent in any internal control system.

In the course of our audit work on the annual accounts and in accordance with Technical Auditing Standards, our evaluation of the Company's internal control was solely aimed at enabling us to establish the scope, nature and timing of the audit procedures. Consequently, the scope of our evaluation of the internal control, performed for the purposes of the audit of accounts, was not sufficient to enable us to issue a specific opinion on the efficiency of this internal control over regulated annual financial reporting.

For the purposes of issuing this report, we have applied only the specific procedures described below and set out in the *Action Guide referring to the Auditors' Report on Information on Internal Control over Financial Reporting for listed entities*, published on the website of the Spanish Securities Market Commission (CNMV), which defines the work to be performed, the minimum scope of the work and the content of this report. As the scope of the work resulting from these procedures is in any event limited and substantially less than that of an audit or review of the internal control system, we do not express an opinion on its effectiveness or design or operational efficiency, with respect to the Company's annual financial reporting for 2015 described in the attached Information concerning the ICFR. Consequently, had additional procedures been applied to those defined in the Action Guide, or an audit or review been performed of the internal control system in relation to regulated annual financial reporting, other events or matters could have been identified, which would have been reported to you.

Moreover, as this special engagement does not constitute an audit of accounts nor is it subject to the current Audit Law in Spain, we do not express an audit opinion in the terms envisaged in such legislation.

The procedures applied were as follows:

- 1 Reading and understanding of the attached information prepared by the Company in relation to the ICFR – disclosures included in the directors' report – and evaluation of whether it covers all the information required, taking into account the minimum content described in Section F, concerning the ICFR description, of the standard Annual Corporate Governance Report pursuant to CNMV Circular 7/2015 of 22 December 2015.
2. Inquiries of personnel responsible for preparing the information detailed in point 1 above in order to: (i) gain an understanding of the preparation process; (ii) obtain information that allows us to assess whether the terminology used conforms to the definitions contained in the reference framework; (iii) obtain information on whether the control procedures described are in place and operational in the Company.
3. Review of explanatory documentation supporting the information detailed in point 1 above, and which will mainly include that made directly available to those responsible for preparing the descriptive information on the ICFR. This documentation includes reports prepared by internal audit, senior management and other internal or external specialists supporting the audit committee.
4. Comparison of the information detailed in point 1 above with the understanding of the Company's ICFR gained as a result of the procedures performed within the framework of the audit work on the annual accounts.
5. Reading of the minutes of the meetings of the Board of Directors, audit committee and other committees of the Company for the purposes of assessing the consistency of the matters discussed at these meetings in relation to the ICFR with the information detailed in point 1 above.
6. Procurement of a representation letter concerning the work performed, duly signed by those responsible for preparing and drawing up the information detailed in point 1 above.

As a result of the procedures applied to the Information concerning the ICFR, no inconsistencies or incidents have come to light that could affect it.

This report has been prepared exclusively in the context of the requirements established in Article 540 of the Spanish Companies Act and CNMV Circular 7/2015 of 22 December 2015 for the purposes of describing ICFR in the Annual Corporate Governance Reports.

KPMG Auditores, S.L.
(Signed on original in Spanish)

Hilario Albarracín Santa Cruz

10 February 2016



06



Annual
Consolidated
Financial
Statements
2015

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails)

A) CONSOLIDATED BALANCE AS AT DECEMBER 31, 2015 AND 2014

ASSETS	Notas	2015	2014
A) INTANGIBLE ASSETS	6.1	3,697.56	4,076.82
I. Goodwill	6.1	2,068.00	2,030.48
II. Other intangible assets	6.1	1,629.56	2,046.34
B) PROPERTY, PLANT AND EQUIPMENT	6.2	1,274.48	1,469.46
I. Property for own use	6.2	943.40	1,165.66
II. Other property, plant and equipment	6.2	331.08	303.80
C) INVESTMENT		42,533.27	44,231.62
I. Property investment	6.2	1,324.32	1,226.29
II. Financial investments			
1. Held-to-maturity portfolio	6.4	2,163.49	2,358.38
2. Available-for-sale portfolio	6.4	34,565.58	36,089.47
3. Trading portfolio	6.4	3,430.09	3,503.56
III. Investments recorded by applying the equity method	3.1	197.25	233.65
IV. Deposits established for accepted reinsurance		557.17	472.99
V. Other investments		295.37	347.28
D) INVESTMENTS ON BEHALF OF LIFE INSURANCE POLICYHOLDERS BEARING THE INVESTMENT RISK	6.5	1,798.88	2,087.20
E) INVENTORIES	6.6	75.83	77.45
F) PARTICIPATION OF REINSURANCE IN TECHNICAL PROVISIONS	6.14	3,869.52	3,367.17
G) DEFERRED TAX ASSETS	6.21	255.91	206.73
H) CREDITS	6.7	6,733.62	6,596.56
I. Receivables on direct insurance and co-insurance operations	6.7	4,231.71	4,028.58
II. Receivables on reinsurance operations	6.7	1,068.12	945.32
III. Tax receivables			
1. Tax on profits receivable	6.21	193.65	114.51
2. Other tax receivables		54.41	65.74
IV. Social security and other receivables	6.7	1,185.73	1,442.41
V. Shareholders, called capital		--	--
I) CASH		989.09	1,188.60
J) ACCRUAL ADJUSTMENTS	5.11	2,082.65	1,950.47
K) OTHER ASSETS		142.78	153.75
L) NON-CURRENT ASSETS HELD FOR SALE AND FROM DISCONTINUED OPERATIONS	6.10	35.68	9.44
TOTAL ASSETS		63,489.27	65,415.27

Figures in millions of euros

EQUITY AND LIABILITIES	Notes	2015	2014
A) EQUITY	6.11	10,408.29	11,469.42
I. Paid-up capital	6.11	307.95	307.95
II. Share premium	6.11	1,506.74	1,506.73
III. Reserves		6,747.74	6,423.76
IV. Interim dividend		(184.77)	(184.78)
V. Treasury stock	6.11	(2.39)	--
VI. Result attributable to controlling company	4.1	708.77	845.13
VII. Other equity instruments		--	--
VIII. Valuation change adjustments	6.11	632.19	890.37
IX. Currency conversion differences	6.23	(1,142.49)	(636.47)
Equity attributable to the controlling company's shareholders		8,573.74	9,152.69
Non-controlling interests		1,834.55	2,316.73
B) SUBORDINATED LIABILITIES	6.12	594.81	595.62
C) TECHNICAL PROVISIONS	6.14	43,262.20	44,357.65
I. Provisions for unearned premiums and unexpired risks	6.14	8,425.76	7,654.02
II. Provisions for life insurance	6.14	25,026.32	27,384.88
III. Provision for outstanding claims	6.14	9,037.06	8,579.37
IV. Other technical provisions	6.14	773.06	739.38
D) TECHNICAL PROVISIONS FOR LIFE INSURANCE WHERE POLICYHOLDERS BEAR THE INVESTMENT RISK	6.14	1,798.88	2,087.20
E) PROVISIONS FOR RISKS AND EXPENSES	6.15	697.03	688.29
F) DEPOSITS RECEIVED ON CEDED AND RETROCEDED REINSURANCE	6.16	19.93	58.08
G) DEFERRED TAX LIABILITIES	6.21	710.54	845.67
H) DEBT	6.17	5,628.87	5,034.35
I. Issue of debentures and other negotiable securities	6.13	--	1,004.88
II. Due to credit institutions	6.13	1,177.73	187.69
III. Other financial liabilities	6.13	506.72	306.39
IV. Due on direct insurance and co-insurance operations	6.17	862.26	877.60
V. Due on reinsurance operations	6.17	1,446.74	1,096.09
VI. Tax liabilities			
1. Tax on profits to be paid	6.21	177.30	188.14
2. Other tax liabilities		431.70	364.27
VII. Other debts	6.17	1,026.42	1,009.29
I) ACCRUAL ADJUSTMENTS	5.11	368.72	278.99
J) LIABILITIES LINKED TO NON-CURRENT ASSETS HELD FOR SALE AND FROM DISCONTINUED OPERATIONS	6.10	--	--
TOTAL EQUITY AND LIABILITIES		63,489.27	65,415.27

Figures in millions of euros

B) COMPREHENSIVE CONSOLIDATED INCOME STATEMENT FOR YEARS ENDED

B.1) Consolidated income statement

ITEM	Notes	2015	2014
I. REVENUE FROM INSURANCE BUSINESS			
1. Premiums allocated to the financial year, net			
a) Written premiums, direct insurance	7.A.2	19,052.82	18,905.80
b) Premiums from accepted reinsurance	7.A.2	3,258.94	2,909.71
c) Premiums from ceded reinsurance	6.20	(3,640.86)	(2,861.16)
d) Variations in provisions for unearned premiums and unexpired risks			
Direct insurance	6.14	(957.10)	(931.60)
Accepted reinsurance	6.14	(177.02)	(161.49)
Ceded reinsurance	6.20	451.51	17.68
2. Share in profits from equity-accounted companies		7.70	5.59
3. Revenues from investments			
a) From operations	6.18	2,526.38	2,375.04
b) From equity	6.18	172.87	237.37
4. Unrealized gains on investments on behalf of life insurance policyholders bearing investment risk	6.5	177.58	126.31
5. Other technical revenue		44.16	44.30
6. Other non-technical revenue		40.34	37.72
7. Positive foreign exchange differences	6.23	870.82	461.28
8. Reversal of the asset impairment provision	6.8	17.15	16.30
TOTAL REVENUE FROM INSURANCE BUSINESS		21,845.30	21,182.85
II. EXPENSES FROM INSURANCE BUSINESS			
1. Incurred claims for the year, net			
a) Claims paid and variation in provision for claims, net			
Direct insurance	5.15	(12,169.27)	(11,688.20)
Accepted reinsurance	5.15	(1,925.48)	(1,672.85)
Ceded reinsurance	6.20	1,746.70	1,437.24
b) Claims-related expenses	5.15	(859.28)	(771.61)
2. Variation in other technical provisions, net	5.15	(131.75)	(556.46)
3. Profit sharing and returned premiums		(51.44)	(65.06)
4. Net operating expenses	6.19		
a) Acquisition expenses		(4,524.30)	(4,303.17)
b) Administration expenses		(807.41)	(779.54)
c) Commissions and participation in reinsurance	6.20	391.76	409.21
5. Share in losses from equity-accounted companies		--	(0.35)
6. Expenses from investments			
a) From operations	6.18	(663.16)	(485.52)
b) From equity and financial accounts	6.18	(40.00)	(40.21)
7. Unrealized losses on investments on behalf of life insurance policyholders bearing investment risk	6.5	(105.83)	(24.36)
8. Other technical expenses	6.19	(105.48)	(105.10)
9. Other non-technical expenses	6.19	(112.30)	(108.54)
10. Negative foreign exchange differences	6.23	(806.32)	(417.80)
11. Allowance to the asset impairment provision	6.8	(63.64)	(33.56)
TOTAL EXPENSES FROM INSURANCE BUSINESS		(20,227.20)	(19,205.88)
RESULT FROM THE INSURANCE BUSINESS		1,618.10	1,976.97
III. OTHER ACTIVITIES			
1. Operating revenue		417.04	446.07
2. Operating expenses	6.19	(519.05)	(473.12)
3. Net financial revenue			
a) Financial revenue	6.18	90.20	76.69
b) Financial expenses	6.18	(128.86)	(138.26)
4. Results from non-controlling interests			
a) Share in profits from equity-accounted companies		4.03	3.27
b) Share in losses from equity-accounted companies		(0.03)	(0.01)
5. Reversal of asset impairment provision	6.8	22.15	6.60
6. Allowance to the asset impairment provision	6.8	(19.59)	(79.27)
7. Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations		--	0.02

DECEMBER 31, 2015 AND 2014

ITEM	Notes	2015	2014
RESULT FROM OTHER ACTIVITIES		(134.11)	(158.01)
IV. RESULT ON RESTATEMENT OF FINANCIAL ACCOUNTS	3.2	(7.96)	(73.48)
V. RESULT BEFORE TAXES FROM ONGOING OPERATIONS		1,476.03	1,745.48
VI. TAX ON PROFIT FROM ONGOING OPERATIONS	6.21	(463.63)	(486.33)
VII. RESULT AFTER TAX FROM ONGOING OPERATIONS		1,012.40	1,259.15
VIII. RESULT AFTER TAX FROM DISCONTINUED OPERATIONS	6.10	186.53	64.30
IX. RESULT FOR THE YEAR		1,198.93	1,323.45
1. Attributable to non-controlling shareholders		490.16	478.32
2. Attributable to the controlling company	4.1	708.77	845.13

Figures in millions of euros

Earnings per share (Euros)

Basic	4.1	0.23	0.27
Diluted	4.1	0.23	0.27

B.2) Consolidated statement of comprehensive income

ITEM	NOTES	GROSS AMOUNT		INCOME TAX		ATTRIBUTABLE NON-CONTROLLING INTERESTS		ATTRIBUTABLE TO CONTROLLING COMPANY	
		2015	2014	2015	2014	2015	2014	2015	2014
A) CONSOLIDATED RESULTS FOR THE YEAR		1,723.15	1,823.56	(524.22)	(500.11)	490.16	478.32	708.77	845.13
A.1. Ongoing operations		1,476.03	1,745.48	(463.63)	(486.35)	475.22	445.93	537.18	813.20
A.2. Discontinued operations	6.10	247.12	78.06	(60.59)	(13.76)	14.94	32.39	171.59	31.91
B) OTHER RECOGNIZED REVENUE (EXPENSES)		(1,269.70)	1,095.62	106.24	(224.90)	(399.26)	61.29	(764.20)	809.43
B.1. Ongoing operations		(1,269.70)	1,091.30	106.24	(224.13)	(399.26)	59.52	(764.20)	807.66
1. Financial assets available for sale	6.4	(793.85)	3,669.31	183.48	(913.62)	(135.57)	453.63	(474.80)	2,302.06
a) Valuation gains (losses)		(456.59)	3,792.76	123.71	(958.50)				
b) Amounts transferred to the income statement		(243.34)	(145.97)	59.64	42.25				
c) Other reclassifications		(93.92)	22.52	0.13	2.64				
2. Currency conversion differences	6.23	(868.05)	158.50	(0.50)	(0.18)	(362.53)	15.05	(506.02)	143.27
a) Valuation gains (losses)		(870.05)	161.72	(0.50)	(0.18)				
b) Amounts transferred to the income statement		(1.29)	(0.49)	--	--				
c) Other reclassifications		3.29	(2.73)	--	--				
3. Shadow accounting		396.88	(2,740.69)	(76.43)	689.63	98.99	(409.04)	221.46	(1,642.01)
a) Valuation gains (losses)	6.14	133.78	(2,784.01)	(33.95)	700.62				
b) Amounts transferred to the income statement		143.67	43.32	(38.02)	(10.99)				
c) Other reclassifications		119.43	--	(4.46)	--				
4. Equity-accounted entities		(3.41)	4.02	--	--	(0.08)	0.10	(3.34)	3.92
a) Valuation gains (losses)		(1.94)	3.21	--	--				
b) Amounts transferred to the income statement		--	--	--	--				
c) Other reclassifications		(1.47)	0.81	--	--				
5. Other comprehensive income		(1.27)	0.16	(0.31)	0.04	(0.08)	(0.22)	(1.50)	0.42
B.2. Discontinued operations (Net on disposal)		--	4.32	--	(0.77)	--	1.77	--	1.77
TOTALS		453.45	2,919.18	(417.98)	(725.01)	90.90	539.61	(55.43)	1,654.56

Figures in millions of euros

All the items included in the consolidated statement of comprehensive revenue and expenses may be reclassified to the consolidated income statement in line with IFRS-EU.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails)

C) CONSOLIDATED STATEMENT OF CHANGES IN NET EQUITY AS AT DECEMBER 31, 2015 AND 2014

ITEM	NOTES	NET EQUITY ATTRIBUTABLE TO CONTROLLING COMPANY								NON-CONTROLLING INTERESTS	TOTAL NET EQUITY
		SHAREHOLDER FUNDS									
		Share capital	Share premium	Reserves	Interim dividend	Treasury stock	Result attributable to controlling company	Valuation change adjustments	Currency conversion differences		
BALANCE AS OF JANUARY 1, 2014		307.95	1,506.73	5,937.87	(153.98)	--	790.47	224.24	(779.77)	2,060.16	9,893.67
1. Changes in accounting policies		--	--	--	--	--	--	--	--	--	--
2. Correction of errors		--	--	--	--	--	--	--	--	--	--
ADJUSTED BALANCE AS OF JANUARY 1, 2014		307.95	1,506.73	5,937.87	(153.98)	--	790.47	224.24	(779.77)	2,060.16	9,893.67
I. TOTAL COMPREHENSIVE REVENUE (EXPENSES)		--	--	--	--	--	845.13	666.13	143.30	539.61	2,194.17
II. OPERATIONS WITH THE CONTROLLING COMPANY'S SHAREHOLDERS AND NON-CONTROLLING INTERESTS		--	--	(262.28)	(184.77)	--	--	--	--	(251.97)	(699.02)
1. Capital increases (Decreases)		--	--	--	--	--	--	--	--	--	--
2. Distribution of dividends	4.2	--	--	(246.36)	(184.77)	--	--	--	--	(359.34)	(790.47)
3. Increases (decreases) from business combinations	6.25	--	--	--	--	--	--	--	--	123.47	123.47
4. Other operations with the controlling company's shareholders and non-controlling interests		--	--	(15.92)	--	--	--	--	--	(16.10)	(32.02)
III. OTHER VARIATIONS IN EQUITY		--	--	748.17	153.97	--	(790.47)	--	--	(31.07)	80.60
1. Transfers among net equity items		--	--	636.50	153.97	--	(790.47)	--	--	--	--
2. Other variations	3.2	--	--	111.67	--	--	--	--	--	(31.07)	80.60
BALANCE AS OF DECEMBER 31, 2014		307.95	1,506.73	6,423.76	(184.78)	--	845.13	890.37	(636.47)	2,316.73	11,469.42
BALANCE AS OF JANUARY 1, 2015		307.95	1,506.73	6,423.76	(184.78)	--	845.13	890.37	(636.47)	2,316.73	11,469.42
1. Changes in accounting policies		--	--	--	--	--	--	--	--	--	--
2. Correction of errors		--	--	--	--	--	--	--	--	--	--
ADJUSTED BALANCE AS OF JANUARY 1, 2015		307.95	1,506.73	6,423.76	(184.78)	--	845.13	890.37	(636.47)	2,316.73	11,469.42
I. TOTAL COMPREHENSIVE REVENUE (EXPENSES)		--	--	--	--	--	708.77	(258.17)	(506.02)	90.90	35.48
II. OPERATIONS WITH THE CONTROLLING COMPANY'S SHAREHOLDERS AND NON-CONTROLLING INTERESTS		--	--	(251.86)	(184.77)	(2.39)	--	--	--	(570.98)	(1,010.00)
1. Capital increases (Decreases)		--	--	--	--	--	--	--	--	--	--
2. Distribution of dividends	4.2	--	--	(246.36)	(184.77)	--	--	--	--	(349.32)	(780.45)
3. Increases (decreases) from business combinations	6.25	--	--	--	--	--	--	--	--	(197.22)	(197.22)
4. Other operations with the controlling company's shareholders and non-controlling interests		--	--	(5.50)	--	--	--	--	--	(24.44)	(29.94)
5. Operations with treasury stock and own shares	6.11	--	--	--	--	(2.39)	--	--	--	--	(2.39)
III. OTHER VARIATIONS IN EQUITY		--	0.01	575.84	184.78	--	(845.13)	(0.01)	--	(2.10)	(86.61)
1. Transfers among net equity items		--	--	660.35	184.77	--	(845.13)	--	--	--	(0.01)
2. Other variations	3.2, 6.14 and 6.22	--	0.01	(84.51)	0.01	--	--	(0.01)	--	(2.10)	(86.60)
BALANCE AS OF DECEMBER 31, 2015		307.95	1,506.74	6,747.74	(184.77)	(2.39)	708.77	632.19	(1,142.49)	1,834.55	10,408.29

Figures in millions of euros

D) CONSOLIDATED CASH FLOW STATEMENT FOR YEARS ENDED
DECEMBER 31, 2015 AND 2014

ITEM	NOTES	2015	2014
1. Insurance activities:		697.00	1,258.80
Cash received from insurance activities		22,238.84	23,311.93
Cash payments from insurance activities		(21,541.84)	(22,053.13)
2. Other operating activities:		(376.10)	(361.85)
Cash received from other operating activities		635.46	580.12
Cash payments from other operating activities		(1,011.56)	(941.98)
3. Payment (receipt) of income tax		(540.56)	(602.36)
4. Discontinued operations		7.15	17.81
NET CASH FLOWS FROM OPERATING ACTIVITIES		(212.51)	312.40
1. Proceeds from investment activities:		15,667.08	14,463.67
Property, plant and equipment		13.86	37.40
Property investment		32.40	39.03
Intangible fixed assets		25.08	6.06
Financial instruments		13,055.96	12,807.90
Investments in associates		613.40	230.48
Controlled companies and other business units		648.38	100.72
Interest collected		1,147.01	1,116.09
Dividends collected		64.69	41.76
Other receipts related to investment activities		66.30	84.23
2. Payments from investment activities:		(14,659.78)	(13,601.74)
Property, plant and equipment		(58.31)	(49.04)
Property investment	6.2	(143.47)	(77.59)
Intangible fixed assets		(201.57)	(167.90)
Financial instruments		(12,681.73)	(12,877.78)
Acquisitions of controlled companies		(942.27)	(278.33)
Controlled companies and other business units	6.9	(593.23)	(113.77)
Other payments related to investment activities		(39.20)	(37.34)
3. Discontinued operations		28.11	68.12
NET CASH FLOWS FROM INVESTMENT ACTIVITIES		1,035.41	930.04
1. Proceeds from financing activities		1,647.74	91.06
Subordinated liabilities		--	--
Proceeds from issuing of equity instruments and capital increases		--	--
Proceeds from sale of treasury stock		--	--
Other proceeds related to financing activities		1,647.74	91.06
2. Payments from financing activities		(2,393.06)	(1,191.00)
Dividends paid to shareholders		(784.80)	(776.60)
Interest paid		(108.31)	(119.52)
Subordinated liabilities		--	--
Payments on return of shareholders' contributions		(3.74)	--
Purchase of treasury stock	6.11	(2.39)	--
Other payments related to financing activities		(1,493.82)	(294.88)
3. Discontinued operations		(22.90)	(31.09)
NET CASH FLOW FROM FINANCING ACTIVITIES		(768.22)	(1,131.03)
Conversion differences in cash flow and cash balances		(254.19)	(85.59)
NET INCREASE (DECREASE) IN CASH FLOW		(199.51)	25.82
OPENING CASH BALANCE		1,188.60	1,162.78
CLOSING CASH BALANCE		989.09	1,188.60

Figures in millions of euros

E) FINANCIAL INFORMATION BY SEGMENT - CONSOLIDATED BALANCE SHEET

ITEM	IBERIA		LATAM NORTH	
	2015	2014	2015	2014
I. REVENUE FROM INSURANCE BUSINESS				
1. Premiums allocated to the financial year, net				
a) Written premiums, direct insurance	6,536.57	6,710.49	1,754.81	1,136.92
b) Premiums from accepted reinsurance	160.15	154.69	94.77	74.64
c) Premiums from ceded reinsurance	(749.58)	(773.12)	(828.82)	(358.76)
d) Variation in provisions for premiums and risks in progress, net				
Direct insurance	12.55	34.00	(287.09)	(66.88)
Accepted reinsurance	6.17	12.27	3.78	5.74
Ceded reinsurance	(31.21)	(48.80)	241.67	17.16
2. Share in profits from equity-accounted companies	7.70	5.53	--	--
3. Revenues from investments				
From operations	1,413.10	1,379.86	49.06	46.27
From equity	44.56	47.21	11.01	10.55
4. Unrealized gains on investments on behalf of life insurance policyholders bearing investment risk	132.57	88.05	--	--
5. Other technical revenue	23.69	31.82	0.02	0.02
6. Other non-technical revenue	22.81	26.34	--	--
7. Positive foreign exchange differences	30.39	4.50	12.35	7.79
8. Reversal of the asset impairment provision	17.05	16.20	--	--
TOTAL REVENUE FROM INSURANCE BUSINESS	7,626.52	7,689.04	1,051.56	873.45
II. EXPENSES FROM INSURANCE BUSINESS				
1. Incurred claims for the year, net				
a) Claims paid and variation in provision for claims, net				
***Direct insurance	(5,593.80)	(5,559.81)	(709.40)	(610.39)
***Accepted reinsurance	(127.67)	(60.12)	(39.77)	(20.43)
***Assigned reinsurance	403.99	438.26	183.60	177.79
b) Claims-related expenses	(350.86)	(345.04)	(18.43)	(19.59)
2. Variation in other technical provisions, net	407.65	(38.07)	(20.72)	(11.11)
3. Profit sharing and returned premiums	(37.74)	(54.79)	(5.27)	(5.52)
4. Net operating expenses				
a) Acquisition expenses	(1,116.76)	(1,012.79)	(311.76)	(264.04)
b) Administration expenses	(134.24)	(135.46)	(98.60)	(63.19)
c) Commissions and participation in reinsurance	150.63	163.58	64.77	42.43
5. Share in losses from equity-accounted companies	1.88	(4.82)	--	--
6. Expenses from investments				
a) From operations	(422.13)	(256.89)	(8.28)	(6.70)
b) From equity and financial accounts	(32.51)	(24.32)	(1.01)	(1.05)
7. Unrealized losses on investments on behalf of life insurance policyholders bearing investment risk	(105.83)	(24.36)	--	--
8. Other technical expenses	(61.40)	(67.59)	(8.49)	(4.36)
9. Other non-technical expenses	(86.37)	(84.24)	--	--
10. Negative foreign exchange differences	(26.43)	(2.66)	(5.86)	(3.76)
11. Allowance to the asset impairment provision	(39.50)	(27.41)	--	--
TOTAL EXPENSES FROM INSURANCE BUSINESS	(7,171.09)	(7,096.53)	(979.22)	(789.92)
RESULT FROM THE INSURANCE BUSINESS	455.43	592.51	72.34	83.53

Continúa en la página siguiente

FOR YEARS ENDED DECEMBER 31, 2015 AND 2014

LATAM SOUTH		BRAZIL		NORTH AMERICA	
2015	2014	2015	2014	2015	2014
1,859.47	2,664.17	4,668.82	5,404.65	2,453.50	1,901.28
170.97	199.70	145.39	148.62	323.27	204.67
(722.53)	(756.77)	(735.84)	(785.61)	(635.29)	(338.06)
(82.53)	(174.32)	(371.69)	(656.01)	(107.43)	(37.38)
13.88	(6.00)	0.50	(8.44)	(28.26)	(17.39)
1.26	5.21	114.14	55.82	151.70	25.12
--	--	--	--	--	--
147.83	174.28	512.07	390.19	88.47	80.78
19.51	68.64	14.59	17.28	53.30	69.84
--	--	70.28	61.50	--	--
5.02	1.80	2.56	--	13.05	11.10
1.80	2.49	2.33	(0.07)	--	1.42
61.82	51.29	2.12	0.05	2.58	0.65
--	--	--	--	--	--
1,476.50	2,230.49	4,425.27	4,627.98	2,314.89	1,902.03
(948.64)	(1,432.62)	(2,207.31)	(2,332.27)	(1,684.92)	(1,126.51)
(72.44)	(85.05)	(99.55)	(151.57)	(141.84)	(85.11)
375.18	402.69	541.24	501.22	333.74	85.12
(59.31)	(84.58)	(54.97)	(66.28)	(237.31)	(164.36)
(95.55)	(148.11)	(249.58)	(194.45)	(1.51)	(0.63)
(0.72)	(2.95)	1.57	--	--	--
(470.61)	(503.08)	(1,208.41)	(1,363.38)	(587.05)	(450.37)
(95.70)	(177.44)	(237.55)	(218.76)	(132.90)	(113.32)
85.41	81.54	74.03	96.72	106.78	71.07
--	--	--	--	--	(0.24)
(12.19)	(22.32)	(160.75)	(160.87)	(7.25)	(8.47)
(1.15)	(9.06)	(1.04)	(1.23)	(1.50)	(5.05)
--	--	--	--	--	--
(18.52)	(20.82)	(2.50)	(1.25)	(0.66)	(2.32)
(8.79)	(2.60)	(2.16)	--	(2.42)	(1.89)
(30.27)	(15.80)	(2.70)	(0.60)	(2.28)	(0.55)
(17.04)	(0.35)	--	--	(0.24)	(3.09)
(1,370.34)	(2,020.55)	(3,609.68)	(3,892.72)	(2,359.36)	(1,805.72)
106.16	209.94	815.59	735.26	(44.47)	96.31

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails)

E) FINANCIAL INFORMATION BY SEGMENT - CONSOLIDATED BALANCE SHEET

ITEM	IBERIA		LATAM NORTH	
	2015	2014	2015	2014
III. OTHER ACTIVITIES				
1. Operating revenue	278.06	224.41	19.76	18.71
2. Operating expenses	(225.46)	(173.54)	(22.44)	(20.09)
3. Net financial revenue				
a) Financial revenue	10.35	13.66	0.66	0.33
b) Financial expenses	(7.27)	(7.65)	(0.57)	(0.30)
4. Results from non-controlling interests				
a) Share in profits from equity-accounted companies	0.45	1.16	--	--
b) Share in losses from equity-accounted companies	--	--	--	--
5. Reversal of asset impairment provision	5.84	5.14	--	--
6. Allowance to the asset impairment provision	(2.00)	(6.95)	--	(0.03)
7. Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations	--	--	--	--
RESULT FROM OTHER ACTIVITIES	59.97	56.23	(2.59)	(1.38)
IV. RESULT ON RESTATEMENT OF FINANCIAL ACCOUNTS	--	--	--	--
V. RESULT BEFORE TAXES FROM ONGOING OPERATIONS	515.40	648.74	69.75	82.15
VI. TAX ON PROFIT FROM ONGOING OPERATIONS	(136.58)	(166.56)	(18.67)	(19.38)
VII. RESULT AFTER TAX FROM ONGOING OPERATIONS	378.82	482.18	51.08	62.77
VIII. RESULT AFTER TAX FROM DISCONTINUED ACTIVITIES	186.98	64.79	(0.01)	--
IX. RESULT FOR THE YEAR	565.80	546.97	51.07	62.77
1. Attributable to non-controlling interests	71.03	98.85	8.64	5.09
2. Attributable to the controlling company	494.77	448.12	42.43	57.68

Figures in millions of euros

FOR YEARS ENDED DECEMBER 31, 2015 AND 2014

LATAM SOUTH		BRAZIL		NORTH AMERICA	
2015	2014	2015	2014	2015	2014
33.90	36.82	31.33	43.51	33.16	64.91
(33.24)	(33.55)	(51.64)	(50.39)	(42.63)	(65.42)
4.37	4.20	32.05	28.51	0.84	0.27
(4.14)	(7.90)	(8.75)	(8.80)	(1.38)	(0.76)
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	(0.03)	--	(0.01)	(0.04)	(0.05)
--	--	--	--	--	--
0.89	(0.46)	2.99	12.82	(10.05)	(1.05)
(7.96)	(73.48)	--	--	--	--
99.09	136.00	818.58	748.08	(54.52)	95.26
(43.31)	(36.79)	(282.97)	(262.21)	21.23	(27.75)
55.78	99.21	535.61	485.87	(33.29)	67.51
(0.47)	--	--	--	(0.01)	--
55.31	99.21	535.61	485.87	(33.30)	67.51
5.95	6.81	382.20	342.99	(0.58)	0.40
49.36	92.40	153.41	142.88	(32.72)	67.11

E) FINANCIAL INFORMATION BY SEGMENT - CONSOLIDATED BALANCE SHEET

ITEM	EMEA		APAC	
	2015	2014	2015	2014
I. REVENUE FROM INSURANCE BUSINESS				
1. Premiums allocated to the financial year, net				
a) Written premiums, direct insurance	1,739.64	1,053.07	40.01	35.22
b) Premiums from accepted reinsurance	242.09	234.92	74.55	65.94
c) Premiums from ceded reinsurance	(412.90)	(209.48)	(12.89)	(16.26)
d) Variation in provisions for premiums and risks in progress, net				
Direct insurance	(122.28)	(26.14)	1.37	(4.87)
Accepted reinsurance	(2.58)	(2.91)	2.90	(9.76)
Ceded reinsurance	20.99	0.67	(4.16)	4.56
2. Share in profits from equity-accounted companies	0.01	0.04	--	--
3. Revenues from investments				
From operations	119.36	140.51	3.18	4.20
From equity	20.02	12.65	0.21	0.07
4. Unrealized gains on investments on behalf of life insurance policyholders bearing investment risk	3.48	4.80	--	--
5. Other technical revenue	1.52	0.77	--	0.04
6. Other non-technical revenue	0.26	0.52	0.04	--
7. Positive foreign exchange differences	27.57	11.35	2.11	1.86
8. Reversal of the asset impairment provision	0.10	--	--	0.09
TOTAL REVENUE FROM INSURANCE BUSINESS	1,637.28	1,220.77	107.32	81.09
II. EXPENSES FROM INSURANCE BUSINESS				
1. Incurred claims for the year, net				
a) Claims paid and variation in provision for claims, net				
***Direct insurance	(963.46)	(585.74)	(61.74)	(40.85)
***Accepted reinsurance	(134.93)	(91.67)	(44.24)	(32.31)
***Assigned reinsurance	196.75	63.41	44.95	32.91
b) Claims-related expenses	(123.66)	(83.91)	(14.69)	(8.48)
2. Variation in other technical provisions, net	(172.04)	(164.09)	--	--
3. Profit sharing and returned premiums	(9.28)	(1.80)	--	--
4. Net operating expenses				
a) Acquisition expenses	(363.45)	(245.72)	(18.99)	(14.36)
b) Administration expenses	(86.34)	(55.62)	(12.12)	(8.93)
c) Commissions and participation in reinsurance	93.62	49.30	1.50	2.18
5. Share in losses from equity-accounted companies	--	--	--	--
6. Expenses from investments				
a) From operations	(13.23)	(7.79)	(0.25)	(0.10)
b) From equity and financial accounts	(0.06)	(0.09)	(0.01)	--
7. Unrealized losses on investments on behalf of life insurance policyholders bearing investment risk	--	--	--	--
8. Other technical expenses	(12.65)	(5.90)	(0.29)	(0.17)
9. Other non-technical expenses	(4.90)	(1.93)	(3.48)	(0.88)
10. Negative foreign exchange differences	(21.68)	(12.42)	(1.24)	(0.98)
11. Allowance to the asset impairment provision	(0.02)	(0.03)	--	--
TOTAL EXPENSES FROM INSURANCE BUSINESS	(1,615.33)	(1,144.00)	(110.60)	(71.97)
RESULT FROM THE INSURANCE BUSINESS	21.95	76.77	(3.28)	9.12

Continúa en la página siguiente

FOR YEARS ENDED DECEMBER 31, 2015 AND 2014

MAPFRE RE		CORPORATE AREAS AND CONSOLIDATION ADJUSTMENTS		TOTAL	
2015	2014	2015	2014	2015	2014
--	--	--	--	19,052.82	18,905.80
3,731.91	3,343.33	(1,684.16)	(1,516.80)	3,258.94	2,909.71
(1,222.21)	(1,139.89)	1,679.20	1,516.79	(3,640.86)	(2,861.16)
--	--	--	(0.00)	(957.10)	(931.60)
(202.75)	(163.55)	29.34	28.55	(177.02)	(161.49)
(12.67)	(13.50)	(30.21)	(28.56)	451.51	17.68
--	0.06	(0.01)	(0.04)	7.70	5.59
195.67	161.30	(2.36)	(2.35)	2,526.38	2,375.04
9.68	12.36	--	(1.23)	172.87	237.37
--	--	(28.75)	(28.04)	177.58	126.31
--	--	(1.70)	(1.25)	44.16	44.30
0.54	2.17	12.56	4.85	40.34	37.72
723.17	383.80	8.71	(0.01)	870.82	461.28
--	--	--	0.01	17.15	16.30
3,223.34	2,586.08	(17.38)	(28.08)	21,845.30	21,182.85
--	--	--	(0.01)	(12,169.27)	(11,688.20)
(2,299.83)	(1,900.25)	1,034.79	753.66	(1,925.48)	(1,672.85)
698.86	489.52	(1,031.61)	(753.68)	1,746.70	1,437.24
(0.10)	(0.16)	0.05	0.79	(859.28)	(771.61)
--	--	--	--	(131.75)	(556.46)
--	--	--	--	(51.44)	(65.06)
(863.71)	(782.66)	416.44	333.23	(4,524.30)	(4,303.17)
(13.42)	(10.34)	3.46	3.52	(807.41)	(779.54)
231.83	234.35	(416.81)	(331.96)	391.76	409.21
(0.04)	(0.19)	(1.84)	4.90	--	(0.35)
(38.60)	(22.38)	(0.48)	--	(663.16)	(485.52)
(3.65)	(1.64)	0.93	2.23	(40.00)	(40.21)
--	--	--	--	(105.83)	(24.36)
(2.66)	(3.94)	1.69	1.25	(105.48)	(105.10)
(4.18)	(4.41)	--	(12.59)	(112.30)	(108.54)
(715.86)	(381.04)	--	0.01	(806.32)	(417.80)
(6.84)	(2.69)	--	0.01	(63.64)	(33.56)
(3,018.20)	(2,385.83)	6.62	1.36	(20,227.20)	(19,205.88)
205.14	200.25	(10.76)	(26.72)	1,618.10	1,976.97

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails)

E) FINANCIAL INFORMATION BY SEGMENT - CONSOLIDATED BALANCE SHEET

ITEM	EMEA		APAC	
	2015	2014	2015	2014
III. OTHER ACTIVITIES				
1. Operating revenue	42.38	54.26	11.26	12.51
2. Operating expenses	(52.23)	(53.77)	(18.02)	(16.70)
3. Net financial revenue				
a) Financial revenue	3.88	1.55	1.13	0.30
b) Financial expenses	(5.36)	(1.22)	(0.95)	(0.84)
4. Results from non-controlling interests				
a) Share in profits from equity-accounted companies	--	--	3.58	2.12
b) Share in losses from equity-accounted companies	--	--	--	--
5. Reversal of asset impairment provision	--	--	--	--
6. Allowance to the asset impairment provision	(0.04)	(0.17)	(0.01)	(0.03)
7. Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations	--	0.02	--	--
RESULT FROM OTHER ACTIVITIES	(11.37)	0.67	(3.01)	(2.64)
IV. RESULT ON RESTATEMENT OF FINANCIAL ACCOUNTS	--	--	--	--
V. RESULT BEFORE TAXES FROM ONGOING OPERATIONS	10.58	77.44	(6.29)	6.48
VI. TAX ON PROFIT FROM ONGOING OPERATIONS	(2.26)	(19.70)	1.77	(0.62)
VII. RESULT AFTER TAX FROM ONGOING OPERATIONS	8.32	57.74	(4.52)	5.86
VIII. RESULT AFTER TAX FROM DISCONTINUED ACTIVITIES	(1.52)	(0.49)	(0.01)	--
IX. RESULT FOR THE YEAR	6.80	57.25	(4.53)	5.86
1. Attributable to non-controlling interests	9.19	9.38	(1.11)	0.41
2. Attributable to the controlling company	(2.39)	47.87	(3.42)	5.45

Figures in millions of euros

FOR YEARS ENDED DECEMBER 31, 2015 AND 2014

MAPFRE RE		CORPORATE AREAS AND CONSOLIDATION ADJUSTMENTS		TOTAL	
2015	2014	2015	2014	2015	2014
--	--	(32.81)	(9.04)	417.04	446.09
(0.01)	--	(73.38)	(59.66)	(519.05)	(473.12)
--	--	36.92	27.87	90.20	76.69
--	--	(100.44)	(110.79)	(128.86)	(138.26)
--	--	--	(0.01)	4.03	3.27
--	--	(0.03)	(0.01)	(0.03)	(0.01)
--	--	16.31	1.46	22.15	6.60
--	--	(17.50)	(72.00)	(19.59)	(79.27)
--	--	--	--	--	--
(0.01)	--	(170.93)	(222.20)	(134.11)	(158.01)
--	--	--	--	(7.96)	(73.48)
205.13	200.25	(181.69)	(248.92)	1,476.03	1,745.48
(52.56)	(58.73)	49.72	105.41	(463.63)	(486.33)
152.57	141.52	(131.97)	(143.51)	1,012.40	1,259.15
--	--	1.57	--	186.53	64.30
152.57	141.52	(130.40)	(143.51)	1,198.93	1,323.45
--	--	14.84	14.39	490.16	478.32
152.57	141.52	(145.24)	(157.90)	708.77	845.13

E) SUPPLEMENTARY FINANCIAL INFORMATION BY PRODUCT AND GEOGRAPHICAL AREA

1. Consolidated ordinary revenues from external clients in financial years ended december 31, 2015 and 2014

The breakdown of consolidated ordinary revenues, by product and country, is as follows:

1.A) INFORMATION BY PRODUCT

Products	2015	2014
Life	4,269.83	4,922.95
Motor	7,062.80	6,747.82
Home and other simple risks	2,351.01	2,174.40
Health	952.55	1,154.34
Accidents	265.67	182.64
Other Non-life	4,227.36	3,781.68
Reinsurance	5,313.88	4,722.25
Other Activities	1,022.25	1,130.05
Consolidation adjustments	(2,736.55)	(2,554.53)
TOTAL	22,728.80	22,261.60

Figures in millions of euros

1.B) INFORMATION BY COUNTRY

Geographic area	2015	2014
I. Spain	6,728.14	6,847.45
II. United States of America	2,577.60	1,995.35
III. Brazil	4,888.82	5,673.04
IV. Venezuela	78.10	1,064.21
V. Mexico	1,381.14	897.82
VI. Colombia	515.53	673.64
VII. Argentina	446.33	371.78
VIII. Turkey	829.76	640.14
IX. Chile	483.99	393.14
X. Other countries	4,799.39	3,705.01
TOTAL	22,728.80	22,261.60

Figures in millions of euros

Direct insurance and accepted reinsurance premiums, as well as operating revenues from non-insurance activities are considered as ordinary revenues.

2. Non-current assets as at december 31, 2015 and 2014

Geographic area	2015	2014
I. Spain	2,628.67	2,673.58
II. United States of America	512.57	351.76
III. Brazil	768.46	1,005.91
IV. Venezuela	24.29	273.53
V. Mexico	96.33	93.18
VI. Colombia	36.68	26.76
VII. Argentina	40.69	46.57
VIII. Turkey	89.82	83.67
IX. Chile	43.39	47.71
X. Other countries	598.00	499.59
TOTAL	4,838.90	5,102.26

Figures in millions of euros

Non-current assets include other intangible fixed assets, property, plant and equipment, property investment, inventories, tax receivables, social security and other receivables, other assets and non-current assets classified as maintained for the sale of discontinued activities.

There is no client contributing, on an individual basis, more than 10 percent of the Group's ordinary revenues.

F) CONSOLIDATED ANNUAL REPORT

1. General information on the company and its activity

MAPFRE S.A. (hereinafter the "controlling company") is a listed Public Liability Company, parent of a number of controlled companies engaged in insurance in its various lines of business, both Life and Non-Life, finance, securities and services.

MAPFRE S.A. is a subsidiary of CARTERA MAPFRE, S.L. Sociedad Unipersonal (hereinafter CARTERA MAPFRE), which is controlled one hundred percent by Fundación MAPFRE.

The scope of activity of the controlling company and its subsidiaries (hereinafter "MAPFRE", "the Group" or "MAPFRE GROUP") includes the Spanish territory, European Economic Area countries, and other countries.

The controlling company was incorporated in Spain and has its registered office in Majadahonda (Madrid), Carretera de Pozuelo 52.

The MAPFRE GROUP's activities are carried out through four Business Units: Insurance, Assistance (assistance, services and specialty risks), Global Risks, and Reinsurance; three Territorial Areas: IBERIA, LATAM and INTERNATIONAL; and

seven Regional Areas: IBERIA (Spain and Portugal), LATAM NORTH (Mexico, Dominican Republic, Panama, El Salvador, Nicaragua, Costa Rica, Honduras and Guatemala), LATAM SOUTH (Colombia, Venezuela, Ecuador, Peru, Chile, Argentina, Uruguay and Paraguay), BRAZIL, NORTH AMERICA (United States, Puerto Rico and Canada), EMEA (Europe, Middle East and Africa), and APAC (Asia Pacific).

With the exception of the Reinsurance Unit, the Business Units are organized in line with the Group's regional structure.

The Regional Areas are the geographical units that plan, support and supervise all the Insurance and Services Business Units in the region.

There are also nine Global Corporate Areas (Finance, Investment, Human Resources, Resources and Institutional Coordination, Business Support, Internal Audit, Strategy and Development, General Counsel and Legal Affairs, and Business and Clients) which have global responsibilities for all the Group's companies worldwide.

The MAPFRE GROUP has its own distribution networks with offices in the countries in which it operates and which it combines with the use of other distribution channels. Further support is provided by its brokers, insurance distribution professionals who, in different capacities (brokers, delegates and agents), play an important role in marketing and selling policies and attending to policyholders.

The Group boosts its distribution capacity by signing distribution agreements – and bancassurance agreements in particular – with different companies.

The controlled companies have adapted their internal structure and distribution systems to the peculiarities of the markets in which they operate.

The Board of Directors issued the consolidated annual accounts on February 9, 2016 and they are expected to be approved at the Annual General Meeting. Under Spanish regulations, the consolidated annual accounts may be modified if they are not approved by that governance body.

2. Basis of presentation of the consolidated annual accounts

2.1. BASIS OF PRESENTATION

The Group's consolidated annual accounts were prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (IFRS-EU), with all companies having carried out the requisite standardization adjustments.

The consolidated annual accounts were prepared on the cost-model basis, except for available-for-sale financial assets, financial assets for trading and derivative financial instruments, which were recorded at fair value.

There was no early application of the rules and interpretations which, having been approved by the European Commission, had not entered into force on the closing date of the 2015 financial year. However, their early adoption would have had no effect on the Group's financial situation and results.

2.2. FINANCIAL INFORMATION BY SEGMENT

Section E) of the consolidated annual accounts includes financial information by segment.

In 2014, the Group adopted a new organizational structure, identifying the following operating segments according to the geographic location of the activities of the Insurance, Asistencia and Global Risks Business Units and the activity of the Reinsurance Business Unit:

Insurance activity and other activities

- IBERIA
- LATAM NORTH
- LATAM SOUTH
- BRAZIL
- NORTH AMERICA
- EMEA
- APAC

Reinsurance activity

- MAPFRE RE

Income and expenditure/ Revenues and expenses from the "insurance activity and other activities" corresponds to income and expense derived from the Insurance, Asistencia, Specialty Risks and Services and Global Risks businesses, and from other complementary activities relating to the management of property investment, and from medical services, assistance, funeral services, technology services, and others. In this case, the operating segments identified are organized geographically, according to the structure of the Group's regional management areas and taking into account the quantitative thresholds established in prevailing regulations.

The operating segment corresponding to the Reinsurance Business Unit (MAPFRE RE) includes the Group's entire reinsurance activity, irrespective of the geographic location.

Transactions between segments are performed at fair value and eliminated in the consolidation process.

The amounts shown under "Corporate Areas and consolidation adjustments" include expenses for services rendered by the Global Corporate Areas and the adjustments made on consolidation.

The Consolidated Management Report provides additional information on the development and characteristics of the business.

2.3 FINANCIAL INFORMATION BY PRODUCT AND GEOGRAPHIC AREA

Section F) of the consolidated annual accounts includes supplemental financial information by product and by geographical area.

The information by product is presented for the main activity lines, which are:

- Life
- Motor
- Home and other simple risks
- Health
- Accidents
- Other Non-Life
- Reinsurance

The information shown for each geographic area is broken down by the main countries comprising the Group's regional areas, as indicated in Note 1.

2.4. CHANGES IN ACCOUNTING POLICIES, CHANGES IN ESTIMATES AND ERRORS

In the financial years 2015 and 2014 there were no changes in accounting policies, estimates or significant errors that could have had an effect on the Group's financial position or results.

2.5. COMPARISON OF INFORMATION

As a result of the agreement with CATALUNYA BANC for the sale and purchase of the interest in CatalunyaCaixa Vida, Societat Anònima d'Assegurances i Reassegurances (Cx Vida) and CatalunyaCaixa Assegurances Generals, Societat Anònima d'Assegurances i Reassegurances (Cx Generals), during the first half of the year the activities of these companies were classified as discontinued activities and the associated assets and liabilities were classified as held for sale, as reflected

in the interim financial statements at June 30, 2015. This agreement was executed on July 31, 2015. In accordance with applicable regulations, and so that the Consolidated Statement of comprehensive income and the Overall consolidated income statement for 2015 are comparable with those of 2014, the 2014 statements were restated, reclassifying all the amounts contributed by these companies under heading VIII "Earnings after tax from discontinued operations" in the consolidated income statement, as well as the corresponding sections of the consolidated income statement and the related notes.

As at December 31, 2015, and for the purpose of their presentation the consolidated balance sheet, the deferred tax assets and liabilities of each of the Group's taxpaying companies were offset. In order for the information to be comparable, the amounts of the items for the financial year 2014, reduce of 1,816.60 million euros have been restated.

In the consolidated annual accounts for the year ended December 31, 2015, segment-based financial information is provided according to the new organizational structure, as per the classification indicated in Note 2.2. In order to ensure the comparability of information, the segment-based information disclosed in the consolidated annual accounts for the prior year was restated, adapting it to the new organizational structure.

The adoption of the amendments included in the Annual Improvements to International Financial Reporting Standards, which are obligatory for accounting periods beginning on or after January 1, 2015, have not had an effect on the Group's financial position or results.

2.6. CHANGES IN THE SCOPE OF CONSOLIDATION

Appendix 1 identifies the companies that were incorporated into the consolidation scope in 2015 and 2014, together with details of their equity and results. This appendix also describes the other changes that occurred in the consolidation scope.

The effects on the equity attributable to the controlling company as a result of changes in the last two financial years regarding the ownership of controlled companies that do not imply a loss of control have not been significant (these changes are described in Appendix 1).

The result of the loss of control in controlled companies has had only a slight impact on the financial year (these losses of control are described in Appendix 1).

The overall effect on the Group's consolidated equity, financial position and results in 2015 and 2014 derived from other changes in the consolidation scope with respect to the preceding year is described in the relevant notes of the consolidated annual report.

2.7. ACCOUNTING JUDGMENTS AND ESTIMATES

In the preparation of the consolidated annual accounts under IFRS-EU, the controlling company's Board of Directors has made judgments and estimates based on assumptions about the future and uncertainties that basically refer to:

- Impairment losses on certain assets (Notes 6.1, 6.2 and 6.4).
- The calculation of provisions for risks and expenses (Note 6.15).
- The actuarial calculation of post-employment remuneration-related commitments and liabilities (Note 6.22).
- The useful life of intangible assets and of tangible fixed asset items (Notes 5.3 and 6.1).
- The fair value of certain non-listed assets (Note 6.4).

The estimates and assumptions used are regularly reviewed and are based on historical experience and other factors that may have been considered more reasonable at a given time. If a change in the estimates were to take place in a given period as a result of these reviews, its effect would apply to that period and, if applicable, to subsequent periods.

3. Consolidation

3.1. CONTROLLED COMPANIES, ASSOCIATED UNDERTAKINGS AND JOINT ARRANGEMENTS

The controlled companies, associated undertakings and joint arrangements included in the consolidation are identified and described in the capitalization table, which forms an integral part of the consolidated report as Appendix 1.

This appendix indicates the joint arrangements that have been included in the consolidation and the consolidation method used.

Companies are configured as controlled companies when the controlling company holds power over the investee entity, has exposure or rights to variable returns, and has the capacity to influence those returns through the power exercised in the entities. Controlled companies are consolidated from the date when the Group acquires control, and are excluded from the consolidation on the date when it ceases to have such control. Consequently, the results relating to the part of the financial

year during which the entities belonged to the Group are included in the accounts.

In controlled companies in which the controlling company has 50 percent or less of the dividend rights, their consideration as controlled entities is based on the provisions in the shareholder agreements, which may be as follows:

- The administration of the companies is carried out by a Board of Directors, which is responsible for their operating and financial strategies as well as their administration and management, and for overseeing their financial and operating policies, among others. In these cases, the Board of Directors comprises an even number of members, and the Chairman is always appointed at the recommendation of MAPFRE. The Chairman has the casting vote, therefore exercising control over the company.
- MAPFRE is endowed with the power to appoint and revoke the CEO, Financial Manager, Actuarial Manager and any other key personnel involved in the management and control of the company.
- Voting rights are established separately from dividend rights, which means that MAPFRE has the majority of the voting rights at general meetings. Additionally, the Board of Directors comprises an even number of members and in the event of a tie, one of the directors appointed at the recommendation of MAPFRE has the casting vote.

Associated undertakings are entities in which the controlling company exercises a significant influence but which are neither controlled companies nor joint arrangements.

Significant influence refers to the power of intervening in the investee company's decisions on financial and operating policies, but without having control or joint control over these policies. It is presumed that significant influence is exercised when the controlling company owns, either directly or indirectly through its controlled companies, at least 20 percent of the voting rights of the investee company.

Shareholdings in associated undertakings are consolidated by the equity method, including within the value of the shareholding the net goodwill identified on the acquisition date.

When the Group's participation in the losses of an associated undertaking is equal to or higher than the book value of its stake, including any unsecured receivable, the Group does not record additional losses, unless obligations have been incurred or payments have been made on behalf of the associated undertaking.

In determining whether an investee is a controlled or associated undertaking, account has been taken of the investee's purpose and design in order to determine its main activities, the way in which decisions about those activities are made, who currently has the capacity to manage those activities, and who receives returns on them. The following aspects have also been taken into account: the potential voting rights held and liable of exercise, call options on shares, debt instruments convertible into shares, and other instruments that provide the controlling company with the possibility of increasing or reducing its voting rights.

A joint arrangement is considered to exist when two or more entities undertake an economic activity subject to shared control regulated by means of contractual agreement.

A joint arrangement is classified as a joint venture when the parties have rights to the net assets of the arrangement, in which case their interests are recorded in the consolidated annual accounts using the equity method.

A joint arrangement is classified as a joint operation when the parties have rights to the net assets and obligations for the liabilities, in which case their interests are recorded in the consolidated annual accounts using the proportionate consolidation method.

The financial statements of controlled companies, associated undertakings and joint arrangements used for the consolidation correspond to the financial years closed at December 31, 2015 and 2014.

3.2. CONVERSION OF ANNUAL ACCOUNTS OF FOREIGN COMPANIES INCLUDED IN THE CONSOLIDATION

The functional and presentational currency of the MAPFRE GROUP is the euro. Accordingly, the balances and operations of Group companies with a different functional currency are translated into euros using the closing exchange rate for balance sheet balances at the average exchange rate weighted for the volume of operations, for transactions.

The exchange differences resulting from applying this procedure, as well as those arising from the translation of loans and other foreign currency instruments covering investments in foreign activities, are presented as a separate component in the "Consolidated statement of comprehensive income" and are shown under equity in the "Positive foreign exchange differences" account, deducting the part of the difference that corresponds to Non-controlling Interests.

Goodwill and fair value adjustments of assets and liabilities arising from the acquisition of Group companies whose presentation currency is not the euro are treated as assets and liabilities of overseas activities. As such, they are stated in the functional currency of the overseas undertaking and translated at the closing exchange rate.

The financial statements of companies domiciled in countries with high inflation rates or hyperinflationary economies are adjusted or restated due to the effects of changes in prices before their translation into euros. Inflation adjustments are made in accordance with the provisions of IAS 29 "Financial reporting in hyperinflationary economies".

For the financial years 2015 and 2014, only Venezuela has been classified as a country with a hyperinflationary economy. The functional currency of the Group companies operating in this country is the Venezuelan bolivar (VEF).

In the first half of 2015, as a result of the absence of auctions and the scarce representation afforded by the SICAD I benchmark index, the Group adopted the SIMADI exchange rate when converting the financial statements of its Venezuelan subsidiaries. The SIMADI was created in February 2015, as a free exchange system in which, initially, the free exchange rate would be established by the participation of currency offers and demands and the market itself. At the onset, it appeared that its application would more accurately reflect the asset position of the Group's companies in Venezuela. However, the practice has revealed a disconnect between the SIMADI and real inflation in the country, which has caused the currency in this hyperinflationary economy to steadily lose value, with an exchange rate that does not fluctuate freely and consequently does not reflect the actual loss in value. Accordingly, the application of the SIMADI rate does not adequately reflect the financial and asset position of the Venezuelan subsidiaries.

As a result of the foregoing, and given the lack of a reliable official index, it was deemed necessary to estimate an exchange rate that takes into account real inflation in the country and that helps adequately reflect the integration of the Venezuelan subsidiaries' financial statements in the preparation of the MAPFRE GROUP's consolidated accounts, in order to offer the requisite true and fair view thereof.

The Group considered that the exchange rate that best reflects the financial position of the Venezuelan subsidiaries should be based on the discounting of the SIMADI exchange rate, on the basis of the inflation reported in the International Monetary Fund (IMF) Economic Outlook, which estimates an inflation rate of 190 percent for 2015. This inflation was applied from the date the SIMADI was created, in late February 2015 (176.60 USD/VEF) to December 31, 2015. Accordingly, the exchange rate obtained, and at which all 2015 balances and transactions of Group companies operating in Venezuela were translated, was 425.80 USD/VEF. The difference between the consolidated figures for Venezuela at December 31, 2015 and those that would have resulted from strictly applying the original SIMADI (which was 198.70 USD/VEF at December 31, 2015) would entail a reduction in Net Equity and Result for the period attributable to the controlling company of 45.24 million euros and 10.12 million euros, respectively.

In the consolidated income statement, the loss arising from the net monetary position is shown under a separate heading and in 2015 and 2014 amounts to 7.96 and 73.48 million euros, respectively. This monetary restatement has resulted in an increase of 19.77 and 142.57 million euros in the Group's net equity as at December 31, 2015 and 2014, respectively.

Adjustments to the opening balance

The columns of adjustments to the opening balance that appear in the various tables of the consolidated report include the variations resulting from the application of a different exchange rate for the translation of figures corresponding to overseas subsidiaries.

The variations in the technical provisions recorded in the consolidated income statement differ from those obtained due to the difference in the balance sheet balances of the present and previous financial year. This is because a different exchange rate has been applied for the translation of figures corresponding to overseas subsidiaries.

4. Earnings per share and dividends

4.1. EARNINGS PER SHARE

The calculation of the basic earnings per share, which in the absence of dilutive potential ordinary shares coincides with the diluted earnings per share, is shown below:

Item	2015	2014
Net profit attributable to controlling company's shareholders (million euros)	708.77	845.13
Weighted average number of ordinary shares in issue (million)	3,079.55	3,079.55
BASIC EARNINGS PER SHARE (EUROS)	0.23	0.27

4.2. DIVIDENDS

The breakdown of the controlling company's dividends in the last two financial years is as follows:

Item	TOTAL DIVIDEND (MILLION EUROS)		DIVIDEND PER SHARE (EUROS)	
	2015	2014	2015	2014
Interim dividend	184.77	184.77	0.06	0.06
Final dividend	215.57	246.36	0.07	0.08
TOTAL	400.34	431.13	0.13	0.14

The total dividend for financial year 2015 has been proposed by the Board of Directors and is pending approval at the Ordinary Annual General Meeting.

The planned dividend payout complies with the requirements and limitations that are laid down in the legal regulations and the corporate bylaws.

In 2015 the controlling company distributed an interim dividend equivalent to a total amount of 184,773,196.38 euros, which is recorded in equity under the heading "Interim dividend". The cash statement prepared by the Board of Directors for the distribution is shown below:

Item	Date of Resolution 03-11-2015
Cash available on the date of the resolution	50.94
Increases in cash forecast within one year	2,417.48
(+) From expected current collection operations	547.48
(+) From financial transactions	1,870.00
Decreases in cash forecast within one year	(1,947.12)
(-) From expected current payment transactions	(57.00)
(-) From expected financial transactions	(1,890.12)
CASH AVAILABLE WITHIN ONE YEAR	521.30

Figures in millions of euros

5. Accounting policies

The accounting policies applied in relation to the following items are as stated below:

5.1. INTANGIBLE ASSETS

GOODWILL

GOODWILL ON MERGER

Goodwill on merger represents the excess of the cost paid in a business combination over the fair value of the assets and liabilities identifiable on the date of the merger.

CONSOLIDATION DIFFERENCES

– Goodwill on consolidation

Goodwill on consolidation represents the excess of the acquisition cost over the fair value of the stake in the controlled company's equity on the acquisition date, except for acquisitions made prior to January 1, 2004, where it corresponds to the goodwill, net of amortization, recorded pursuant to the Spanish regulations applying on the said date. In the case of acquisitions of stakes in the controlled company from non-controlling shareholders subsequent to the initial one, the controlling company recognizes this excess as a lower amount of reserves.

– Consolidation loss

If the value of the identifiable assets acquired minus that of the liabilities assumed exceeds the acquisition cost, the difference is recorded as revenue in the consolidated income statement.

IMPAIRMENT OF GOODWILL

After its initial recognition and allocation to a cash generating unit, the possible loss in value is assessed at least once a year. When the recoverable amount of a cash generating unit is below the carrying amount thereof, the loss in value is comprehensive immediately in the consolidated income statement.

OTHER INTANGIBLE ASSETS

INTANGIBLE ASSETS ARISING FROM AN INDEPENDENT ACQUISITION

Intangible assets acquired from third parties in a market transaction are measured at cost. If their useful life is finite they are amortized accordingly; if they have an indefinite useful life, they are tested for impairment at least once a year.

INTERNALLY GENERATED INTANGIBLE ASSETS

Research expenses are comprehensive directly in the consolidated income statement in the year when they are incurred. Development expenses are recorded as an asset when their probability, feasibility and future recoverability may be reasonably guaranteed, and are carried at cost.

Capitalized development expenses are amortized over the period in which revenues or yields are expected to be obtained, without prejudice to the valuation that would be made if impairment occurred.

5.2. BUSINESS COMBINATIONS

The controlling company identifies a business combination when the assets acquired and the liabilities assumed in a transaction constitute a business. Business combinations are accounted for by applying the acquisition method.

On the acquisition date, which is when control of the acquired business or entity is obtained, the acquirer separately recognizes the goodwill, the identifiable assets acquired, the liabilities assumed, and any non-controlling interest in the acquiree.

Goodwill represents the excess of cost, including deferred payments, whether certain or contingent, on the net amount on the acquisition date of the identifiable assets acquired and the liabilities assumed. In line with the provisions of IFRS-EU 3, the Group has chosen not to increase goodwill in part corresponding to external partners.

Initially, the identifiable assets acquired and the liabilities assumed are comprehensive at their fair values at the acquisition date. Any acquisition-related costs incurred by the acquirer are recognized as an expense for the financial year in which they are incurred, except, where necessary, any costs incurred in issuing equity interests.

Subsequently, the acquirer measures the assets acquired, liabilities assumed and equity instruments issued in the business combination according to the valuation rules applicable to those items, according to their nature.

In business combinations achieved in stages, on the date on which control of the holding is obtained, the controlling company again measures its previously held interests in the acquiree's equity at their acquisition date fair value and recognizes any resulting profit or loss in the consolidated income statement. Moreover, any valuation change adjustments to be charged to profit or loss for the financial year are transferred to the consolidated income statement.

When the valuation process necessary to apply the acquisition method cannot be completed at the closing date of the financial year, the annual accounts are prepared using provisional figures. These values are adjusted in the period necessary to complete the initial accounting, and this period may not be more than one year from the acquisition date.

When the business combinations have been accounted for, any modifications to contingent payments are recognized, for combinations undertaken from January 1, 2010 in the consolidated income statement and, for combinations undertaken earlier, as a variation in the business combination cost.

5.3. PROPERTY, PLANT AND EQUIPMENT AND PROPERTY INVESTMENT

Property, plant and equipment and property investment are carried at their acquisition cost less accumulated amortization and, if applicable, accumulated impairment losses.

Costs incurred after their acquisition are recognized as an asset only when the future financial profits related to them are likely to revert to the Group and the cost of the item may be accurately determined. Other repair and maintenance expenses are debited to the consolidated income statement during the financial year when they are incurred.

Property, plant and equipment and property investment are amortized on a straight-line basis on the cost of acquisition of the asset less its residual value and less the value of land, based on the following periods of useful life of the different types of assets:

ITEM GROUP	YEARS	ANNUAL RATIO
Buildings and other structures	50-25	2%-4%
Vehicles	6.25	16%
Furniture	10	10%
Installations	20-10	5%-10%
Data processing equipment	4	25%

The residual value and the useful life of the assets are reviewed and adjusted, if required, on the closing date of each financial year.

The items of property, plant and equipment and property investment are written off when they are sold or when they are no longer likely to generate future financial profits arising from their continued use. Gains or losses arising from the write-off are accounted for in the consolidated income statement.

5.4. LEASES

Finance lease

Leases that transfer to the lessee all the risks and profits inherent to the ownership of the leased asset are classified as finance leases. The lessee records the leased asset in its assets at fair value or at the present value of the minimum payments under the lease if this figure is lower.

Each lease payment is distributed between the liabilities and financial charges in order to arrive at a constant interest rate on the outstanding balance.

The financial costs are debited to the consolidated income statement.

The assets under finance lease are amortized over the useful life of the leased asset.

Operating lease

Leases in which the lesser substantially retains the risks and rewards of ownership are classified as operating leases. Payments related to operating leases (net of any incentive received from the lesser) are debited to the consolidated income statement on a straight-line basis during the period of the lease.

5.5. FINANCIAL INVESTMENTS

Recognition

Financial assets traded on secondary securities markets are generally recognized on the settlement date.

Classification

Financial investments are classified into the following portfolios:

– Held-to-maturity portfolio

This category includes the securities with respect to which there is the intention and proven financial capacity to hold them until their maturity.

– Available-for-sale portfolio

This portfolio includes debt securities not classified as "Held-to-maturity portfolio" or "Trading portfolio", as well as the equity instruments of entities that are not controlled, associated undertakings or joint arrangements and that have not been included in the "Trading portfolio".

– Trading portfolio

This portfolio includes the financial assets that are originated or acquired with a view to their short-term realization, which form part of a portfolio of jointly identified and managed financial instruments and which, according to recent experience, may give rise to short-term gains.

This portfolio also includes derivative instruments not allocated for hedging purposes and hybrid financial assets stated at fair value.

In the case of hybrid financial assets, which simultaneously include a main contract and a financial derivative, both items are segregated and treated independently for the purposes of their classification and valuation. Exceptionally, when this segregation is not feasible, hybrid financial assets are measured at their fair value.

Measurement

On their initial recognition in the balance sheet, all financial investments that form part of the aforementioned portfolios are recognized at the fair value of the consideration delivered, plus, in the case of financial investments not classified in the "Trading portfolio", any dealing costs directly attributable to the acquisition of investment instruments.

Following their initial recognition, financial investments are measured at fair value, without deducting any dealing cost that might be incurred at sale or any other type of disposal, with the following exceptions:

a) Financial investments included in the "Held-to-maturity portfolio", which is measured at its amortized cost using the effective interest rate method.

The effective interest rate is the restatement rate equaling exactly the initial value of a financial instrument to all of its estimated cash flows for all concepts throughout its residual life.

b) Financial assets that are equity instruments and whose fair value may not be accurately estimated, as well as derivatives having the said instruments as underlying assets and that are settled by delivering them, which are measured at cost.

The fair value of the financial investments, including the financial derivatives classified as "Trading portfolio", is the amount that would be received for the sale of a financial asset, or paid for the transfer of a financial liability by means of a transaction ordered between market participants on the measurement date (Quoted price - Level 1). If this quoted price is not available, the fair value is determined, if there is observable market data, by restating the future financial flows, including the redemption value, at rates equivalent to

the interest rates of swaps in euros, increased or decreased by the differential arising from the issuer's credit quality and standardized according to the issuer's quality and the maturity period (Level 2). If no observable market data are available, other measurement techniques are used in which some of the significant variables are not based on market data (Level 3). In this case, the most frequently used method is to request measurement by an independent financial institution.

Impairment

The book value of financial investments is adjusted by debiting the consolidated income statement when there is objective evidence of an event having occurred that has a negative impact on its future cash flows or in any other circumstance evidencing that the investment cost of the financial instrument is not recoverable. The amount of impairment losses is equal to the difference between their book value and the present value of their estimated future cash flows.

In the case of fixed-income securities in which there is default on interest and / or principal, the potential loss is estimated according to the issuer's position. Other fixed-income securities are measured on the basis of their credit rating and the degree of solvency of the issues, and any impairment is recorded when the risk of default is deemed likely.

In the case of equity instruments, an individual analysis of investments is carried out in order to determine if they are impaired. In addition, a sign of impairment is deemed to exist when the market value shows an extended decline (18 months) or a significant decline (40 percent) with respect to its cost.

The amount of estimated impairment losses is recognized in the consolidated income statement, including, in addition, any reduction in the fair value of investments previously recognized under "Revaluation adjustments". The reversal is recognized in the consolidated income statement, except for in the case of equity instruments. In this case, the valuation adjustment recorded in prior years is not recognized in the income statement, but rather any increase in value is taken directly to net equity.

In the case of financial swaps of exchange of flows, the amounts accrued by the main activities are recognized, while the amount resulting from flows is accounted for under "Other financial liabilities" or "Social security and other receivables", as the case may be.

5.6. INVESTMENTS ON BEHALF OF LIFE INSURANCE POLICYHOLDERS BEARING THE INVESTMENT RISK

Investments on behalf of life insurance policyholders bearing the investment risk are basically made in fixed-income securities, variable annuities and investment funds, which are measured at the acquisition price when underwritten or purchased. This acquisition cost is adjusted to the greater or lower value of the investment, as applicable, according to its fair value at the close of the financial year, which is determined as follows:

- Variable annuities: at their quotation price (Level 1).
- Fixed-income securities: if there is a representative quotation, said quotation is applied (Level 1); if there is no quotation or it is not sufficiently representative, the fair value is determined by restating the future flows, including the redemption value (Level 2).
- Investment fund holdings: measured at their net asset value (Level 1).

Revaluations and amortizations of these assets are accounted for as a revenue or expense in the consolidated income statement of the Life direct insurance segment.

5.7. IMPAIRMENT OF OTHER ASSETS

At the close of each financial year, the Group assesses whether there are any signs that the asset items may have suffered a loss in value. If there is any such indication, their recoverable value is estimated.

For assets that are no longer in a usable condition and for intangible assets with an indefinite useful life, the recoverable value is estimated independently of the existence or otherwise of signs of impairment.

If the book value exceeds the recoverable value, a loss for this excess is recognized and the book value of the asset is reduced to coincide with the recoverable value.

If there is an increase in the recoverable value of an asset other than goodwill, the previously recognized loss due to impairment is reversed and the book value of the asset is increased to its recoverable value. This increase never exceeds the book value net of amortization that would have been recorded if no impairment loss had been recognized in previous years. The reversal is recognized in the consolidated balance sheet, unless the asset has been already subject to revaluation against "Revaluation adjustments", in which case the reversal is treated as a revaluation increase. After this reversal, the amortization expense is adjusted in the following periods.

5.8. INVENTORIES

Inventories are measured at the lowest value of their acquisition or production cost and their net realizable value.

The acquisition cost includes the expenses directly attributable to the purchase, as well as an allowance for the overheads incurred for the transformation of inventories and any financial expenses incurred in their acquisition.

The net realizable value is the estimated sale price in the normal course of operation, less any estimated costs to complete their production and those required for their sale.

5.9. RECEIVABLES

These assets are generally measured at amortized cost, calculated pursuant to the effective interest rate method and deducting, if applicable, provisions for losses due to any perceived asset impairment.

In the case of receivables maturing in more than one year without the parties having expressly agreed the applicable interest rate, the receivables are discounted taking as the implicit financial interest the one in force in the public debt securities market with an equal or similar term to the maturity of the receivables, and also taking into account the related risk premium.

When there is objective evidence that an impairment loss has occurred, the relevant provision has been made for the amount deemed not recoverable. This amount is equal to the difference between the book value of the asset and the present value of future cash flows, discounted at the original effective interest rate of the financial asset. The amount of the loss is recognized in the consolidated income statement for the year.

The impairment loss corresponding to premiums pending collection is calculated separately for each line or risk, is presented in the consolidated income statement as a lower amount of the written premiums, and consists of the part of the insurance premium accrued in the year which, judging from past experience, is not likely to be collected, taking into account the impact of reinsurance.

The impairment is recognized in the consolidated income statement as an overall amount according to past experience and the age of receipts pending collection, or on an individual basis when the circumstances and status of the receipts demand this.

Receivables for the recollection of claims are only capitalized when their realization is considered as certain.

5.10. CASH

This heading comprises cash and cash equivalents.

Cash includes treasury bills and demand deposits.

Cash equivalents correspond to highly liquid short-term investments (maximum three months) that can be easily converted into fixed amounts of cash and have an insignificant risk of change in value.

5.11. ACCURAL ADJUSTMENTS EN BALANCE

The heading "Accural Adjustments en balance" on the assets side basically includes fees and other acquisition expenses corresponding to accrued premiums subject to allocation to the period between the closing date and the termination of the coverage period of the contracts, with such expenses being those actually borne in the period, with the limit established in the technical bases.

On the liabilities side, the heading "Accural Adjustments en balance" includes the amounts of fees and other acquisition expenses of ceded reinsurance that are to be allocated in the following year(s) pursuant to the coverage period of the ceded policies.

5.12. NON-CURRENT ASSETS HELD FOR SALE AND RELATED LIABILITIES

Assets held for sale, if applicable, are generally measured at the lower amount of their book value and fair value, deducting sale costs. These costs are understood as marginal costs directly attributable to the disposal, excluding, if applicable, financial costs and tax on profits expenses.

Non-current assets classified as held for sale are not subject to amortization.

Losses for impairment of their book value are recognized in the consolidated income statement. Similarly, when a recovery in value takes place, this is recognized in the consolidated income statement up to an amount equal to the impairment loss previously recognized.

5.13. TREASURY STOCK

Treasury stock is measured at cost of acquisition and recognized in net equity. Expenses incurred on acquisition are recognized in net equity as a decrease in the value of reserves.

All transactions performed with treasury stock are recognized in net equity as a change in the value of shareholders' net equity.

5.14. FINANCIAL AND SUBORDINATED LIABILITIES

In their initial recognition in the balance sheet, financial and subordinated liabilities are recorded at their fair value. Following their initial recognition, all of these liabilities are measured by their amortized cost, except for credit balances deriving from financial swap operations, which are measured in accordance with the provisions in Note 5.5 Financial investments.

When financial and subordinated liabilities are written off in the balance sheet, the difference between their book value and the consideration delivered is recognized in the consolidated income statement.

The options on the stake held by non-controlling shareholders in controlled companies, when the acquirer does not have access to financial profit associated with the shares subject to the option, are recorded both at baseline and subsequently, at fair value, after accounting for differences in valuations in the consolidated income statement.

5.15. INSURANCE ACTIVITIES

A) PREMIUMS

DIRECT INSURANCE

Premiums from the Non-Life business and annual renewable Life contracts are recognized as revenues throughout the validity of the contracts, pursuant to the period of time elapsed. The accrual of premiums is performed by allocating the provision for unearned premiums.

Premiums from the long-term Life business, whether single premiums or regular premiums, are recognized when the right to collection arises on the part of the contract issuer.

CEDED REINSURANCE

Premiums corresponding to ceded reinsurance are recorded pursuant to the reinsurance contracts underwritten and under the same criteria as direct insurance.

ACCEPTED AND RETROCEDED REINSURANCE

Premiums corresponding to accepted reinsurance are recorded on the basis of the accounts received from the ceding companies.

Retroceded reinsurance activities are recorded under the same criteria as accepted reinsurance and pursuant to the retrocession contracts underwritten.

COINSURANCE

Coinurance activities are recorded pursuant to the accounts received from the opening company and the stake in the contracts underwritten.

B) TECHNICAL PROVISIONS

Below are the main assumptions and methods used to establish the provisions.

a) Direct insurance of entities belonging to the European Economic Area

PROVISION FOR UNEARNED PREMIUMS

The provision for unearned premiums is calculated on a policy by policy basis and reflects insurance premium accrued during the year which is subject to allocation to future financial years, after deducting the security surcharge.

PROVISION FOR UNEXPIRED RISKS

The provision for unexpired risks is calculated on an individual business line basis and supplements the provision for unearned premiums for the amount not showing the valuation of risks and expenses to be covered, corresponding to the coverage period not elapsed at the closing date.

For the Automobile line, this provision has been calculated by taking into account all the guarantees covered with the products marketed by the different companies.

PROVISIONS FOR LIFE INSURANCE

— In Life insurance policies with a coverage period equal to or shorter than one year, the provision for unearned premiums is calculated on a policy-by-policy basis and reflects the insurance premium accrued in the year subject to allocation to future financial years.

When this provision is not sufficient, the provision for unexpired risks is calculated to cover the valuation of risks and expenses to be covered, corresponding to the coverage period not elapsed at the closing date for the financial year.

— In Life insurance policies with a coverage period exceeding one year, the mathematical reserve has been calculated on a policy-by-policy basis as the difference between the current actuarial value of the future obligations of the controlled companies operating in this line, and those of the policyholder or insured person. The calculation basis is the inventory premium accrued in the year, represented by the pure premium plus the surcharge for administration expenses, both determined using the best estimates for mortality, morbidity, investment yields and administration expenses on issuance of the contracts, as detailed in the technical bases of the relevant products and types, and remaining unchanged throughout the life of the contract unless its inadequacy becomes evident, in which case the calculation of the mathematical reserve would be changed.

Underwritten policies that have a profit-sharing clause in force at the close of each year share, pro rata to their mathematical provisions or technical results and as specifically laid down in each contract, in the net yields obtained by the investments allocated to covering these provisions. The amount of this profit sharing is recorded as a greater amount of technical provisions.

— This consolidated balance sheet heading also includes the provision for profit sharing and for premium returns. This provision includes the amount of profits accrued in favor of policyholders, insured persons or beneficiaries and the premiums that must be reimbursed to policyholders.

PROVISION FOR OUTSTANDING CLAIMS

This represents the estimated appraisals of the pending liabilities arising from the claims occurring prior to the closing date of the year, after deducting any payments on account. It includes the appraisals of the claims yet to be settled or paid and yet to be declared, as well as the internal and external expenses involved in the settlement of claims; in the Life insurance business, it also includes maturities and redemptions pending payment.

OTHER TECHNICAL PROVISIONS

The most significant provision included under this heading is the "Funeral Insurance Provision", which is calculated on a policy-by-policy basis as the difference between the current actuarial value of future obligations of the controlled companies operating in this line and those of the policyholder or insured person.

For certain portfolios, the Funeral insurance provision is calculated using methods based on Group capitalization, with a financial-actuarial restatement being made of projected flows of premiums and expected claims up to the expiration of the collective insurance.

TECHNICAL PROVISIONS RELATING TO LIFE INSURANCE WHEN THE INVESTMENT RISK IS BORNE BY THE POLICYHOLDERS

The provisions for Life insurance in which it has been contractually agreed that the investment risk will be fully borne by the policyholder have been calculated on a policy-by-policy basis and are measured according to the assets specifically allocated to determine the value of the rights.

b) Direct insurance of entities not belonging to the European Economic Area

Technical provisions are calculated pursuant to the local criteria in force in each country, except in cases where their application could distort the true picture that must be shown in the financial statements. In this latter case the controlling company's criteria have been adopted.

Life insurance provisions have been calculated pursuant to the operational assumptions, mortality tables and technical interest rate used in the industry in the respective countries.

c) Ceded reinsurance

Technical provisions for cessions to reinsurers are shown in the balance sheet assets and are calculated according to the reinsurance agreements underwritten and under the same criteria as direct insurance.

d) Accepted reinsurance

Provision for unearned premiums

Accepted reinsurance activities are recorded on the basis of the accounts received from the ceding companies. If the ceding company's latest accounts are not available at the balance sheet closing date, the balance of the other received accounts is taken as the provision for unearned premiums of non-closed accounts so as not to recognize earnings in the recording of these accounts. Exceptionally, if these provisions for non-closed accounts were to be negatively affected by recording major claim payments, as a certain loss impossible to offset by movements of non-closed accounts, the provision is adjusted by the relevant amount.

When the latest account and the report on outstanding claims are available, the provisions of non-closed accounts are canceled, the corresponding provisions for unearned premiums are allocated according to the information provided by the ceding company, and they are accrued on a policy by policy basis. Failing this, the amount recorded as the provision for unearned premiums is the amount of the deposit of premiums withheld for this reason, and as a final resort a global method for accruing premiums may be used.

Acquisition expenses reported by the ceding companies are accrued under the heading "Adjustments for prepayment" in the consolidated balance sheet assets, with these expenses corresponding to those actually borne in the period. If the ceding companies do not report the amounts, acquisition expenses are accrued on a risk by risk basis for facultative proportional reinsurance and globally for all other proportional business.

Provision for risks in progress

This is calculated on an individual business line basis and supplements the provision for unearned premiums for the amount not showing the valuation of risks and expenses to be covered corresponding to the coverage period not elapsed at the closing date.

Provision for outstanding claims

The provisions for outstanding claims are established in the amounts reported by the ceding company or, in the absence thereof, according to withheld deposits, and they include supplementary provisions for claims that have occurred and have not been reported and for any deviations of the existing provisions according to our own experience.

e) Retroceded reinsurance

Retroceded reinsurance activities and their corresponding technical provisions are recorded following the same criteria as for accepted reinsurance and according to the retrocession agreements underwritten.

f) Liability adequacy test

Technical provisions recorded in the accounts are periodically submitted to a reasonability test in order to determine their adequacy on the basis of the projections of all future cash flows of existing contracts. If the test shows these provisions to be insufficient, they are adjusted against the year's earnings.

g) Shadow accounting

In order to mitigate the accounting asymmetries arising from applying different measurement methods for assets and liabilities, and to reflect the effect of sharing in the profits of the insured, IFRS-EU allow "shadow accounting", which means that losses or gains in the allocated assets are recognized when measuring technical provisions, up to the limit of the amounts assumed by the policyholder.

C) OTHER ASSETS AND LIABILITIES ARISING FROM INSURANCE AND REINSURANCE CONTRACTS

A) DEPOSIT COMPONENTS IN INSURANCE CONTRACTS

Some Life insurance contracts contain both an insurance component and a deposit component. These two components are not measured separately because all the rights and obligations arising from the deposit component are recognized.

B) EMBEDDED DERIVATIVES IN INSURANCE CONTRACTS

Some Life insurance contracts contain embedded derivatives, which essentially consist of guaranteed redemption values and maturity values. Embedded derivatives are not measured separately from the main insurance contract because they fulfill the conditions to be classified as insurance contracts, and their embedded value is therefore measured jointly with the main contract, pursuant to IFRS-EU 4.

C) INSURANCE CONTRACTS ACQUIRED IN BUSINESS COMBINATIONS OR PORTFOLIO TRANSFERS

Insurance contracts acquired in a business combination or portfolio transfer are recognized in the balance sheet as follows:

C.1) The liabilities arising from the insurance contracts are recorded pursuant to IFRS-EU 4.

C.2) An intangible asset is recorded, representing the difference between:

- The fair value of the rights acquired and the remaining contractual obligations assumed, and
- The amount described in section C.1) above

This intangible asset is amortized based on the maintenance of the policies in force at the time of the acquisition and the future generation of the profit.

D) ACTIVATION OF ACQUISITION FEES AND EXPENSES

Acquisition fees and expenses directly related to new production sales are never activated, being recorded in the consolidated income statement of the financial year when they are incurred.

D) INCURRED CLAIMS

The estimated cost of claims, both for the Life and the Non-Life business, is recognized according to the date the incident occurs and all the necessary expenses to be incurred up to the settlement of the claim are recorded.

For incidents that occur prior to the end of each financial year but are not reported, the best estimate of their cost is recognized based on historical experience, through the provision for claims pending declaration.

Payments of claims are made against the previously recognized provision.

Claims corresponding to accepted reinsurance are recorded on the basis of the accounts received from the ceding companies.

Claims corresponding to ceded and retroceded reinsurance are recorded pursuant to the reinsurance contracts underwritten and under the same criteria as for direct insurance and accepted reinsurance, respectively.

E) MOST SIGNIFICANT ASSUMPTIONS AND OTHER SOURCES OF ESTIMATION UNCERTAINTY

With respect to assets, liabilities, revenues and expenses arising from insurance contracts, as a general rule the assumptions that were used as the basis for the issuance of these contracts are as specified in the technical bases.

As a general rule, the estimates and assumptions used are reviewed from time to time and are based on historical experience and on other factors that may have been considered more reasonable at a given time. If a change in the estimates were to take place in a given period as a result of these reviews, its effect would apply to that period and, if applicable, to subsequent periods.

The main assumption is based on the performance and development of claims, using the frequency and cost of claims over the last few years. Additionally, the estimates also take into account assumptions about interest rates and foreign exchange rates, delays in the payment of claims, and any other external factors that might have a bearing on the estimates.

With regard to liabilities, the assumptions are based on the best possible estimate at the time of issuance of the contracts. However, if a proven insufficiency becomes apparent, the provisions needed to cover this insufficiency are established.

In calculating technical provisions, discount techniques are not used to measure future flows. The only exceptions are the mathematical reserves in the Life business and Funeral provisions in direct insurance.

During the year there have not been any significant amendments in the assumptions used to measure the liabilities arising from insurance contracts.

F) IMPAIRMENT

When there is objective evidence that an impairment loss of the assets derived from insurance and reinsurance contracts has been incurred, the general measurement criterion indicated in Note 5.9 Receivables is applied.

5.16. PROVISIONS FOR RISKS AND EXPENSES

Provisions are recognized when the present obligation (either legal or implicit) exists as a result of a past event and a reliable estimate of the amount of the obligation may be made.

When a provision is expected to be recovered, partly or fully, the reimbursement is recognized as a separate asset.

5.17. DEBT

The items included under the heading "Debt" are generally measured at amortized cost using the effective interest rate method.

In the case of debt with maturity beyond one year, if the parties have not expressly agreed the applicable interest rate, debts are discounted using the financial interest that is in force in the public debt market for securities with the same or similar term as the maturity of the debts, and also taking in account the relevant risk premium.

5.18. GENERAL CRITERION FOR REVENUES AND EXPENSES

The general principle applicable to the recognition of revenues and expenses is the accrual criterion, pursuant to which the allocation of revenues and expenses is made according to the actual flow of goods and services represented by them, irrespective of the date of the monetary or financial flow arising from them.

5.19. STAFF REMUNERATION

Remuneration to staff may be short-term, post-employment benefits, termination payments, share-based payments and other long-term payments.

a) Short-term remuneration

These are recorded pursuant to the services provided by employees, on an accrual basis.

b) Post-employment benefits

These essentially consist of defined contribution plans and defined benefit plans, as well as life insurance covering death between age 65 and 77.

DEFINED CONTRIBUTION PLANS

These are post-employment benefit plans in which the entity involved makes pre-determined contributions to a separate entity (whether linked to the Group or external) and has no legal or implicit obligation to make any additional contributions in the event of an insufficiency of assets to honor the payment of benefits. Therefore, the obligation consists solely in making the contribution that is agreed to a fund, and the amount of the benefits to be received by employees is determined by the contributions made plus the return obtained on the investments where the fund is materialized.

DEFINED BENEFIT PLANS

These are also post-employment plans but different from the defined contribution plans.

The liability recognized in the balance sheet in relation to defined pension schemes, recorded under the mathematical reserves heading, is equal to the present value of the defined benefit obligation on the balance sheet date, minus, if applicable, the fair value of the assets allocated to the plan.

The obligation associated with the defined benefit is determined separately for each plan using the actuarial method to measure the projected unit credit.

Actuarial gains and losses are recorded in net equity accounts.

The defined benefit plan obligations left in the balance sheet correspond exclusively to retired employees.

c) Termination payments

Termination payments are recognized as a liability and as an expense when there is a demonstrable intention of termination of the labor relationship before the normal retirement date

of employees, or when there is an offer to encourage the voluntary termination of labor contracts.

d) Share-based payments

The MAPFRE GROUP has granted some of its executives in Spain an incentive plan linked to the share price of the controlling company. This plan is valued at the time it is granted using an option valuation method. The measured cost is charged to the balance sheet as a personnel expense during the employee's vesting period, and a liability for the same amount in favor of the employee is recognized.

Every year the initial valuation is re-estimated, and the portion corresponding to that year is recognized in the balance sheet and the portion arising from the re-estimate corresponding to previous years.

This is a revocable plan in that it is subject to the executive remaining in the Group's employment.

e) Other long-term remuneration

The accounting record of other long-term remuneration items, separate from those described in the preceding paragraphs and referring specifically to the years of service or time within the company award, follows the aforementioned principles (the only exceptions are the cost of past services, which is recognized immediately and recorded as a balancing entry under "Provisions for risks and expenses", and actuarial gains and losses, which are taken to the income statement).

In 2013, an exceptional medium-term incentive plan was approved for certain members of the Group's executive team. The plan is not cumulative and is multi-year, commencing January 1, 2013 and ending March 31, 2016. Payment of the incentive depends on fulfilling certain corporate and specific objectives, as well as remaining in the Group's employment until the plan's termination date. At the close of each year, fulfillment of the objectives is measured and the amount accrued in the year is recorded in the consolidated income statement with a payment to a provisions account.

5.20. REVENUES AND EXPENSES FROM INVESTMENTS

Revenues and expenses from investments are classified as operations or equity according to their origin, based on whether they are allocated to covering technical provisions or whether they materialize shareholders' equity, respectively.

Revenues and expenses from financial investments are recorded pursuant to the portfolio in which they are classified, in accordance with the following criteria:

a) Trading portfolio

Changes in fair value are directly recorded in the consolidated income statement, differentiating the portion attributable to yields, which is recorded as interest or, if applicable, as dividends, and the portion that is recorded as realized and unrealized earnings.

b) Held-to-maturity portfolio

Changes in fair value are recognized when the financial instrument is disposed of and in case of impairment.

c) Available-for-sale portfolio

Changes in fair value are recognized directly in the company's net equity until the financial asset is written off or impairment is perceived, at which time they are recorded in the consolidated income statement.

In all cases, the interest from financial instruments is recorded in the consolidated income statement using the effective interest rate method.

5.21. RECLASSIFICATION OF EXPENSES BY NATURE OF DESTINATION AND ALLOCATION TO ACTIVITY SEGMENTS

The criteria followed for the reclassification of expenses according to their destination are mainly based on the duties performed by each employee, and their direct and indirect costs are distributed pursuant to these duties.

For expenses not directly or indirectly related to employees, individual analyses are performed and the expenses are allocated to the destination according to their function.

The established destinations are as follows:

- Claims-related expenses
- Expenses attributable to investment
- Other technical expenses
- Other non-technical expenses
- Acquisition expenses
- Administration expenses
- Operating expenses from other activities

Expenses have been allocated to the following segments, according to the Regional Area or the Business Unit in which the activity originated:

Insurance activity and other activities

- IBERIA
- LATAM NORTH
- LATAM SOUTH
- BRAZIL
- NORTH AMERICA
- EMEA
- APAC

Reinsurance activity

- MAPFRE RE

5.22. TRANSACTIONS AND BALANCES IN FOREIGN CURRENCIES

With the exception of reinsurance activities, transactions in foreign currencies are translated into each Group company's functional currency at the exchange rate in force on the transaction date.

Reinsurance activities in foreign currencies are recorded at the exchange rate established at the beginning of each quarter in the year. Subsequently, at the close of each quarter, they are all treated as a single operation, using the exchange rate in force at the time, and the corresponding difference is recorded in the consolidated income statement.

At year end, the existing balances in foreign currencies are translated at the exchange rate of the functional currency prevailing on that date, and all exchange differences are recorded in the consolidated income statement, the only exception being those which are directly allocated to "Foreign exchange conversion differences", i.e. those arising from the monetary items that form part of the net investment in a foreign operation and from the non-monetary ones measured at fair value, where changes in value are directly recognized in net equity.

5.23. TAX ON PROFITS

Tax on profits is treated as an expense in the year and is recorded as such in the consolidated income statement, including both the tax charge for the current tax and the effect corresponding to the movement in deferred tax.

The balance method is used to determine this item, according to which the deferred tax assets and liabilities are recorded as necessary to correct the effect of temporary differences, which are the differences existing between the book value of an asset or liability and their fiscal value.

Likewise, long-term deferred assets and liabilities are measured according to the rates that will apply in the financial years when the assets and liabilities are expected to be realized or paid, respectively.

Temporary differences may be either "Taxable temporary differences", which give rise to a higher amount of taxes payable in the future and which generally entail the recognition of a deferred tax liability; or "Deductible temporary differences", which give rise to a lower amount of taxes payable in the future and, insofar as they may be recoverable, they are recorded as a deferred tax asset.

Meanwhile, tax on profits related to items where modifications in their value are directly recognized in equity are not allocated to the consolidated income statement but to net equity, and the changes in value are recorded net of the tax effect.

6. Breakdown of financial statements

6.1. INTANGIBLE ASSETS

The following tables describe the movements under this heading during the last two financial years:

Year 2015

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Additions or provisions	Disposals, cancellations or reductions	Closing balance
COST						
GOODWILL	2,353.00	41.02	(249.49)	--	--	2,144.53
OTHER INTANGIBLE ASSETS						
Portfolio acquisition expenses	2,057.97	(287.97)	(252.89)	9.75	--	1,526.86
Software	778.06	(18.57)	25.21	180.94	(57.26)	908.38
Other	192.70	(32.54)	(0.78)	26.93	(32.91)	153.40
TOTAL COST	5,381.73	(298.06)	(477.95)	217.62	(90.17)	4,733.17
CUMULATIVE DEPRECIATION						
OTHER INTANGIBLE ASSETS						
Portfolio acquisition expenses	(465.58)	47.64	73.51	(72.56)	--	(416.99)
Software	(378.15)	13.36	(20.34)	(104.64)	13.81	(475.96)
Other	(49.35)	18.06	0.47	(2.93)	--	(33.75)
TOTAL CUMULATIVE DEPRECIATION	(893.08)	79.06	53.64	(180.13)	13.81	(926.70)
IMPAIRMENT						
GOODWILL	(322.52)	2.02	243.97	--	--	(76.53)
OTHER INTANGIBLE ASSETS						
Portfolio acquisition expenses	(89.27)	(2.26)	59.21	--	--	(32.32)
Software	--	--	--	--	--	--
Other	(0.04)	(0.02)	--	--	--	(0.06)
TOTAL IMPAIRMENT	(411.83)	(0.26)	303.18	--	--	(108.91)
TOTAL GOODWILL	2,030.48	43.04	(5.52)	--	--	2,068.00
TOTAL OTHER INTANGIBLE ASSETS	2,046.34	(262.30)	(115.61)	37.49	(76.36)	1,629.56
TOTAL INTANGIBLE ASSETS	4,076.82	(219.26)	(121.13)	37.49	(76.36)	3,697.56

Figures in millions of euros

The amounts shown as changes in scope in the year 2015 are primarily derived from:

- Sale of the interest in Cx Vida and Cx Generales.
- Acquisition of DIRECT LINE INSURANCE S.p.A. (hereinafter DIRECT LINE ITALY) and DIRECT LINE VERSICHERUNG AKTIENGESELLSCHAFT (hereinafter DIRECT LINE GERMANY) (see Note 6.25).
- Inclusion using the equity method of the FUNESPAÑA, S.A. investees, which in the previous year were fully consolidated (Appendix I), due to loss of control over INICIATIVAS ALCAESAR, S.L. and subsidiaries.

Year 2014

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Additions or provisions	Disposals, cancellations or reductions	Closing balance
COST						
GOODWILL	2,247.47	90.10	18.69	0.48	(3.74)	2,353.00
OTHER INTANGIBLE ASSETS						
Portfolio acquisition expenses	1,936.83	24.38	91.01	5.75	--	2,057.97
Software	619.15	5.06	0.82	160.01	(6.98)	778.06
Other	281.51	5.70	(99.19)	49.61	(44.93)	192.70
TOTAL COST	5,084.96	125.24	11.33	215.85	(55.65)	5,381.73
CUMULATIVE DEPRECIATION						
OTHER INTANGIBLE ASSETS						
Portfolio acquisition expenses	(374.69)	(5.64)	--	(85.25)	--	(465.58)
Software	(303.55)	(5.67)	0.26	(74.73)	5.54	(378.15)
Other	(102.76)	3.74	65.83	(17.67)	1.51	(49.35)
TOTAL CUMULATIVE DEPRECIATION	(781.00)	(7.57)	66.09	(177.65)	7.05	(893.08)
IMPAIRMENT						
GOODWILL	(319.04)	6.65	--	(10.13)	--	(322.52)
OTHER INTANGIBLE ASSETS						
Portfolio acquisition expenses	(86.92)	(2.35)	--	--	--	(89.27)
Software	--	--	--	--	--	--
Other	(0.04)	--	--	--	--	(0.04)
TOTAL IMPAIRMENT	(406.00)	4.30	--	(10.13)	--	(411.83)
TOTAL GOODWILL	1,928.43	96.75	18.69	(9.65)	(3.74)	2,030.48
TOTAL OTHER INTANGIBLE ASSETS	1,969.53	25.22	58.73	37.72	(44.86)	2,046.34
TOTAL INTANGIBLE ASSETS	3,897.96	121.97	77.42	28.07	(48.60)	4,076.82

Figures in millions of euros

The amounts shown as changes in scope in the year 2014 are primarily derived from: acquisition of ASEVAL (Note 6.25) and inclusion using the equity method of the FUNESPAÑA, S.A. investees, which in the previous year were fully consolidated.

In 2015 and 2014 the adjustments to the opening balance of goodwill and portfolio acquisition expenses mainly stem from exchange differences in assets in foreign currencies (mainly relating to MAPFRE USA; GENEL SIGORTA; BB MAPFRE SH1 and MAPFRE BB SH2).

Intangible assets with a finite useful life

– Portfolio acquisition expenses

Portfolio acquisition costs are amortized during the life of the portfolios, over a maximum period of 30 years, and based on the maintenance of same.

– Other intangible assets

Below is a breakdown of the useful life and amortization rates used for the main assets, where in all cases the straight-line method of amortization has been followed.

Item group	Useful life (Years)	Depreciation rate (annual)
Software	3-4	33%-25%
Rights of use of administrative concessions	57	1.75%

The amortization of intangible assets with a finite useful life has been recorded in the expenses account as "Amortization charges".

Intangible assets with an indefinite useful life

The useful life of the following intangible assets is considered indefinite, as these assets are expected to contribute to future revenues for the Group, indefinitely:

Item	BOOK VALUE	
	31/12/15	31/12/14
Goodwill on consolidation	2,025.96	1,975.32
Goodwill on merger	42.04	55.16

Figures in millions of euros

The following tables provide detailed information on the cash generating units to which the different goodwill items and portfolio acquisition expenses are allocated, as well as their book value and, if applicable, the impairment amount and amortization over the last two years.

– Goodwill

Cash generating unit	Business and geographic area	GROSS AMOUNT AT SOURCE		INITIAL 31.12.2013	YEAR 2014		INITIAL 31.12.2014	YEAR 2015		INITIAL 31.12.2015
		Millions in original currency	Currency		Entries/(write-offs)	Net impairment for period		Entries/(write-offs)	Net impairment for period	
Goodwill on consolidation										
MAPFRE VIDA	Life Insurance (Spain)	258.40	EUR	212.57	--	--	212.57	--	--	212.57
MAPFRE GLOBAL RISKS	Insurance for Companies	40.75	EUR	40.17	--	--	40.17	--	--	40.17
GRUPO CORPORATIVO LML	Non-Life Insurance (Mexico)	407.93	MXN	22.57	0.26	--	22.83	(1.26)	--	21.57
BRICKELL FINANCIAL SERVICES	Travel Assistance (USA)	19.58	USD	13.45	1.83	--	15.28	1.76	--	17.04
MAPFRE WARRANTY	Extended Warranty	11.40	EUR	11.08	--	--	11.08	--	--	11.08
MAPFRE BB SH2	Non-Life insurance (Brazil)	220.01	BRL	67.54	0.77	--	68.31	(17.29)	--	51.02
BB MAPFRE SH1	Life Insurance (Brazil)	350.29	BRL	107.53	1.23	--	108.76	(27.52)	--	81.24
ABRAXAS	Travel Assistance (UK)	11.26	GBP	13.51	0.95	--	14.46	0.89	--	15.35
GENEL SIGORTA	Insurance (Turkey)	156.83	TRY	52.97	2.40	--	55.37	(6.01)	--	49.36
BANKINTER VIDA	Life Insurance (Spain)	160.45	EUR	160.45	--	--	160.45	--	--	160.45
CCM VIDA Y PENSIONES	Life Insurance and Pensions (Spain)	90.51	EUR	90.51	(9.17)	--	81.34	--	--	81.34
MAPFRE USA	Non-Life Insurance (USA)	882.40	USD	639.84	86.96	--	726.80	83.72	--	810.52
DUERO VIDA	Life Insurance (Spain)	70.12	EUR	70.12	--	--	70.12	--	--	70.12
DUERO PENSIONES	Pension fund manager (Spain)	13.38	EUR	13.38	--	--	13.38	--	--	13.38
ASEGURADORA MUNDIAL	Insurance (Central America)	8.98	PAB	6.53	0.89	--	7.42	0.85	--	8.27
CATALUNYACAIXA VIDA	Life Insurance (Spain)	364.85	EUR	178.61	--	--	178.61	(178.61)	--	--
CATALUNYACAIXA ASSEGUANCES GENERALS	General Insurance (Spain)	97.62	EUR	39.88	--	--	39.88	(39.88)	--	--
INSURANCE AND GO	Insurance (UK)	30.72	GBP	36.88	2.59	--	39.47	2.73	--	42.20
CENTURY AUTOMOTIVE	Insurance and reinsurance (USA)	30.35	USD	22.02	(1.54)	--	20.48	2.36	--	22.84
BANKINTER GENERAL INSURANCE	Non-Life insurance (Spain)	12.72	EUR	12.46	--	--	12.46	--	--	12.46
ASEVAL - LAIETANA VIDA	Life Insurance (Spain)	18.69	EUR	--	18.69	--	18.69	--	--	18.69
FUNESPAÑA	Funeral services (Spain)	17.88	EUR	17.88	--	--	17.88	--	--	17.88
DIRECT LINE GERMANY	Non-Life insurance (Germany)	125.47	EUR	--	--	--	--	125.47	--	125.47
DIRECT LINE ITALY	Non-Life Insurance (Italy)	101.30	EUR	--	--	--	--	101.30	--	101.30
Other	--	--	--	31.10	8.48	(0.07)	39.51	2.13	--	41.64
TOTAL GOODWILL ON CONSOLIDATION				1,861.05	114.34	(0.07)	1,975.32	50.64	--	2,025.96
Goodwill on merger										
ASEICA	Healthcare assistance (Canary Islands)	12.73	EUR	10.06	--	(10.06)	--	--	--	--
FUNESPAÑA GROUP	Funeral services (Spain)	41.09	EUR	41.09	(2.64)	--	38.45	(13.79)	--	24.66
Other	--	--	--	16.23	0.48	--	16.71	0.67	--	17.38
TOTAL GOODWILL ON MERGER				67.38	(2.16)	(10.06)	55.16	(13.12)	--	42.04
TOTAL GOODWILL				1,928.43	112.18	(10.13)	2,030.48	37.52	--	2,068.00
Goodwill in associated and multi-group undertakings										
PT ASURANSI BINA DANA ARTA TBK	Insurance (Indonesia)	391,102.00	IDR	23.33	2.61	--	25.94	0.12	--	26.06
SOLUNION SEGUROS DE CREDITO, S.A.	Insurance (Spain)	12.87	EUR	12.87	--	--	12.87	--	--	12.87
Other	--	--	--	12.20	(3.76)	0.13	8.57	(0.04)	--	8.53
TOTAL GOODWILL IN ASSOCIATED AND MULTI-GROUP UNDERTAKINGS (EQUITY METHOD) (*)				48.40	(1.15)	0.13	47.38	0.08	--	47.46

Figures in millions of euros

(*) Goodwill related to acquisitions of associated and multi-group undertakings is stated as a greater value of investments recorded by the equity method.

– Portfolio acquisition expenses

Cash generating unit	Business and geographic area	GROSS AMOUNT AT SOURCE		INITIAL 31.12.2013	YEAR 2014		INITIAL 31.12.2014	YEAR 2015		INITIAL 31.12.2015
		Millions in original currency	Currency		Entries/ (write-offs)	Depreciation and impairment in the period		Entries/ (write-offs)	Depreciation and impairment in the period	
BANKINTER VIDA	Life Insurance (Spain)	131.23	EUR	99.38	--	(5.71)	93.67	--	(5.73)	87.94
CCM VIDA Y PENSIONES	Life Insurance and Pensions (Spain)	82.55	EUR	61.48	--	(4.60)	56.88	--	(4.66)	52.22
MAPFRE USA	Non-Life insurance (USA)	48.26	USD	12.69	1.73	(2.49)	11.93	1.34	(2.31)	10.96
DUERO VIDA	Life Insurance (Spain)	44.48	EUR	36.94	--	(2.24)	34.70	--	(2.20)	32.50
DUERO PENSIONES	Pension fund manager (Spain)	13.94	EUR	11.97	--	(0.74)	11.23	--	(0.76)	10.47
CATALUNYA CAIXA VIDA	Life Insurance (Spain)	292.01	EUR	171.98	--	(12.69)	159.29	(159.29)	--	--
BB MAPFRE SH1	Life Insurance (Brazil)	3,365.29	BRL	944.92	12.17	(42.02)	915.07	(226.90)	(34.01)	654.16
MAPFRE BB SH2	Non-Life insurance (Brazil)	236.21	BRL	68.05	1.03	(5.84)	63.24	(15.44)	(4.08)	43.72
GENEL SIGORTA	Insurance (Turkey)	95.40	TRY	16.90	1.46	(2.92)	15.44	(1.59)	(2.14)	11.71
ASEVAL - LAIETANA VIDA	Life Insurance (Spain)	89.59	EUR	--	91.01	(3.22)	87.79	--	(10.40)	77.39
MAPFRE FINISTERRE	Non-Life insurance (Spain)	87.94	EUR	50.91	--	(2.73)	48.18	--	(2.68)	45.50
DIRECT LINE GERMANY	Non-Life insurance (Germany)	23.52	EUR	--	--	--	--	23.52	(0.35)	23.17
DIRECT LINE ITALY	Non-Life Insurance (Italy)	15.60	EUR	--	--	--	--	15.60	(2.63)	12.97
Other	--	--	--	--	5.75	(0.05)	5.70	9.75	(0.61)	14.84
TOTAL PORTFOLIO ACQUISITION EXPENSES				1,475.22	113.15	(85.25)	1,503.12	(353.01)	(72.56)	1,077.55

Figures in millions of euros

The book value, net of any impairment, of each of the goodwill and portfolio acquisition expense items described above, and of the net assets associated with each cash generating unit, is equal to or lower than the amount recoverable from the cash generating unit to which they are allocated. The following table shows the recoverable value of the main cash generating units at the close of the last two financial years.

Cash generating unit	CONTRAST VALUE		RETRIEVABLE VALUE	
	2015	2014	2015	2014
MAPFRE VIDA	1,955.33	1,726.28	3,235.98	3,509.37
BB MAPFRE SH1	993.04	1,285.97	2,908.34	3,851.34
MAPFRE BB SH2	760.10	935.35	832.97	1,176.25
BANKINTER VIDA	215.77	214.76	318.06	307.82
CCM VIDA Y PENSIONES	129.65	138.74	143.60	175.02
MAPFRE USA	1,879.99	1,800.09	2,489.07	2,052.15
CATALUNYA CAIXA VIDA	--	366.29	--	404.74
MAPFRE GENEL SIGORTA	236.15	282.69	368.14	295.52
DIRECT LINE ITALY	253.83	--	400.55	--
DIRECT LINE GERMANY	298.53	--	421.81	--

Figures in millions of euros

In order to calculate the recoverable value of the cash generating units, the following factors are taken into account: the degree of economic development of the economy in which the unit operates, the degree of development of the insurance industry, measured by its weight in the country's gross domestic product, market share, predicted development of the commercial network, MAPFRE's past experience in the markets in which the cash generating units operate, etc.

The discount rate (ke) and the perpetuity growth rate (g) are also taken into account. As a general rule, these are defined as follows:

1) Discount rate (ke) = Risk free rate of the country + (β * Risk premium of the variable annuity market).

2) Perpetuity growth rate (g): calculated on the basis of the long-term inflation forecast provided by the International Monetary Fund.

As a general rule, the country risk rate corresponds to the actual yield of the 10-year Treasury Bonds in local currency issued in the country in which the cash generating unit operates, increased in the stock market risk premium for the insurance industry. This risk premium is calculated by adjusting the generic stock market premium based on the Beta coefficient of comparable listed insurance entities in the region where the cash generate unit operates.

The risk free rate applied varies between 1.96 percent and 16.49 percent in 2015, and between 1.76 percent and 11.42 percent in 2014.

In estimating the discount (ke) and perpetuity growth (g) rates applied to the different cash generating units analyzed, the external forecasts provided by international organizations and other benchmark entities in the company appraisal field are used.

The following discount rates applied to discounted cash flows were used to calculate the recoverable value of the main cash generating units:

Cash generating unit	DISCOUNT RATE	
	2015	2014
MAPFRE USA	7.16%	8.40%
MAPFRE VIDA, BANKINTER VIDA, CCM VIDA Y PENSIONES, and CATALUNYA CAIXA VIDA	9.17%	9.59%
MAPFRE GLOBAL RISKS and CATALUNYA CAIXA ASSEGUANCES GENERALS	7.49%	6.76%
BB MAPFRE SHI	20.76%	15.19%
MAPFRE BB SH2	20.20%	16.87%
GENEL SIGORTA	13.90%	13.56%
DIRECT LINE ITALY	7.27%	--
DIRECT LINE GERMANY	5.00%	--

The estimated perpetuity growth rates (g) applied to the different cash generating units are based on the long-term inflation forecasts included in the "World Economic Outlook Database" of the International Monetary Fund, which are as follows for the markets in which the main cash generating units operate:

Country	LONG-TERM INFLATION FORECAST	
	2015	2014
Spain	1.51%	1.12%
United States	2.38%	2.05%
Turkey	6.50%	6.17%
Brazil	4.56%	4.54%
Italy	1.34%	--
Germany	1.92%	--

Based on the aforementioned variables, the perpetuity growth rates established for the markets in which the main cash generating units operate are as follows:

Country	PERPETUAL GROWTH RATE (G)	
	2015	2014
Spain	1.51%	1.12%
United States	2.38%	2.05%
Turkey	7.00%	6.67%
Brazil	5.06%	5.04%
Italy	1.34%	--
Germany	1.92%	--

Meanwhile, at least one a year each Group entity analyzes the assumptions used to estimate future cash flows and restates them pursuant to actual results and past experience. The cash flow projections for the first five years take into account growth rates based on historical experience, while in subsequent years the residual value is calculated, establishing a perpetual revenue based on the cash flows of the last period of the estimates, with a perpetuity growth rate in line with the aforementioned considerations.

In the case of reasonable variations in any of the key assumptions, the book value is unlikely to exceed the recoverable value of the cash generating units.

Specifically, the surveys performed for the main cash generating units analyzed reveal the following sensitivity ranges in the event of unfavorable variations in the key assumptions:

- An increase of 1 percentage point in the discount rate applied to each cash generating unit would imply reductions in the recoverable values of between 5.61 percent and 22.13 percent in the year 2015, and between 7.19 percent and 12.20 percent in the year 2014. In any case, this magnitude would not fall below the book value attributed to any of them.
- A reduction of 0.25 percentage points in the perpetuity growth rate applied to each cash generating unit would imply reductions in the recoverable values of between 0.27 percent and 5.72 percent in the year 2015, and between 0.97 percent and 2.08 percent in the year 2014. Once again, this means that this magnitude would not fall below the book value attributed to any of them.

If the analysis of a possible goodwill impairment reveals a recoverable value below the book value, the key assumptions that have given rise to this situation are analyzed separately to calculate their effect. However, no significant risks associated with reasonable variations in the key assumptions have been identified.

The impairment loss of 10.13 million euros in 2014 represents the difference recorded between the book amount and the recoverable value mainly of the cash generating unit ASEICA, as detected in the appraisal of the recoverable amount. The main reasons for the loss of recoverable value were lower margins obtained by the healthcare assistance activity in the Canary Islands. It was not necessary to recognize losses for any significant amounts in 2015.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails)

6.2. PROPERTY, PLANT AND EQUIPMENT AND PROPERTY INVESTMENT

Property, plant and equipment

The following tables describe the movements under this heading during the last two financial years:

Year 2015

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Additions or provisions	Disposals, cancellations or reductions	Closing balance	Market capitalization
COST							
PROPERTY FOR OWN USE							
Land and natural resources	138.75	(55.42)	--	2.94	(1.14)	85.13	147.03
Buildings and other structures	1,244.86	(162.21)	(5.24)	27.28	(36.01)	1,068.68	1,259.95
OTHER PROPERTY, PLANT AND EQUIPMENT							
Vehicles	45.35	(7.09)	(0.74)	7.37	(5.51)	39.38	13.06
Furniture and fittings	481.25	(13.58)	2.01	29.08	(26.82)	471.94	196.88
Other property, plant and equipment	252.65	(43.62)	14.38	23.37	(24.13)	222.65	62.39
Advances and fixed assets in progress	12.04	(0.56)	(0.03)	55.30	(5.72)	61.03	61.03
TOTAL COST	2,174.90	(282.48)	10.38	145.34	(99.33)	1,948.81	1,740.34
CUMULATIVE DEPRECIATION							
PROPERTY FOR OWN USE	(208.46)	35.87	1.06	(27.44)	6.48	(192.49)	--
OTHER PROPERTY, PLANT AND EQUIPMENT	(484.09)	44.60	(9.82)	(56.63)	44.30	(461.64)	--
TOTAL CUMULATIVE DEPRECIATION	(692.55)	80.47	(8.76)	(84.07)	50.78	(654.13)	--
IMPAIRMENT							
PROPERTY FOR OWN USE							
Land and natural resources	--	--	--	--	--	--	--
Buildings and other structures	(9.49)	(0.01)	--	(14.70)	6.28	(17.92)	--
OTHER PROPERTY, PLANT AND EQUIPMENT							
Vehicles	(0.15)	0.05	--	--	--	(0.10)	--
Furniture and fittings	(0.32)	0.05	--	--	--	(0.27)	--
Other property, plant and equipment	(2.93)	0.40	0.62	--	--	(1.91)	--
TOTAL IMPAIRMENT	(12.89)	0.49	0.62	(14.70)	6.28	(20.20)	--
TOTAL PROPERTY FOR OWN USE	1,165.66	(181.77)	(4.18)	(11.92)	(24.39)	943.40	1,406.98
TOTAL OTHER PROPERTY, PLANT & EQUIPMENT	303.80	(19.75)	6.42	58.49	(17.88)	331.08	333.36
TOTAL PROPERTY, PLANT & EQUIPMENT	1,469.46	(201.52)	2.24	46.57	(42.27)	1,274.48	1,740.34

Figures in millions of euros

Year 2014

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Additions or provisions	Disposals, cancellations or reductions	Closing balance	Market capitalization
COST							
PROPERTY FOR OWN USE							
Land and natural resources	110.43	5.70	--	35.08	(12.46)	138.75	130.65
Buildings and other structures	1,201.54	34.03	(41.76)	86.87	(35.82)	1,244.86	1,186.89
OTHER PROPERTY, PLANT AND EQUIPMENT							
Vehicles	48.93	0.02	(2.86)	6.73	(7.47)	45.35	18.60
Furniture and fittings	443.19	4.41	(10.37)	60.97	(16.95)	481.25	221.21
Other property, plant and equipment	226.37	16.63	0.71	25.17	(16.23)	252.65	92.11
Advances and fixed assets in progress	67.14	0.01	0.22	16.17	(71.50)	12.04	9.91
TOTAL COST	2,097.60	60.80	(54.06)	230.99	(160.43)	2,174.90	1,659.37
CUMULATIVE DEPRECIATION							
PROPERTY FOR OWN USE	(215.23)	(4.20)	19.92	(22.24)	13.29	(208.46)	--
OTHER PROPERTY, PLANT AND EQUIPMENT	(456.08)	(18.69)	12.52	(51.80)	29.96	(484.09)	--
TOTAL CUMULATIVE DEPRECIATION	(671.31)	(22.89)	32.44	(74.04)	43.25	(692.55)	--
IMPAIRMENT							
PROPERTY FOR OWN USE							
Land and natural resources	--	--	--	--	--	--	--
Buildings and other structures	(14.77)	(0.01)	--	(0.11)	5.40	(9.49)	--
OTHER PROPERTY, PLANT AND EQUIPMENT							
Vehicles	(0.17)	0.01	--	(0.01)	0.02	(0.15)	--
Furniture and fittings	(0.31)	--	--	(0.01)	--	(0.32)	--
Other property, plant and equipment	(2.86)	(0.11)	(0.35)	--	0.39	(2.93)	--
TOTAL IMPAIRMENT	(18.11)	(0.11)	(0.35)	(0.13)	5.81	(12.89)	--
TOTAL PROPERTY FOR OWN USE	1,081.97	35.52	(21.84)	99.60	(29.59)	1,165.66	1,317.54
TOTAL OTHER PROPERTY, PLANT & EQUIPMENT	326.21	2.28	(0.13)	57.22	(81.78)	303.80	341.83
TOTAL PROPERTY, PLANT & EQUIPMENT	1,408.18	37.80	(21.97)	156.82	(111.37)	1,469.46	1,659.37

Figures in millions of euros

The amounts shown as changes in scope in 2014 are mainly derived from the inclusion using the equity method of the FUNESPAÑA, S.A. investees, which in the previous year were fully consolidated.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails)

Property investment

The following tables describe the movements under this heading during the last two financial years:

Year 2015

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Additions or provisions	Disposals, cancellations or reductions	Closing balance	Market capitalization
COST							
INVESTMENT IN PROPERTY							
Land and natural resources	631.12	(0.02)	(9.11)	1.64	(3.57)	620.06	399.15
Buildings and other structures	1,131.95	(2.08)	(16.97)	143.47	(12.41)	1,243.96	1,436.45
TOTAL COST	1,763.07	(2.10)	(26.08)	145.11	(15.98)	1,864.02	1,835.60
CUMULATIVE DEPRECIATION							
INVESTMENT IN PROPERTY							
	(276.89)	1.39	2.33	(6.14)	3.47	(275.84)	--
TOTAL CUMULATIVE DEPRECIATION	(276.89)	1.39	2.33	(6.14)	3.47	(275.84)	--
IMPAIRMENT							
INVESTMENT IN PROPERTY							
Land and natural resources	(200.84)	(0.01)	0.52	(12.91)	11.37	(201.87)	--
Buildings and other structures	(59.05)	(0.39)	1.92	(10.83)	6.36	(61.99)	--
TOTAL IMPAIRMENT	(259.89)	(0.40)	2.44	(23.74)	17.73	(263.86)	--
TOTAL PROPERTY INVESTMENTS	1,226.29	(1.11)	(21.31)	115.23	5.22	1,324.32	1,835.60

Figures in millions of euros

In 2015, "Buildings and other constructions" reflects the acquisition of office buildings at Plaza de la Independencia in Madrid and at One Winthrop Square in Boston (USA), for 82.00 million euros and 52.70 million euros, respectively.

Year 2014

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Additions or provisions	Disposals, cancellations or reductions	Closing balance	Market capitalization
COST							
INVESTMENT IN PROPERTY							
Land and natural resources	656.06	(25.03)	0.03	0.06	--	631.12	943.25
Buildings and other structures	1,105.57	14.42	15.57	28.89	(32.50)	1,131.95	1,040.28
TOTAL COST	1,761.63	(10.61)	15.60	28.95	(32.50)	1,763.07	1,983.53
CUMULATIVE DEPRECIATION							
INVESTMENT IN PROPERTY							
	(261.07)	3.59	(2.38)	(22.88)	5.85	(276.89)	--
TOTAL CUMULATIVE DEPRECIATION	(261.07)	3.59	(2.38)	(22.88)	5.85	(276.89)	--
IMPAIRMENT							
INVESTMENT IN PROPERTY							
Land and natural resources	(199.21)	0.01	--	(1.64)	--	(200.84)	--
Buildings and other structures	(52.46)	1.92	(0.24)	(11.89)	3.62	(59.05)	--
TOTAL IMPAIRMENT	(251.67)	1.93	(0.24)	(13.53)	3.62	(259.89)	--
TOTAL PROPERTY INVESTMENTS	1,248.89	(5.09)	12.98	(7.46)	(23.03)	1,226.29	1,983.53

Figures in millions of euros

The amounts shown as changes in scope in the year 2014 are derived from the acquisition of LAIETANA VIDA (Note 6.25).

The impairment entries show the impairment losses recorded in both years as a result of the appraisals conducted.

The impairment loss occurred in the year is recorded in the "Allowance to the asset impairment provision" account and the reversal under "Reversal of the asset impairment provision" in the consolidated income statement.

The market value of property investment and of property for own use basically represents the value determined by an independent appraisal entity that uses appraisal techniques based on the variables observed in the market (Level 2). The appraisal methods commonly used are the cost method, the comparison method, the future rental income method and the abbreviated residual method, depending on the characteristics of the asset being appraised.

Most properties are allocated to cover technical provisions and appraisals are conducted on a regular basis in line with the regulations issued by insurance supervisory authorities for appraisal reviews.

Revenues and expenses arising from property investment in financial years 2015 and 2014 are shown in the following table:

Item	TYPE OF INVESTMENT							
	OPERATING INVESTMENT		EQUITY		OTHER ACTIVITIES		TOTAL	
	2015	2014	2015	2014	2015	2014	2015	2014
Revenue from property investments								
From rentals	45.49	46.00	2.68	2.88	13.40	15.09	61.57	63.97
Other	2.25	0.38	0.04	0.28	2.33	1.49	4.62	2.15
Gains on disposals	3.52	18.93	1.01	1.24	14.04	3.11	18.57	23.28
TOTAL REVENUE FROM PROPERTY INVESTMENTS	51.26	65.31	3.73	4.40	29.77	19.69	84.76	89.40
Expenses from property investments								
Direct operating expenses	24.05	23.03	5.29	5.01	--	--	29.34	28.04
Other expenses	7.29	3.55	0.10	--	12.00	8.35	19.39	11.90
Losses on disposals	4.68	6.85	0.62	0.16	1.57	0.46	6.87	7.47
TOTAL EXPENSES FROM PROPERTY INVESTMENTS	36.02	33.43	6.01	5.17	13.57	8.81	55.60	47.41

Figures in millions of euros

6.3. LEASES

The Group has the following items subject to operating lease agreements:

Type of asset	NET BOOK VALUE		MAXIMUM DURATION OF LEASES (YEARS)		MAXIMUM YEARS ELAPSED	
	2015	2014	2015	2014	2015	2014
Property investment	824.13	707.95	25	25	20	19

Figures in millions of euros

As at December 31, the minimum future collections from the last two years, to be received from non-cancellable operating leases are as follows:

Item	2015	2014
Less than one year ago	48.68	39.84
More than one year but less than five	129.84	124.24
More than five years	75.61	87.63
TOTAL	254.13	251.71

Figures in millions of Euros

There are no contingent payments recorded as revenue in financial years 2015 and 2014.

The Group is the lessee, under operating leases, of buildings and other property, plant and equipment assets.

These leases have a maximum duration of five years, without renewal clauses provided for in the agreements. The lessee is not subject to any restriction regarding the signature of these lease agreements.

The future minimum payments payable on non-cancellable operating leases as at December 31 were as follows:

Item	2015	2014
Less than one year ago	23.48	20.36
More than one year but less than five	113.77	78.78
More than five years	112.73	109.06
TOTAL	249.98	208.20

Figures in millions of Euros

There are no contingent payments recorded as expense in financial years of 2015 and 2014

6.4. FINANCIAL INVESTMENTS

As at December 31, 2015 and 2014, the financial investment breakdown was as follows:

Item	BOOK VALUE	
	2015	2014
HELD-TO-MATURITY PORTFOLIO		
Fixed income	2,114.47	2,341.69
Other investments	49.02	16.69
TOTAL HELD-TO-MATURITY PORTFOLIO	2,163.49	2,358.38
PORTFOLIO AVAILABLE FOR SALE		
Shares	1,242.30	1,192.59
Fixed income	32,335.80	34,072.51
Investment Funds	928.26	768.53
Other	59.22	55.84
TOTAL PORTFOLIO AVAILABLE FOR SALE	34,565.58	36,089.47
TRADING PORTFOLIO		
Derivatives (not for hedging):		
Financial swaps	469.29	425.94
Options	2.38	3.25
Other investments:		
Shares	230.88	184.49
Fixed income	2,370.96	2,596.15
Investment Funds	355.89	288.67
Other	0.69	5.06
TOTAL TRADING PORTFOLIO	3,430.09	3,503.56

Figures in millions of euros

The fair value measurements of the financial investments included in the available-for-sale portfolio and in the trading portfolio have been classified according to the levels of the variables used to measure them:

- Level 1. Quotation price: Unadjusted price quoted in active markets.
- Level 2. Observable data: Prices quoted in active markets for instruments similar to the one being measured or other measurement techniques in which all the significant variables are based on observable market data. The measurement is performed with a model that discounts future flows using a rate curve with two main components:
 - Zero coupon swap curve of the currency of the issue, which is considered to be the best approximation to the interest rate without any risk.
 - Differential of the additional risk, which will be the differential added to the zero coupon swap curve that reflects the risks inherent to the issue measured, such as: Credit risk, Illiquidity and Optionality.

– Level 3. Other measurements: Variables specific to each case. The financial assets at this level represent 0.18 percent of the total portfolio measured at fair value. For these purposes, it is possible to distinguish between:

- Variable annuity assets, where in general the realization value is estimated according to the individual characteristics of the asset.
- Fixed-income assets with complex future flow structures (interest rates linked to financial variables, with caps and/or floors) and one or more early amortizations, and in which the issuer has no similar issues on the market or any unquoted issues from an issuer with no similar issues. In these cases, the assets are usually measured by requesting a valuation from a benchmark third party.

Changes in the observable variables used in the aforementioned individual measurements would not significantly alter the fair value obtained.

The process for measuring financial assets is as follows:

a) When the asset is acquired, it is assigned to a specific portfolio (held-to-maturity, available-for-sale or trading) depending on the characteristics of the liabilities to which it is going to be assigned and on the local and international legislation on accounting and insurance.

b) The accounting nature of the portfolios dictates the type of measurement performed. However, at least once a month all assets are measured against the market using the aforementioned measurement methods: quotation price in active markets (Level 1); based on observable market data, such as quotation prices for similar assets, flow discounts based on the issuer's curve rate, etc. (Level 2); and specific measurements not based on market variables (Level 3).

c) The measurements are performed directly by the Group's entities, although in some countries an independent financial institution carries them out in line with the local regulations.

The measurement policy is decided at the Investment Committees and/or Risk Committees, and is reviewed at least once a quarter.

Furthermore, once a month the Steering Committee of MAPFRE S.A. analyzes the value of all investments and capital gains and losses.

With regard to the sensitivity of fair value measurements, changes in the non-observable variables used in the aforementioned individual measurements would not significantly alter the fair value obtained.

Quotation prices are monitored and verified on a regular basis in order to decide whether any transfers between levels are required:

1. If the quotation source for a particular asset is no longer representative, it is transferred from Level 1 to Level 2.
2. Assets are transferred from Levels 2 and 3 and Level 1 if a reasonable quotation source is verified.
3. Assets are transferred to Level 3 when there are no longer any observable market data.

Held-to-maturity portfolio

The investments allocated to the held-to-maturity portfolio, as at December 31, 2015 and 2014, are shown below:

Item	BOOK VALUE		FAIR VALUE						REVENUE FROM INTEREST		IMPAIRMENT			
			LEVEL 1. QUOTATION PRICE		LEVEL 2. OBSERVABLE DATA		LEVEL 3. OTHER MEASUREMENTS				RECORDED LOSS		REVERSAL GAINS	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014		
Fixed income	2,114.47	2,341.69	1,917.38	2,148.15	184.42	179.30	28.97	--	200.04	229.11	--	--	--	--
Other investments	49.02	16.69	30.39	1.03	1.14	0.59	17.51	14.83	3.22	5.31	--	--	--	--
TOTAL	2,163.49	2,358.38	1,947.77	2,149.18	185.56	179.89	46.48	14.83	203.26	234.42	--	--	--	--

Figures in millions of euros

In 2015, the Level 3 financial assets in the held-to-maturity portfolio increased from 14.83 million euros to 46.48 million euros, primarily following the acquisition of fixed-income assets in the amount of 28.97 million euros.

Available-for-sale portfolio

The investments allocated to the available-for-sale portfolio, as at December 31, 2015 and 2014, are shown below:

Item	BOOK VALUE (FAIR VALUE)								IMPAIRMENT			
	LEVEL 1. QUOTATION PRICE		LEVEL 2. OBSERVABLE DATA		LEVEL 3. OTHER MEASUREMENTS		TOTAL		RECORDED LOSS		REVERSAL GAINS	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Shares	1,161.87	1,103.89	62.49	71.73	17.94	16.97	1,242.30	1,192.59	(7.01)	(64.49)	--	--
Fixed income	28,840.57	28,974.14	3,446.87	5,054.32	48.36	44.05	32,335.80	34,072.51	(0.38)	(2.45)	--	--
Investment												
Funds	925.08	766.48	1.81	1.72	1.37	0.33	928.26	768.53	(3.70)	(0.87)	--	--
Other	28.97	26.28	30.25	29.50	--	0.06	59.22	55.84	--	(0.34)	--	--
TOTAL	30,956.49	30,870.79	3,541.42	5,157.27	67.67	61.41	34,565.58	36,089.47	(11.09)	(68.15)	--	--

Figures in millions of euros

Valuation adjustments to the portfolio investments amount to 4,262.36 million and 5,056.21 million euros as at December 31, 2015 and 2014 respectively, and they have been recorded in equity net of the tax effect.

Transfers to the consolidated income statement of valuation adjustments of portfolio investments in previous financial years, carried out during years 2015 and 2014, amount to 243.34 and 145.97 million, respectively.

There have been no asset transfers between Levels 1 and 2 (Quotation price to Observable data).

There have been no variations to the measurement techniques used at Levels 2 and 3 (Observable data and Other measurements).

A reconciliation of the opening and closing balances for Level 3 financial assets in the available-for-sale portfolio is shown below for the two financial years:

Available-for-sale portfolio	EQUITY INSTRUMENTS AND INVESTMENT FUNDS		DEBT SECURITIES		OTHER FINANCIAL ASSETS		TOTAL	
	2015	2014	2015	2014	2015	2014	2015	2014
OPENING BALANCE	17.30	117.97	44.05	217.25	0.06	17.28	61.41	352.50
Procurement	--	16.97	0.20	32.40	--	--	0.20	49.37
Sales	(0.37)	(1.87)	(3.80)	(40.76)	--	--	(4.17)	(42.63)
Transfer from Level 1 or 2	7.72	--	8.66	2.13	--	--	16.38	2.13
Transfer to Level 1 or 2	--	(115.77)	(0.65)	(73.74)	--	--	(0.65)	(189.51)
Amortization	--	--	--	(92.74)	--	(17.30)	--	(110.04)
Gains and losses	--	--	(0.30)	(0.11)	--	--	(0.30)	(0.11)
Other	(5.34)	--	0.20	(0.38)	(0.06)	0.08	(5.20)	(0.30)
CLOSING BALANCE	19.31	17.30	48.36	44.05	--	0.06	67.67	61.41

Figures in millions of euros

The transfers from Level 3 in 2014 correspond to the investment in shares of SOCIETA' CATTOLICA DI ASSICURAZIONE-SOCIETA' COOPERATIVA and various fixed-income securities that were instead measured at their quotation price.

At the close of 2015 and 2014, the impairment analyzes performed for each value in the variable annuity portfolios concluded that there was no impairment, or any signs of such, in any of the investments measured at their stock market quotation price because none of the objective situations determining this eventuality had occurred – i.e. a significant decline in the market value (equal to or higher than 40 percent of its cost) or during an extended period (more than 18 months) – except in the shares of SOCIETA' CATTOLICA DI ASSICURAZIONE-SOCIETA' COOPERATIVA, for which an impairment provision of 64.49 million euros was allocated for the year 2014.

With respect to investments in unquoted assets, in 2015, a 7.00 million euros provision was made for impairment of the equity investment in SAREB.

No significant impairment provisions were made in 2015 and 2014 for investments in unquoted assets analyzed individually.

At the close of 2015 and 2014, the Group had fixed-income securities as guarantees for financial swaps, with a market value of 320.77 million euros and 290.65 million euros, respectively. These financial assets are classified in the available-for-sale portfolio. At the close of these years, the guaranteed assets amounted to 282.30 million euros and 346.04 million euros, respectively. In both cases the guarantee matures on a daily basis, at which time a new guarantee is established, the existing one is maintained, or the guarantee is canceled. The existence of these guarantees mitigated the counterparty risk (CVA/DVA) on a large portion of the Group's derivatives.

Trading portfolio

The investments allocated to the trading portfolio as at December 31, 2015 and 2014 are shown below:

Item	BOOK VALUE (FAIR VALUE)							
	LEVEL 1. QUOTATION PRICE		LEVEL 2. OBSERVABLE DATA		LEVEL 3. OTHER MEASUREMENTS		TOTAL	
	2015	2014	2015	2014	2015	2014	2015	2014
Derivatives (not for hedging)								
Financial swaps	0.15	1.45	469.14	424.49	--	--	469.29	425.94
Options	2.38	3.25	--	--	--	--	2.38	3.25
TOTAL DERIVATIVES (NOT FOR HEDGING)	2.53	4.70	469.14	424.49	--	--	471.67	429.19
Other investments								
Shares	229.44	183.19	0.08	--	1.36	1.30	230.88	184.49
Fixed income	2,310.69	2,460.33	60.27	135.82	--	--	2,370.96	2,596.15
Investment Funds	355.77	288.46	0.12	0.21	--	--	355.89	288.67
Other	0.35	5.06	0.34	--	--	--	0.69	5.06
TOTAL OTHER INVESTMENTS	2,896.25	2,937.04	60.81	136.03	1.36	1.30	2,958.42	3,074.37
TOTAL TRADING PORTFOLIO	2,898.78	2,941.74	529.95	560.52	1.36	1.30	3,430.09	3,503.56

Figures in millions of euros

Gains and losses recognized in 2015 and 2014 are as follows.

Item	GAINS (LOSSES) ALLOCATED TO RESULTS			
	UNREALIZED		REALIZED	
	2015	2014	2015	2014
Derivatives (not for hedging)				
Financial swaps	(29.21)	108.64	(1.57)	3.68
Options	--	--	--	--
TOTAL DERIVATIVES (NOT FOR HEDGING)	(29.21)	108.64	(1.57)	3.68
Other investments				
Shares	23.43	0.74	4.60	0.66
Fixed income	7.48	52.92	40.30	34.68
Investment Funds	9.72	15.51	4.43	3.68
Other	0.17	(0.04)	--	(0.79)
TOTAL OTHER INVESTMENTS	40.80	69.13	49.33	38.23
TOTAL TRADING PORTFOLIO	11.59	177.77	47.76	41.91

Figures in millions of euros

During 2015 and 2014, no significant transactions were carried out involving Level 3 financial assets held for trading, and no transfers were made from/to this level.

The main derivative instruments correspond to financial swaps of certain or predefined flows in which a Group entity assumes the obligation to pay certain fixed or predefined amounts, usually stated in euros. The sum of 469.29 million euros was recorded in the trading portfolio for this item in 2015 (425.94 million euros in 2014).

Another, albeit less important, type of derivative is the purchased option, which provides hedging for savings insurance activities in which policyholders are guaranteed a specific return based on the performance of a quoted financial

asset, foreign currency or stock market index. At the close of 2015, this item was recorded at 2.38 million euros (3.25 million euros in 2014).

A breakdown of the maturity of fixed interest securities is included in Note 7 "Risk Management".

6.5. INVESTMENTS ON BEHALF OF LIFE INSURANCE POLICYHOLDERS BEARING THE INVESTMENT RISK

The following table shows the composition of the "Investments on behalf of life insurance policyholders bearing the investment risk" heading, as at December 31, 2015 and 2014:

Item	BOOK VALUE (FAIR VALUE)								RESULTS			
	LEVEL 1. QUOTATION PRICE		LEVEL 2. OBSERVABLE DATA		LEVEL 3. OTHER MEASUREMENTS		TOTAL		UNREALIZED		REALIZED	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Shares	47.74	29.53	--	--	--	--	47.74	29.53	(11.00)	(0.56)	3.66	1.76
Fixed income	637.88	849.69	722.54	759.14	--	--	1,360.42	1,608.83	0.31	12.21	70.28	61.50
Investment fund holdings	311.77	391.62	78.95	57.22	--	--	390.72	448.84	8.35	28.86	0.15	0.64
TOTAL	997.39	1,270.84	801.49	816.36	--	--	1,798.88	2,087.20	(2.34)	40.51	74.09	63.90

Figures in millions of euros

6.6. INVENTORIES

The following tables show the movements in the inventories item in the last two financial years:

Year 2015

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Entries	Write-offs	Impairment (Allocation)/ Reversal	Closing balance
Land	47.33	--	--	--	--	(1.35)	45.98
Developments and works in progress	23.54	--	--	--	--	--	23.54
Finished products	1.92	(0.06)	--	7.42	(7.45)	0.05	1.88
Raw materials	4.66	--	(0.11)	3.08	(3.21)	0.01	4.43
TOTAL	77.45	(0.06)	(0.11)	10.50	(10.66)	(1.29)	75.83

Figures in millions of euros

Year 2014

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Entries	Write-offs	Impairment (Allocation)/ Reversal	Closing balance
Land	46.44	--	--	--	--	0.89	47.33
Developments and works in progress	23.54	--	--	--	--	--	23.54
Finished products	1.94	0.06	--	(0.61)	0.54	(0.01)	1.92
Raw materials	5.67	--	--	2.50	(3.57)	0.06	4.66
TOTAL	77.59	0.06	--	1.89	(3.03)	0.94	77.45

Figures in millions of euros

No interest costs were capitalized in 2015 and 2014.

6.7. RECEIVABLES

The following table shows the receivables as at December 31, 2015 and 2014, as well as the impairment losses and gains from reversals of impairment recorded in the last two financial years:

Item	GROSS AMOUNT		IMPAIRMENT		NET BALANCE ON BALANCE SHEET		IMPAIRMENT			
	2015	2014	2015	2014	2015	2014	RECORDED LOSSES		REVERSAL GAINS	
							2015	2014	2015	2014
Receivables on direct insurance and co-insurance operations	4,309.99	4,107.37	(78.28)	(78.79)	4,231.71	4,028.58	(5.76)	(8.34)	6.65	6.61
Receivables on reinsurance operations	1,099.96	953.04	(31.84)	(7.72)	1,068.12	945.32	(21.30)	(2.68)	--	--
Tax receivables	248.06	180.25	--	--	248.06	180.25	--	--	--	--
Social security and other receivables	1,198.98	1,458.86	(13.25)	(16.45)	1,185.73	1,442.41	(4.00)	(10.88)	10.48	9.51
TOTAL	6,856.99	6,699.52	(123.37)	(102.96)	6,733.62	6,596.56	(31.06)	(21.90)	17.13	16.12

Figures in millions of euros

The "Receivables on direct insurance and co-insurance activities" heading includes uncollected premiums relating to insurance policyholders and brokers, while the "Receivables on reinsurance activities" heading includes outstanding balances derived from ceded, retroceded and accepted reinsurance operations.

The breakdown of "social security and other receivables" at the close the last two financial years is shown below:

Social security and other receivables	AMOUNT	
	2015	2014
Debtors of sales or provision of services	296.29	265.11
Receivables for claim recovery (including collaboration agreements with other insurance companies)	124.05	90.98
Advance payment of policies (Life Insurance)	20.76	22.18
Legal deposits	353.41	433.94
Receivables with Public Bodies	4.44	10.41
Balance receivables from personnel	27.47	29.45
Derivatives	0.01	--
Other debtors	359.30	590.34
TOTAL	1,185.73	1,442.41

Figures in millions of euros

Impairment is calculated, and where applicable recognized, as indicated in the accounting policy 5.9 "Receivables" section of this report.

The balances included under Receivables do not accrue interest and as a general rule they are settled in the following year.

6.8 ASSET IMPAIRMENT

The following tables show asset impairment over the last two years.

Year 2015

Impairment in:	Opening balance	Adjustments to the opening balance	Changes to the scope	RECORDED IN RESULTS		Write-off of asset	Initial closing
				Increase	Decrease		
Intangible assets	411.83	0.26	(303.18)	--	--	--	108.91
I. Goodwill	322.52	(2.01)	(243.98)	--	--	--	76.53
II. Other intangible assets	89.31	2.27	(59.20)	--	--	--	32.38
Property, plant and equipment	12.89	(0.49)	(0.62)	14.70	(6.28)	--	20.20
I. Property for own use	9.49	--	--	14.70	(6.28)	--	17.91
II. Other property, plant and equipment	3.40	(0.49)	(0.62)	--	--	--	2.29
Investment	468.77	19.65	(2.44)	34.83	(14.43)	(72.40)	433.98
I. Property investment	259.89	0.40	(2.44)	23.74	(14.43)	(3.30)	263.86
II. Financial investments							
- Held-to-maturity portfolio	--	--	--	--	--	--	--
- Portfolio available for sale	189.81	4.97	--	11.09	--	(69.10)	136.77
- Trading portfolio	--	--	--	--	--	--	--
III. Investments recorded by applying the equity method	19.07	14.28	--	--	--	--	33.35
IV. Deposits established for accepted reinsurance	--	--	--	--	--	--	--
V. Other investments	--	--	--	--	--	--	--
Inventories	83.91	--	--	2.64	(1.35)	--	85.20
Credits	102.96	13.11	(0.48)	31.06	(17.13)	(6.15)	123.37
I. Receivables on direct insurance and co-insurance operations	78.79	5.34	(0.48)	5.76	(6.65)	(4.48)	78.28
II. Receivables on reinsurance operations	7.72	4.08	--	21.30	--	(1.26)	31.84
III. Tax receivables	--	--	--	--	--	--	--
IV. Social security and other receivables	16.45	3.69	--	4.00	(10.48)	(0.41)	13.25
Other assets	1.49	0.50	--	--	(0.11)	--	1.88
TOTAL IMPAIRMENT	1,081.85	33.03	(306.72)	83.23	(39.30)	(78.55)	773.54

Figures in millions of euros

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails)

Year 2014

Impairment in:	Opening balance	Adjustments to the opening balance	Changes to the scope	RECORDED IN RESULTS		Write-off of asset	Initial closing
				Increase	Decrease		
Intangible assets	406.00	(4.30)	--	10.13	--	--	411.83
I. Goodwill	319.04	(6.65)	--	10.13	--	--	322.52
II. Other intangible assets	86.96	2.35	--	--	--	--	89.31
Property, plant and equipment	18.11	0.11	0.35	0.13	(5.53)	(0.28)	12.89
I. Property for own use	14.77	0.01	--	0.11	(5.40)	--	9.49
II. Other property, plant and equipment	3.34	0.10	0.35	0.02	(0.13)	(0.28)	3.40
Investment	425.10	(30.49)	0.14	79.91	0.07	(5.96)	468.77
I. Property investment	251.67	(1.93)	0.24	13.53	(1.80)	(1.82)	259.89
II. Financial investments	--	--	--	--	--	--	--
- Held-to-maturity portfolio	--	--	--	--	--	--	--
- Portfolio available for sale	159.69	(34.36)	(0.10)	68.15	--	(3.57)	189.81
- Trading portfolio	--	--	--	--	--	--	--
III. Investments recorded by applying the equity method	13.74	5.80	--	(1.39)	0.92	--	19.07
IV. Deposits established for accepted reinsurance	--	--	--	--	--	--	--
V. Other investments	--	--	--	(0.38)	0.95	(0.57)	--
Inventories	84.85	--	--	2.10	(1.44)	(1.60)	83.91
Credits	87.56	15.45	--	21.90	(16.12)	(5.83)	102.96
I. Receivables on direct insurance and co-insurance operations	69.75	12.37	--	8.34	(6.61)	(5.06)	78.79
II. Receivables on reinsurance operations	3.86	2.11	--	2.68	--	(0.93)	7.72
III. Tax receivables	--	--	--	--	--	--	--
IV. Social security and other receivables	13.95	0.97	--	10.88	(9.51)	0.16	16.45
Other assets	1.50	(0.01)	--	--	--	--	1.49
TOTAL IMPAIRMENT	1,023.12	(19.24)	0.49	114.17	(23.02)	(13.67)	1,081.85

Figures in millions of euros

6.9. CASH

Expenditure

During financial years 2015 and 2014 expenditure was made in investments in Group companies, the most significant acquisitions being as follows:

Buying company	DETAILS OF ACQUISITION			
	Company	Percentage	Activity	Amount disbursed
Year 2015				
MAPFRE INTERNACIONAL	DIRECT LINE ITALY	100.00%	Non-Life Insurance	263.88
MAPFRE INTERNACIONAL	DIRECT LINE GERMANY	100.00%	Non-Life Insurance	298.66
MAPFRE ESPAÑA.	FUNESPAÑA	14.79%	Funeral Insurance	20.43
MAPFRE S.A.	MAPFRE RE	0.72%	Reinsurance	7.76
Year 2014				
MAPFRE VIDA	LAIETANA VIDA	51.00%	Life Insurance	4.07
MAPFRE VIDA	ASEGURADORA VALENCIANA DE SEGUROS Y REASEGUROS (ASEVAL)	51.00%	Life Insurance	81.43
MAPFRE ESPAÑA.	LAIETANA SEGUROS GENERALES	100.00%	Non-Life Insurance	4.50
MAPFRE ESPAÑA.	FUNESPAÑA, S.A.	17.20%	Funeral Insurance	23.77

Figures in millions of euros

The above-listed investments were financed using shareholders' equity and drawdowns on the credit facility extended by CARTERA MAPFRE (Note 6.13).

There are no significant monetary transactions related to investment and funding activities excluded from the cash flow statements.

Commitments

The non-controlling shareholders of the subsidiaries MAPFRE AMÉRICA and MAPFRE RE have a put option on the shares of these entities. If exercised, MAPFRE S.A. or a Group entity would have to acquire the shares from the selling non-controlling shareholder. The purchase price of the MAPFRE AMÉRICA and MAPFRE RE shares would be calculated using the pre-agreed formulas for each case. As at December 31, 2015, based on the variables included in the aforementioned formulas, the Group's liability in the event of exercise of all of the rights mentioned would be approximately 114.48 million euros.

6.10. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE, RELATED LIABILITIES AND DISCONTINUED ACTIVITIES

The main types of non-current assets classified as held for sale and of discontinued activities, as well as their related liabilities as at December 31, 2015 and 2014, are as follows:

Item	NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE		DISCONTINUED OPERATIONS		TOTAL	
	2015	2014	2015	2014	2015	2014
Assets						
Intangible assets	--	--	--	--	--	--
Property, plant and equipment	1.05	9.26	--	--	1.05	9.26
Investment	34.63	--	--	--	34.63	--
Credits	--	--	--	--	--	--
Treasury	--	--	--	--	--	--
Other assets	--	0.18	--	--	--	0.18
TOTAL ASSETS	35.68	9.44	--	--	35.68	9.44
Related liabilities						
Technical provisions	--	--	--	--	--	--
Provisions for risks and expenses	--	--	--	--	--	--
Debt	--	--	--	--	--	--
TOTAL LIABILITIES	--	--	--	--	--	--

Figures in millions of euros

Non-current assets classified as held for sale

Investments included in 2015 comprise:

– The interest held in EMPRESA MIXTA DE SERVICIOS FUNERARIOS DE MADRID, for 26.31 million euros, which in 2014 was accounted for using the equity method and which is expected to be discontinued in 2016.

– Property investments of 8.32 million euros, expected to be sold in 2016.

In 2015, the aforementioned assets did not generate significant income or results.

Discontinued activities

In 2015, discontinued activities primarily include activities carried out by Cx Vida and by Cx Generales up to their departure from the Group in July 2015. Ordinary revenues and expenses generated thereby amounted to 266.79 million euros and 287.62 million euros, respectively, during that period (594.26 million euros and 629.94 million euros, respectively, in 2014).

Details of the results of these activities and of the disposal of the related assets are as follows:

From	Earnings before tax	Income tax	Attributable to minority shareholders	Attributable to controlling company
Operations	42.94	11.70	14.94	16.30
Disposal of assets	204.18	48.89	--	155.29
TOTAL	247.12	60.59	14.94	171.59

Figures in millions of euros

6.11. EQUITY

Share capital

Share capital is recorded as the face value of shares fully paid-up or the payment of which has been called.

The controlling company's share capital as at December 31, 2015 and 2014 was represented by 3,079,553,273 shares, with a par value of 0.10 euros each, fully subscribed and paid-up. All the shares confer the same voting and dividend rights.

On March 9, 2013 the Annual General Meeting authorized the directors of the controlling company to increase the capital to a maximum of 153,977,663.65 euros, equivalent to 50 percent of the share capital at the time. This authorization is valid for five years. The directors were also authorized to issue fixed income debentures or securities with an analogous nature, convertible or non-convertible, for a maximum amount of 2 billion euros.

CARTERA MAPFRE directly held 67.70 percent of the share capital as at December 31, 2015 and 2014.

All the shares representing the controlling company's share capital are listed on the Madrid and Barcelona stock exchanges.

Treasury stock

In 2015, the controlling company acquired 1,012,666 treasury shares representing 0.03 percent of total capital, for 2,392,792.20 euros, at an average price of 2.36 euros per share. The par value of the shares acquired is 101,266.60 euros.

As at December 31, 2015 and 2014, no other Group company held shares in the controlling company.

Valuation change adjustments

This includes the equity reserves arising as a consequence of revenues and expenses recognized in each year which, pursuant to IFRS, must be recorded in the Group's equity accounts.

The following table shows the nature of the "Valuation change adjustments" recorded under that Equity heading at the close of the last two financial years:

Item	AMOUNT	
	2015	2014
Fixed Income		
Capital gains	4,035.92	3,826.81
Capital losses	(1,483.32)	(793.82)
Variable Income and Investment Funds		
Capital gains	131.27	161.85
Capital losses	(44.45)	(25.49)
Shadow accounting	(2,048.25)	(2,269.71)
Other adjustments	41.02	(9.27)
TOTAL	632.19	890.37

Figures in millions of euros

Restrictions on the availability of reserves

– "Reserves" includes the controlling company's legal reserve, amounting to 61.59 million euros as at December 31, 2015 and 2014, which may not be distributed to shareholders, except in the event of the controlling company's liquidation, and may only be used to offset potential losses.

The same restriction applies to the legal reserves established by the subsidiaries and recorded in their balance sheets.

– This heading also includes the reserve on redenomination of the share capital to euros, amounting to 0.15 million euros, of a non-distributable nature, pursuant to the provisions of section 28 of Act 46/1998.

– There are no other restrictions on the availability of reserves for any significant amount.

Capital management

The Group has an internal capitalization and dividend policy that is designed to provide the business units with the capital necessary to cover the risks that have been assumed, all in a rational and objective way. Both the estimation of risks and the allocation of capital to the different units are described in Note 7 of the "RISK MANAGEMENT" report.

The items forming part of the Group's uncommitted equity conform to the requirements of current regulations.

The Group's solvency margin in financial years 2015 and 2014 amounted to 9,825.15 million euros and 10,349.40 million euros, respectively. These figures exceeded the required minimum (3,850.35 million euros and 3,996.39 million euros, respectively) by 2.55 times in 2015 and by 2.59 times in 2014.

6.12. SUBORDINATED LIABILITIES

As at December 31, 2015 and 2014 the balance of this account included the amortized cost of the subordinated debentures issued by the controlling company, net of that corresponding to the securities bought in the market. Their most significant terms and conditions are as follows:

– Nature of the issue: subordinated debentures represented by book entries.

– Nominal amount: 700 million euros.

– Number of securities: 14,000.

– Nominal per security: 50,000 euros.

– Issue date: July 24, 2007.

– Maturity: July 24, 2037.

– First amortization option: July 24, 2017.

– Amortization in special cases: due to reform or modification of tax regulations, failure to qualify as the issuer's shareholders' funds, and change in the treatment afforded by credit ratings agencies.

– Interest from issue until the exercise date of the first amortization option: 5.921 percent per annum, payable on July 24 of each year.

– Interest from the date of exercise of the first amortization option: variable rate equal to 3-month Euribor plus 2.05 percent, payable quarterly.

– Deferral of interest: The issuer will have discretion to defer the payment of interest if this exceeds the profit available for distribution and if the issuer has not amortized or repurchased any shares or securities issued pari passu with or ranking below the debentures.

– Settlement of deferred interest: The issuer will be bound to pay deferred interest when it resumes regular payment of interest on debentures, makes an early amortization of the debentures, or makes payments or repurchases of any shares or securities ranking below the debentures.

– Priority order: They are subordinated to all ordinary creditors, understood as all those who in the rank of priority stand before subordinated creditors in the event of the issuer liquidation.

– Quote market: AIAF

– Law: Spanish.

– Issue rating: BBB- (Standard & Poor's).

As at December 31, 2015 and 2014, the total number of securities purchased on the market in previous years was 2,431.

The accrued interest outstanding as at December 31, 2015 and 2014 amounted to 15.01 million euros. As at December 31, 2015 and 2014, the securities were listed at 104.35 percent and 107.77 percent of their face value, respectively.

6.13. FINANCIAL LIABILITIES

The following table shows the fair value of the financial liabilities:

Item	BOOK VALUE		FAIR VALUE	
	2015	2014	2015	2014
Issue of debentures and other negotiable securities	--	1,004.88	--	1,039.04
Due to credit institutions	1,177.73	187.69	1,177.73	187.70
Other financial liabilities	506.72	306.39	490.50	306.39
TOTAL	1,684.45	1,498.96	1,668.23	1,533.13

Figures in millions of euros

As at December 31, 2014, the fair value of the issue of debentures and other negotiable securities corresponded to the quotation price at the close of the financial year (Level 1).

Issue of debentures and other negotiable securities

As at December 31, 2014, the balance of this account included the amortized cost of the simple debentures issued by MAPFRE S.A. Their most significant terms and conditions are as follows:

- Nature of the issue: simple debentures represented by book entries.
- Total amount: 1,000 million euros.
- Number of securities: 10,000.
- Nominal per security: 100,000 euros.
- Issue date: November 16, 2012.
- Term: 3 years.
- Maturity: November 16, 2015.
- Amortization: a lump sum at maturity, at par, free of expenses for holders.
- Listing: AIAF fixed income security market.
- Coupon: 5.125 percent per annum, payable on the anniversaries of the issue date until the final maturity date inclusive.
- Issue rating: BBB+(Standard & Poor's).

The debentures were fully amortized upon their maturity on November 16, 2015.

The accrued interest outstanding as at December 31, 2014 amounted to 6.32 million euros.

Due to credit institutions

The breakdown of the amounts owed to credit institutions as at December 31, 2015 and 2014 is shown below:

Class of debt	BOOK VALUE		AVERAGE INTEREST RATE %		SECURITY GIVEN	
	2015	2014	2015	2014	2015	2014
Finance lease	1.76	0.72	6.03	--	--	--
Credits	1,095.07	73.93	1.00	5.50	--	--
Loans	13.57	43.69	--	0.33	--	--
Other	67.33	69.35	1.00	0.80	--	--
TOTAL	1,177.73	187.69	--	--	--	--

Figures in millions of euros

As at December 31, 2015 and 2014, the main credit facility was as follows:

Bank	MATURITY	LIMIT		DRAWN DOWN	
		2015	2014	2015	2014
Santander	11.12.2020	1,000.00	1,000.00	1,000.00	--
TOTAL		1,000.00	1,000.00	1,000.00	--

Figures in millions of euros

Banco de Santander is the agent bank of the credit line described, which is a syndicated loan facility with other entities, and which accrues interest at a rate pegged to market variables. As per the contract terms, in 2015 the maturity was extended from December 2019 to December 2020.

Other financial liabilities

"Other financial liabilities" includes the amount of other payment obligations of a financial nature not included in other items. The following table shows the breakdown at December 31, 2015 and 2014:

Other financial liabilities	AMOUNT	
	2015	2014
Financial liabilities held for trading	315.04	258.55
Other financial liabilities at fair value and changes in P&L	0.84	5.37
Hedging Derivatives	--	--
Derivatives for asset operations (equity swap)	8.08	3.65
MAPFRE Portfolio Credit	140.00	--
Other financial liabilities	42.76	38.82
TOTAL	506.72	306.39

Figures in millions of euros

As at December 31, 2015 and 2014, the fair value of these liabilities does not differ significantly from their book value.

The fair value valuations of these liabilities are classified at Level 2.

During 2015 and 2014, no financial liabilities were transferred between Levels 1, 2 and 3. Items are transferred between levels when they no longer meet the criteria for classification under a specific level and they instead qualify under a different level. No adjustments were made for own credit risk in connection with the financial liabilities derived from financial swap transactions, given that they are cash flow exchange operations whose current net value leads to a balance in favor of the counterparty. In any event, the application of adjustments for own credit risk in these transactions would not have a material effect on the income statement or on equity.

The credit facility granted by CARTERA MAPFRE has a limit of 200 million euros, accrues interest at a variable rate referenced to the three-month Euribor, and matures on September 10, 2016, although it may be extended for successive periods of one year.

6.14. TECHNICAL PROVISIONS

1. Breakdown of the technical provisions balance

The following table breaks down the balance of each of the technical provisions recorded in the balance sheet in the last two financial years.

Item	DIRECT INSURANCE		ACCEPTED REINSURANCE		ASSIGNED AND RETRO-ASSIGNED REINSURANCE	
	2015	2014	2015	2014	2015	2014
Provisions for Non-Life unearned premiums and unexpired risks						
1.1 Provision for unearned premiums	6,961.19	6,289.28	1,423.92	1,315.04	1,720.30	1,299.26
1.2 Provision for unexpired risks	40.65	49.70	--	--	--	--
Life insurance provisions						
2.1 Provisions for unearned premiums and unexpired risks						
2.1.1. Provision for unearned premiums	1,225.97	1,409.00	357.95	260.51	29.47	18.84
2.1.2. Provision for unexpired risks	105.27	116.38	--	--	--	--
2.2 Mathematical reserves	23,236.06	25,512.43	101.07	86.56	63.78	53.06
Provisions for claims						
3.1 Pending settlement or payment	6,034.57	5,578.94	1,661.25	1,658.90	1,688.55	1,693.17
3.2 Claims incurred but unreported (IBNR)	1,076.15	1,082.89	112.31	130.13	351.37	280.52
3.3 For claim settlement internal expenses	146.81	124.30	5.97	4.21	14.40	11.80
Other technical provisions						
4.1 Burial	691.07	612.84	--	--	--	--
4.2 Other	81.99	126.54	--	--	1.65	10.52
TOTAL	39,599.73	40,902.30	3,662.47	3,455.35	3,869.52	3,367.17

Figures in millions of euros

2. Movement of each technical provision

2.1. PROVISIONS FOR UNEARNED PREMIUMS, FOR RISKS IN PROGRESS, FOR CLAIMS, FOR PROFIT SHARING, AND OTHER TECHNICAL PROVISIONS

A) Direct insurance and accepted reinsurance

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails)

Year 2015

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Provisions	Applications	Closing balance
Provisions for Non-Life unearned premiums and unexpired risks						
1.1 Provision for unearned premiums	7,604.32	(601.63)	513.26	8,422.53	(7,553.37)	8,385.11
1.2 Provision for unexpired risks	49.70	(15.44)	--	34.37	(27.98)	40.65
Life insurance provisions						
2.1 Provisions for unearned premiums and unexpired risks						
2.1.1. Provision for unearned premiums	1,669.51	(314.31)	(16.93)	970.44	(724.79)	1,583.92
2.1.2. Provision for unexpired risks	116.38	(28.24)	--	22.01	(4.88)	105.27
2.2 Mathematical reserves	25,598.99	(154.63)	(1,907.33)	2,287.94	(2,487.84)	23,337.13
Provisions for claims						
3.1 Direct insurance Life	1,140.16	(109.11)	(50.88)	866.61	(923.95)	922.83
3.2 Direct insurance Non Life	5,645.97	(348.03)	698.02	7,564.62	(7,225.88)	6,334.70
3.3 Accepted reinsurance	1,793.24	(20.80)	--	2,719.70	(2,712.61)	1,779.53
Other technical provisions	739.38	(32.75)	(0.13)	755.69	(689.13)	773.06
TOTAL	44,357.65	(1,624.94)	(763.99)	23,643.91	(22,350.43)	43,262.20

Figures in millions of euros

In 2015, "Adjustments to the opening balance" comprise increases in prior years' technical provisions, in the amount of 37 million euros, with a balancing entry made directly in net equity. This movement is reflected in the consolidated statement of changes in net equity, as other changes in Reserves in 2015. The financial statements for 2014 were not restated, as the effect was not significant.

Year 2014

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Provisions	Applications	Closing balance
Provisions for Non-Life unearned premiums and unexpired risks						
1.1 Provision for unearned premiums	7,020.97	60.66	0.35	9,962.49	(9,440.15)	7,604.32
1.2 Provision for unexpired risks	10.33	28.94	--	29.60	(19.17)	49.70
Life insurance provisions						
2.1 Provisions for unearned premiums and unexpired risks						
2.1.1. Provision for unearned premiums	1,236.15	4.42	17.11	2,115.22	(1,703.39)	1,669.51
2.1.2. Provision for unexpired risks	0.67	--	--	116.40	(0.69)	116.38
2.2 Mathematical reserves	19,781.27	48.25	2,439.37	6,018.19	(2,688.09)	25,598.99
Provisions for claims						
3.1 Direct insurance Life	1,075.15	48.17	59.42	914.32	(956.90)	1,140.16
3.2 Direct insurance Non Life	5,105.71	28.78	--	5,798.82	(5,287.34)	5,645.97
3.3 Accepted reinsurance	1,619.36	4.04	--	2,532.25	(2,362.41)	1,793.24
Other technical provisions	667.75	(22.12)	0.12	723.38	(629.75)	739.38
TOTAL	36,517.36	201.14	2,516.37	28,210.67	(23,087.89)	44,357.65

Figures in millions of euros

B) Ceded and retroceded reinsurance

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Provisions	Applications	Closing balance
Provision for unearned premiums	1,299.26	(66.35)	35.89	2,152.71	(1,701.21)	1,720.30
Provision for Life insurance	71.90	2.74	(1.76)	55.66	(35.29)	93.25
Provision for outstanding claims	1,985.49	(152.55)	194.36	3,410.80	(3,383.78)	2,054.32
Other technical provisions	10.52	(1.31)	--	1.65	(9.21)	1.65
TOTAL	3,367.17	(217.47)	228.49	5,620.82	(5,129.49)	3,869.52

Figures in millions of euros

Ejercicio 2014

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Provisions	Applications	Closing balance
Provision for unearned premiums	1,191.87	89.65	0.26	2,254.80	(2,237.32)	1,299.26
Provision for Life insurance	67.42	(16.20)	1.87	51.37	(32.56)	71.90
Provision for outstanding claims	1,769.77	28.01	5.66	2,368.98	(2,186.93)	1,985.49
Other technical provisions	17.47	(9.45)	--	10.05	(7.55)	10.52
TOTAL	3,046.53	92.01	7.79	4,685.20	(4,464.36)	3,367.17

Figures in millions of euros

2.2. MATHEMATICAL RESERVES

Item	DIRECT INSURANCE AND ACCEPTED REINSURANCE		ASSIGNED AND RETRO-ASSIGNED REINSURANCE	
	2015	2014	2015	2014
Mathematical reserve at beginning of year	25,598.99	19,781.27	53.06	48.89
Adjustments to the opening balance	(154.63)	48.25	(1.32)	(13.54)
Consolidation (balance of provision on consolidation date)	--	2,439.37	--	1.51
Premiums	1,813.81	2,339.63	11.59	13.16
Technical interest	540.49	722.33	1.01	--
Claim payments/collections	(2,487.84)	(2,688.09)	(0.24)	(0.75)
Reserve adequacy test	--	--	--	--
Shadow accounting adjustments	(143.67)	2,897.14	--	--
Other	77.31	59.09	(0.32)	3.79
Deconsolidation (balance of reserve on deconsolidation date)	(1,907.33)	--	--	--
MATHEMATICAL RESERVE AT END OF YEAR	23,337.13	25,598.99	63.78	53.06

Figures in millions of euros

2.3. FUNERAL PROVISION

Item	DIRECT INSURANCE AND ACCEPTED REINSURANCE	
	2015	2014
Reserve at beginning of year	612.84	550.50
Adjustments to the opening balance	(2.04)	9.10
Consolidation (balance of reserve on consolidation date)	--	--
Premiums	82.12	60.95
Technical interest	14.79	13.12
Claim payments	(5.62)	(8.17)
Reserve adequacy test	--	--
Other	(11.02)	(12.66)
Deconsolidation (balance of reserve on deconsolidation date)	--	--
Reserve at end of year	691.07	612.84

Figures in millions of euros

3. Other information

3.1. TECHNICAL PROVISIONS RELATING TO LIFE INSURANCE WHEN POLICYHOLDERS BEAR THE INVESTMENT RISK

Item	DIRECT INSURANCE AND ACCEPTED REINSURANCE	
	2015	2014
Reserve at beginning of year	2,087.20	2,225.27
Adjustments to the opening balance	(175.37)	2.44
Consolidation (balance of provision on consolidation date)	--	57.78
Premiums	240.42	444.71
Payment of claims	(305.78)	(595.72)
Asset valuation changes	103.45	135.39
Other	(94.82)	(182.67)
Deconsolidation (balance of reserve on deconsolidation date)	(56.22)	--
Reserve at end of year	1,798.88	2,087.20

Figures in millions of euros

3.2. PROVISION FOR UNEXPIRED RISKS

The provision for unexpired risks has been allocated by the Group's insurance entities pursuant to the criteria explained in Note 5.15.

3.3. INFORMATION ON LIFE INSURANCE

No additional provision for Life insurance, due to inadequate returns, had to be allocated.

The characteristics of the main Life insurance types sold by the Group's companies in 2015 and 2014 are listed below. Some of the types shown are included in the GKM80 tables, which are always used for products with an exclusive risk component.

Technical conditions at MAPFRE VIDA

Categories	COVERAGE	TABLES	TECHNICAL INTEREST	PROFIT SHARING	
				Amount	Method of distribution
Single premium individual contracts without profit sharing:					
- Savings without profit sharing and counterinsurance	(1)	PASEM 2010 MEN	1,41% (2)		
Single premium individual contracts with profit sharing:					
- Savings with profit sharing and counterinsurance	(3)	GKM/F-95	2,00% (2)	0.53	(4)
- Savings with profit sharing and counterinsurance	(5)	PASEM 2010 MEN	1,60% (2)	0.22	(4)
Single premium group annuity contracts:					
. Longevity without profit sharing and without counterinsurance (exteriorization annuity)	(6)	PERM/F-2000 P/C	4,80% (2)		
Single premium group contracts:					
- Savings with profit sharing and counterinsurance	(7)	GKM/F-95	3,17% (2)	1.25	(4)

Figures in millions of euros

(1) The following guarantees are included:

- Survival. If the insured party survives at the maturity date, an insured sum will be paid at that time.
- Death. If the insured dies prior to the maturity date, payment will comprise the premium paid, capitalized at an annual rate during the period of time from the effective date of the policy and the date of death, considering the fraction of the year under way as a complete year.

(2) The applicable interest rates vary in accordance with the Technical Note and in keeping with the provisions of R.D. 2486/1998, which approves the Regulations on Organization and Supervision of Private Insurance, and of Order EHA/3598/2008. Therefore the weighted mean interest of the type is given.

(3) The following guarantees are included:

- Survival. If the insured survives at the maturity date, the payment will comprise an insured sum and the capital

revaluations assigned to that date, in accordance with the revaluation clause included in the contract.

- Death. If the insured dies prior to the maturity date, the payment will comprise the net premiums of the principal insurance paid, capitalized at the guaranteed technical interest per full elapsed years, plus the mathematical provisions for the revaluations assigned to that date, as per the revaluation clause included in the contract.

(4) The distribution of profit sharing is instrumented in deferred capital insurance policies with reimbursement of single premium reserves.

(5) The following guarantees are included:

- Survival. If the insured survives at the maturity date, the payment will comprise the corresponding capital, obtained on the basis of the vested economic rights, as an insured capital sum upon maturity and capital for profit sharing assigned up to that date.

– Death. If the insured dies prior to the maturity date, the payment will comprise the capital, obtained as the sum of the single premium paid, capitalized at the guaranteed technical interest per full elapsed years, plus the mathematical provisions for the profit sharing assigned up to that date.

(6) Temporary and life annuities, in case of survival

(7) In case of survival, a capital upon maturity is guaranteed. In case of death, payment of the paid single premium plus interest is guaranteed.

Technical conditions at BANKIA MAPFRE VIDA

Categories	COVERAGE	TABLES	TECHNICAL INTEREST	PROFIT SHARING	
				Amount	Form of distribution
Single premium individual contracts without profit sharing:					
- Combined insurance	(1)	GRM/F-95	3.61%	--	--
- Combined insurance	(2)	GKM/F-95 and 55% PASEM 2010 MEN	3.44%	--	--
Single or regular premium individual systematic savings plan with profit sharing:					
- Combined insurance	(3)	PASEM 2010 MEN	1.41%	0.06	(4)
Single or regular premium individual contracts with profit sharing:					
- Combined insurance	(3)	PASEM 2010 MEN	1.69%	0.23	(4)
Single group contracts treated individually, temporary annual renewable and additional risks:					
- Risk insurance	(5)	(6)	0.50%	--	--
- Risk insurance	(5)	(6)	0.50%	--	--
Single premium group contracts treated individually on personal loan repayment insurances:					
- Risk insurance	(7)	(8)	1.50%	--	--
Non-life contracts treated individually, temporary annual renewable and additional risks:					
- Workplace accident	(9)	(10)	--	--	--
Single premium group contracts:					
- Annuity insurance without profit sharing	(11)	GRM/F-95 and PERM/F 2000 P	3.25%	--	--
- Annuity insurance with profit sharing	(12)	GRM/F-95, PERM/F 2000 P and 75% PERF 2000 P	2.47%	0.88	(13)

Figures in millions of euros

(1) The insurance policy guarantees payment of a constant annuity while the insured person lives and, should he/she die during the first year of validity of the insurance policy, the return of the premium paid. If death occurs after the first year, the return of the premium is guaranteed plus the lowest of 3 percent of the premium and 6,010.12 euros.

(2) The insurance policy guarantees payment of a constant annuity while the insured person lives and, should he/she die during the first year of validity of the insurance policy, the return of the premium paid. If death occurs after the first year, the guaranteed amount will depend on the choice made by the

policyholder: the premium plus the lowest of 5 percent of the premium and 6,010 euros, 85 percent of the premium, or 75 percent of the premium. With the possibility of the technical interest rate being revised after three, five or 10 years.

(3) The premiums paid by the policyholder, after deducting the costs and expenses of the guarantees contracted, accumulate as part of the insured fund. This is the defining element of the insurance, as it constitutes the operating basis therefor and serves as a benchmark for all economic rights derived from the contract.

The insured fund is "fed" with the premiums paid, after deducting the acquisition expenses, the guaranteed returns derived from application of the technical interest rate considered at each moment in the contract and, where applicable, any profit-sharing foreseen in the contract and duly generated. The insured fund will be reduced periodically to account for management expenses and the cost of risk guarantees for each period, as well as for the amount of any partial surrender made, if this possibility is foreseen in the contract.

The economic rights derived from the insurance, in particular the benefits guaranteed and the total surrender rights, are quantified at the time the rights are executed, based on the value of the insured fund at that date.

(4) Profit-sharing is assigned in proportion to the weighted average of mathematical provisions at the end of each month as a percentage of the weighted average of provisions calculated for the entire policy-subscription of the modality. Accrual is per full year, attributed to each policy-subscription at the end of each year through its integration as an additional premium, increasing the insured fund.

(5) Annual renewable Group life insurance with individual treatment and complementary risks, where the insurer guarantees, in exchange for a premium, payment of capital to the designated beneficiary(ies), in the amount and with the features foreseen in the particular conditions and/or individual insurance certificates. The guarantees contracted for this modality include: death for any reason, absolute permanent disability, and accidental death.

(6) Experience tables:

- Mortality table: 95% PASEM 2010 for males.
- Absolute permanent disability table: 90% PEAIM for males corrected as per the Ministerial Order.
- Accidental death rates: 1977 Ministerial Order.

(7) Through the life insurance contract for repayment of personal loans at a single premium, the insurer, up to the limit of insured capital and in accordance with the guaranteed risks, assumes the obligations of the rightful successor of the insured parties vis-à-vis the lender, for the loan tied to the insurance policy, in the event of death of the policyholder or of the insured(s) and in the case of permanent, total and absolute disability for the performance of paid work.

(8) Experience tables:

- Mortality table: PASEM 2010 for males.
- Absolute permanent disability table: 90% PEAIM for males corrected as per the Ministerial Order.

(9) Individual accident insurance guaranteeing payment of compensation to the insured party in the event any of the following situations should arise due to accidental bodily injury: death immediately after or within one year of the accident date, accidental death while using public transportation, absolute permanent disability verified within one year of the accident date.

(10) Incidence rates are applied for coverage.

(11) Multi-year Group insurance guaranteeing payment of annuities to the appointed beneficiaries in the event any of the following contingencies occur: death, absolute permanent disability, total or major disability of the insured person.

(12) Group income life insurance for pension plans, whereby the entity undertakes to pay any of the following types of income:

- a) Lifetime or temporary annuity, paid until death of the insured party, provided this occurs within the established period. This income could incorporate a reserved capital, payable upon death of the insured or upon lapse of the established period.
- b) Certain income, payable up to the established date, irrespective of death of the insured. Determination will be made guaranteeing, as minimum interest, the technical interest rate established in the technical conditions for calculating premiums.
- c) Lifetime or temporary annuities may, in turn, incorporate one or more income items in the event of death of the primary householder. An exception is made for orphan benefits for beneficiaries under 14 years of age. These benefits cannot be transformed into other benefits, as per article 83 of Insurance Contract Law 50/1980.

d) Annuities may be constant or variable.

e) The annuities will begin to accrue from the date the insured party is incorporated under the income policy. The amount may be received immediately or it may be deferred.

f) Annuities will be payable in advance or upon completed periods, and may be monthly, every other month, every quarter, every four months, half-yearly or yearly.

(13) Profit sharing is assigned in proportion to the weighted average of the mathematical provisions during the period. The amount of the annual participation of each insured party increases, as a single inventory premium, to the mathematical provision on the year-end balance sheet. Based on the resulting amount, the new value of the periodic term of the annuity corresponding to each insured party is obtained.

Technical conditions at CCM VIDA Y PENSIONES

Categories	COVERAGE	TABLES	TECHNICAL INTEREST	PROFIT SHARING	
				Amount	Form of distribution
Regular premium contracts with profit sharing:					
- Combined insurance CE04	(1)	GRM/F-95	2.00%	--	(2)
- Combined insurance PPA	(3)	GKM/F-95/PASEM	1.50%	--	(2)
- Combined insurance AC02	(4)	GKM/F-80/PASEM	1.75%	--	(2)
- Combined insurance CE05	(1)	PER 2000	2.00%	--	(2)
- Combined insurance CE06	(1)	PER 2000	1.00%	--	(2)
Single premium group contracts treated individually without profit sharing:					
- Longevity PVII	(5)	GRM/F-95/PASEM	3.35%	--	--
- Longevity RFEI	(6)	GRM/F-95/ PER2000	4.47%	--	--

Figures in millions of euros

(1) Medium to long-term life-savings insurance, intended to set up a fund through regular contributions from the client plus a guaranteed fixed return and an additional variable return that is determined on a half-yearly basis (profit sharing). On maturity, the fund may be redeemed as an annuity or in a lump sum. Annuities may be freely established as for life or temporary, but always taking into account the fact that they are "actuarial yields", i.e. they are earned while the insured person is alive and are terminated on the latter's death. If the benefit on maturity of the policy is a sum of money, the insured person receives 100 percent of the total cumulative balance. In addition, if the insured person dies before maturity, there is a minimum insurance amount of 600 euros, with the possibility of taking out a complementary death insurance for the sum guaranteed at maturity with a maximum limit of 60,000 euros. For the CE06 type, the minimum insurance is 1,200 euros and the maximum guaranteed sum is 100,000 euros.

(2) The distribution of profit sharing is instrumented as an exceptional contribution, which is charged at the start of each financial year. For the CEO6 type, profit sharing is not quantified and instead there is a minimum rate plus an excess rate reviewable every six months.

(3) Life-saving insurance whose benefits are received on retirement, or when the other contingencies specified in applicable legislation occur, and with the same tax breaks as individual pension schemes.

(4) Medium to long-term life-savings insurance, intended to set up a fund through regular contributions from the client plus a guaranteed fixed return and an additional variable return that is determined on a half-yearly basis (profit sharing). On maturity it is recovered as capital. It also includes insurance for the case of the insured person's death, amounting to 10 percent of the mathematical provision with a limit of 6,000 euros, so the beneficiary receives the fully accumulated balance plus the amount of the insurance on the date of death.

(5) Constant life annuity, payable in arrears while the insured party is alive, whose value may vary after each interest rate review, in accordance with the frequency determined by the client. In case of the insured person's death, the beneficiaries named in the policy receive a sum equivalent to 102 percent of the premiums paid, the interest rate that is set in terms of the assets in question.

(6) Temporary and life annuities corresponding to the benefits defined in the pension scheme for employees of Caja de Ahorros de Castilla La Mancha.

Technical conditions at MAPFRE AMÉRICA controlled companies

The Life insurance companies controlled by MAPFRE AMÉRICA operate in their respective markets with both individual and Group contracts, with regular and single premiums, and without profit sharing. Contractual covers vary according to the conditions of the markets in which they operate, but include life and death insurance, combined insurance, life annuities, funeral insurance, etc.

The Brazilian companies COMPANHIA DE SEGUROS ALIANÇA DO BRASIL and MAPFRE VIDA sell life risk products (linked and un-linked). The characteristics of the main types sold in 2015 and 2014 are shown below.

Module	Premium	Type of Coverage	Mortality tables	Distribution channel
Ouro vida	Monthly	Natural or accidental death, compensation for accidental death, total or partial permanent disability due to accident, total permanent compensation for illness	AT-49	Bank channel
Ouro vida revisado	Monthly	Natural or accidental death, compensation for accidental death, total or partial permanent disability due to accident, total permanent compensation for illness	AT-49	Bank channel
Ouro vida 2000	Monthly	Natural or accidental death, compensation for accidental death, total or partial permanent disability due to accident, chronic illness	AT-83	Bank channel
Ouro vida grupo especial	Monthly	Natural or accidental death, compensation for accidental death, total or partial permanent disability due to accident, chronic illness	AT-83	Bank channel
BB seguro vida mulher	Monthly, annual	Natural or accidental death, total or partial permanent disability due to accident	AT-83	Bank channel
BB seguro vida	Monthly	Natural or accidental death	AT-83	Bank channel
Ouro vida estilo	Monthly	Natural or accidental death, chronic illness, total or partial permanent disability due to accident	AT-83	Bank channel
Other group life insurance products	Monthly, two-monthly, quarterly and annually	Natural or accidental death, compensation for accidental death, total or partial permanent disability due to accident	AT-49 AT-83	Bank channel, broker
Lender	Annual	Natural or accidental death, permanent disability	AT-83	Bank channel

MAPFRE COLOMBIA VIDA sells life risk and savings products. The characteristics of the main types sold in 2015 and 2014 are shown below.

Module	Premium	Coverage	Tables	Distribution channel
Pensions Law 100	Single	Longevity and death	Colombian mortality of male/female annuitants- Colombian invalid mortality table	Own network
Disability and survivor pension	Monthly	Death, disability, temporary disability and funeral assistance	Colombian mortality of male/female annuitants- Colombian invalid mortality table	Own network
Occupational risk	Monthly	Death, disability, temporary disability, permanent partial disability, funeral assistance and medical expenses	Colombian mortality of male/female annuitants- Colombian invalid mortality table	Intermediaries, brokers and Own network

The distribution of profit sharing of some death and combined insurance policies is instrumented in deferred capital insurance policies with reimbursement of single premium reserves.

MAPFRE TEPEYAC sells life-risk and savings products. The features of the main modalities sold in 2015 and 2014 are as follows:

Module	Premium	Coverage	Tables	Distribution channel
Ordinary	Level net premium	Payment of the sum insured in the policy	EM 62-67, EM 82-89, CNSF-2000 I	Bank channel, brokers, agency network, rest
Temporary	Level net premium	Payment of the sum insured in the policy in case of death during period of coverage	EM 62-67, EM 82-89, CNSF-2000 I	Bank channel, brokers, agency network, rest
Combined endowments	Level net premium	Payment of the sum insured in the policy, whether death occurs during period of coverage or at expiry	EM 62-67, EM 82-89, CNSF-2000 I	Bank channel, brokers, agency network, rest

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails)

3.4. PERFORMANCE OF THE INCURRED CLAIMS

The following table shows the performance of the incurred claims for Non-Life direct insurance from the year of occurrence until the close of 2015 and 2014. It also gives a breakdown per year of occurrence of the provision for claims under the said insurance at the close of these financial years.

Year 2015

YEAR OF CLAIM EVENT	ITEM	PERFORMANCE OF COST OF CLAIMS IN THE YEARS SUBSEQUENT TO YEAR OF OCCURRENCE										
		Year of occurrence	1 year later	2 years later	3 years later	4 years later	5 years later	6 years later	7 years later	8 years later	9 years later	More than 9 later
2005 and previous	Outstanding provision	6,355.63	3,235.71	2,092.03	1,360.76	902.67	637.64	460.97	385.06	267.37	183.16	158.89
	Cumulative payments	23,997.91	26,739.31	27,635.45	28,222.44	28,605.76	28,847.50	28,946.90	29,032.05	29,098.63	29,154.72	29,226.49
	TOTAL COST	30,353.54	29,975.02	29,727.48	29,583.20	29,508.43	29,485.14	29,407.87	29,417.11	29,366.00	29,337.88	29,385.38
2006	Outstanding provision	2,509.74	1,099.51	629.90	389.33	264.04	172.22	127.40	100.22	73.22	68.85	
	Cumulative payments	3,364.75	4,599.71	4,949.55	5,144.98	5,287.73	5,356.28	5,393.54	5,422.94	5,438.45	5,441.18	
	TOTAL COST	5,874.49	5,699.22	5,579.45	5,534.31	5,551.77	5,528.50	5,520.94	5,523.16	5,511.67	5,510.03	
2007	Outstanding provision	2,844.42	1,108.13	702.96	416.87	310.45	222.90	174.78	125.89	121.11		
	Cumulative payments	3,751.69	5,146.58	5,502.58	5,782.12	5,889.81	5,965.28	5,998.13	6,037.78	6,043.54		
	TOTAL COST	6,596.11	6,254.71	6,205.54	6,198.99	6,200.26	6,188.18	6,172.91	6,163.67	6,164.65		
2008	Outstanding provision	2,811.75	1,149.38	662.19	441.37	328.57	257.03	192.35	163.79			
	Cumulative payments	4,238.88	5,678.53	6,006.37	6,203.79	6,302.48	6,362.35	6,401.08	6,429.04			
	TOTAL COST	7,050.63	6,827.91	6,668.56	6,645.16	6,631.05	6,619.38	6,593.43	6,592.83			
2009	Outstanding provision	2,586.53	925.57	550.60	335.94	251.60	173.58	163.84				
	Cumulative payments	4,431.21	5,781.29	6,073.13	6,249.35	6,335.00	6,400.16	6,433.52				
	TOTAL COST	7,017.74	6,706.86	6,623.73	6,585.29	6,586.60	6,573.74	6,597.36				
2010	Outstanding provision	2,921.94	1,138.67	681.11	391.20	262.00	182.40					
	Cumulative payments	5,074.13	6,734.54	7,070.00	7,353.40	7,470.28	7,538.08					
	TOTAL COST	7,996.07	7,873.21	7,751.11	7,744.60	7,732.28	7,720.48					
2011	Outstanding provision	2,416.14	877.80	530.28	344.41	252.35						
	Cumulative payments	4,978.64	6,415.49	6,702.39	6,854.80	6,910.85						
	TOTAL COST	7,394.78	7,293.29	7,232.67	7,199.21	7,163.20						
2012	Outstanding provision	2,658.76	953.17	546.32	348.64							
	Cumulative payments	4,713.83	6,179.77	6,513.44	6,684.78							
	TOTAL COST	7,372.59	7,132.94	7,059.76	7,033.42							
2013	Outstanding provision	2,688.73	1,020.95	614.08								
	Cumulative payments	4,930.08	6,394.13	6,769.54								
	TOTAL COST	7,618.81	7,415.08	7,383.62								
2014	Outstanding provision	2,919.47	1,149.63									
	Cumulative payments	5,287.83	6,899.59									
	TOTAL COST	8,207.30	8,049.22									
2015	Outstanding provision	3,111.12										
	Cumulative payments	5,654.59										
	TOTAL COST	8,765.71										

Figures in millions of euros

December 31, 2015

Item	YEAR OF OCCURRENCE											Total
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005 and previous	
Provision for claims Non-Life direct insurance	3,111.12	1,149.63	614.08	348.64	252.35	182.40	163.84	163.79	121.11	68.85	158.89	6,334.70

Figures in millions of euros

Year 2014

YEAR OF CLAIM EVENT	ITEM	PERFORMANCE OF COST OF CLAIMS IN THE YEARS SUBSEQUENT TO YEAR OF OCCURRENCE										
		Year of occurrence	1 year later	2 years later	3 years later	4 years later	5 years later	6 years later	7 years later	8 years later	9 years later	More than 9 later
2004 and previous	Outstanding provision	4.616,48	2.262,52	1.513,21	1.021,64	673,56	445,63	313,20	238,60	190,36	123,55	110,30
	Cumulative payments	19.273,01	21.296,04	21.939,56	22.342,46	22.652,40	22.819,23	22.908,24	22.952,97	22.994,26	23.032,94	23.071,40
	TOTAL COST	23.889,49	23.558,56	23.452,77	23.364,10	23.325,96	23.264,86	23.221,44	23.191,57	23.184,62	23.156,49	23.181,70
2005	Outstanding provision	2.224,40	933,00	535,67	349,13	210,12	155,40	111,40	125,73	71,40	50,43	
	Cumulative payments	3.104,74	4.177,61	4.449,31	4.644,27	4.757,19	4.839,87	4.868,41	4.886,05	4.897,04	4.905,87	
	TOTAL COST	5.329,14	5.110,61	4.984,98	4.993,40	4.967,31	4.995,27	4.979,81	5.011,78	4.968,44	4.956,30	
2006	Outstanding provision	2.317,60	982,13	558,27	337,42	228,24	149,42	104,41	81,07	53,66		
	Cumulative payments	3.343,17	4.477,18	4.809,18	4.988,31	5.122,30	5.184,60	5.218,53	5.243,14	5.257,65		
	TOTAL COST	5.660,77	5.459,31	5.367,45	5.325,73	5.350,54	5.334,02	5.322,94	5.324,21	5.311,31		
2007	Outstanding provision	2.676,31	1.007,55	639,03	377,41	284,73	202,31	159,58	117,06			
	Cumulative payments	3.729,57	5.035,75	5.339,80	5.594,77	5.698,43	5.770,92	5.801,57	5.838,62			
	TOTAL COST	6.405,88	6.043,30	5.978,83	5.972,18	5.983,16	5.973,23	5.961,15	5.955,68			
2008	Outstanding provision	2.634,68	1.036,65	583,22	383,85	287,80	224,47	174,93				
	Cumulative payments	4.214,37	5.565,72	5.888,36	6.104,76	6.175,10	6.234,11	6.273,58				
	TOTAL COST	6.849,05	6.602,37	6.471,58	6.488,61	6.462,90	6.458,58	6.448,51				
2009	Outstanding provision	2.469,70	834,63	581,65	377,01	231,33	159,97					
	Cumulative payments	4.523,21	5.814,84	6.064,55	6.222,99	6.303,42	6.364,13					
	TOTAL COST	6.992,91	6.649,47	6.646,20	6.600,00	6.534,75	6.524,10					
2010	Outstanding provision	2.815,43	1.046,50	633,61	375,29	247,61						
	Cumulative payments	5.236,93	6.792,46	7.065,74	7.335,24	7.446,89						
	TOTAL COST	8.052,36	7.838,96	7.699,35	7.710,53	7.694,50						
2011	Outstanding provision	2.249,57	749,14	470,41	297,21							
	Cumulative payments	5.148,54	6.438,52	6.653,05	6.777,38							
	TOTAL COST	7.398,11	7.187,66	7.123,46	7.074,59							
2012	Outstanding provision	2.562,94	832,12	456,66								
	Cumulative payments	4.831,47	6.236,89	6.495,35								
	TOTAL COST	7.394,41	7.069,01	6.952,01								
2013	Outstanding provision	2.603,41	945,23									
	Cumulative payments	5.109,56	6.532,28									
	TOTAL COST	7.712,97	7.477,51									
2014	Outstanding provision	3.032,91										
	Cumulative payments	5.610,06										
	TOTAL COST	8.642,97										

Figures in millions of euros

December 31, 2014

Item	YEAR OF OCCURRENCE											Total
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004 and previous	
Provision for claims Non-Life direct insurance	3,032.91	945.23	456.66	297.21	247.61	159.97	174.93	117.06	53.66	50.43	110.30	5,645.97

Figures in millions of euros

The global percentage of the incurred claims shown above and attributable to ceded reinsurance is 21.35 percent and 17.83 percent in 2015 and 2014, respectively.

Details on the performance of the incurred claims per year of occurrence in accepted reinsurance are not provided because, generally, ceding companies follow accounting methods other than the year of occurrence. In light of the surveys carried out for accepted reinsurance, the degree of sufficiency of the technical provisions is adequate.

6.15. PROVISIONS FOR RISKS AND EXPENSES

The following tables show the movements in the provisions for risks and expenses in the last two financial years.

Year 2015

Item	OPENING BALANCE	ADJUSTMENTS TO THE OPENING BALANCE	CHANGES TO THE SCOPE	ENTRIES		WRITE-OFFS		CLOSING BALANCE
				Allocated provisions	Increased value on discount	Applied provisions	Reversed provisions	
Provision for tax to be paid	352.50	(84.56)	(0.27)	7.46	17.82	(17.79)	--	275.16
Reserve for payments of liquidation agreements	13.10	0.12	5.56	47.66	6.12	(55.15)	--	17.41
Provisions for restructuring	27.85	--	0.04	5.64	--	(27.78)	--	5.75
Other provisions on staff-related commitments	104.79	(2.59)	2.68	147.42	1.26	(57.22)	(1.19)	195.15
Other provisions	190.05	(14.16)	11.15	133.77	2.98	(112.68)	(7.55)	203.56
TOTAL	688.29	(101.19)	19.16	341.95	28.18	(270.62)	(8.74)	697.03

Figures in millions of euros

Year 2014

Item	OPENING BALANCE	ADJUSTMENTS TO THE OPENING BALANCE	CHANGES TO THE SCOPE	ENTRIES		WRITE-OFFS		CLOSING BALANCE
				Allocated provisions	Increased value on discount	Applied provisions	Reversed provisions	
Provision for tax to be paid	313.62	4.35	--	17.72	18.72	(1.74)	(0.17)	352.50
Reserve for payments of liquidation agreements	10.78	1.38	--	32.36	0.16	(31.58)	--	13.10
Provisions for restructuring	55.51	--	--	0.03	--	(19.49)	(8.20)	27.85
Other provisions on staff-related commitments	69.42	8.48	0.03	58.68	0.17	(30.31)	(1.68)	104.79
Other provisions	197.45	(12.50)	0.47	25.66	10.58	(29.52)	(2.09)	190.05
TOTAL	646.78	1.71	0.50	134.45	29.63	(112.64)	(12.14)	688.29

Figures in millions of euros

The provisions for risks and expenses include the estimated amounts of tax debts, settlement agreement payments, restructuring, employee incentives and others derived from the activities and inherent risks of the Group companies, which will be paid in the coming years.

The estimated amount allocated and the settlement timeframe for the provisions are conditioned by uncertainties regarding the resolution of filed appeals and the performance of other parameters. It was not necessary to design assumptions regarding future events in order to determine the value of the provision. Potential provision reimbursement is not expected.

Provision for taxes

As at December 31, 2015 and 2014, the "Provision for taxes" heading included tax liabilities amounting to 247.09 million and 309.05 million euros, respectively, relating to the tax contingencies that the Brazilian insurance companies currently have with their tax authorities, pending a decision by the Brazilian Supreme Court. These contingencies refer to the

taxes known as COFINS (Tax contribution used to fund social security) amounting to 242.19 million euros (302.79 million euros at December 31, 2014) and the Social Integration Program (PIS) amounting to 4.90 million euros (6.26 million euros at December 31, 2014). These contingencies stem from the different interpretations of the rule issued by the Brazilian government and the business sector regarding the appropriateness of applying such taxes to the entities' turnover.

The Group is currently involved in legal proceedings with the Brazilian tax authorities in connection with the enforceability of the aforementioned CONFINS and PIS taxes, regarding non-operating finance income, in the amount of 113.73 million euros and 121.88 million euros at December 31, 2015 and 2014, respectively. Given the current uncertainty in case law regarding whether the PIS and CONFINS calculation base should be extended to include non-operating finance income, as well as the existence of a ruling by the Brazilian National Treasury General Attorney's Office that is favorable to the insurance entities, both the Group and its advisors classify the loss risk as possible.

Other provisions

"Other provisions" includes, inter alia, the following:

Contingent payments derived from business combinations

Includes the variable part of the price of the business combination that directly depends on the achievement of certain targets linked to the evolution of each of the businesses acquired, amounting to 83.26 million euros and 78.42 million euros at December 31, 2015 and 2014, respectively.

The embedded value was taken into account for the calculation. At each reporting date, the amount of the contingent benefit is reevaluated, recognizing any differences with the previous valuation.

Payments are made in full as from the reference date for the calculation of the embedded value, foreseen for 2016 to 2021 in accordance with the contracts signed with the sellers in each business combination.

Arbitration in Argentina

Following the 2012 sale of shares in the Argentinean companies MAPFRE ART and MAPFRE SALUD to the GALENO Group, in 2015 GALENO lodged arbitration proceedings against MAPFRE, claiming compensation for an alleged breach of contract, for a total amount of 67.40 million euros. The Group has made a provision for the amount of compensation liabilities claimed, amounting to 5.02 million euros. With respect to the remaining amounts claimed, as omitted liabilities, portfolio loss and default loss, both the Group and its advisors understand that it is not probable that the subject arbitration proceedings could give rise to significant liabilities.

6.16. DEPOSITS RECEIVED ON CEDED AND RETROCEDED REINSURANCE

Deposits on ceded and retroceded reinsurance represent guarantees given to reinsurers according to the reinsurance coverage contracts signed, pursuant to usual business practices. These deposits accrue interest to be paid and as a general rule the average renewal period is quarterly. This interest is settled quarterly.

6.17. DEBT

The balances included under the heading of debt on direct insurance and coinsurance activities, on reinsurance activities, tax liabilities and other debts do not accrue any interest to be paid and, generally, are settled in the following financial year.

6.18. REVENUES AND EXPENSES FROM INVESTMENTS

The breakdown of revenues and expenses from investments for financial years 2015 and 2014 is shown below:

Revenues from investments

Item	REVENUES FROM INVESTMENTS FOR:				FINANCIAL REVENUES FROM OTHER ACTIVITIES		TOTAL	
	OPERATING INVESTMENT		EQUITY		2015	2014	2015	2014
	2015	2014	2015	2014	2015	2014	2015	2014
REVENUES FROM INTEREST, DIVIDENDS AND SIMILAR								
Property investment								
Rentals	45.49	46.00	2.68	2.88	13.40	15.09	61.57	63.97
Other	2.25	0.38	0.04	0.28	2.33	1.49	4.62	2.15
Revenues from held-to-maturity portfolio								
Fixed income	198.75	227.23	1.29	1.03	--	0.85	200.04	229.11
Other investments	3.18	4.76	0.04	0.53	--	0.02	3.22	5.31
Revenues from portfolio available for sale	1,264.72	1,223.04	81.08	91.58	4.95	5.76	1,350.75	1,320.38
Revenues from the trading portfolio	268.96	281.66	0.21	0.59	0.46	0.35	269.63	282.60
Other financial returns	304.06	122.33	51.67	85.40	20.31	17.55	376.04	225.28
TOTAL REVENUE	2,087.41	1,905.40	137.01	182.29	41.45	41.11	2,265.87	2,128.80
REALIZED AND UNREALIZED GAINS								
Net realized gains:								
Property investments	3.52	18.93	1.01	1.24	14.04	3.11	18.57	23.28
Held-to-maturity portfolio financial investments	32.65	9.44	--	0.03	4.23	6.27	36.88	15.74
Financial investments portfolio available for sale	332.01	229.79	34.70	51.84	3.87	0.83	370.58	282.46
Financial investments trading portfolio	25.32	22.41	--	0.18	26.22	23.79	51.54	46.38
Other	0.85	3.66	0.14	0.15	0.24	--	1.23	3.81
Unrealized gains:								
Increase in fair value of the trading portfolio and earnings from derivatives	40.79	176.62	--	1.63	0.15	1.51	40.94	179.76
Other	3.83	8.79	0.01	0.01	--	0.07	3.84	8.87
TOTAL GAINS	438.97	469.64	35.86	55.08	48.75	35.58	523.58	560.30
TOTAL REVENUES FROM INVESTMENTS	2,526.38	2,375.04	172.87	237.37	90.20	76.69	2,789.45	2,689.10

Figures in millions of euros

Expenses from investments

Item	REVENUES FROM INVESTMENTS FOR:				FINANCIAL REVENUES FROM OTHER ACTIVITIES		TOTAL	
	OPERATING INVESTMENT		EQUITY		2015	2014	2015	2014
	2015	2014	2015	2014				
FINANCIAL EXPENSES								
Property investment								
Direct operating expenses	24.05	23.03	5.29	5.01	--	--	29.34	28.04
Other expenses	7.29	3.55	0.10	--	12.00	8.35	19.39	11.90
Expenses from held-to-maturity portfolio								
Fixed income	4.83	40.26	0.92	0.33	--	--	5.75	40.59
Other investments	0.11	1.34	--	--	--	0.01	0.11	1.35
Expenses from the portfolio available for sale	143.06	132.66	16.68	24.21	--	--	159.74	156.87
Expenses from the trading portfolio	144.70	151.09	0.36	0.97	--	--	145.06	152.06
Other financial expenses	180.97	71.41	2.49	2.10	103.29	114.16	286.75	187.67
TOTAL EXPENSES	505.01	423.34	25.84	32.62	115.29	122.52	646.14	578.48
REALIZED AND UNREALIZED LOSSES								
Net realized losses								
Property investments	4.68	6.85	0.62	0.16	1.57	0.46	6.87	7.47
Held-to-maturity portfolio financial investments	--	0.04	--	--	--	--	--	0.04
Financial investments portfolio available for sale	89.88	37.25	13.23	6.84	0.93	--	104.04	44.09
Financial investments trading portfolio	2.98	1.84	0.02	0.03	0.78	2.60	3.78	4.47
Other	29.92	15.46	0.29	0.49	10.11	2.81	40.32	18.76
Unrealized losses								
Decrease in fair value of trading portfolio and losses in derivatives	29.23	0.23	--	--	0.12	1.76	29.35	1.99
Other	1.46	0.51	--	0.07	0.06	8.11	1.52	8.69
TOTAL LOSSES	158.15	62.18	14.16	7.59	13.57	15.74	185.88	85.51
TOTAL INVESTMENT EXPENSES	663.16	485.52	40.00	40.21	128.86	138.26	832.02	663.99

Figures in millions of euros

The expenses arising from the investment portfolio mainly stem from financial swaps related to insurance activities.

6.19. OPERATING EXPENSES

A breakdown of net operating expenses by use and nature, for the last two financial years, is shown below.

Operating expenses by destination

Item	2015	2014
Claims-related expenses	859.28	771.61
Acquisition expenses	4,524.30	4,303.17
Administration expenses	807.41	779.54
Expenses from investments	703.16	525.73
Other technical expenses	105.48	105.10
Other non-technical expenses	112.30	108.54
Operating expenses from other activities	519.05	473.12
TOTAL	7,630.98	7,066.81

Figures in millions of euros

Operating expenses by nature

Item	2015	2014
Commissions and other portfolio expenses	3,511.73	3,378.77
Personnel expenses	1,738.46	1,598.85
External services		
- Leasing (shops and buildings)	85.13	76.58
- Repairs and upkeep (shops and buildings)	84.24	75.36
- Leasing and repairs (computer equipment)	47.28	54.90
- Leasing and repairs (computer applications)	128.03	116.41
- Other services (computer applications)	183.97	164.24
- Supplies (communications)	39.95	24.47
- Advertising and marketing	156.60	132.33
- Public relations	48.53	49.47
- Independent professional services	156.88	125.93
- Other services	346.75	346.83
Taxes	209.59	206.85
Provision for amortization	270.34	274.57
Expenses posted directly to destination	623.50	441.25
TOTAL	7,630.98	7,066.81

Figures in millions of euros

The income statement reflects expenses by use, that is, based on the function the expenses fulfill in the operational cycle of the insurance activity (claims-related expenses, to the acquisition of insurance contracts, to administration, to investments or to other technical items).

Expenses are initially recognized according to their nature, and are reclassified according to their use in those cases in which the nature and use are not the same. The reclassification performed in the subject headings is as follows:

1) Claims-related expenses. Includes expenses for personnel assigned to claims management, amortization and depreciation of fixed assets assigned to this activity, fees paid for claims management and expenses incurred for other services necessary for processing claims.

2) Net operating expenses. The expenses included in this heading are:

– Acquisition expenses. Includes commissions, expenses for personnel assigned to production, amortization and depreciation of fixed assets assigned to this activity, expenses for analyzing and processing policy applications and formalizations, as well as advertising, publicity and commercial organization expenses directly related to the acquisition of insurance contracts.

– Administration expenses. Primarily includes expenses for personnel assigned to these functions and amortization and depreciation of fixed assets assigned to this activity, as well as expenses deriving from contentious matters related with premiums, portfolio management and premium collection expenses, and expenses for processing refunds and insurance ceded and accepted.

– Commissions and participations in reinsurance. Includes compensation from reinsurers to the ceding entities for acquisition and administration expenses incurred by the latter, as well as their participation in the profits of the reinsurer.

3) Expenses from investments. Includes expenses for personnel assigned to managing investments, charges to amortization and depreciation of fixed assets assigned to this activity, and other internal and external expenses for managing investments, with external expenses including fees, commissions and brokerage fees accrued.

Expenses from investments are classified as from activities or from equity, depending on whether they derive from investments in which the technical provisions materialize (operating investments) or from investments in which the entity's equity materializes (equity investments).

6.20. RESULTS OF CEDED AND RETROCEDED REINSURANCE

The results of ceded and retroceded reinsurance activities in the financial years 2015 and 2014 are shown below:

Item	NON-LIFE		LIFE		TOTAL	
	2015	2014	2015	2014	2015	2014
Premiums	(3,441.85)	(2,598.99)	(199.01)	(262.17)	(3,640.86)	(2,861.16)
Change in the provision for unearned premiums and unexpired risks	427.14	21.97	24.37	(4.29)	451.51	17.68
Claims paid and change in the provision for claims	1,666.28	1,281.24	80.42	156.00	1,746.70	1,437.24
Change in mathematical reserve and other technical provisions	(3.16)	4.78	14.51	7.98	11.35	12.76
Participation of reinsurance in commissions and expenses	335.32	322.09	56.44	87.12	391.76	409.21
RESULT OF ASSIGNED AND RETRO-ASSIGNED REINSURANCE	(1,016.27)	(968.91)	(23.27)	(15.36)	(1,039.54)	(984.27)

Figures in millions of euros

6.21. TAX POSITION

Fiscal consolidation regime

TAX ON PROFITS

Since the financial year 1985, some of the consolidated companies with registered offices in Spain have been included for corporation tax purposes in Fiscal Group 9/85. This Group is made up of the controlling company and those of its subsidiaries that are eligible for this tax regime. A list of the subsidiaries included in this fiscal Group in 2015 is provided in Appendix 1 of this report.

VALUE ADDED TAX

Since the financial year 2010, and for the purposes of value added tax, some of the consolidated companies with a registered address in Spain have been included in the VAT Group 87/10, formed by MAPFRE S.A. as the controlling company and those of its controlled companies that agreed to join the Group when it was created. A list of the subsidiaries that form part of this Group in 2015 is provided Appendix 1 of this report.

Components of tax on profits expenses and reconciliation of the book result with the tax cost of ongoing activities

Shown below for the financial years ending December 31, 2015 and 2014, are the main components of the tax on profits expenses from ongoing activities and the reconciliation between the tax on profits expenses and the product of multiplying the book result by the applicable tax rate. The Group has reconciled the amounts by aggregating reconciliations made separately using the national rates of each country.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails)

Item	AMOUNT	
	Year 2015	Year 2014
Tax expense		
Result before taxes from ongoing operations	1,476.03	1,745.48
28 percent of result before taxes from ongoing operations (30 percent in 2014)	413.29	523.64
Tax effect of the permanent differences	(51.51)	(40.57)
Tax incentive for the financial year	(11.65)	(18.57)
Tax effect of tax rates other than 28 percent (30 percent in 2014)	87.75	3.80
Total expense from current tax originating in the financial year	437.88	468.30
Expense from current tax originating in previous years	29.28	14.88
Receivables from negative tax bases not recognized from previous periods, deductions pending application or temporary differences	(3.53)	3.15
TOTAL TAX EXPENSE OF ONGOING OPERATIONS	463.63	486.33
Tax on profits to be paid		
Withholdings and advance payments	(475.65)	(459.58)
Temporary differences and currency conversion differences	51.83	60.24
Tax receivables and incentives applied, registered in previous years	(9.56)	(6.59)
Tax on earnings for discontinued operations	--	(6.77)
TOTAL TAX ON PROFITS TO BE PAID (RECEIVABLE) ORIGINATING IN THE FINANCIAL YEAR	30.25	73.63
Tax on profits receivable from previous financial years	(46.60)	--
NET TOTAL TAX ON PROFITS TO BE PAID (RECEIVABLE)	(16.35)	73.63

Figures in millions of euros

Deductions from double taxation have not been taken into account in the table above, since they are mainly related to dividends collected from subsidiaries eliminated in the consolidation process.

With respect to Spanish companies, the regulations approved in 2014 established the reduction of the general tax rate prevailing at that date (30 percent) by five percentage points, by two percentage points in 2015 and by three additional percentage points as from 2016. In 2014, this tax change affected the valuation of deferred tax assets and liabilities, which were calculated using the tax rates expected at the time of use. The deferred taxes recorded in previous years were recalculated taking into account the new tax rates, recognizing the difference in the income statement or in net equity, depending on the item from which they derived.

Deferred tax assets and liabilities

As at December 31, 2015 and 2014, deferred tax assets and liabilities are shown on the consolidated balance sheet for the net amount corresponding to each of the Group's taxpaying companies, and stand as follows:

Item	2015	2014
Deferred tax assets	255.91	206.73
Deferred tax liabilities	(710.54)	(845.67)
ASSET (LIABILITY) NET	(454.63)	(638.94)

Figures in millions of euros

In addition to the deferred tax assets recorded in 2015 and 2014, shown in the above chart, there are other deferred tax assets deriving from tax loss carryforwards pending offset, amounting to 12.90 million euros and 10.37 million euros, respectively. These assets were not recognized, in accordance with the criteria established under IFRS-EU.

The following tables show the movements in the net balance of deferred taxes in the financial years 2015 and 2014, with a breakdown of the amounts related to items directly debited or credited to net equity accounts in each financial year.

Year 2015

Item	OPENING BALANCE	ADJUSTMENTS TO THE OPENING BALANCE	CHANGES TO THE SCOPE	FROM		DERECOGNIZED	CLOSING BALANCE
				Results	Equity		
Portfolio acquisition expenses and other acquisition expenses	(527.64)	85.95	27.52	17.22	--	8.66	(388.29)
Measurement difference in financial investments	(1,523.40)	(29.60)	39.99	59.64	123.84	37.68	(1,291.85)
Other comprehensive and expenses	(19.28)	0.12	(5.02)	(0.31)	--	1.40	(23.09)
Measurement difference in mathematical provisions by shadow accounting	1,129.25	(21.11)	(36.85)	(38.02)	(38.41)	(0.84)	994.02
Stabilization and catastrophe provision	(257.02)	79.06	(17.55)	(18.88)	--	12.82	(201.57)
Other technical provisions	68.52	6.35	32.39	(2.55)	--	(3.88)	100.83
Tax receivables on negative tax bases	15.61	--	--	30.63	--	(7.41)	38.83
Receivables on tax incentives	2.14	(0.01)	--	0.64	--	(0.22)	2.55
Pension complements and other staff related commitments	103.32	(1.49)	0.23	9.09	--	(73.95)	37.20
Reserves for uncollected premiums	11.39	1.96	3.80	11.55	--	(9.22)	19.48
Provisions for liabilities and others	121.26	(0.14)	39.94	29.00	--	(119.67)	70.39
Tax receivables derived from PIS, COFINS and REFIS (Note 6.15)	225.25	(50.08)	--	7.84	--	--	183.01
Other items	11.66	--	(6.46)	20.96	--	(22.30)	3.86
TOTAL	(638.94)	71.01	77.99	126.81	85.43	(176.93)	(454.63)

Figures in millions of euros

Year 2014

Item	OPENING BALANCE	ADJUSTMENTS TO THE OPENING BALANCE	CHANGES TO THE SCOPE	FROM		DERECOGNIZED	CLOSING BALANCE
				Results	Equity		
Portfolio acquisition expenses and other acquisition expenses	(630.95)	(4.51)	(27.30)	20.22	--	114.90	(527.64)
Measurement difference in financial investments	(549.86)	1.88	(115.30)	50.50	(993.25)	82.63	(1,523.40)
Other comprehensive and expenses	(25.44)	--	--	--	(0.04)	6.20	(19.28)
Measurement difference in mathematical provisions by shadow accounting	398.27	--	87.63	(10.91)	728.90	(74.64)	1,129.25
Stabilization and catastrophe provision	(265.89)	(0.81)	--	(19.77)	--	29.45	(257.02)
Other technical provisions	77.82	9.89	--	(0.29)	--	(18.90)	68.52
Tax receivables on negative tax bases	20.43	(0.24)	--	0.29	--	(4.87)	15.61
Receivables on tax incentives	1.93	--	--	18.59	--	(18.38)	2.14
Pension complements and other staff related commitments	104.31	0.13	--	4.79	--	(5.91)	103.32
Reserves for uncollected premiums	11.34	0.23	--	6.46	--	(6.64)	11.39
Provisions for liabilities and others	131.15	(3.06)	2.69	17.77	--	(27.29)	121.26
Tax receivables derived from PIS and COFINS (Note 6.15)	223.99	2.62	--	(1.36)	--	--	225.25
Other items	67.11	0.60	0.04	(6.99)	--	(49.10)	11.66
TOTAL	(435.79)	6.73	(52.24)	79.30	(264.39)	27.45	(638.94)

Figures in millions of euros

At December 31, 2015, deferred tax assets and liabilities maturing in under 12 months amount to 99.25 million euros and 80.70 million euros, respectively (81.61 million euros and 69.78 million euros, respectively, in 2014).

Negative tax bases

The breakdown of negative tax bases pending setoff in fully consolidated companies at the end of the last two financial years is shown below:

Year generated	AMOUNT OF NEGATIVE TAX BASES				DEFERRED TAX ASSET			
	APPLIED IN THE FINANCIAL YEAR		PENDING APPLICATION		AMOUNT RECORDED		AMOUNT NOT RECORDED	
	2015	2014	2015	2014	2015	2014	2015	2014
2005	0.78	0.36	10.26	11.04	1.05	0.94	2.54	2.74
2006	0.07	--	--	0.07	--	0.02	--	--
2007	0.14	--	0.08	0.22	--	0.02	0.03	0.03
2008	14.89	7.76	1.49	16.38	--	1.78	0.37	1.45
2009	0.67	--	1.14	1.81	--	0.16	0.28	0.28
2010	0.71	--	1.07	1.78	0.03	0.31	0.23	0.14
2011	0.48	--	8.67	9.15	0.64	0.64	1.27	1.92
2012	0.94	3.97	21.42	22.36	2.86	3.53	1.73	1.36
2013	17.77	3.70	6.38	24.15	0.03	5.14	1.26	1.13
2014	--	--	17.95	17.95	3.58	3.07	2.82	1.32
2015	--	--	106.52	--	30.64	--	2.37	--
TOTAL	36.45	15.79	174.98	104.91	38.83	15.61	12.90	10.37

Figures in millions of euros

The assets recorded as deferred taxes on negative tax bases pending setoff in consolidated companies correspond to negative tax bases generated as a result of unusual management events, and future tax benefits are likely to exist against which they may be offset. Those relating to Spanish companies were adjusted at December 31, 2014 in order to measure them with the new tax rates applicable in the expected year of application (28 percent in 2015 and 25 percent in subsequent years).

Tax incentives

A breakdown of tax incentives in fully consolidated companies for the financial years 2015 and 2014 is shown below:

Module	AMOUNT APPLIED IN THE FINANCIAL YEAR		AMOUNT PENDING APPLICATION		AMOUNT NOT RECORDED	
	2015	2014	2015	2014	2015	2014
Double taxation deduction	20.14	72.52	2.55	--	--	--
Capitalization reserve	9.09	--	--	--	--	--
Job creation and others	4.70	18.38	--	2.14	--	--
TOTAL	33.93	90.90	2.55	2.14	--	--

Figures in millions of euros

In 2015, consolidated Tax Group no. 9/85 availed of the reduction for capitalization reserve foreseen in article 25 of Corporate Income Tax Law 27/2014, giving rise to a 9.09 million euros decrease in the consolidated tax payable. To enjoy this tax benefit, a restricted reserve must be created and reach 10 percent of the reduction for capitalization reserve. The Group's controlling company will fulfill this requirement, with a charge to freely-distributable reserves existing on its balance sheet at December 31, 2015.

Verification by the tax authorities

Pursuant to current legislation, the tax returns filed for the different taxes cannot be considered definitive until they have been inspected by the tax authorities or until the statute of limitations (four years for Spanish companies) has elapsed.

As a result of the inspections initiated on February 17, 2012 relating to the corporate income tax returns of Tax Group 9/85 for the financial years 2007 to 2009, which affected MAPFRE S.A., as the controlling company, and the controlled companies MAPFRE ASISTENCIA, COMPAÑÍA INTERNACIONAL DE SEGUROS Y REASEGUROS, S.A. (years 2007-2009), MAPFRE GLOBAL RISKS, S.A. (2008 and 2009), MAPFRE VIDA S.A. DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA (2008 and 2009) and MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A., a notice of disagreement was signed for the sum of 5.54 million euros relating to the deduction of research and development and technological innovation expenses and an appeal has been filed with the Central Economic Administrative Court. A ruling is currently pending in this matter.

A notice of disagreement was also signed for "Withholdings on earnings" in 2008 and 2009, for a total amount of 0.49 million euros, as well as for "Withholdings on investment income" in 2008 and 2009, for 5.38 million euros, affecting MAPFRE VIDA and MAPFRE ESPAÑA. Appeals have been filed with the Central Economic Administrative Court and are currently pending resolution, except for the appeals on the assessment raised against MAPFRE VIDA for "Withholdings on investment income" for 2008 and 2009, which were filed with the Audiencia Nacional (National Court of Appeals).

As a result of the limited-scope inspections initiated on June 23, 2014 against MAPFRE ESPAÑA and MAPFRE VIDA, notices of disagreement were signed for "Withholdings on investment income" for 2010 to 2013, in connection with certain risk and savings insurance, and appeals have been filed with the Central Economic Administrative Court.

In addition, additional tax assessments were raised against MAPFRE ESPAÑA amounting to 2.70 million euros, in connection with corporate income tax for 1999, 2000 and 2001, and appeals have been filed with the National Court of Appeals. With respect to assessments for MAPFRE VIDA's 2001 income tax, for 2 million euros, the Supreme Court has partially upheld the appeal filed by the entity.

Consequently, at December 31, 2015 all taxes relating to years 2012 to 2015 of the consolidated companies are open to inspection, as are the corporation tax and withholdings on investment income for 2010 of MAPFRE ESPAÑA and MAPFRE VIDA.

In the opinion of the consolidated companies' advisors, there is only a remote possibility of tax liabilities significantly affecting the financial position of these companies at December 31, 2015.

6.22 STAFF REMUNERATION AND RELATED LIABILITIES

Personnel expenses

The following table shows a breakdown of personnel expenses in the last two financial years:

Item	AMOUNT	
	2015	2014
Short-term remuneration		
Wages and salaries	1,191.49	1,087.86
Social Security	236.02	230.36
Other remuneration	234.14	217.39
Post-employment benefits		
Defined contribution commitments	26.57	19.54
Defined benefit commitments	2.25	4.07
Other long-term remuneration	26.69	20.82
Termination payments	21.94	20.17
Share-based payments	(0.64)	(1.36)
TOTAL	1,738.46	1,598.85

Figures in millions of euros

In 2015, personnel expenses include the expense for life insurance covering death at age 65 to age 77, for 1.10 million euros, charging 20.77 million euros in net equity, net of the tax effect. This movement is reflected in Other variations in the 2015 consolidated statement of changes in equity. The financial statements for 2014 were not restated, since the effect was not significant.

Main post-employment benefits

A) DESCRIPTION OF THE DEFINED BENEFIT PLANS CURRENTLY IN FORCE

The main defined benefit plans in force throughout the Group, all of which are instrumented through insurance policies, are measured pursuant to the provisions described in the accounting policies, and are those where the benefit is determined according to end salaries, with the benefit paid as a life annuity, subject to review in line with the annual consumer price index (CPI).

B) AMOUNTS RECOGNIZED IN THE BALANCE SHEET

There are defined benefit plan-related obligations amounting to 50.59 million and 53.28 million euros, respectively, as at December 31, 2015 and 2014, which are fully externalized by means of policies taken out with MAPFRE VIDA. Consequently no assets are recognized as allocated to these plans and

the liability recognized in the consolidated balance sheet is recorded under the "Provisions for life insurance" heading.

In addition, there are obligations on pension-related commitments that are externalized with allocated insurance policies amounting to 13.38 million and 13.80 million euros as at December 31, 2015 and 2014 respectively, coinciding with the value of the assets allocated to the plan.

Reconciliation with the present value of the obligation

The reconciliation of the present value of the obligation arising from defined benefit plans in the last two years is shown below:

Item	2015	2014
PRESENT VALUE OF OBLIGATION AS OF 1ST JANUARY	67.08	74.59
Cost of services in the current year	--	--
Interest cost	2.66	2.78
Contributions made by plan members	--	--
Actuarial gains and losses	0.66	0.84
Modifications due to exchange rate changes	--	--
Benefits paid	(4.02)	(4.10)
Cost of past services	--	--
Business combinations	--	--
Reductions	--	--
Settlements	--	--
Other items	(2.41)	(7.03)
PRESENT VALUE AS OF 31ST DECEMBER	63.97	67.08

Figures in millions of euros

Reconciliation of the opening and closing balances of assets allocated to the plan and reimbursement rights

The following table shows the reconciliation of the opening and closing balances of assets allocated to the plan and reimbursement rights in the last two financial years.

Item	2015	2014
VALUE OF ASSETS ALLOCATED TO THE PLAN AND REIMBURSEMENT RIGHTS AS OF 1ST JANUARY	67.08	74.59
Expected return from assets allocated to the plan	2.66	2.78
Actuarial gains and losses	0.66	0.84
Modifications due to exchange rate changes	--	--
Contributions made by the employer	--	--
Contributions made by plan members	--	--
Benefits paid	(4.02)	(4.10)
Other items	(2.41)	(7.03)

VALUE OF ASSETS ALLOCATED TO THE PLAN AND REIMBURSEMENT RIGHTS AS OF DECEMBER 31ST	63.97	67.08
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Figures in millions of euros

The assets allocated to the aforementioned policies correspond to equity and debt instruments whose value is almost entirely determined using prices quoted in active markets.

C) AMOUNTS RECOGNIZED IN THE CONSOLIDATED INCOME STATEMENT

The following table shows the amounts recognized in the consolidated income statement of the financial years 2015 and 2014.

Item	2015	2014
Cost of services in the current year	--	--
Interest cost	2.66	2.78
Expected return from assets allocated to the plan	(2.66)	(2.78)
Actuarial gains and losses	--	--
Cost of past services recognized in the year	--	--
Other items	--	--
TOTAL EXPENSE RECOGNIZED IN THE BALANCE SHEET	--	--

Figures in millions of euros

D) YIELD

The expected rate of return is determined according to the guaranteed yield in the allocated insurance policies.

The actual return of the assets allocated to the plan, and on the investments allocated to cover the mathematical reserves, amounted to 2.66 million and 2.78 million euros in 2015 and 2014, respectively.

E) ASSUMPTION

The main actuarial assumptions used at the closing date of the last two financial years were as follows: mortality tables

PERM/F-2000, annual CPI of 3 percent in both financial years, the discount rates and expected return on allocated assets being identical as products with cash flow matching.

F) ESTIMATES

Contributions to the defined benefit plans in the financial year 2016 are not envisaged.

Share-based payments

The controlling company's Extraordinary General Meeting held on July 4, 2007 approved the incentive plan linked to the value of the shares for the Group's executives, as described below:

– Formula: Each participant is granted the right to receive in cash an amount of money equivalent to the result of multiplying the number of shares of MAPFRE S.A. theoretically assigned by the difference between the simple arithmetical mean of the closing quotation prices on the trading sessions of the 30 workdays preceding the notification date of the financial year and the simple arithmetical mean of the closing quotation prices on the trading sessions corresponding to the 30 workdays immediately preceding the date of inclusion in the plan. In the initial group of participants, this benchmark was fixed at the closing quotation price on December 31, 2006, which was 3.42 euros per share.

– Exercise of the right: The right can be exercised up to a maximum of 30 percent during the month of January of the fourth year, up to a maximum of 30 percent during the month of January of the seventh year, and for the remaining amount during the month of January of the tenth year. The deadline for exercising all the rights granted is the last day of the third period mentioned above.

The number of benchmark shares taken into account for the purpose of calculating the remuneration was 6,432,749 in the last two financial years, with a strike price of the aforementioned 3.42 euros per share.

During the financial year 2015 there were no additions or cancellations, while there were two cancellations in 2014.

In order to obtain the fair value of the granted options, a measurement model based on binomial trees was applied to the calculation, taking the following parameters into account:

- For the non-risk interest rate, the zero coupon was considered, derived from the Interest Rate Swap of the euro to the maturity of the option.
- For return on dividends, the one resulting from the dividends paid against the last closed year (2014) and the quotation at the close of the 2015 was considered.

- The volatility of the underlying asset was that resulting from the behavior of the MAPFRE share quotation during 2015.

In line with these parameters, this remuneration system is measured and recognized in the income statement pursuant to the rules explained in Note 5.19 of the annual report. Personnel expenses recorded in the income statement for this item amount to 0.64 million and 1.36 million euros in 2015 and 2014, respectively, with a liability being recognized for the same amount.

At the close of 2015 and 2014 the total book value of the liabilities recorded in relation to share-linked incentive plan was 0.14 million and 0.81 million euros respectively (with zero embedded value at both dates).

At the close of the year no rights had been exercised, which means that they will all be exercised if applicable in January 2017.

In order to cover the expense for this item as at the date of exercise of the right, two equity swaps were purchased during financial year 2008 over 8,625,733 shares and 219,297 shares, with a strike price of 3.2397 and 2.6657 euros, respectively. At the close of 2015 and 2014, the net market value of these equity swaps, amounting to 8.08 million and 3.65 million euros respectively, was recorded under "Other financial liabilities" and the variation in the year was included in the consolidated income statement.

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails)

Number of employees

The following table shows the average number of employees for the last two financial years, classified by category and gender, and distributed by segment.

Segment	DIVISION				ADMIN. ASSISTANTS				SALES STAFF				OTHER				TOTAL			
	MEN		WOMEN		MEN		WOMEN		MEN		WOMEN		MEN		WOMEN		MEN		WOMEN	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
IBERIA	506	508	219	198	515	449	1,432	1,387	1,700	977	942	725	1,973	2,662	2,205	2,333	4,693	4,596	4,798	4,643
LATAM NORTH	278	250	305	223	460	365	490	411	283	311	443	492	726	756	487	539	1,747	1,682	1,725	1,664
LATAM SOUTH	435	382	284	227	967	867	1,072	1,191	634	836	952	1,115	1,347	1,222	1,179	977	3,383	3,307	3,487	3,509
BRAZIL	409	363	298	317	865	1,645	1,595	3,944	561	444	751	536	875	291	2,091	152	2,710	2,743	4,734	4,949
NORTH AMERICA	272	236	272	231	269	466	904	1,427	141	124	160	172	706	547	1,159	730	1,387	1,373	2,494	2,560
EMEA	152	140	73	74	763	572	1,144	679	159	259	139	240	875	341	988	372	1,948	1,312	2,343	1,365
APAC	22	22	23	18	118	156	141	193	109	110	126	127	175	101	281	202	424	389	571	540
MAPFRE RE	40	41	16	18	19	20	60	57	14	15	4	5	101	90	80	75	174	166	160	154
CORPORATE AREAS	284	267	125	113	38	41	147	151	37	29	20	14	626	609	419	391	984	946	711	669
AVERAGE TOTAL NUMBER OF EMPLOYEES	2,396	2,209	1,615	1,418	4,013	4,579	6,984	9,438	3,637	3,105	3,537	3,425	7,404	6,621	8,888	5,771	17,449	16,514	21,024	20,053

There were no significant differences between the average workforce and the number of employees at the close of the last two financial years.

6.23. EARNINGS ON FOREIGN EXCHANGE DIFFERENCES

Foreign exchange gains other than those arising from financial instruments measured at fair value, allocated to the consolidated income statement, amount to 870.84 million and 461.28 million euros in financial years 2015 and 2014, respectively.

Foreign exchange losses other than those arising from financial instruments measured at fair value, allocated to the consolidated income statement, amount to 806.32 million and 417.80 million euros in financial years 2015 and 2014, respectively.

The reconciliation of the translation differences recognized in equity at the beginning and end of 2015 and 2014 is shown below.

Description	AMOUNT	
	2015	2014
FOREIGN EXCHANGE DIFFERENCES AT THE BEGINNING OF THE YEAR	(636.47)	(779.77)
Net foreign exchange differences on valuation of non-monetary items	--	3.82
Net foreign exchange differences on conversion of financial statements	(506.02)	139.48
FOREIGN EXCHANGE DIFFERENCES AT THE END OF THE YEAR	(1,142.49)	(636.47)

Figures in millions of euros

As at December 31, 2015 and 2014, the net foreign exchange differences arising from the translation into euros of the financial statements of those Group companies whose functional currency is not the euro were as follows:

Company/Sub group	Geographic area	FOREIGN EXCHANGE CONVERSION DIFFERENCES					
		GAINS		LOSSES		NET	
		2015	2014	2015	2014	2015	2014
Fully consolidated companies:							
MAPFRE RE	Europe, America and rest of the world	22.44	23.89	(21.56)	(10.60)	0.88	13.29
MAPFRE AMÉRICA	America	69.79	39.00	(1,471.59)	(810.22)	(1,401.80)	(771.22)
MAPFRE INTERNACIONAL	Europe, America and rest of the world	520.30	312.75	(183.24)	(156.66)	337.06	156.09
OTHER	--	27.52	14.39	(104.10)	(46.97)	(76.58)	(32.58)
Associated companies	--	--	--	--	--	--	--
TOTAL		640.05	390.03	(1,780.49)	(1,024.45)	(1,140.44)	(634.42)

Figures in millions of euros

6.24. CONTINGENT ASSETS AND LIABILITIES

At the end of the financial years 2015 and 2014, and at the time of preparing these consolidated annual accounts, there was no evidence of the existence of contingent assets and liabilities for significant amounts, other than those disclosed in these notes.

6.25. BUSINESS COMBINATIONS

Executed in the financial years 2015 and 2014

Several shareholding interests were acquired in 2015 and 2014, the most significant of which were the stakes in DIRECT LINE ITALY and DIRECT LINE GERMANY in 2015, and ASEGURADORA VALENCIANA DE SEGUROS Y REASEGUROS (ASEVAL), LAIETANA VIDA and LAIETANA SEGUROS GENERALES in 2014, with ASEVAL and LAIETANA VIDA forming a single cash generating unit. The acquisitions in 2015 of the DIRECT LINE entities form part of the Group's multichannel commitment and reinforcement of its presence in Europe. In addition, the Group considers the affinity and opportunity for leveraging the capabilities of the Group business model to be central in the acquisition, as well as the potential for growth and value creation. The fair value of the identifiable assets and liabilities if the shares acquired in these companies are as follows:

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails)

Item	YEAR 2015		YEAR 2014	
	DIRECT LINE ITALY	DIRECT LINE GERMANY	ASEVAL - LAIETANA VIDA	LAIETANA SEGUROS GENERALES
ASSETS				
Portfolio acquisition expenses	15.60	23.52	91.01	--
Investment	602.95	397.14	2,960.48	4.00
Deferred tax assets	--	23.49	98.19	0.02
Receivables	151.33	88.57	11.26	0.05
Cash	52.00	13.98	85.23	0.69
Other assets	391.88	58.88	17.84	0.03
TOTAL ASSETS	1,213.76	605.58	3,264.01	4.79
LIABILITIES				
Technical provisions	868.20	371.65	2,574.13	0.02
Deferred tax liabilities	26.00	28.74	150.45	--
Debt	128.60	30.00	284.74	0.04
Other Liabilities	28.38	2.00	2.70	0.02
TOTAL LIABILITIES	1,051.18	432.39	3,012.02	0.08
Fair value of net assets	162.58	173.19	251.99	4.71
Interest purchased	100%	100%	51%	100%
Fair value of the percentage of purchased net assets	162.58	173.19	128.51	4.71
First consolidation difference	101.30	125.47	18.69	(0.21)
NET ACQUISITION COSTS	263.88	298.66	147.20	4.50

Figures in millions of euros

The aforementioned fair values differ from the book values of the entities prior to the combination, mainly due to portfolio acquisition expenses and their corresponding deferred tax liabilities, which are not recorded in their books.

When applicable, the combination acquisition cost includes the amount of deferred payments. The cost corresponding to the combinations of 2015 has been settled in full, and no amount is pending payment at December 31, 2015.

The costs directly attributable to the combinations for the financial years 2015 and 2014, as independent professional, legal and financial advisory fees, for a total amount of 4.04 million euros and 1.52 million euros, respectively, have been expensed in the consolidated income statement.

The abovementioned interests were incorporated into the consolidated Group on June 1, 2015 (those acquired during 2015) and November 1, 2014 (those acquired during 2014), contributing 374.34 million euros and 17.97 million euros to the Group's premiums, and 1.27 million euros and (1.29) million euros to the net profit/(loss) of the controlling company, respectively. If these combinations had been executed at the beginning of each year, they would have contributed 732.22 million euros and 130.55 million euros to the Group's premiums and (0.75) million euros and 15.28 million euros to the controlling company's earnings, respectively.

The business combinations with no significant cost that were executed in the financial years 2015 and 2014 are listed in Appendix 1.

6.26. TRANSACTIONS WITH RELATED PARTIES

All transactions with related parties have been conducted at arm's length price.

Operations with Group companies

The operations conducted between Group companies, with a null effect on results because they have been eliminated in the consolidation process, are shown below:

Item	2015	2014
Received/provided services and other expenses/revenues	603.36	610.43
Expenses/revenues from property investments	15.38	24.28
Expenses/revenues from investments and financial accounts	43.60	48.13
Dividends distributed	1,517.05	1,602.60

Figures in millions of euros

Reinsurance and coinsurance activities

Reinsurance and coinsurance activities conducted between Group companies, which have been eliminated in the consolidation process, are shown below:

Item	2015	2014
Ceded/accepted premiums	2,128.88	1,864.55
Benefits	1,219.40	899.46
Changes in technical provisions	46.89	54.38
Commissions	455.92	361.32

Figures in millions of euros

The following table shows the balances with reinsurers and ceding companies, deposits given, and technical provisions on reinsurance activities with Group companies, all of which have been eliminated in the consolidation process:

Item	2015	2014
Receivables and payables	367.16	308.24
Deposits	125.47	83.22
Technical provisions	1,490.45	1,428.71

Figures in millions of euros

Information on controlled entities

The following table shows the dividends distributed by controlled entities with significant non-controlling interests:

Controlled company	DIVIDENDS DISTRIBUTED				EARNINGS ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	
	CONTROLLING COMPANY		NON-CONTROLLING COMPANY		2015	2014
	2015	2014	2015	2014		
BB MAPFRE SHI PARTICIPAÇÕES, S.A.	89.08	67.90	269.86	203.60	350.93	262.84
MAPFRE RE COMPAÑÍA DE REASEGUROS, S.A.	83.96	73.38	7.06	6.79	11.38	11.57
BANKIA MAPFRE VIDA, S.A. DE SEGUROS Y REASEGUROS	38.63	53.67	37.19	51.57	25.05	34.27
BANKINTER SEGUROS DE VIDA, S.A.	12.14	26.54	12.17	26.54	18.48	17.38
UNIÓN DEL DUERO COMPAÑÍA DE SEGUROS DE VIDA, S.A.	7.78	7.90	7.80	7.90	7.45	7.81
MAPFRE PERÚ VIDA, COMPAÑÍA DE SEGUROS, S.A.	6.77	4.32	3.37	2.10	4.38	5.35
CAJA CASTILLA LA MANCHA VIDA Y PENSIONES, S.A.	6.72	10.38	6.73	10.38	8.66	9.21

Figures in millions of euros

The main figures for significant controlled entities and joint ventures related to insurance activity are shown below:

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails)

BALANCE SHEET

Entity	INVESTMENT		CREDITS		TOTAL ASSETS		EQUITY		TECHNICAL PROVISIONS	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Dependent										
MAPFRE VIDA SOCIEDAD ANÓNIMA DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	12,881.51	13,062.70	236.78	254.89	14,109.54	15,139.68	1,324.02	1,247.58	11,636.07	11,802.02
MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.	5,155.32	4,030.35	921.19	752.69	7,304.26	5,788.75	2,375.38	2,092.77	4,254.70	3,080.20
MAPFRE RE COMPAÑÍA DE REASEGUROS, S.A.	3,698.48	3,556.07	419.82	275.66	5,039.86	4,717.11	1,141.68	1,137.62	3,325.05	3,147.05
THE COMMERCE INSURANCE COMPANY	1,339.08	1,281.22	373.03	319.32	2,579.39	2,204.55	781.35	736.40	1,493.47	1,237.01
MAPFRE GLOBAL RISKS	1,205.66	970.22	319.90	318.76	3,020.54	2,848.40	779.80	559.99	1,872.74	1,927.22
COMPANHIA DE SEGUROS ALIANÇA DO BRASIL, S.A.	1,178.40	1,426.05	944.34	1,095.31	2,799.43	3,225.37	316.24	439.71	1,769.86	1,973.80
MAPFRE SEGUROS GERAIS S.A.	593.63	722.83	650.22	778.40	2,271.44	2,643.39	536.57	646.90	1,351.17	1,565.59
SUBTOTAL DEPENDENTS	26,052.08	25,049.44	3,865.28	3,795.03	37,124.46	36,567.25	7,255.04	6,860.97	25,703.06	24,732.89
Joint Business										
SOLUNION SEGUROS DE CREDITO S.A.	76.47	98.07	63.43	55.14	438.25	396.18	99.03	115.05	233.56	181.92
SUBTOTAL JOINT BUSINESS	76.47	98.07	63.43	55.14	438.25	396.18	99.03	115.05	233.56	181.92

Figures in millions of euros

INCOME STATEMENT

Entity	REVENUE				RESULTS					
	OF INSURANCE BUSINESS		TOTALS		OF INSURANCE BUSINESS		OF OPERATIONS		OF GLOBAL ACCOUNT	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Dependent										
MAPFRE VIDA SOCIEDAD ANÓNIMA DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	2,115.55	2,104.13	2,136.89	2,139.45	145.37	174.76	245.28	167.42	249.16	178.92
MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.	4,210.47	3,608.06	4,597.27	3,866.85	265.51	355.56	206.91	241.00	121.82	516.87
MAPFRE RE COMPAÑÍA DE REASEGUROS, S.A.	3,117.68	2,490.32	4,544.32	3,762.73	195.25	192.33	146.70	136.62	82.51	246.11
THE COMMERCE INSURANCE COMPANY	1,218.38	1,130.17	1,568.28	1,316.06	(33.69)	62.32	(18.12)	44.55	(18.12)	44.55
MAPFRE GLOBAL RISKS	441.71	390.05	1,279.80	1,138.29	124.98	102.22	106.58	87.91	74.32	111.69
COMPANHIA DE SEGUROS ALIANÇA DO BRASIL, S.A.	1,565.19	1,583.39	2,033.63	2,309.42	651.20	620.70	424.54	411.99	419.99	410.66
MAPFRE SEGUROS GERAIS S.A.	1,511.29	1,598.22	1,900.88	2,084.13	64.77	32.75	64.55	21.09	62.43	22.23
SUBTOTAL DEPENDENTS	14,180.27	12,904.34	18,061.07	16,616.93	1,413.39	1,540.64	1,176.44	1,110.58	992.11	1,531.03
Joint Business										
SOLUNION SEGUROS DE CREDITO S.A.	27.04	22.50	165.75	150.61	10.51	9.44	6.24	3.48	2.10	4.06
SUBTOTAL JOINT BUSINESS	27.04	22.50	165.75	150.61	10.51	9.44	6.24	3.48	2.10	4.06

Figures in millions of euros

The main figures for significant controlled entities and joint ventures related to non-insurance activity are shown below:

BALANCE SHEET

Entity	CURRENT ASSETS		TOTAL ASSETS		EQUITY		CURRENT LIABILITIES	
	2015	2014	2015	2014	2015	2014	2015	2014
Dependent								
FUNESPAÑA, S.A.	61.35	35.62	183.08	192.82	103.30	98.41	72.70	85.03
MAPFRE INVERSIÓN SOCIEDAD DE VALORES, S.A.	42.73	54.32	224.81	209.67	189.26	176.40	27.10	22.71
BRICKELL FINANCIAL SERVICES MOTOR CLUB INC.	34.64	25.53	39.78	28.24	4.22	9.85	22.09	8.69
CENTURY AUTOMOTIVE SERVICES COMPANY	7.94	11.57	221.16	169.74	3.90	3.86	19.68	16.27
SUBTOTAL DEPENDENTS	146.66	127.04	668.83	600.47	300.68	288.52	141.57	132.70

Figures in millions of euros

INCOME STATEMENT

Entity	REVENUE		RESULTS OF OPERATIONS		RESULTS OF GLOBAL ACCOUNT	
	2015	2014	2015	2014	2015	2014
Dependent						
FUNESPAÑA, S.A.	112.17	88.64	5.04	3.73	5.08	3.68
MAPFRE INVERSIÓN SOCIEDAD DE VALORES, S.A.	85.09	87.16	36.45	33.49	35.27	36.64
BRICKELL FINANCIAL SERVICES MOTOR CLUB INC.	131.70	107.58	(4.51)	0.08	(4.51)	0.08
CENTURY AUTOMOTIVE SERVICES COMPANY	144.63	99.85	1.19	1.22	0.98	0.80
SUBTOTAL DEPENDENTS	473.59	383.23	38.17	38.52	36.82	41.20

Figures in millions of euros

Information on joint arrangements

In the financial years 2015 and 2014, MAPFRE GLOBAL RISKS did not receive any dividends charged against earnings from SOLUNION.

The cost and fair value of the stake in the SOLUNION joint venture at the close of the year were 37.12 million and 62.4 million euros, respectively.

The following table provides supplementary information on joint ventures:

Joint Business	CASH AND CASH EQUIVALENTS		FINANCIAL LIABILITIES		REPAYMENT		INTERESTS				EXPENSES OR INCOME AFTER PROFIT TAX	
	2015	2014	2015	2014	2015	2014	REVENUE		EXPENSES		2015	2014
SOLUNION SEGUROS DE CREDITO S.A.	13.86	15.69	--	--	1.93	2.69	3.27	2.03	1.31	1.30	(3.09)	(4.23)
TOTAL	13.86	15.69	--	--	1.93	2.69	3.27	2.03	1.31	1.30	(3.09)	(4.23)

Figures in millions of euros

Information on associated undertakings

The main figures for the associated undertakings are provided in Appendix 1 of the report.

Remuneration of key managerial staff

The following table shows the remuneration received in the last two financial years by key managerial staff (understood as members of the controlling company's Board of Directors):

Item	AMOUNT	
	2015	2014
Short-term remuneration		
Wages	5.83	5.84
Fixed allowances	2.64	1.73
Per diems	--	0.74
Life insurance	0.12	0.12
Other items	0.03	0.04
Long service bonuses	0.01	0.01
Share-based payments	(0.18)	(0.41)
TOTAL	8.45	8.07

Figures in millions of euros

External directors' basic remuneration consists of a fixed annual allowance as members of the Board of Directors, which amounted to 100,000 euros in 2015 and 47,003 euros in 2014. This amount is increased by 75,000 euros for directors who hold the position of Vice Chairman of the Board, by 40,000 euros for those who chair a steering committee, and by 30,000 euros for members of a steering committee, though this increase is not accumulative for directors who hold more than one of these positions.

Members of the boards of directors of Spanish insurance companies also receive a fixed assignment of 30,000 euros, and of 5,000 euros for those that are members of steering committees.

In addition, they benefit from a Life insurance policy with an insured capital of 150,253 euros in the event of death, and they also enjoy some of the benefits extended to staff, such as medical insurance.

Executive directors (who are deemed to be both the company's executives and those performing executive duties in other MAPFRE GROUP entities) receive the remuneration established in their contracts, including fixed salary, incentives with varying amounts linked to results, life and disability insurance, and other general benefits established for the company's staff. They also receive certain pension complements for the event of retirement, externalized through a life insurance policy. All of these payments are pursuant to the remuneration policy established by the Group for its top executives, whether or not they are directors. In 2015, contributions to defined benefit plans were 3.74 million euros, recognized as expenses for the year (2.11 million euros in 2014).

Executive directors do not receive the fixed assignment established for external directors. In 2014, directors received allowances for attending steering committee meetings, in the amount of 4,700 euros. Furthermore, other remuneration consisting of non-recurrent items and amounting to 4.29 million euros also accrued in the financial year 2014.

In addition, in 2015 and 2014, and in the framework of the remuneration policy for directors, expenses have accrued for medium-term incentives in the amount of 2.08 million euros in both years, the total amount of which will be paid in 2016, based on the degree of compliance with the targets set.

The estimated amounts pending payment to key managerial staff at December 31, 2014 and 2013 are shown below:

Item	AMOUNT	
	2015	2014
Share-based payments	0.03	0.21
Long service bonuses	0.41	0.02
Medium-term incentives	6.25	4.17
TOTAL	6.69	4.40

Figures in millions of euros

The basic remuneration package for external directors is approved by the Annual General Meeting at the recommendation of the Board of Directors and pursuant to the report issued by the Appointments and Remuneration Committee. The amount of the contractual remuneration for executive directors and the fixed payment for membership on the boards or on the steering committees are approved by the Board of Directors, subject to a report by the committee.

6.27. POST-BALANCE SHEET EVENTS

Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (hereinafter, the "Solvency II Directive") consolidated the majority of European regulations on private insurance and articulated an understanding of the solvency of insurance and reinsurance entities.

Law 20/2015 on Planning, Monitoring and Solvency of Insurance and Reinsurance Companies, of July 14, which is mandatory for fiscal years beginning on or after January 1, 2016, and the implementing regulations approved by Royal Decree 1060/2015 of November 20, on planning, monitoring and solvency of insurance and reinsurance companies, transposed into Spanish law, among other things, the Solvency II Directive.

The controlling company and other obligated companies in the Group are finalizing the transition plan, as set out in the Order ECC/730/2014, of April 29, on temporary measures to facilitate the gradual adaptation to the compulsory regime of the Solvency II Directive from January 1, 2016, as well as the provisions of the resolution of March 25, 2015 of the General Insurance and Pension Fund Management.

Measures taken include the adjustments made to supply the quantitative and qualitative information required, and those established for calculating the mandatory solvency in accordance with the risks assumed.

The controlling company estimates that the application of the aforementioned regulations will have no significant effect on the financial position and results of the Group.

There have been no other significant events subsequent to year end.

7. RISK MANAGEMENT

GOVERNANCE FRAMEWORK

The regulations of the MAPFRE S.A. Board of Directors and of its delegate bodies include the duties and responsibilities of the MAPFRE governing bodies and its steering committees related to the Risk Management System (Audit Committee and Risks and Compliance Committee).

With regard to risk management, MAPFRE has adopted a three-lines-of-defense model whereby:

a) The managers of the first line of defense accept the risks and exercise the controls.

b) The Internal Control System and the 'second line of defense' areas conduct an independent supervision of the risk management activities performed by the first line of defense, within the framework of the policies and limits established by the Board of Directors.

c) As a third line of defense, Internal Audit provides an independent guarantee of the adequacy and effectiveness of the Internal Control System and of other elements of the Corporate Governance System.

Within this framework, the MAPFRE structure consists of areas which, in their respective fields of responsibility, independently supervise the risks accepted.

The areas defined for this purpose are:

– The Actuarial Area, which is responsible for preparing mathematical, actuarial, statistical and financial calculations to determine the rates, technical provisions and, in close collaboration with the Risk Management Area, risk model on which the calculation of the capital requirements in the insurance entities is based, which contribute to the achievement of the planned technical result and the desired solvency margins.

– The Compliance Area, which identifies, measures, monitors and reports on the exposure of the activities performed by the Group to compliance risk.

– The Internal Control Area, which is responsible for ensuring the efficiency of the internal control system works in the MAPFRE environment and compliance with the procedures established.

– The Risk Management Area, which is responsible for:

- Supervising and controlling the effectiveness of the MAPFRE Group's Risk Management System.

- Identifying and measuring risks.

- Calculating the solvency margin.

- Monitoring and reporting on the exposure to risks.

– The Security and Environment Area is responsible for preventing and mitigating security risks that may cause damage to the Group, disrupting, limiting or reducing its productive, financial or business capacity, as well as those that may hinder the fulfillment of the social and environmental commitments, the business objectives and strategy or the provisions of current regulations.

– The Internal Audit Area provides an independent evaluation of:

- The suitability, sufficiency and effectiveness of the internal control system elements.

- The Risk Management System.

- The suitability and effectiveness of the Group's governance system established in the Solvency II Directive.

The aforementioned structure meets the requirements relating to the governance of the Risk Management System established by the Solvency II Directive.

RISK MANAGEMENT OBJECTIVES, POLICIES, AND PROCESSES

Additionally, MAPFRE establishes the risk level that the Group would be ready to assume to attain its business objectives with no relevant deviations, even in adverse situations. That level, which establishes limits and sub-limits per risk type, configures the MAPFRE GROUP's Risk Appetite.

The MAPFRE GROUP Risk Management System (RMS) is based on the integrated management of each and every business process, and on the adaptation of risk levels to the established strategic objectives.

The main objectives of the Risk Management System are as follows:

- To promote a solid culture and an effective system of risk management.
- To ensure that risk analysis is part of the decision-making process.
- To preserve the solvency and financial soundness of the Group, helping to position it as the most trusted global insurance company.

The different types of risks have been grouped under four areas, or categories, as detailed below:

- Financial and Credit Risks	Includes interest rate, liquidity, exchange rate, market and credit risk.
- Insurance Activity Risks	This groups together, separately for Life and Non-Life, premium shortfalls, adequacy of technical provisions, and reinsurance risks.
- Operational Risks	Includes the risk of loss arising from the inadequacy or dysfunction of internal processes, personnel or systems, or arising from external events.
- Strategic and Corporate Governance Risks	Includes the corporate ethics and corporate governance risks, and risks on organizational structure, alliances, mergers and acquisitions, regulatory and, lastly, competition risks.

On a quarterly basis, the Governing Bodies receive information regarding the quantification of the main risks to which the Group is exposed and the capital resources available to deal with them. This quantification is performed in accordance with:

- Current legal requirements;
- A standard model of fixed factors; and
- Internal models, in the companies that have them.

Allocated capital is generally determined pursuant to an estimation based on the budgets for the following financial year and is reviewed regularly throughout the year according to the development of risks.

Certain companies require a higher level of capitalization, in relative terms, than the Group average, either because they operate in different countries with different legal requirements, or because their activities are subject to more stringent financial solvency requirements than those of the other Group entities. In these cases, the MAPFRE Steering Committee sets the level of capitalization on an individual basis.

FINANCIAL AND CREDIT RISK

MAPFRE mitigates its exposure to this type of risk by means of a prudent investment policy, with a high proportion of investment-grade fixed-income securities.

There are three different types of portfolios within the investment portfolio management:

- Those that seek strict immunization of the obligations deriving from the insurance contracts. This group includes the portfolios that cover unit-link policies consisting of assets whose risk is borne by the policyholders.
- Those that look to exceed the guaranteed return and achieve the highest return for the policyholders within the prudential parameters, such as profit sharing portfolios.
- Open-management portfolios, which are actively managed and only conditioned by legal rules and internal risk limitations.

Within the first group, the immunized portfolios minimize the interest rate risk, while the portfolios that cover the unit-link policies include the financial instruments whose risk is borne by the policyholders. A certain degree of market risk is accepted in the other portfolios, as set out below:

- The management variable for interest rate risk is modified duration, which is conditional on the limits established in the investment plan approved by the Board of Directors of MAPFRE S.A. for the open-management companies, and the modified duration of liabilities in the event of long-term commitments with policyholders.
- Exposure to exchange rate risk is minimized in the case of insurance liabilities. Exposure to this type of risk may not exceed a fixed percentage established in the annual Investment Plan, for investment management reasons only.

– Investments in shares are subject to an investment portfolio ceiling.

– The risk limitations are established in quantitative terms measured based on easily-observable variables. However, a probabilistic risk analysis is also conducted based on past volatilities and correlations.

With regard to credit risk, the MAPFRE policy is based on applying prudent criteria in line with the issuer's solvency and seeking a high degree of geographical correspondence between the issuers of the assets and the commitments. Investments in fixed-income securities and variable annuities are subject to limits by issuer.

In addition, the Risk Management Policy establishes limits according to the risk profile of the counterparty or investment instrument, and exposure limits in connection with the counterparty's rating. There is also a system for monitoring and notifying of credit risk exposure.

INSURANCE ACTIVITY RISK

MAPFRE, specialized in different types of business, requires a high degree of autonomy in managing its business, in particular in the underwriting of risks and price fixing, and the indemnities or provision of services in the case of incidents.

Premium adequacy is a particularly important element, and its determination is supported by specific computer applications.

Treatment of claim-related benefits, as well the adequacy of provisions, are basic principles of insurance activity. Technical provisions are estimated by the actuarial teams of the different companies and in certain cases are also reviewed by independent experts. The preponderance of the personal injuries business at MAPFRE, with fast settlement of claims, as well as the minor significance of insured long-tail risks, such as asbestos or professional liability, are factors that mitigate this kind of risk.

MAPFRE's presence in countries highly prone to disasters (earthquakes, hurricanes, etc.) calls for special treatment of these types of risk. The companies that are exposed to these kind of risks rely on specialized reports on catastrophe exposure, usually drawn up by independent experts, which estimate the extent of the losses in the event of a catastrophe occurring. The underwriting of catastrophe risks is based on this information and on the economic capital available to the company that underwrites them. Equity exposure to this kind of risk is mitigated by taking out specific reinsurance cover.

In this connection, it is important to highlight the contribution of MAPFRE RE, which provides the Group with its extensive experience in the catastrophe risk market. Every year, it

determines the global catastrophic capacity that it assigns to each territory, and establishes the maximum underwriting capacities by risk and event. It is also protected by risk retrocession programs to cover deviations or increases in the catastrophe incurred claims in the different regions.

In relation to reinsurance risk, MAPFRE's policy is based on assigning business to reinsurers with proven financial capacity (generally with a minimum 'A' or equivalent credit rating, and exceptionally with other reinsurers following an internal analysis that proves the availability of a solvency margin equivalent to the aforementioned rating or by providing suitable guarantees).

OPERATIONAL RISK

Operational and business process risks are identified and assessed using Riskm@p, a proprietary software application developed by MAPFRE which draws up risk maps for entities, analyzing the significance and probability of occurrence of the different risks.

Riskm@p is the corporate tool for controlling risks, and is the mechanism used to manage risk self-assessment questionnaires, internal control manuals, inventory controls associated with risks, assessment of their effectiveness and management of corrective measures in place to mitigate or reduce the risks and/or improve the control environment.

The foregoing operational risk management model consists of a process-based dynamic analysis of the company, which enables the managers of each area or department to identify and assess the potential risks and the effectiveness of the related controls affecting the following business and support processes: Product Development, Underwriting, Claims / Benefits, Administrative Management, Commercial Activities, Human Resources, Committees, Coinsurance / Reinsurance, Technical Provisions, Investments, IT Systems, and Customer Service.

STRATEGIC AND CORPORATE GOVERNANCE RISK

Ethical principles applied to business management have been a permanent feature at MAPFRE and are a part of its by-laws and of its day-to-day activities. In order to normalize this business culture and to comply with legal governance and management transparency requirements, the Board of Directors of MAPFRE S.A., at its meeting on June 24, 2015, approved the MAPFRE GROUP Institutional, Business and Organizational Principles, which replace the previous SISTEMA MAPFRE Code of Good Governance, and which constitutes the mandatory minimum framework for all the companies making up MAPFRE and their respective governing bodies.

The strict application of these principles is considered the most efficient way to mitigate these risks.

A) INSURANCE RISK

1. SENSITIVITY TO INSURANCE RISK

This sensitivity analysis measures the impact on economic capital of upward and downward fluctuations in the conditioning factors for risk insurance (number of insured risks, value of average premium, frequency and cost of claims). One measure of the sensitivity to the Non-Life insurance risk is the impact that a one percentage point change in the combined ratio would have on the annual results and, consequently, on net equity. This information is shown in the following table, together with the volatility index of this ratio, calculated according to its standard deviation in a five-year time horizon:

Business Units	IMPACT ON RESULTS OF A 1% VARIATION IN THE COMBINED RATIO		COMBINED RATIO VOLATILITY INDEX
	2015	2014	
Insurance			
Iberia	29.36	28.59	3.20%
LATAM	24.64	31.55	1.97%
International	17.87	17.30	2.36%
Reinsurance	13.65	11.56	2.44%
Assistance	7.00	5.77	3.19%
Global Risks	2.55	2.34	3.91%
CONSOLIDATED	93.29	96.01	1.14%

Figures in millions of euros

For the Life activity, the sensitivity level is shown according to the results from the calculation of the embedded value, which has been made pursuant to the principles and methodology laid down in the so-called "European Embedded Value". The embedded value is obtained by adding to the adjusted net equity the present value of the future profits of the managed portfolio (Life and fund management) and deducting the present value of options and financial guarantees granted to policyholders and the cost of the required regulatory capital.

The methodology to calculate the embedded value is based on the assessment of each business risk component separately and differentiating between the existing portfolio and the new business attracted during the year. The different components of the embedded value have been calculated as follows:

- Net adjusted equity: This is calculated by adjusting book net equity for unrecorded capital gains and losses, and decreasing the value by the goodwill amount, deferred expenses, and the dividends and donations approved but pending payment.
- Present value of the portfolio's future profits: This is calculated by discounting future profits after taxes of the policies portfolio at present value as at the valuation date on the basis of Euro swap curve interest rates, and including

an estimate of the embedded value of options and financial guarantees granted to policyholders.

- Temporary value of the options and financial guarantees granted to policyholders: This is the change in the cost of the said options and guarantees resulting from any potential modifications that take place in the benefits in favor of policyholders throughout the life of the policy. It is estimated by simulating the economic scenarios consistent with different market situations.
- Cost of required capital: This is an estimate which includes the required capital to cover both financial and non-financial risks. In line with market practices, the cost of capital used in the calculation of embedded value as at December 31, 2014 was calculated by applying a fixed rate of 4 percent to the minimum amount required for the solvency margin.

The main assumptions used were as follows:

- Discount and reinvestment rates: based on the Euro swap rate curve zero coupon at year end.
- Maintenance expenses: based on an in-house survey and indexed to an inflation rate of 2.5 percent.
- Technical variables (commissions, mortality, disability, redemptions, turnover and returns on existing financial assets): based on the entity's data and its own experience.
- Tax rate: The current rate in each market.

The following table breaks down the embedded value at the end of financial years 2014 and 2013 for the MAPFRE VIDA business and its controlled companies (figures for 2015 were not available at the time of preparing these consolidated annual accounts).

Item	2014	2013	% change
Net adjusted equity	1,408.00	1,135.60	23.99%
Present value of future profits	2,153.40	1,955.40	10.13%
Present value of options and guarantees granted to policyholders	(65.70)	(54.60)	20.33%
Cost of regulatory required capital	(276.50)	(244.90)	12.90%
TOTAL EMBEDDED VALUE	3,219.20	2,791.50	15.32%

Figures in millions of euros

The variables to which embedded value was most sensitive in 2014 were as follows:

- A 25 basis-point rise in the default probability of the fixed-income portfolio, which would reduce the embedded value by 209.50 million euros.

– A 100 basis-point rise in interest rates, which would reduce the embedded value by 86.80 million euros in the existing portfolio and by 6.80 million euros in new business.

– A 10 percent reduction in the decline in the portfolio, which would increase the embedded value by 173.30 million euros in the existing portfolio and by 29.80 million euros in new business.

The insurance entities that operate in the Life insurance business in the territorial areas of LATAM and INTERNATIONAL essentially operate in risk modalities.

2. CONCENTRATED INSURANCE RISK

The Group has a high degree of insurance risk diversification since it operates in virtually all insurance lines in Spain and has a wide presence in the international markets.

The Group has implemented a system of procedures and limits which allows it to control the level of concentrated insurance risk.

Reinsurance contracts are routinely used to mitigate the insurance risk arising from concentrated or accumulated guarantees exceeding the maximum acceptance levels.

2.a) Premium income per risk

The following tables break down the premiums issued for direct insurance and accepted reinsurance classified according to the type of business underwritten in the last two financial years:

Year 2015

Item	ACCEPTED REINSURANCE				CATASTROPHE RISK	DIRECT INSURANCE			
	LIFE	NON-LIFE		TOTAL		LIFE	OTHER RISKS		TOTAL
		CATASTROPHE RISK	OTHER RISKS				Vehicles	Other	
Written premiums, direct insurance	--	--	--	--	315.02	4,264.45	7,008.17	7,465.18	19,052.82
Premiums from accepted reinsurance	600.65	486.20	2,172.10	3,258.95	--	--	--	--	--

Figures in millions of euros

Year 2014

Item	ACCEPTED REINSURANCE				CATASTROPHE RISK	DIRECT INSURANCE			
	LIFE	NON-LIFE		TOTAL		LIFE	OTHER RISKS		TOTAL
		CATASTROPHE RISK	OTHER RISKS				Vehicles	Other	
Written premiums, direct insurance	--	--	--	--	186.75	4,883.70	6,727.28	7,108.07	18,905.80
Premiums from accepted reinsurance	522.44	709.63	1,677.64	2,909.71	--	--	--	--	--

Figures in millions of euros

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails)

2.b) Premium income by product and segment

The following tables show premiums issued for direct insurance and accepted reinsurance by product and segment, in the last two years:

Year 2015

Products	IBERIA	LATAM NORTH	LATAM SOUTH	BRAZIL	NORTH AMERICA	EMEA	APAC	MAPFRE RE	CORPORATE AREAS AND CONSOLIDATION ADJUSTMENTS	Total
Life	1,794.19	332.29	268.12	1,637.75	10.74	226.73	--	--	--	4,269.82
Motor	2,109.93	390.07	516.03	1,496.54	1,650.93	800.76	22.15	--	--	6,986.41
Home and other simple risks	889.10	130.96	173.87	406.99	659.06	86.12	4.91	--	--	2,351.01
Health	459.10	200.93	62.91	0.40	109.40	119.80	--	--	--	952.54
Accidents	123.17	15.35	112.87	--	1.92	8.38	3.98	--	--	265.67
Other Non-life	1,321.23	779.98	896.64	1,272.53	344.72	739.94	83.52	--	(1,137.23)	4,301.33
Reinsurance	--	--	--	--	--	--	--	3,731.91	(546.93)	3,184.98
TOTAL	6,696.72	1,849.58	2,030.44	4,814.21	2,776.77	1,981.73	114.56	3,731.91	(1,684.16)	22,311.76

Figures in millions of euros

Year 2014

Products	IBERIA	LATAM NORTH	LATAM SOUTH	BRAZIL	NORTH AMERICA	EMEA	APAC	MAPFRE RE	CORPORATE AREAS AND CONSOLIDATION ADJUSTMENTS	Total
Life	2,148.84	229.02	409.73	1,972.25	4.84	158.27	--	--	--	4,922.95
Motor	2,084.00	342.70	875.60	1,775.19	1,301.99	277.19	17.88	--	--	6,674.55
Home and other simple risks	861.04	84.32	183.31	482.32	487.47	70.92	5.01	--	--	2,174.39
Health	426.69	163.70	374.82	--	82.68	106.46	--	--	--	1,154.35
Accidents	25.16	12.02	124.70	--	1.87	14.21	4.68	--	--	182.64
Other Non-life	1,319.45	379.80	895.71	1,323.51	227.10	660.94	73.59	--	(1,025.15)	3,854.95
Reinsurance	--	--	--	--	--	--	--	3,343.33	(491.65)	2,851.68
TOTAL	6,865.18	1,211.56	2,863.87	5,553.27	2,105.95	1,287.99	101.16	3,343.33	(1,516.80)	21,815.51

Figures in millions of euros

2.c) Premium income per currency

The following table shows premiums issued for direct insurance, broken down by currency, in the last two years:

Currency	FINANCIAL YEAR	
	2015	2014
Euros	7,268.01	6,998.10
U.S. Dollar	4,120.30	2,547.06
Brazilian real	4,668.82	5,404.65
Mexican peso	676.98	600.80
Argentine peso	287.05	253.13
Venezuelan Bolivar	64.76	957.94
Turkish lira	660.31	436.52
Colombian peso	331.53	587.38
Chilean peso	202.01	313.73
Pound sterling	225.85	200.13
Other currencies	547.20	606.36
TOTAL	19,052.82	18,905.80

Figures in millions of euros

3. INCURRED CLAIMS

Section 3.4 of Note 6.14 of the "Technical Provisions" report provides information on the performance of the incurred claims.

B) CREDIT RISK

1. CREDIT RISK ARISING FROM REINSURANCE CONTRACTS

The following table breaks down receivables to reinsurers in the last two years:

Ceded and retroceded reinsurance	BOOK VALUE	
	2015	2014
Provision for life insurance	93.25	71.90
Provision for outstanding claims	2,054.32	1,985.49
Other technical provisions	1.65	10.52
Receivables on ceded and retroceded reinsurance transactions	383.22	488.01
Debts on assigned and retro-assigned reinsurance transactions	(808.47)	(695.81)
TOTAL NET POSITION	1,723.97	1,860.11

Figures in millions of euros

The following table breaks down receivables to reinsurers based on their financial solvency margin:

Rating	BOOK VALUE	
	2015	2014
AAA	24.69	2.49
AA	538.32	459.10
A	675.55	801.33
BBB	218.13	414.77
BB or lower	49.88	41.83
No credit rating	217.40	140.59
TOTAL NET POSITION	1,723.97	1,860.11

Figures in millions of euros

The following table shows the type and amount of the guarantees granted by reinsurers in the last two financial years:

Type of surety	AMOUNT	
	2015	2014
Letters of credit	1.13	1.02
Guarantees	--	--
Pledging of assets	--	--
Other guarantees	251.07	256.63
TOTAL	252.20	257.65

Figures in millions of euros

The balances corresponding to receivables from direct insurance and coinsurance activities amount to 4,231.71 million and 4,028.58 million euros as at December 31, 2015 and 2014, respectively. The estimated impairment loss is shown in the income statement as stated under accounting policy 5.9.

2. CREDIT RISK ARISING FROM OTHER FINANCIAL INSTRUMENTS

A breakdown is shown below of the fixed-income and cash securities portfolio based on the credit rating of fixed-income security issuers and financial institutions, respectively, during the last two years:

Credit rating of the issuers	BOOK VALUE							
	HELD-TO-MATURITY PORTFOLIO		AVAILABLE-FOR-SALE PORTFOLIO		TRADING PORTFOLIO		TREASURY	
	2015	2014	2015	2014	2015	2014	2015	2014
AAA	397.25	1,801.52	1,411.45	2,266.97	427.71	1,717.05	33.35	82.76
AA	665.64	167.66	3,572.53	3,461.48	150.64	100.67	98.01	98.04
A	27.63	35.78	4,707.04	3,761.97	224.53	197.85	244.58	106.11
BBB	948.15	231.39	21,524.48	22,927.53	1,437.60	505.53	229.95	266.63
BB or lower	18.02	21.89	1,051.34	1,408.45	70.40	13.75	314.21	497.10
No credit rating	57.78	83.45	68.96	246.11	60.08	61.30	68.99	137.96
TOTAL	2,114.47	2,341.69	32,335.80	34,072.51	2,370.96	2,596.15	989.09	1,188.60

Figures in millions of euros

3. FIXED-INCOME SECURITIES IN DEFAULT

As at December 31, 2015 and 2014, there were no fixed-income securities in default for significant amounts.

4. RECEIVABLES

The following table breaks down the receivables as at December 31, 2015 and 2014, as well as impairment losses, gains on reversals of impairment, and the amount of the guarantees received in the last two years:

Item	NET BALANCE ON BALANCE SHEET		IMPAIRMENT				SECURITY RECEIVED	
	2015	2014	RECORDED LOSSES		REVERSAL GAINS		2015	2014
			2015	2014	2015	2014		
Receivables on direct insurance and co-insurance operations	4,231.71	4,028.58	(5.76)	(8.34)	6.65	6.61	--	19.71
Receivable on reinsurance transactions	1,068.12	945.32	(21.30)	(2.68)	--	--	--	--
Tax receivables	248.06	180.25	--	--	--	--	--	--
Social security and other receivables	1,185.73	1,442.41	(4.00)	(10.88)	10.48	9.51	--	--
TOTAL	6,733.62	6,596.56	(31.06)	(21.90)	17.13	16.12	--	19.71

Figures in millions of euros

C) LIQUIDITY RISK

With respect to liquidity risk, MAPFRE has a Liquidity Risk Management Policy and an Asset and Liability Management Policy, which together comprise the benchmark framework for acting in this regard. In MAPFRE, the general practice is based on maintaining cash balances sufficient to comfortably cover the commitments arising from its obligations to insured parties and creditors. Thus, as at December 31, 2015, the cash and cash equivalent balance amounted to 989.09 million euros (1,188.60 million euros in the preceding year), equivalent to 2.40 percent of total financial investments and cash (2.76 percent in 2014). For Life and Savings insurance, the criteria

applied consists of matching the maturities of investments with obligations entered into under the terms of insurance contracts in order to mitigate the long-term liquidity risk. In addition, most fixed-income investments are investment grade and are traded in organized markets, thus providing significant scope for action in the event of potential liquidity strains.

Assets with maturities exceeding one year are explained in the "Interest rate risks" section.

Lastly, the low level of MAPFRE debt in relation to its own funds provides additional liquidity through financing operations. Note 6.13 on financial liabilities provides

information on the Group's debt with credit institutions and its other financial liabilities.

1. LIQUIDITY RISK ARISING FROM INSURANCE CONTRACTS

The estimated maturities of disbursements relating to liabilities under insurance contracts recorded as at December 31, 2015 and 2014 are shown below (the amounts relating to Life insurance provisions and claims have not been updated).

Year 2015

Item	ESTIMATED CASH OUTFLOWS							CLOSING BALANCE
	2016	2017	2018	2019	2020	2021 to 2025	Subsequent	
Provisions for Life insurance	3,903.10	2,164.93	1,917.41	1,828.05	1,725.71	6,033.54	9,784.98	27,357.72
Provision for outstanding claims	4,929.17	1,534.43	636.99	406.54	334.28	785.13	429.15	9,055.69
Other technical provisions	118.23	25.44	26.27	27.15	28.04	154.64	393.29	773.06
Due on direct insurance and reinsurance operations	824.39	14.28	7.35	2.93	5.51	4.92	2.88	862.26
Due on reinsurance operations	1,425.67	7.09	0.67	6.91	5.93	0.31	0.16	1,446.74
TOTAL	11,200.56	3,746.17	2,588.69	2,271.58	2,099.47	6,978.54	10,610.46	39,495.47

Figures in millions of euros

Year 2014

Item	ESTIMATED CASH OUTFLOWS							CLOSING BALANCE
	2015	2016	2017	2018	2019	2020 to 2024	Subsequent	
Provisions for Life insurance	3,609.43	2,408.52	2,030.29	1,929.20	1,686.31	6,531.94	11,586.03	29,781.72
Provision for outstanding claims	4,938.83	1,581.08	684.45	354.40	274.24	629.32	117.05	8,579.37
Other technical provisions	133.39	25.00	25.41	25.89	26.40	128.74	374.55	739.38
Due on direct insurance and reinsurance operations	834.03	23.00	5.94	4.00	3.20	5.89	1.54	877.60
Due on reinsurance operations	1,053.97	39.26	0.74	0.56	0.48	0.95	0.13	1,096.09
TOTAL	10,569.65	4,076.86	2,746.83	2,314.05	1,990.63	7,296.84	12,079.30	41,074.16

Figures in millions of euros

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails)

2. LIQUIDITY RISK ARISING FROM SUBORDINATED AND FINANCIAL LIABILITIES

The maturities of disbursements for subordinated and financial liabilities, excluding the financial discount, is shown below for the last two years:

year 2015

Item	MATURITY IN:						TOTAL
	2016	2017	2018	2019	2020	Subsequent	
Subordinated liabilities	34.25	612.70	--	--	--	--	646.95
Due to credit institutions	140.62	20.70	18.64	16.12	1,009.22	1.74	1,207.04
Other financial liabilities (not for trading)	164.65	6.85	2.97	0.49	0.50	18.51	193.97
TOTAL	339.52	640.25	21.61	16.61	1,009.72	20.25	2,047.96

Figures in millions of euros

Year 2014

Item	MATURITY IN:						TOTAL
	2015	2016	2017	2018	2019	Subsequent	
Subordinated liabilities	34.25	34.25	612.70	--	--	--	681.20
Issue of debentures and other negotiable securities	1,051.25	--	--	--	--	0.03	1,051.28
Due to credit institutions	98.10	29.37	27.32	13.94	12.31	7.13	188.17
Other financial liabilities (not for trading)	25.91	3.16	10.61	3.03	0.53	4.72	47.96
TOTAL	1,209.51	66.78	650.63	16.97	12.84	11.88	1,968.61

Figures in millions of euros

D) MARKET RISK

The Group's Investment Area regularly conducts analyses of the sensitivity of the investment portfolio's value to market risk. Among others, the most usual indicators are the modified duration, for fixed-income securities, and the VaR, or value at risk, for equity instruments.

1. INTEREST RATE RISK

The tables below show the significant information for the last two years regarding the level of exposure to interest rate risk of the financial assets and liabilities:

Portfolio	AMOUNT OF ASSETS EXPOSED TO INTEREST RATE RISK AT FAIR VALUE					
	FIXED INTEREST RATE		NOT EXPOSED TO RISK		TOTAL	
	2015	2014	2015	2014	2015	2014
To expiration	1,917.34	2,106.66	246.15	251.72	2,163.49	2,358.38
Available for sale	31,450.75	32,803.15	3,114.83	3,286.32	34,565.58	36,089.47
Trading	3,002.28	3,278.71	427.81	224.85	3,430.09	3,503.56
TOTAL	36,370.37	38,188.52	3,788.79	3,762.89	40,159.16	41,951.41

Figures in millions of euros

The fixed-interest-rate assets include the immunized portfolios, which amounted to 15,732.50 million and 15,361.60 million euros as at December 31, 2015 and 2014 respectively, which reduce the interest rate risk.

Item	AMOUNT OF LIABILITIES EXPOSED TO INTEREST RATE RISK AT FAIR VALUE					
	FIXED INTEREST RATE		NOT EXPOSED TO RISK		TOTAL	
	2015	2014	2015	2014	2015	2014
Subordinated liabilities	594.81	595.62	--	--	594.81	595.62
Issue of debentures and other negotiable securities	--	1,004.88	--	--	--	1,004.88
Payables to credit institutions	93.35	57.61	1,084.38	130.08	1,177.73	187.69
Other financial liabilities	121.38	43.13	385.34	263.26	506.72	306.39
TOTAL	809.54	1,701.24	1,469.72	393.34	2,279.26	2,094.58

Figures in millions of euros

The following tables break down financial investments by maturity, average interest rate and modified duration for the financial years 2015 and 2014:

December 31, 2015

Item	CLOSING BALANCE	MATURITY IN:						AVERAGE INTEREST RATE %	MODIFIED DURATION %
		1 year	2 years	3 years	4 years	5 years	Subsequent or without maturity		
HELD-TO-MATURITY PORTFOLIO									
Fixed income	2,114.47	353.78	201.67	190.52	92.21	97.95	1,178.34	1.11	1.80
Other investments	49.02	40.69	--	2.21	--	0.34	5.78	--	--
TOTAL HELD-TO-MATURITY PORTFOLIO	2,163.49	394.47	201.67	192.73	92.21	98.29	1,184.12	--	--
PORTFOLIO AVAILABLE FOR SALE									
Fixed income	32,335.80	2,826.92	1,598.61	2,766.15	2,115.24	2,045.56	20,983.31	4.04	7.53
Other investments	59.22	23.91	0.49	0.85	1.15	--	32.83	--	--
TOTAL PORTFOLIO AVAILABLE FOR SALE	32,395.02	2,850.83	1,599.10	2,767.00	2,116.39	2,045.56	21,016.14	--	--
TRADING PORTFOLIO									
Financial swaps	469.29	(211.92)	(229.79)	(79.78)	(74.31)	(129.90)	1,195.00	0.76	1.44
Options	2.38	--	0.06	2.33	--	--	--	--	--
Fixed income	2,370.96	1,294.64	154.83	210.11	55.63	103.03	552.72	1.29	3.05
TOTAL TRADING PORTFOLIO	2,842.63	1,082.72	(74.90)	132.66	(18.68)	(26.87)	1,747.72	--	--

Figures in millions of euros

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails)

December 31, 2014

Item	CLOSING BALANCE	MATURITY IN:						AVERAGE INTEREST RATE %	MODIFIED DURATION %
		1 year	2 years	3 years	4 years	5 years	Subsequent or without maturity		
HELD-TO-MATURITY PORTFOLIO									
Fixed income	2,341.69	422.93	157.69	219.82	193.77	96.04	1,251.44	2.05	1.15
Other investments	16.69	11.04	--	--	--	--	5.65	--	--
TOTAL HELD-TO-MATURITY PORTFOLIO	2,358.38	433.97	157.69	219.82	193.77	96.04	1,257.09	--	--
PORTFOLIO AVAILABLE FOR SALE									
Fixed income	34,072.51	2,456.19	2,643.13	2,073.75	2,680.03	1,937.99	22,281.43	4.47	7.91
Other investments	55.84	27.64	--	--	--	--	28.19	--	0.22
TOTAL PORTFOLIO AVAILABLE FOR SALE	34,128.35	2,483.83	2,643.13	2,073.75	2,680.03	1,937.99	22,309.62	--	--
TRADING PORTFOLIO									
Financial swaps	425.94	(229.45)	(229.46)	(220.38)	(68.02)	(65.36)	1,238.61	0.77	4.09
Options	3.25	2.00	--	1.25	--	--	--	--	--
Fixed income	2,596.15	1,386.10	245.19	158.84	227.35	65.72	512.95	4.00	7.97
TOTAL TRADING PORTFOLIO	3,025.34	1,158.65	15.73	(60.29)	159.33	0.36	1,751.56	--	--

Figures in millions of euros

The modified duration shows the sensitivity of the value of the assets to interest rate changes and indicates the approximate percentage change in the value of financial assets that would occur for each percentage point (100 bp) change in interest rates.

The balances included under the "Receivables" heading of the balance sheet assets and under "Due on direct insurance and coinsurance activities", "Due on reinsurance operations", "Tax liabilities" and "Other debts" of the balance sheet liabilities do not accrue interest and are usually settled in the following financial year. Liabilities with maturities exceeding one year are listed

2. EXCHANGE RATES RISK

The following table provides a breakdown of assets and liabilities according to the currencies in which they are stated at the close of the last two financial years.

Currency	ACTIVE		LIABILITIES		NET TOTAL	
	2015	2014	2015	2014	2015	2014
Euros	41,407.71	42,689.06	34,811.70	35,758.77	6,596.01	6,930.29
U.S. Dollar	7,766.83	6,389.84	5,204.04	4,106.11	2,562.79	2,283.73
Mexican peso	1,584.64	954.26	1,535.21	875.24	49.43	79.02
Brazilian real	7,711.50	9,340.11	6,486.94	7,689.10	1,224.56	1,651.01
Turkish lira	986.02	871.49	791.57	612.22	194.45	259.27
Chilean peso	693.40	701.97	723.63	706.44	(30.23)	(4.47)
Venezuelan Bolivar	40.66	824.55	81.27	534.67	(40.61)	289.88
Argentine peso	195.45	276.45	300.62	361.96	(105.17)	(85.51)
Colombian peso	1,098.91	1,245.05	1,237.01	1,308.06	(138.10)	(63.01)
Pound sterling	197.68	383.95	172.01	309.55	25.67	74.40
Canadian Dollar	44.93	45.04	15.36	18.23	29.57	26.81
Philippine Peso	120.61	114.84	101.27	98.09	19.34	16.75
Peruvian Sol	--	666.43	--	600.80	--	65.63
Other currencies	1,640.93	912.23	1,620.35	966.61	20.58	(54.38)
TOTAL	63,489.27	65,415.27	53,080.98	53,945.85	10,408.29	11,469.42

Figures in millions of euros

The sensitivity of the Group's equity to changes in euro exchange rates against the different currencies in which assets are stated is determined by the net total amount shown in the previous table, having deducted the amount for the non-monetary items. Similarly, the effect of these exchange rate variations on the Group's future results is determined by the volume of earnings obtained in each currency. Appendix 1 provides a breakdown of the result obtained by each Group company and the country where its operations are located.

3. STOCK MARKET RISK

The VaR or value at risk (maximum variation expected in a one-year time horizon and for a confidence level of 99 percent) of variable annuities and investment funds exposed to stock market risk amounted to 601.61 million euros and 332.39 million euros as at December 31, 2015 and 2014, respectively.

4. PROPERTY RISK

The Group has property assets representing approximately 4.90 percent of total investments and cash, of which approximately 41.60 percent corresponds to its own offices. These assets fulfill a dual purpose in that they provide administrative and sales support as well as generating investment revenues and diversifying investments. Property assets are broken down in the following table:

Item	NET BOOK VALUE		MARKET CAPITALIZATION	
	2015	2014	2015	2014
Property investment	1,324.32	1,226.29	1,835.60	1,983.53
Property for own use	943.40	1,165.66	1,406.98	1,317.54
TOTAL	2,267.72	2,391.95	3,242.58	3,301.07

Figures in millions of euros

Unrealized gains would offset a fall in the price of properties equivalent to approximately 30.06 percent of their market value.

8. OTHER INFORMATION

8.1. INFORMATION REGARDING THE BOARD OF DIRECTORS

At the close of the year there had not been any conflicts of interest, either direct or indirect, between the directors and the Group.

In 2015 the controlling company's directors did not carry out any operations with the controlling company itself or with any other Group company either outside the scope of the companies' ordinary trading activities or outside normal market conditions.

8.2. EXTERNAL AUDITORS' FEES

The annual accounts of the controlling company and of the main Group entities for the financial year 2015 have been audited by the firm KPMG, with the main exception of the subsidiaries with registered offices in Chile, whose auditor is Ernst & Young.

Fees accrued by the main auditor (KPMG in 2015 and Ernst & Young in 2014) are shown below. It is deemed that these fees do not compromise the independence of the auditors.

Item	AMOUNT	
	2015	2014
Audit services	5,972,831	7,475,457
Limited review of consolidated interim statements	399,000	509,801
Other verification services	835,578	316,590
Tax services	531,062	113,079
Other services	265,997	1,348,677
TOTAL SERVICES OF MAIN AUDITOR	8,004,468	9,763,604

Figures in euros

Fees for account audit services rendered by auditors other than the main auditor amounted to 193,540 euros in 2015 (1,243,335 euros in 2014).

8.3. ENVIRONMENTAL INFORMATION

The Group entities do not have any environmental-related item in the last two financial years that might be significant or specifically included in these consolidated annual accounts.

8.4. INFORMATION ON AVERAGE PROVIDER PAYMENT PERIOD

Details of the payments made by the Group's fully consolidated Spanish companies to providers in the financial years 2015 and 2014 are shown below.

Item	DAYS	
	2015	2014
Average provider payment period	6.93	8.42
Ratio of paid operations	6.79	8.14
Ratio of operations pending payment	110.62	109.18

Item	MILLIONS OF EUROS	
	2015	2014
Total payments made	1,390.94	1,253.16
Total pending payments exceeding the maximum statutory term	0.97	0.80

The amounts for the 2014 period have been adapted to the informational requirements of the 2015 period so as to facilitate comparison.

Subsidiaries, associated undertakings and joint ventures (appendix 1)

Name	Address	Effective tax rate	ACTIVITY	PARTICIPATION IN CAPITAL		
				HOLDER	PERCENTAGE	
					2015	2014
SPAIN INSURANCE						
MAPFRE ESPAÑA						
MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS S.A. (In 2014 MAPFRE FAMILIAR COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.)	Ctra. Pozuelo, 50. Majadahonda. (Madrid) Spain	28.00% (1) (2)	Insurance and reinsurance	• MAPFRE, S.A. • MAPFRE GLOBAL RISKS	83.8 16.5	99.3 ---
MAPFRE GESTIÓN DE FLOTAS, S.A. (Merged in 2015 with MAPFRE AUTOMOCION S.A.U.)	Ctra. Pozuelo, 52. Majadahonda. (Madrid) Spain	28.00% (1)	Finance	• MAPFRE ESPAÑA • MAPFRE, S.A.	--- ---	99.3 0.7
CLUB MAPFRE, S.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) Spain	28.00% (1)	Services	• MAPFRE ESPAÑA • MAPFRE GESTIÓN DE FLOTAS S.A. • MAPFRE AUTOMOCION S.A.U	99.5 --- 0.5	99.5 0.5 ---
CENTRO DE EXPERIMENTACIÓN Y SEGURIDAD VIAL MAPFRE, S.A.	Ctra.Valladolid, km 1 (Ávila) Spain	28.00% (1)	Research, training and consultancy	• MAPFRE ESPAÑA • MAPFRE, S.A.	99.2 0.8	99.2 0.8
MAPFRE AUTOMOCION S.A.U (In 2014 MAPFRE MULTICENTRO DEL AUTOMÓVIL, S.A)	Crta. De Pamplona a Zaragoza Cordovilla Industrial state (Navarra) Spain	28.00% (1)	Consultancy and assistance services	• MAPFRE ESPAÑA	100.0	99.0
CATALUNYA CAIXA ASSEGUANCES GENERALS S.A D'ASSEGUANCES I REASSEGUANCES	C/ Roure nº6y8 Pol.Ind.Más Mateu El Prat de Llobregat (Barcelona) Spain	28.00% (1)	Insurance and reinsurance	• MAPFRE ESPAÑA	---	50.0
IBERICAR, SOCIEDAD IBÉRICA DEL AUTOMÓVIL, S.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) Spain	28.00%	Services	• MAPFRE ESPAÑA	50.0	50.0
VERTI ASEGURADORA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A	Ctra. Pozuelo, 52. Majadahonda. (Madrid) Spain	28.00% (1)(2)	Insurance and reinsurance	• MAPFRE ESPAÑA • CLUB MAPFRE	99.1 0.9	99.1 0.9
DISEÑO URBANO, S.L.	Juan XXIII 64 Avenue (Valencia) Spain	--	Development agents	• MAPFRE ESPAÑA	50.0	50.0
ESPACIOS AVANZADOS DEL MEDITERRANEO, S.L.	C/Siete s/nº, Alboraya (Valencia) Spain	28.00%	Building and development Property	• MAPFRE ESPAÑA	22.2	22.2
SERVICIOS COMERCIALES Y ENERGÉTICOS DE BENIDORM, S.L.	Juan XXIII 64 (Valencia) Avenue Spain	28.00%	Development and use of Wind parks	• MAPFRE ESPAÑA	50.0	50.0
RASTREATOR.COM LTD	C/ Juan Hurtado de Mendoza,17 28036 (Madrid) Spain	--	Online prices compare professionals	• MAPFRE ESPAÑA	25.0	25.0
MAPFRE CONSULTORES DE SEGUROS Y REASEGUROS, S.A.	Paseo de Recoletos, 25 (Madrid) Spain	28.00% (1)	Consultancy and management services	• MAPFRE ESPAÑA • MAPFRE, S.A.	50.0 50.0	50.0 50.0
MULTISERVICIOS MAPFRE MULTIMAP, S.A.	Ctra. Pozuelo, 50. Majadahonda (Madrid) Spain	28.00% (1)	Consultancy services and contracting for refurbishment and goods improvement	• MAPFRE ESPAÑA • POLICLINICO SALUD 4, S.A.	97.0 2.0	97.0 2.0
FINLOG-ALUGUER E COMERCIO DE AUTOMOVEIS, S.A.	Rua Oscar da Silva 2243-2263 - Leça da Palmeira, Matosinhos (Portugal)	20.00%	Rental car	• MAPFRE ESPAÑA	50.0	50.0
FUNESPAÑA, S.A.	C/ Sufli, 4 (Almeria) Spain	28.00% (1)	Funeral services	• MAPFRE ESPAÑA	95.2	81.7
EMPRESA MIXTA SERVICIOS FUNERARIOS MADRID, S.A.	"C/ Salvador de Madariaga, 11 Building B - 3rd floor". Madrid	28.00%	Funeral services	• FUNESPAÑA, S.A.	49.0	49.0
POMPES FUNEBRES DOM INGO, S.L.	C/ Mercaderes, 5 Bajo Tortosa (Tarragona)	28.00%	Funeral services	• FUNESPAÑA, S.A.	75.0	75.0
SERVICIOS FUNERARIOS FUNEMADRID, S.A	C/ Doctor Esquerdo, 138 5º Plta Madrid	28.00% (1)	Funeral services	• FUNESPAÑA, S.A.	100.0	100.0
CEMENTERIO JARDÍN DE ALCALA DE HENARES, S.A.	Carretera de Pastrana, Km 3 Alcala de Henares (Madrid)	28.00%	Funeral services	• FUNEMADRID	49.0	49.0
SERVICIOS FUNERARIOS ALCALA-TORREJON, S.A. (Merged in 2015 with SERVICIOS FUNERARIOS FUNEMADRID, S.A)	C/ Mayor 83 Alcala de Henares (Madrid)	28.00%	Funeral services	• FUNEMADRID	---	100.0
EMPRESA MIXTA SERVEIS MUNICIPALS DE TARRAGONA, S.L.	Carretera Villa de Valencia, 2 Tarragona	28.00%	Funeral services	• FUNESPAÑA, S.A.	49.0	49.0

YEAR END FIGURES (THOUSANDS OF EUROS)								METHOD OR PROCEEDINGS	
ASSETS		NETO EQUITY		REVENUE		ANNUAL EARNINGS			
2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
7,304,255	5,788,748	2,375,380	2,092,771	4,597,274	3,866,854	206,912	241,003	(A)	(A)
---	4,072	---	3,468	---	5,579	---	(188)	(H)	(A)
5,963	6,060	3,839	3,797	11,423	13,615	101	173	(A)	(A)
18,191	18,053	16,391	16,402	12,646	12,431	254	106	(A)	(A)
34,599	14,815	24,294	14,513	16,931	3,122	245	1,364	(A)	(A)
---	48,781	---	16,956	---	45,907	---	6,088	(H)	(A)
230,949	246,816	62,729	61,227	605,462	472,722	1,411	(187)	(C)	(C)
209,474	218,336	86,421	111,779	88,318	78,454	(24,386)	(24,712)	(A)	(A)
1,670	1,670	(232)	(232)	---	---	---	---	(C)	(C)
2,538	2,647	884	873	11	67	38	38	(C)	(C)
216	216	216	216	---	---	---	---	(C)	(C)
---	---	---	---	---	---	---	---	(C)	(C)
281	255	227	201	205	184	40	4	(A)	(A)
16,401	7,922	9,175	7,135	51,189	39,647	2,043	1,210	(A)	(A)
104,896	87,308	21,089	18,987	75,543	70,472	5,078	4,139	(C)	(C)
127,775	135,942	73,864	75,915	21,434	13,253	2,899	1,825	(A)	(A)
61,682	61,207	54,178	51,921	51,582	45,310	2,175	762	(C)	(C)
2,126	1,854	1,187	991	1,595	1,096	228	80	(A)	(A)
14,572	17,164	12,909	9,715	9,027	5,175	1,235	747	(A)	(A)
6,531	10,028	6,153	8,486	2,736	2,524	(1,973)	530	(C)	(C)
---	1,922	---	1,280	---	1,958	---	371	(H)	(A)
3,266	3,213	2,565	2,251	3,930	3,176	1,109	796	(C)	(C)

Name	Address	Effective tax rate	ACTIVITY	PARTICIPATION IN CAPITAL		
				HOLDER	PERCENTAGE	
					2015	2014
GESTIÓN DE CEMENTERIS DE TARRAGONA, S.L.	Carretera del Cementerio, S/N Tarragona	28.00%	Funeral services	• EMPRESA MIXTA SERVEIS MUNICIPALS DE TARRAGONA, S.L.	50.0000	50.0000
FUNERARIA PEDROLA, S.L.	C/ Doctor Esquerdo, 138 5ª Plta Madrid	28.00% (1)	Funeral services	• FUNESPAÑA, S.A.	100.0000	100.0000
FUNEBALEAR, S.L. (Merged in 2015 with FUNESPAÑA, S.A)	C/ Castelló, 66 1ª Plta Madrid	28.00%	Funeral services	• FUNESPAÑA, S.A.	---	100.0000
FUNEMALAGA, S.L. (Merged in 2015 with FUNESPAÑA, S.A)	Alameda del Patrocinio, 12 Malaga	28.00%	Funeral services	• FUNESPAÑA, S.A.	---	100.0000
CEMENTERIO PARQUE ANDUJAR, S.L.	C/ Cementerio, 4 Andujar (Jaén)	28.00%	Funeral services	• FUNESPAÑA, S.A.	60.0000	60.0000
FUNBIERZO, S.L.	C/ Doctor Esquerdo, 138 5ª Plta Madrid	28.00%	Funeral services	• FUNESPAÑA, S.A.	67.5900	67.4600
FUNETXEA, S.L.	C/ Doctor Esquerdo, 138 5ª Plta Madrid	28.00% (1)	Funeral services	• FUNESPAÑA, S.A.	100.0000	100.0000
SERVICIOS FUNERARIOS DE ZARAGOZA, S.L.	C/ Doctor Esquerdo, 138 5ª Plta Madrid	28.00%	Funeral services	• FUNESPAÑA, S.A.	70.0000	70.0000
GAB MANAGEMENT & CONSULTING, S.R.L.	C/ Coso, 66 2ªC Zaragoza	28.00%	Investment company	• FUNESPAÑA, S.A.	77.6000	77.6000
KEGYELET TEMETKEZESI SZOLGALAT	Joseph Krt, 49 Budapest (Hungary)	28.00%	Funeral services	• FUNESPAÑA, S.A.	---	100.0000
TANATORIUM ZRT	Joseph Krt, 49 Budapest (Hungary)	28.00%	Funeral services	• FUNESPAÑA, S.A.	100.0000	100.0000
SERVICIOS Y GESTIÓN FUNERARIA, S.A.	C/ Doctor Esquerdo, 138 5ª Plta Madrid	28.00% (1)	Funeral services	• FUNESPAÑA, S.A.	100.0000	100.0000
FUNERARIA GIMENO, S.A. (Merged in 2015 with SERVICIOS Y GESTIÓN FUNERARIA, S.A.)	C/ Cadiz, 65 Valencia	28.00%	Funeral services	• SERVICIOS Y GESTIÓN FUNERARIA, S.A.	---	100.0000
TANATORI BENIDORM, S.L.	C/ Apareguda, 2 El Campello (Alicante)	28.00% (1)	Funeral services	• SERVICIOS Y GESTIÓN FUNERARIA, S.A.	100.0000	100.0000
TANATORI LA DAMA D'ELX, S.L.	C/ Apareguda, 2 El Campello (Alicante)	28.00%	Funeral services	• SERVICIOS Y GESTIÓN FUNERARIA, S.A.	97.1400	97.1400
ZACARIAS NUÑO, S.L.	Avenida de los mártires, 3 Sta. Cruz de Mudela (C.Real)	28.00%	Funeral services	• SERVICIOS Y GESTIÓN FUNERARIA, S.A.	50.0000	50.0000
INICIATIVAS ALCAESAR, S.L.	C / Viena, 2 1ª A Cáceres	28.00%	Funeral services	• FUNESPAÑA, S.A.	40.0000	64.9200
ALCAESAR FUNERHERVAS, S.L.	C / Viena, 2 1ª A Cáceres	28.00%	Funeral services	• INICIATIVAS ALCAESAR, S.L.	100.0000	100.0000
ALCAESAR FUNERCORIA, S.L.	C / Viena, 2 1ª A Cáceres	28.00%	Funeral services	• INICIATIVAS ALCAESAR, S.L.	100.0000	100.0000
ALCAESAR FUNERPLASENCIA, S.L.	C/ Trujillo, S/N Nave 4 Plasencia (Cáceres)	28.00%	Funeral services	• INICIATIVAS ALCAESAR, S.L.	100.0000	50.0000
FUNERTRUJILLO, S.L.	C / Viena, 2 1ª A Cáceres	28.00%	Funeral services	• INICIATIVAS ALCAESAR, S.L.	100.0000	100.0000
SERVICIOS FUNERARIOS NUESTRA SEÑORA DE LA LUZ, S.L.	Carretera de Alcantara, 12 Arroyo de la Luz (Cáceres)	28.00%	Funeral services	• INICIATIVAS ALCAESAR, S.L.	30.0000	30.0000
SALZILLO SERVICIOS FUNERARIOS, S.L.	C/ Doctor Esquerdo, 138 5ª Plta Madrid	28.00%	Funeral services	• FUNESPAÑA, S.A.	76.0000	76.0000
DE MENA SERVICIOS FUNERARIOS, S.L.	C/ Doctor Esquerdo, 138 5ª Plta Madrid	28.00%	Funeral services	• FUNESPAÑA, S.A.	70.0000	70.0000
TANATORIO SAN ALBERTO, S.A. (Merged in 2015 with FUNESPAÑA, S.A)	C/ Ermitagaña 2 Pamplona (Navarra)	28.00%	Funeral services	• FUNESPAÑA, S.A.	---	100.0000
FUNERARIA HISPALENSE, S.L.	Avenida de Ramon y Cajal, S/N Dos Hermanas (Sevilla)	28.00%	Funeral services	• FUNESPAÑA, S.A.	50.0000	50.0000
ISABELO ALVAREZ MAYORGA, S.A.	Carretera Avila - Valladolid Km 08 Ávila	28.00%	Funeral services	• FUNESPAÑA, S.A.	50.0000	50.0000
SERVICIOS FUNERARIOS DEL NERVIÓN, S.L.	Alameda de Recalde 10 Bilbao	28.00%	Funeral services	• FUNESPAÑA, S.A.	50.0000	50.0000

YEAR END FIGURES (THOUSANDS OF EUROS)									METHOD OR PROCEEDINGS	
ASSETS		NETO EQUITY		REVENUE		ANNUAL EARNINGS		2015	2014	
2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	
663	592	325	210	667	538	104	(38)	(C)	(C)	
587	468	312	258	529	433	48	26	(A)	(A)	
---	5,828	---	61	---	893	---	27	(H)	(A)	
---	198	---	(408)	---	1	---	(37)	(H)	(A)	
1,184	1,534	599	399	262	221	(57)	23	(A)	(A)	
3,528	2,703	2,642	2,586	340	375	51	56	(A)	(A)	
13,183	5,571	(67)	48	2,454	2,346	(86)	(29)	(A)	(A)	
3,693	3,691	1,303	1,241	2,554	2,028	75	(12)	(A)	(A)	
2,076	1,165	1,982	1,161	---	---	63	2	(A)	(A)	
---	195	---	(3)	---	642	---	(61)	(H)	(A)	
778	1,077	326	669	---	1	(181)	(87)	(A)	(A)	
6,541	8,593	3,666	4,435	2,826	3,519	534	669	(A)	(A)	
---	28	---	(290)	---	246	---	(12)	(H)	(A)	
11	11	1	1	---	---	---	---	(A)	(A)	
97	97	(97)	(97)	---	---	---	(97)	(A)	(A)	
186	198	170	168	17	9	2	1	(C)	(C)	
8,193	5,337	4,395	1,900	5,050	3,368	979	478	(C)	(A)	
448	463	131	102	244	234	30	28	(C)	(A)	
1,141	1,018	378	320	509	515	60	90	(C)	(A)	
453	316	274	263	667	443	85	15	(C)	(C)	
895	820	397	348	467	336	50	27	(C)	(A)	
730	744	405	344	168	185	59	70	(C)	(C)	
1,980	2,034	379	424	1,015	913	(21)	(66)	(A)	(A)	
855	811	624	599	1,143	929	204	179	(A)	(A)	
---	4,584	---	4,232	---	3,567	---	837	(H)	(A)	
161	122	119	99	235	195	21	5	(C)	(C)	
2,402	2,364	1,321	1,167	1,176	952	139	97	(C)	(C)	
103	82	66	71	285	301	58	64	(C)	(C)	

Name	Address	Effective tax rate	ACTIVITY	PARTICIPATION IN CAPITAL		
				HOLDER	PERCENTAGE	
					2015	2014
NUEVO TANATORIO, S.L.	Avenida Hermanos Bou, 251 Castellón	28.00%	Funeral services	• FUNESPAÑA, S.A.	50.0000	50.0000
SERVICIOS FUNERARIOS LA CARIDAD, S.L.	Carretera Sanlucar - Trebujena Km 1,5 Sanlucar de Barrameda (Cádiz)	28.00%	Funeral services	• FUNESPAÑA, S.A.	50.0000	50.0000
TANATORIO DE ECÍJA, S.L.	C / Camino del Valle Écija (Sevilla)	28.00%	Funeral services	• FUNESPAÑA, S.A.	25.0000	25.0000
TANATORIO Y CEMENTERIO DE SANLUCAR, S.L.	Carretera Sanlucar - Trebujena Km 1,5 Sanlucar de Barrameda (Cádiz)	28.00%	Funeral services	• SERVICIOS FUNERARIOS LA CARIDAD, S.L.	75.0000	75.0000
TANATORIO SE-30 SEVILLA, S.L.	C/ San Juan Bosco, 58 Zaragoza	28.00%	Funeral services	• FUNESPAÑA, S.A.	10.0000	10.0000
NUEVOS SERVICIOS FUNERARIOS, S.L.	Avenida Hermanos Bou, 251 Castellón	28.00%	Funeral services	• NUEVO TANATORIO, S.L.	50.0000	50.0000
ALL FUNERAL SERVICES, S.L.	C/ Doctor Esquerdo, 138 5ª Plta Madrid	28.00% (1)	Funeral services	• FUNESPAÑA, S.A.	100.0000	100.0000
FUNESPAÑA CHILE, S.A.	Santiago de Chile (Chile)	28.00%	Funeral services	• FUNESPAÑA, S.A.	50.0000	50.0000
FUNEUROPEA CHILE, S.A.	Santiago de Chile (Chile)	28.00%	Familiar assistance	• FUNESPAÑA, S.A.	50.0000	50.0000
FUNERARIAS REUNIDAS EL BIERZO, S.A.	C/ Doctor Esquerdo, 138 5ª Plta Madrid	28.00% (1)	Funeral services	• FUNESPAÑA, S.A. • HIJOS DE SAN LUIS	91.3000	91.3000
MULTISERVICAR (Merged in 2015 with MAPFRE AUTOMOCION S.A.U.)	Ctra. Pozuelo, 50 Majadahonda (Madrid)	28.00% (1)	Technology services Automobile innovation	• MAPFRE FAMILIAR	---	100.0000
MEDISEMAP, AGENCIA DE SEGUROS, S.L.	Ctra. Pozuelo, 52 Majadahonda (Madrid)	28.00% (1)	Insurance agents	• MAPFRE ESPAÑA • MAPFRE SEGUROS DE EMPRESAS • MAPFRE VIDA	66.6667 --- 33.3333	33.3334 33.3333
POLICLINICO SALUD 4, S.A.	C/ Castello 56 (Madrid) Spain	28.00% (1)	Medical services	• MAPFRE ESPAÑA	100.0000	100.0000
MAPFRE VIDEO Y COMUNICACIÓN S.A.	Ctra. Pozuelo, 50. Majadahonda (Madrid) Spain	28.00% (1)	Asset management	• MAPFRE ESPAÑA • MAPFRE SEGUROS DE EMPRESAS • MAPFRE VIDA	75.0000 --- 25.0000	50.0000 25.0000
BANKINTER SEGUROS GENERALES, S.A.	Paseo de la Castellana, 29 Madrid	28.00% (2)	Insurance and reinsurance	• MAPFRE ESPAÑA • MAPFRE SEGUROS DE EMPRESAS	50.1000 ---	25.1000 25.0000
AUDATEX ESPAÑA, S.A.	Av de Barajas, 34 Parque Empresarial Omega 28108 Alcobendas (Madrid)	28.00%	Vehicle loss assessment	• MAPFRE ESPAÑA	12.5000	12.5000
ONLINE SHOPPING CLUB EUROPE, S.L.	Adolfo Pérez Esquivel, 3 28232 Parque empresarial Las Rozas	28.00%	Sales and Marketing Internet / Telephone	• MAPFRE ESPAÑA	49.9000	49.9000
TECNOLOGIAS DE LA INFORMACION Y REDES PARA LAS ENTIDADES ASEGURADORAS, S.A	C/ García Paredes, 55 Madrid	28.00%	Data processing, telematic and network services.	• MAPFRE ESPAÑA	16.3618	16.3618
MAPFRE SEGUROS GERAIS S.A.	Rua Castilho, 52 Lisbon (Portugal)	25.00%	Insurance and reinsurance	• MAPFRE ESPAÑA • MAPFRE GLOBAL RISKS	99.9994 0.0006	99.9994 0.0006
MAPFRE PORTUGAL SEGUROS DE VIDA S.A.	Rua Castilho, 52 Lisbon (Portugal)	25.00%	Insurance	• MAPFRE SEGUROS GERAIS	100.0000	100.0000
LAIETANA SEGUROS GENERALES	Avenida Lluís Companys, 44-60 08302 Mataró (Barcelona)	28.00% (1) (2)	Insurance	• MAPFRE ESPAÑA	100.0000	100.0000
MAPFRE QINGDAO ENTERPRISE MANAGEMENT CONSULTING LIMITED COMPANY	Qindao (China)	--	consultancy	• MAPFRE ESPAÑA	100.0000	---
MAPFRE SEGUROS DE EMPRESA (Fusionada en 2015 con MAPFRE FAMILIAR COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.)	Ctra. Pozuelo, 52. Majadahonda. (Madrid) Spain	28.00% (1)(2)	Insurance and reinsurance	• MAPFRE GLOBAL RISKS • MAPFRE, S.A.	--- ---	99.9970 0.0030
SERVICIOS DE PERITACIÓN MAPFRE S.A.	C/ Manuel Silvela, 15 (Madrid) Spain	28.00% (1)	Research, training and consultancy	• MAPFRE ESPAÑA • MAPFRE GLOBAL RISKS • MAPFRE SEGUROS DE EMPRESAS	96.0000 4.0000 ---	--- 4.0000 96.0000
AGROSEGURO	C/ Gobelás, 23 Madrid (Spain)	28.00%	Agents and insurance brokers	• MAPFRE ESPAÑA • MAPFRE SEGUROS DE EMPRESAS	20.6200 ---	--- 20.2600

YEAR END FIGURES (THOUSANDS OF EUROS)									METHOD OR PROCEEDINGS	
ASSETS		NETO EQUITY		REVENUE		ANNUAL EARNINGS		2015	2014	
2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	
2,278	2,626	1,298	1,183	2,328	1,849	203	90	(C)	(C)	
1,452	1,305	1,352	1,246	679	411	148	66	(C)	(C)	
3,119	3,108	1,526	1,460	586	524	123	69	(C)	(C)	
6,218	6,363	1,267	967	961	667	254	109	(C)	(C)	
14,803	14,208	7,235	6,585	2,705	2,050	1,024	898	(C)	(C)	
191	175	76	63	76	83	18	11	(C)	(C)	
10,489	10,075	1,660	1,238	77,967	64,221	1,588	1,166	(A)	(A)	
---	---	---	---	---	---	---	---	(B)	(B)	
---	---	---	---	---	---	---	---	(B)	(B)	
3,535	3,673	2,403	2,239	3,021	2,646	559	394	(A)	(A)	
---	7,138	---	6,246	---	6,886	---	654	(H)	(A)	
820	833	405	364	4,240	4,475	55	95	(A)	(A)	
44,024	42,685	18,204	24,366	25,262	20,464	(6,162)	5,425	(A)	(A)	
117,920	116,054	69,889	68,741	8,548	5,478	1,154	1,615	(A)	(A)	
15,643	13,216	10,078	10,346	4,521	3,559	(210)	(437)	(A)	(A)	
11,385	13,067	6,530	6,108	22,915	19,174	5,266	5,240	(C)	(C)	
469	469	136	135	---	---	---	---	(C)	(C)	
56,310	49,934	27,559	25,526	---	---	---	---	(C)	(C)	
225,016	230,542	70,673	79,135	114,917	103,624	430	(3,166)	(A)	(A)	
330,825	300,358	35,286	33,923	75,063	86,409	425	1,469	(A)	(A)	
4,704	4,704	4,703	4,702	---	---	---	---	(A)	(F)(A)	
227	---	227	---	86	---	(2,719)	---	(G)(A)	---	
---	1,791,706	---	464,922	---	725,497	---	67,892	(H)	(A)	
595	908	(864)	(425)	2,958	3,670	(278)	(894)	(A)	(A)	
495,560	428,172	12,147	12,574	---	---	---	---	(C)	(C)	

Name	Address	Effective tax rate	ACTIVITY	PARTICIPATION IN CAPITAL		
				HOLDER	PERCENTAGE	
					2015	2014
MAPFRE VIDA						
MAPFRE VIDA SOCIEDAD ANÓNIMA DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	Carretera de Pozuelo, 50. (28222) Majadahonda. Madrid (Spain)	28.00% (1) (2)	Insurance and reinsurance	• MAPFRE, S.A.	99.9087	99.9087
CONSULTORA ACTUARIAL Y DE PENSIONES MAPFRE VIDA S.A.	Carretera de Pozuelo, 50 (28222) Majadahonda	28.00% (1)	Consultancy	• MAPFRE VIDA • MAPFRE, S.A.	99.9339 0.0661	99.9339 0.0661
GESTION MODA SHOPPING S.A.	Avda.General Perón,40 (Madrid) Spain	28.00% (1)	Management centers Sales staff	• MAPFRE VIDA • MAPFRE, S.A.	99.8215 0.1785	99.8215 0.1785
MAPFRE INVERSIÓN SOCIEDAD DE VALORES S.A.	Carretera de Pozuelo, 50-1, M-4. Second Floor Módulo Sur. (28222) Majadahonda	28.00% (1)(2)	Investment company	• MAPFRE VIDA • MAPFRE, S.A.	99.9991 0.0009	99.9991 0.0009
MAPFRE INVERSIÓN DOS SOCIEDAD GESTORA DE INSTITUCIONES DE INVERSIÓN COLECTIVA S.A.	Carretera de Pozuelo, 50-1, M-4. Second Floor Módulo Norte. (28222) Majadahonda Madrid (Spain)	28.00% (1)	Institution management investment entity groups	• MAPFRE INVERSIÓN • MAPFRE, S.A.	99.9853 0.0147	99.9853 0.0147
MAPFRE VIDA PENSIONES, ENTIDAD GESTORA DE FONDOS DE PENSIONES S.A.	Carretera de Pozuelo, 50-1, M-4. Second Floor Módulo Norte. (28222) Majadahonda	28.00% (1)	Pension funds administration	• MAPFRE INVERSIÓN • MAPFRE, S.A.	99.9971 0.0029	99.9971 0.0029
UNIÓN DEL DUERO COMPAÑÍA DE SEGUROS DE VIDA, S.A.	Pº de la Castellana, 167 (Madrid) Spain	28.00% (2)	Insurance	• MAPFRE VIDA	50.0000	50.0000
DUERO PENSIONES ENTIDAD GESTORA DE FONDOS DE PENSIONES, S.A.	Pº de la Castellana, 167 (Madrid) Spain	28.00% (2)	Pension funds administration	• MAPFRE VIDA	50.0000	50.0000
BANKIA MAPFRE VIDA, S.A. DE SEGUROS Y REASEGUROS	Ctra. Pozuelo, 50 28222 (Majadahonda) Madrid	28.00% (2)	Insurance	• MAPFRE VIDA	51.0000	51.0000
CATALUNYACAIXA VIDA S.A. D' ASSEGURANCES I REASSEGURANCES	Calle Roure, 6 - 8. Polígono Mas Mateu Prat del Llobregat (Barcelona) España	28.00% (2)	Insurance	• MAPFRE VIDA	---	50.0000
MIRACETI S.A.	Carretera de Pozuelo, 50 (28222) Majadahonda	28.00% (1)	Real Estate	• MAPFRE VIDA • MAPFRE, S.A.	99.9991 0.0009	99.9991 0.0009
BANKINTER SEGUROS DE VIDA, S.A.	Avda. Bruselas, 12 (Alcobendas) Spain	28.00% (2)	Insurance	• MAPFRE VIDA	50.0000	50.0000
CAJA CASTILLA LA MANCHA VIDA Y PENSIONES, S.A.	C/ Carretería, 5 (Cuenca) Spain	28.00% (2)	Insurance	• MAPFRE VIDA	50.0000	50.0000
LAIETANA VIDA	Carretera de Pozuelo, 50 (28222) Majadahonda	28.00% (2)	Insurance	• MAPFRE VIDA	51.0000	51.0000
ASEGURADORA VALENCIANA DE SEGUROS Y REAS. (ASEVAL)	Carretera de Pozuelo, 50 (28222) Majadahonda	28.00% (2)	Insurance	• MAPFRE VIDA	51.0000	51.0000

SEGURO INTERNACIONAL

MAPFRE AMÉRICA

MAPFRE AMÉRICA S.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) Spain	28.00% (1)(2)	Holding	• MAPFRE, S.A. • MAPFRE ESPAÑA	99.2172 0.0001	99.2172 0.0001
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ARGENTINA

MAPFRE ARGENTINA HOLDING S.A.	Avda. Juana Manso, 205 C 1107CBE Puerto Madero Buenos Aires (Argentina)	35.00%	Holding	• MAPFRE AMÉRICA	99.9999	99.9999
MAPFRE ARGENTINA SEGUROS S.A.	Avda. Juana Manso, 205 C 1107CBE Puerto Madero Buenos Aires (Argentina)	35.00%	Insurance	• MAPFRE ARGENTINA HOLDING	99.9988	99.9988
CLUB MAPFRE ARGENTINA	Avda. Juana Manso, 205 C 1107CBE Puerto Madero Buenos Aires (Argentina)	35.00%	Provision of services	• MAPFRE ARGENTINA HOLDING • MAPFRE ARGENTINA VIDA	97.0000 3.0000	97.0000 3.0000
MAPFRE ARGENTINA SEGUROS DE VIDA S.A.	Avda. Juana Manso, 205 C 1107CBE Puerto Madero Buenos Aires (Argentina)	35.00%	Insurance	• MAPFRE AMÉRICA • MAPFRE ARGENTINA HOLDING	64.0000 36.0000	64.0000 36.0000
CESVI ARGENTINA, S.A.	9 y 17 street. Parque Ind.Pilar- Buenos Aires (Argentina)	35.00%	Research, training and consultancy	• MAPFRE ARGENTINA SEGUROS	60.6400	60.6400

BRASIL

MAPFRE SEGUROS GERAIS S.A.	Avd.Nações Unidas, 11711 16. Andar Brooklin. Sao Paulo. (Brazil)	45.00%	Insurance	• MAPFRE BB SH2 PARTICIPAÇÕES, S.A.	100.0000	100.0000
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YEAR END FIGURES (THOUSANDS OF EUROS)									METHOD OR PROCEEDINGS	
ASSETS		NETO EQUITY		REVENUE		ANNUAL EARNINGS				
2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	
14,109,536	15,139,682	1,324,019	1,247,583	2,136,894	2,139,445	245,282	167,423	(A)	(A)	
753	800	696	748	234	298	52	102	(A)	(A)	
1,298	1,100	860	773	1,259	1,263	6	(22)	(A)	(A)	
224,806	209,674	189,260	176,401	85,093	87,163	36,447	33,488	(A)	(A)	
52,696	50,382	43,409	42,108	36,948	31,717	4,244	1,954	(A)	(A)	
77,574	77,026	73,769	73,767	25,166	28,366	3,547	4,156	(A)	(A)	
776,895	770,945	59,066	63,169	128,876	117,522	14,889	15,607	(A)	(A)	
9,426	9,763	8,429	8,651	7,984	8,352	1,081	1,175	(A)	(A)	
5,555,031	6,352,770	278,067	301,710	443,427	709,648	51,081	69,864	(A)	(A)	
---	2,354,141	---	257,911	---	668,736	---	51,402	(H)	(A)	
41,075	40,865	40,114	39,919	1,062	1,159	339	333	(A)	(A)	
269,668	313,638	55,236	35,006	136,507	195,500	36,923	34,732	(A)	(A)	
1,046,735	1,112,597	46,785	43,753	175,938	290,736	17,312	18,405	(A)	(A)	
246,809	268,799	14,196	33,552	19,304	3,013	908	(176)	(A)	(F)(A)	
2,729,885	2,964,715	153,311	165,358	268,732	52,914	7,463	(2,348)	(A)	(F)(A)	
1,597,268	1,541,073	1,439,026	1,505,799	117,768	118,845	(28,488)	104,650	(A)	(A)	
54,731	77,374	47,525	37,060	67	507	(6,760)	(4,767)	(A)	(A)	
277,099	307,881	38,330	53,135	314,725	244,912	(569)	2,190	(A)	(A)	
691	871	60	31	2,690	3,999	3	183	(A)	(A)	
33,743	31,935	3,284	1,246	47,879	35,700	3,237	581	(A)	(A)	
10,160	8,809	5,675	4,492	16,989	11,612	2,946	1,478	(A)	(A)	
2,271,440	2,643,392	536,570	646,898	1,900,880	2,084,129	64,553	21,086	(A)	(A)	

Name	Address	Effective tax rate	ACTIVITY	PARTICIPATION IN CAPITAL		
				HOLDER	PERCENTAGE	
					2015	2014
MAPFRE VERA CRUZ CONSULTORIA TECNICA E ADMINISTRACAO DE FUNDOS LTDA.	Avd.Naões Unidas, 11711 16. Andar Brooklin Sao Paulo (Brazil)	34.00%	Administration funds	• MAPFRE HOLDING DO BRASIL LTDA	100.0000	100.0000
BB MAPFRE SHI PARTICIPAÇÕES, S.A.	Avd.Naões Unidas, 11711 16. Andar Brooklin Sao Paulo (Brazil)	34.00%	Holding	• MAPFRE BRASIL PARTICIPAÇÕES, S.A.	25.0100	25.0100(*)
MAPFRE CAPITALIZAÇÃO	Avd.Naões Unidas, 11711 16. Andar Brooklin Sao Paulo (Brazil)	34.00%	Capitalization	• MAPFRE BRASIL PARTICIPAÇÕES, S.A.	100.0000	100.0000
MAPFRE ASSISTENCIA, S.A.	Avd.Mamoré 989, 3º Andar Allphaville Centro Industrial e Empresarial Barueri, Sao Paulo (Brazil)	34.00%	Assistance services	• MAPFRE SEGUROS GERAIS, S.A.	100.0000	100.0000
MAPFRE BB SH2 PARTICIPAÇÕES, S.A.	Avd.Naões Unidas, 11711 16. Andar Brooklin Sao Paulo (Brazil)	34.00%	Holding	• MAPFRE BRASIL PARTICIPAÇÕES, S.A.	50.0000	50.0000(*)
MAPFRE BRASIL PARTICIPAÇÕES, S.A.	Avd.Naões Unidas, 11711 16. Andar Brooklin Sao Paulo (Brazil)	34.00%	Holding	• MAPFRE HOLDING DO BRASIL LTDA • MAPFRE AMERICA • FANCY INVESTMENT, S.A.	7.2653 91.6570 1.0777	7.2653 91.6570 1.0777
CESVI BRASIL S.A. CENTRO DE EXPERIMENTACAO E SEGURANCA VIARIA	Rua Amador Aguiar, 700-City Empresarial – Sao Paulo (Brazil)	34.00%	Research, training and consultancy	• MAPFRE HOLDING DO BRASIL LTDA	100.0000	100.0000
MAPFRE HOLDING DO BRASIL LTDA	Avda. dos Autonomistas, 701 Vila- Yara – Osasco SP CEP 06020-000(Brazil)	34.00%	Holding	• MAPFRE AMÉRICA • MAPFRE, S.A. • FANCY INVESTMENT, S.A.	98.7993 0.3314 0.8693	98.7993 0.3314 0.8693
MAPFRE VIDA S.A.	Avd.Naões Unidas, 11711 16. Andar Brooklin Sao Paulo (Brazil)	45.00%	Insurance	• BB MAPFRE SHI PARTICIPAÇÕES S.A.	100.0000	100.0000
MAPFRE DISTRIBUIDORA DE TÍTULOS E VALORES MOBILIARIOS, S.A.	Avd.Naões Unidas, 11711 16. Andar Brooklin Sao Paulo (Brazil)	34.00%	Securities and stocks distributor	• MAPFRE INVESTIMENTOS E PARTICIPAÇÕES SA • MAPFRE HOLDING DO BRASIL LTDA	99.9900 0.0100	99.9900 0.0100
MAPFRE PREVIDENCIA S.A.	Avda.Mª Coelho Aguiar 215	45.00%	Insurance	• MAPFRE BRASIL PARTICIPAÇÕES, S.A.	100.0000	100.0000
MAPFRE SEGURADORA DE CRÉDITO A LA EXPORTACIÓN S.A. (Fusionada en 2015 con MAPFRE PREVIDENCIA S.A.)	Avda.Mª Coelho Aguiar 215 Sao Paulo (Brazil)	45.00%	Insurance	• MAPFRE BRASIL PARTICIPAÇÕES, S.A.	---	100.0000
MAPFRE INVESTIMENTOS E PARTICIPAÇÕES, S.A.	Avd.Naões Unidas, 11711 17. Andar Brooklin Sao Paulo (Brazil)	34.00%	Holding Insurance	• MAPFRE HOLDING DO BRASIL LTDA	100.0000	100.0000
ALIANÇA DO BRASIL SEGUROS, S.A.	R.Manuel da Nobrega, 12809. Andar, Rio de Janeiro (Brazil) Sao Paulo (Brazil)	45.00%	Insurance	• MAPFRE BB SH2 PARTICIPAÇÕES, S.A.	100.0000	100.0000
BRASIL VEICULOS COMPANHIA DE SEGUROS, S.A.	R.Senador Dantas, 105 29 parte, 30 e 31 Andares	45.00%	Insurance	• MAPFRE BB SH2 PARTICIPAÇÕES, S.A.	100.0000	100.0000
COMPANHIA DE SEGUROS ALIANÇA DO BRASIL, S.A.	R.Senador Dantas, 105 29 parte, 30 e 31 Andares	45.00%	Insurance	• BB MAPFRE SHI PARTICIPAÇÕES S.A.	100.0000	100.0000
MAPFRE ADMINISTRAÇÕES DE CONSORCIO S.A.	Avenida das Nações Unidas, 12.495 11º andar - São Paulo-SP	34.00%	Investment management	• MAPFRE INVESTIMENTOS E PARTICIPAÇÕES SA	100.0000	100.0000
MAPFRE SAUDE LTDA	Avenida das Nações Unidas, 12.495 São Paulo-SP	34.00%	Healthcare services	• MAPFRE HOLDING DO BRASIL LTDA	100.0000	100.0000
PROTENSEG CORRETORA DE SEGUROS LTDA	Avenida da Nações Unidas, 12.495 11º andar Sao Paulo (Brazil)	34.00%	Insurance mediation	• MAPFRE VERA CRUZ CONSULTORIA TECNICA E ADMINIST.	100.0000	100.0000
CENTROAMÉRICA						
MAPFRE TENEDORA DE ACC, S.A.	Costa del Este, diagonal al Business Park Panama (Panama)	25.00%	Insurance	• MAPFRE AMERICA CENTRAL, S.A.	100.0000	100.0000
MAPFRE AMERICA CENTRAL S.A.	Costa del Este, diagonal al Business Park Panama (Panama)	25.00%	Holding	• MAPFRE AMÉRICA	100.0000	100.0000
MAPFRE SEGUROS HONDURAS S.A.	Avenida Berlín y Calle Viena, piso 7 Lomas del Guijarro Sur Edificio Plaza Azul Tegucigalpa, M.D.C. (Honduras)	25.00%	Insurance	• MAPFRE TENEDORA DE ACC, S.A. • MAPFRE AMERICA CENTRAL, S.A.	73.0000 25.0780	73.0000 25.0780

YEAR END FIGURES (THOUSANDS OF EUROS)								METHOD OR PROCEEDINGS	
ASSETS		NETO EQUITY		REVENUE		ANNUAL EARNINGS			
2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
14,433	15,657	6,749	12,320	2,373	2,972	(2,870)	117	(A)	(A)
532,680	584,141	527,206	583,211	477,455	351,680	466,769	349,585	(A)	(A)
20,796	23,873	3,945	4,693	7,197	6,733	1,599	1,152	(A)	(A)
2,626	2,608	936	683	2,647	42	498	(89)	(A)	(A)
590,856	709,740	570,100	709,257	67,098	86,804	47,143	85,467	(A)	(A)
901,353	1,175,830	822,112	1,073,356	111,151	87,893	99,855	70,398	(A)	(A)
6,335	6,745	3,864	5,113	7,952	8,527	52	737	(A)	(A)
92,353	117,504	90,125	114,471	3,317	6,333	2,894	5,798	(A)	(A)
264,006	363,349	98,060	133,550	214,994	268,664	28,774	13,462	(A)	(A)
3,483	15,351	2,637	9,526	10,064	17,987	974	4,234	(A)	(A)
707,810	771,471	22,267	24,074	266,724	235,948	111	102	(A)	(A)
---	5,657	---	5,463	---	520	---	311	(H)	(A)
28,421	30,683	27,941	30,302	6,496	4,516	6,207	4,304	(A)	(A)
322,938	391,043	58,313	52,592	231,503	249,697	22,521	20,409	(A)	(A)
672,280	832,152	117,208	125,816	616,086	719,170	53,246	47,677	(A)	(A)
2,799,429	3,225,368	316,237	439,710	2,033,632	2,309,425	424,539	411,989	(A)	(A)
6,266	11,515	5,728	11,054	3,348	2,918	(2,957)	(3,761)	(A)	(A)
3,897	5,011	3,365	4,855	1,068	210	(2,416)	(660)	(A)	(A)
417	138	212	69	1,052	544	187	46	(A)	(A)
52,443	47,205	36,422	31,497	2,569	1,540	1,280	655	(A)	(A)
213,629	190,890	206,680	186,718	4,761	2,612	4,368	2,612	(A)	(A)
75,595	58,372	17,025	13,277	70,776	52,571	5,282	2,661	(A)	(A)

Name	Address	Effective tax rate	ACTIVITY	PARTICIPATION IN CAPITAL		
				HOLDER	PERCENTAGE	
					2015	2014
MAPFRE PANAMÁ	Costa del Este, diagonal al Business Park Panama (Panama)	25.00%	Insurance	• MAPFRE AMERICA CENTRAL, S.A.	99.2800	99.2800
MAPFRE LA CENTRO AMERICANA S.A.	Alameda Roosevelt, 31-07 San Salvador (El Salvador)	30.00%	Insurance	• MAPFRE AMERICA CENTRAL, S.A.	72.9201	72.9201
INMOBILIARIA AMERICANA S.A.	Alameda Roosevelt, 31-07 San Salvador (El Salvador)	30.00%	Real Estate	• MAPFRE AMERICA CENTRAL, S.A.	78.8960	78.8960
MAPFRE SEGUROS COSTA RICA S.A.	Barrio Tournón, Edificio Alvasa, 2do. Floor Diagonal al Periodico La República en intersección con Ctra de Guapiles (Ruta 32) San José (Costa Rica)	--	Insurance	• MAPFRE TENEDORA DE ACC, S.A.	100.0000	100.0000
MAPFRE SEGUROS GUATEMALA S.A.	5a Avenida 5-55 Zona 14 Europlaza Europlaza Torre 4 Nivel 16 y PH. Ciudad de Guatemala(Guatemala)	19.82%	Insurance	• MAPFRE TENEDORA DE ACC, S.A.	100.0000	100.0000
MAPFRE SEGUROS NICARAGUA S.A.	Edificio Invercasa, 1er. Floor Managua (Nicaragua)	24.82%	Insurance	• MAPFRE TENEDORA DE ACC, S.A.	100.0000	100.0000
CHILE						
MAPFRE CHILE SEGUROS S.A.	Isidora Goyenechea 3520 p 16 Las Condes Santiago de Chile (Chile)	22.50%	Holding	• MAPFRE AMÉRICA • INVERSIONES MAPFRE CHILE	100.0000 ---	99.9954 0.0046
MAPFRE CHILE ASESORIAS, S.A	Isidora Goyenechea 3520 p 16 Las Condes Santiago de Chile (Chile)	22.50%	Investment company	• MAPFRE CHILE SEGUROS	100.0000	100.0000
MAPFRE COMPAÑÍA DE SEGUROS GENERALES DE CHILE S.A.	Isidora Goyenechea 3520 p 16 Las Condes Santiago de Chile (Chile)	22.50%	Insurance	• MAPFRE CHILE SEGUROS • MAPFRE CHILE ASESORIAS, S.A	81.9500 18.0500	81.4200 18.5800
MAPFRE CHILE VIDA, S.A.	Isidora Goyenechea 3520 p 16 Las Condes Santiago de Chile (Chile)	22.50%	Holding	• MAPFRE AMÉRICA • MAPFRE CHILE SEGUROS	99.9849 0.0151	100.0000 ---
MAPFRE COMPAÑÍA DE SEGUROS DE VIDA DE CHILE	Isidora Goyenechea 3520 p 16 Las Condes Santiago de Chile (Chile)	22.50%	Insurance	• MAPFRE CHILE VIDA • MAPFRE CHILE SEGUROS	99.9924 0.0076	100.0000 ---
INVERSIONES MAPFRE CHILE LIMITADA (Fusionada en 2015 con MAPFRE CHILE SEGUROS S.A)	C/ Teatinos 280 Santiago de Chile (Chile)	22.50%	Real Estate	• MAPFRE AMERICA	---	100.0000
COLOMBIA						
MAPFRE SEGUROS GENERALES DE COLOMBIA S.A.	Carrera, 14, nº 96-34 Santa Fé de Bogotá (Colombia)	34.00%	Insurance	• MAPFRE AMÉRICA • APOINT	94.2731 5.7209	94.2731 5.7209
CREDIMAPFRE	Carrera, 14, nº 96-34 Santa Fé de Bogotá (Colombia)	34.00%	Finance Real Estate	• GESTIMAP • MAPFRE SEGUROS GENERALES DE COLOMBIA	5.0854 94.9144	5.0854 94.9144
GESTIMAP S.A.	Carrera, 14, nº 96-34 Santa Fé de Bogotá (Colombia)	--	Information about Vehicle spare parts	• MAPFRE SEGUROS GENERALES DE COLOMBIA • CREDIMAPFRE • SOLUNION COLOMBIA SEGUROS DE CREDITO • MAPFRE COLOMBIA VIDA S.A. • CESVI COLOMBIA, S.A.	3.6976 3.9854 0.0001 92.3168 0.0001	3.6976 3.9854 0.0001 92.3168 0.0001
AUTOMOTORES CAPITAL LTDA	Carrera, 14, nº 96-34 Santa Fé de Bogotá (Colombia)	--	Repair, purchase and sale of vehicles.	• CREDIMAPFRE	100.0000	100.0000
MAPFRE COLOMBIA VIDA S.A.	Carrera, 14, nº 96-34 Santa Fé de Bogotá (Colombia)	34.00%	Insurance	• MAPFRE AMÉRICA • APOINT	94.3541 5.6459	94.3541 5.6459
CESVI COLOMBIA, S.A.	Carrera 87, Num.15-87	34.00%	Research, training	• MAPFRE SEGUROS GENERALES DE COLOMBIA	5.4434	3.5500
MAPFRE SERVICIOS EXEQUIALES SAS	Santa Fé de Bogotá (Colombia) Carrera, 14, nº 96-34 Santa Fé de Bogotá (Colombia)	34.00%	and consultancy Provision of services assistance	• MAPFRE COLOMBIA VIDA • CREDIMAPFRE	62.3309 100.0000	62.3309 100.0000

YEAR END FIGURES (THOUSANDS OF EUROS)								METHOD OR PROCEEDINGS	
ASSETS		NETO EQUITY		REVENUE		ANNUAL EARNINGS			
2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
304,984	246,238	78,593	68,985	202,577	142,226	10,965	9,574	(A)	(A)
65,955	59,346	16,319	13,992	54,869	48,334	1,373	311	(A)	(A)
7,241	6,434	7,233	6,331	619	639	170	200	(A)	(A)
26,294	29,016	10,194	9,187	24,423	20,422	(563)	(258)	(A)	(A)
54,888	43,952	15,265	12,449	53,316	38,724	2,755	1,888	(A)	(A)
18,261	14,326	9,109	7,284	16,620	10,925	1,608	749	(A)	(A)
69,536	47,674	68,988	47,674	3,662	2	1,886	16	(A)	(A)
8,235	8,599	8,235	8,599	---	---	---	---	(A)	(A)
501,692	511,555	46,484	49,584	367,380	317,112	528	1,907	(A)	(A)
14,437	5,301	14,283	5,259	340	---	160	1	(A)	(A)
53,172	52,702	6,006	5,747	11,807	8,047	719	463	(A)	(A)
---	28,201	---	27,419	---	2,786	---	1,948	(H)	(A)
363,486	376,699	54,099	57,100	294,190	248,300	4,504	6,479	(A)	(A)
20,539	9,143	3,897	4,250	2,504	1,236	440	(81)	(A)	(A)
---	---	---	---	---	---	---	---	(A)	(A)
---	---	---	---	---	---	---	---	(B)	(B)
835,958	917,085	57,953	59,034	213,910	397,494	(20,079)	4,941	(A)	(A)
4,355	4,451	3,748	3,803	4,181	3,755	395	---	(A)	(A)
1,384	1,809	478	1,021	13,118	7,900	502	1,036	(A)	(A)

Name	Address	Effective tax rate	ACTIVITY	PARTICIPATION IN CAPITAL		
				HOLDER	PERCENTAGE	
					2015	2014
ECUADOR						
MAPFRE ATLAS COMPAÑÍA DE SEGUROS, S.A.	Kennedy e Norte, Justino Cornejo y Avda. Luis Orrantía. Building Torres Atlas Guayaquil (Ecuador)	22.00%	Insurance	• MAPFRE AMÉRICA	60.0000	60.0000
MEXICO						
MAPFRE TEPEYAC S.A.	Avenida Paseo de la Reforma 243 Colonia Cuauhtémoc Delegación Cuauhtémoc Mexico, DF 06500	30.00%	Insurance	• MAPFRE AMÉRICA • GRUPO CORPORATIVO LML	55.6602 44.3398	55.6602 44.3398
GRUPO CORPORATIVO LML S.A. DE C.V.	Avenida Paseo de la Reforma 243 Colonia Cuauhtémoc Delegación Cuauhtémoc Mexico, DF 06500	30.00%	Holding	• MAPFRE AMÉRICA	100.0000	100.0000
MAPFRE UNIDAD DE SERVICIOS S.A. DE C.V. (En 2014 UNIDAD MÓVIL DE DIAGNÓSTICO S.A.)	Colonia Cuauhtémoc Delegación Cuauhtémoc Mexico, DF 06500	30.00%	Medical services	• MAPFRE TEPEYAC	99.9982	99.9982
MAPFRE ASSET DEFENSA LEGAL MEXICANA S.A. DE C.V.	Avenida Paseo de la Reforma 243 Colonia Cuauhtémoc Delegación Cuauhtémoc Mexico, DF 06500	30.00%	Legal affairs	• MAPFRE TEPEYAC	78.8145	78.8145
MAPFRE TEPEYAC INC.	109 Este San Ysidro Blvd No. 65 San Isidro California, USA	30.00%	Motor insurance tourism	• MAPFRE TEPEYAC	100.0000	100.0000
MAPFRE TEPEYAC ASESORES	Avenida Paseo de la Reforma 243 Colonia Cuauhtémoc Delegación Cuauhtémoc Mexico, DF 06500	30.00%	Pension funds administration	• MAPFRE AMÉRICA • MAPFRE TEPEYAC	51.0000 16.0000	51.0000 16.0000
MAPFRE SERVICIOS MEXICANOS	Avenida Paseo de la Reforma 243 Colonia Cuauhtémoc Delegación Cuauhtémoc Mexico, DF 06500	30.00%	Services/agent provisional cell	• MAPFRE TEPEYAC	99.9900	99.9900
CESVI MÉXICO, S.A.	Calle 1 Sur No. 101 Parque Industrial Toluca 2000 Toluca México, Mexico	30.00%	Research center	• MAPFRE TEPEYAC	16.6700	13.9500
MAPFRE FIANZAS S.A.	Avenida Paseo de la Reforma 243 Colonia Cuauhtémoc Delegación Cuauhtémoc Mexico, DF 06500	30.00%	Insurance	• MAPFRE TEPEYAC	100.0000	100.0000
PARAGUAY						
MAPFRE PARAGUAY COMPAÑÍA DE SEGUROS S.A.	Av.Mariscal López, 910 Asunción (Paraguay)	10.00%	Insurance	• MAPFRE AMÉRICA	89.5400	89.5400
PERU						
MAPFRE PERÚ COMPAÑÍA DE SEGUROS Y REASEGUROS	Av.Veintiocho de Julio, 873 Miraflores- Lima 18 (Peru)	28.00%	Insurance and reinsurance	• MAPFRE AMÉRICA	99.2900	99.2900
MAPFRE PERÚ ENTIDAD PRESTADORA DE SALUD	Av.Veintiocho de Julio, 873 Miraflores- Lima 18 (Peru)	28.00%	Healthcare assistance	• MAPFRE AMÉRICA • MAPFRE PERU CIA. SEGUROS Y REASEGUROS	98.5900 1.4100	98.5900 1.4100
MAPFRE PERÚ VIDA, COMPAÑÍA DE SEGUROS, S.A.	Av.Veintiocho de Julio, 873 Miraflores- Lima 18 (Peru)	28.00%	Insurance	• MAPFRE AMÉRICA	67.2725	67.2725
CORPORACIÓN FINISTERRE, S.A.	Av.Veintiocho de Julio, 873 Miraflores- Lima 18 (Peru)	28.00%	Funeral services	• MAPFRE PERÚ VIDA	100.0000	100.0000
PUERTO RICO						
MAPFRE PRAICO CORPORATION	Urb. Tres Monjitas Industrial 297 Carlos Chardón Hato Rey Avenue San Juan (Puerto Rico)	39.00%	Holding	• MAPFRE AMÉRICA	100.0000	100.0000
MAPFRE PRAICO INSURANCE COMPANY	Urb. Tres Monjitas Industrial 297 Carlos Chardón Hato Rey Avenue San Juan (Puerto Rico)	39.00%	Insurance	• MAPFRE PRAICO CORPORATION	100.0000	100.0000

YEAR END FIGURES (THOUSANDS OF EUROS)									METHOD OR PROCEEDINGS	
ASSETS		NETO EQUITY		REVENUE		ANNUAL EARNINGS				
2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	
58,193	55,690	11,676	10,071	46,425	47,961	(1,577)	427	(A)	(A)	
1,720,402	999,926	251,533	204,115	1,278,563	791,736	(4,479)	18,160	(A)	(A)	
60,926	29,302	60,925	29,302	5	4	(7)	(9)	(A)	(A)	
3,359	3,501	2,425	1,422	22	32	358	235	(A)	(A)	
988	1,059	818	663	13	11	85	66	(A)	(A)	
37	65	37	65	---	---	(37)	17	(A)	(A)	
390	415	390	415	8	9	(2)	(1)	(A)	(A)	
21	22	18	19	17	---	1	1	(A)	(A)	
6,688	5,928	5,796	5,151	7,031	6,121	(358)	(447)	(D)	(D)	
16,232	15,433	5,840	5,601	10,377	9,888	714	759	(A)	(A)	
89,303	92,920	38,567	40,763	72,719	68,640	7,703	7,472	(A)	(A)	
469,134	400,342	75,134	68,905	310,602	225,878	15,086	12,780	(A)	(A)	
9,647	7,549	2,757	2,212	33,534	24,884	1,212	783	(A)	(A)	
316,307	322,440	47,166	54,063	151,476	120,158	13,169	16,098	(A)	(A)	
2,300	5,192	1,513	1,674	5,738	10,077	(118)	639	(A)	(A)	
120,676	206,112	126,768	208,492	8,426	12,820	5,239	6,538	(A)	(A)	
360,793	373,029	143,201	148,854	204,479	195,187	17,317	13,675	(A)	(A)	

Name	Address	Effective tax rate	ACTIVITY	PARTICIPATION IN CAPITAL		
				HOLDER	PERCENTAGE	
					2015	2014
MAPFRE PREFERRED RISK INSURANCE COMPANY	Urb. Tres Monjitas Industrial 297 Carlos Chardón Hato Rey Avenue San Juan (Puerto Rico)	39.00%	Insurance	• MAPFRE PRAICO INSURANCE	100.0000	100.0000
MAPFRE PAN AMERICAN INSURANCE COMPANY	Urb. Tres Monjitas Industrial 297 Avda. Carlos Chardón Hato Rey San Juan (Puerto Rico)	39.00%	Insurance	• MAPFRE PRAICO CORPORATION	100.0000	100.0000
MAPFRE INSURANCE AGENCY OF PUERTO RICO, INC.	Urb. Tres Monjitas Industrial 297 Carlos Chardón Hato Rey Avenue San Juan (Puerto Rico)	39.00%	Insurance Mediation	• MAPFRE PRAICO CORPORATION	100.0000	100.0000
MAPFRE FINANCE OF PUERTO RICO CORP	Urb. Tres Monjitas Industrial 297 Avda. Carlos Chardón Hato Rey San Juan (Puerto Rico)	39.00%	Finance	• MAPFRE PRAICO CORPORATION	100.0000	100.0000
MAPFRE LIFE INSURANCE COMPANY	Urb. Tres Monjitas Industrial 297 Carlos Chardón Hato Rey Avenue San Juan (Puerto Rico)	39.00%	Insurance and Reinsurance	• MAPFRE PRAICO CORPORATION	100.0000	100.0000
MAPFRE SOLUTIONS, INC (En 2014 AUTO GUARD INC.)	Urb. Tres Monjitas Industrial 297 Carlos Chardón Hato Rey Avenue San Juan (Puerto Rico)	39.00%	Guarantee Contract Extended and protection against theft	• MAPFRE PRAICO CORPORATION	100.0000	100.0000
MULTISERVICAR INC	Calle Celestial Esq. Joaquina Bo. Cangrejo Arriba Carolina (Puerto Rico)	39.00%	Workshop	• MAPFRE PRAICO CORPORATION	100.0000	100.0000
REPÚBLICA DOMINICANA						
MAPFRE DOMINICANA S.A.	Ave Abraham Lincoln, 952 esq. José Amado Soler Ensanche Piantini, Santo Domingo (Dominican Republic)	27.00%	Holding	• MAPFRE AMÉRICA	99.9991	99.9991
MAPFRE BHD COMPAÑÍA DE SEGUROS, S.A.	Ave Abraham Lincoln, 952 esq. José Amado Soler Ensanche Piantini, Santo Domingo (Dominican Republic)	27.00%	Insurance	• MAPFRE DOMINICANA	51.0000	51.0000
CREDI PRIMAS, S.A.	Ave Abraham Lincoln, 952 esq. José Amado Soler Ensanche Piantini, Santo Domingo (Dominican Republic)	27.00%	Policy Financing	• MAPFRE BHD COMPAÑÍA DE SEGUROS S.A.	100.0000	100.0000
URUGUAY						
APOINT S.A.	Col. 993 Piso 3 Montevideo (Uruguay)	25.00%	Holding	• MAPFRE AMÉRICA	100.0000	100.0000
MAPFRE LA URUGUAYA S.A.	Avda. 18 de Julio, 988 Montevideo (Uruguay)	25.00%	Insurance	• MAPFRE AMÉRICA	100.0000	100.0000
VENEZUELA						
MAPFRE LA SEGURIDAD S.A.	Avenida Francisco de Miranda, Torre Financiera Caracas, piso 14, Urbanización La Castellana, Chacao, Miranda	34.00%	Insurance and reinsurance	• MAPFRE AMÉRICA	99.5159	99.5159
CEFOPROSEG C.A.	Avenida Francisco de Miranda, Torre Financiera Caracas, piso 14, Urbanización La Castellana, Chacao, Miranda	34.00%	Education	• MAPFRE LA SEGURIDAD	100.0000	100.0000
INVERSORA SEGURIDAD C.A.	Francisco de Miranda Avenue, Torre Financiera Caracas, piso 14, Urbanización La Castellana, Chacao, Miranda	34.00%	Policy Financing	• MAPFRE LA SEGURIDAD	100.0000	100.0000
CLUB MAPFRE S.A.	Francisco de Miranda Avenue, Torre Financiera Caracas, piso 14, Urbanización La Castellana, Chacao, Miranda	34.00%	Provision of services	• MAPFRE LA SEGURIDAD	100.0000	100.0000

YEAR END FIGURES (THOUSANDS OF EUROS)								METHOD OR PROCEEDINGS	
ASSETS		NETO EQUITY		REVENUE		ANNUAL EARNINGS			
2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
88,435	85,809	31,628	26,288	45,780	39,189	3,581	1,356	(A)	(A)
21,651	13,474	9,689	8,670	8,641	2,378	293	246	(A)	(A)
1,585	1,958	975	763	---	---	121	116	(A)	(A)
6,943	4,861	3,647	3,167	470	433	113	121	(A)	(A)
73,095	71,445	21,617	28,320	122,999	90,342	(9,471)	(1,769)	(A)	(A)
15,535	16,561	1,132	627	1,566	1,585	471	601	(A)	(A)
10,037	8,884	1,524	1,001	1,524	1,190	(322)	(410)	(A)	(A)
26,960	27,114	26,953	27,105	14	4,921	2	4,910	(A)	(A)
182,636	161,758	54,826	40,531	130,374	96,863	16,169	9,762	(A)	(A)
1,672	1,526	135	150	155	135	(27)	(41)	(A)	(A)
8,224	5,892	4,478	5,713	96	---	20	(16)	(A)	(A)
127,525	121,332	17,167	14,787	106,100	92,250	3,036	1,235	(A)	(A)
121,058	948,838	70,708	474,662	126,432	1,062,900	48,065	69,437	(A)	(A)
3	58	---	10	6	123	---	(12)	(A)	(A)
14,264	150,259	6,151	100,060	3,585	61,637	(3,222)	(25,134)	(A)	(A)
4	115	4	102	1	26	(6)	(62)	(A)	(A)

Name	Address	Effective tax rate	ACTIVITY	PARTICIPATION IN CAPITAL		
				HOLDER	PERCENTAGE	
					2015	2014
AUTOMOTRIZ MULTISERVICAR, C.A.	Francisco de Miranda Avenue, Torre Financiera Caracas, piso 14, Urbanización La Castellana, Chacao, Miranda	34.00%	Vehicles workshop	• MAPFRE LA SEGURIDAD	100.0000	100.0000
AMA-ASISTENCIA MEDICA ADMINISTRADA, C.A.	Francisco de Miranda Avenue, Torre Financiera Caracas, piso 12, Urbanización La Castellana, Chacao, Miranda	34.00%	Healthcare services	• MAPFRE AMÉRICA	99.7000	99.7000
UNIDAD EDUCATIVA D.R FERNANDO BRAVO PEREZ CA	Francisco de Miranda Avenue, Torre Financiera Caracas, piso 13, Urbanización La Castellana, Chacao, Miranda	34.00%	Learning center	• MAPFRE LA SEGURIDAD	100.0000	---

INTERNACIONAL

MAPFRE INTERNACIONAL S.A	Carretera de Pozuelo, 52 Majadahonda (Madrid)	28.00% (1)(2)	Holding	• MAPFRE, S.A.	100.0000	100.0000
MAPFRE GENEL SIGORTA, A.S. (En 2014 TÜRKIYE GENEL SIGORTA, S.A.)	Yenişehir Mah. Irmak Cad. No:11 34435 Salıpazarı Istanbul (Turquía)	20.00%	Insurance	• MAPFRE INTERNACIONAL	99.7450	99.7450
MAPFRE GENEL YASAM SIGORTA, A.S. (En 2014 GENEL YASAM SIGORTA, A.S.)	Yenişehir Mah. Irmak Cad. No:11 K.3 34435 Salıpazarı Istanbul (Turkey)	20.00%	Insurance	• GENEL SIGORTA	100.0000	100.0000
GENEL SERVIS A.S. (En 2014 GENEL SERVIS YEDEK PARÇA DAGITIM TICARET ANONIM SIRKET)	Çevreyolu Caddesi No.2 34020 Bayrampaşa – Istanbul (Turkey)	20.00%	Vehicles workshop	• GENEL SIGORTA	51.0000	51.0000
MAPFRE INSULAR INSURANCE CORPORATION	Acacia Ave Mandrigal Business Park Ayala Alabarg, MuntinlupaCity (The Philippines)	30.00%	Insurance	• MAPFRE INTERNACIONAL	74.9384	74.9384
MAPFRE INSURANCE COMPANY OF FLORIDA	5959 Blue Lagoon Drive, Suite 400, Miami (USA)	40.00%	Insurance	• COMMERCE INSURANCE	100.0000	100.0000
MAPFRE INSURANCE COMPANY	100 Campus Drive New Jersey 07932-2007 (USA.))	40.00%	Insurance and reinsurance	• COMMERCE INSURANCE	100.0000	100.0000
MAPFRE INTERMEDIARIES	5959 Blue Lagoon Drive, Suite 400, Miami (USA)	40.00%	Services	• COMMERCE INSURANCE	100.0000	100.0000
MAPFRE USA CORPORATION INC	211 Main Street, Webster, MA 01570 (USA.)	40.00%	Holding	• MAPFRE INTERNACIONAL	100.0000	100.0000
THE COMMERCE INSURANCE COMPANY	211 Main Street, Webster, MA 01570 (USA.)	40.00%	Insurance	• MAPFRE USA CORPORATION	100.0000	100.0000
THE CITATION INSURANCE COMPANY	211 Main Street, Webster, MA 01570 (USA.)	40.00%	Insurance	• MAPFRE USA CORPORATION	100.0000	100.0000
ACIC HOLDINGS COMPANY, INC.	215 Main Street, Webster, MA 01570 (USA.)	40.00%	Holding	• MAPFRE USA CORPORATION	95.0000	95.0000
AMERICAN COMMERCE INSURANCE COMPANY	3590 Twin Creeks Drive, Columbus, OH 43204 (USA.)	40.00%	Insurance	• ACIC HOLDINGS	100.0000	100.0000
MM REAL ESTATE, LLC	Blue Lagoon, Drive Suite, 200 Miami (USA)	40.00%	Real Estate	• COMMERCE INSURANCE	100.0000	100.0000
THE COMMERCE WEST INSURANCE COMPANY	4301 Hacienda Drive, Suite 200, Pleasanton, CA 94588 (USA.)	40.00%	Insurance	• ACIC HOLDINGS	100.0000	100.0000
MAPFRE INSURANCE COMPANY OF NEW YORK	20 Main Street Hempstead, NY 11550 (USA)	40.00%	Insurance	• ACIC HOLDINGS	100.0000	100.0000
BIGELOW & OLD WORCESTER, LLC	211 Main Street, Webster, MA 01570 (USA.)	40.00%	Real Estate	• COMMERCE INSURANCE	100.0000	100.0000
BFC HOLDING CORPORATION	211 Main Street, Webster, MA 01570 (USA.)	40.00%	Financial services	• MAPFRE USA CORPORATION	100.0000	100.0000
INSPOP USA, LLC	201 Concourse Boulevard Suite 200 Glen Allen, Virginia 23059	40.00%	IT	• MAPFRE USA CORPORATION	11.2500	11.2500
MAPFRE LIFE INSURANCE CO.	211 Main Street, Webster, MA 01570 (USA.)	40.00%	Insurance	• MAPFRE USA CORPORATION	100.0000	100.0000
VERTY INSURANCE COMPANY	211 Main St, Webster, Ma 01570 MA 01570 (USA)	40.00%	Insurance	• MAPFRE USA CORPORATION	100.0000	---
MIDDLESEA INSURANCE P.L.C.	Middle Sea House Floriana JTL, 16 (Malta)	35.00%	Insurance	• MAPFRE INTERNACIONAL	54.5627	54.5627

YEAR END FIGURES (THOUSANDS OF EUROS)								METHOD OR PROCEEDINGS	
ASSETS		NETO EQUITY		REVENUE		ANNUAL EARNINGS			
2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
59	867	43	582	161	2,234	(24)	(313)	(A)	(A)
29	170	19	87	59	348	11	71	(A)	(A)
---	---	---	---	1	---	---	---	(G)(A)	---
2,603,590	2,057,435	2,308,344	2,019,225	51,110	155,481	16,309	95,096	(A)	(A)
844,206	714,621	180,426	213,960	733,400	542,640	9,906	18,931	(A)	(A)
15,636	18,004	7,356	8,449	6,574	6,225	849	1,305	(A)	(A)
2,047	1,812	786	711	2,268	1,954	551	378	(A)	(A)
112,535	109,991	27,005	29,332	43,797	40,820	(4,331)	1,623	(A)	(A)
91,378	67,448	32,780	32,882	71,222	32,728	(2,783)	497	(A)	(A)
66,112	51,122	23,396	23,097	48,515	26,582	(1,844)	469	(A)	(A)
557	419	507	375	---	---	88	69	(A)	(A)
1,181,032	1,166,664	1,169,034	1,161,877	(1,324)	167,680	(338)	166,482	(A)	(A)
2,579,386	2,204,546	781,348	736,397	1,568,280	1,316,059	(18,116)	44,548	(A)	(A)
220,994	199,596	83,141	81,371	151,073	117,327	(5,016)	3,723	(A)	(A)
230,390	206,047	230,322	205,967	---	15,545	22	15,541	(A)	(A)
295,524	257,772	111,060	99,270	181,130	142,263	(6,466)	3,141	(A)	(A)
61,039	9,317	60,972	9,237	1,489	647	72	(77)	(A)	(A)
150,023	128,941	56,066	52,944	106,088	74,591	(1,780)	2,978	(A)	(A)
136,518	112,973	49,746	48,779	98,594	61,905	(3,411)	1,921	(A)	(A)
1,663	1,552	1,657	1,529	---	---	(47)	(39)	(A)	(A)
550	269	442	215	303	143	199	93	(A)	(A)
(0)	68,408	(0)	68,408	---	---	---	(2,220)	(C)	(C)
26,179	25,445	25,680	24,914	---	---	(2,064)	(412)	(A)	(F)(A)
20,560	---	7,165	---	0	---	(921)	---	(G)(A)	---
93,159	83,789	22,751	22,961	52,900	39,005	3,529	4,068	(A)	(A)

Name	Address	Effective tax rate	ACTIVITY	PARTICIPATION IN CAPITAL		
				HOLDER	PERCENTAGE	
					2015	2014
M.S.V. LIFE P.L.C.	Middle Sea House Floriana FRN 9010 (Malta)	35.00%	Insurance	MIDDLESEA INSURANCE P.L.C.	50.0000	50.0000
BEE INSURANCE MANAGEMENT LTD	4th Floor Development House st.Anne Street Floriana FRN 9010 (Malta)	35.00%	Consultancy services and management	MIDDLESEA INSURANCE P.L.C.	100.0000	100.0000
GROWTH INVESTMENTS LIMITED	Piazza Papa Giovanni XXIII, Floriana, FRN 1420, Malta	35.00%	Service provision Investment	M.S.V. LIFE P.L.C.	100.0000	100.0000
CHURCH WARF PROPERTIES	Middle Sea House, St Publius Street Floriana FRN 1442 (Malta)	35.00%	Property assets management	MIDDLESEA INSURANCE P.L.C. M.S.V. LIFE P.L.C.	50.0000 50.0000	50.0000 50.0000
EURO GLOBE HOLDINGS LIMITED	Middle Sea House, St Publius Street Floriana FRN 1442 (Malta)	35.00%	Finance	MIDDLESEA INSURANCE P.L.C.	100.0000	100.0000
EUROMED RISK SOLUTIONS LIMITED	4th Floor Development House st.Anne Street Floriana FRN 9010 (Malta)	35.00%	Consultancy services and management	MIDDLESEA INSURANCE P.L.C.	100.0000	100.0000
PT ASURANSI BINA DANA ARTA TBK	Plaza ABDA 27 Th floor Jl. Jend. Sudirman Kav. 59; JAKARTA 12190 (Indonesia)	---	Insurance	MAPFRE INTERNACIONAL	20.0000	20.0000
DIRECT LINE VERSICHERUNG AKTIENGESELLSCHAFT	Rheinstraße 7a 14513 Teltow Germany	---	Insurance	MAPFRE INTERNACIONAL	100.0000	---
DIRECT LINE INSURANCE S.P.A	Via Alessandro Volta, 16 20093 Cologno Monzese (MI) Italy	---	Insurance	MAPFRE INTERNACIONAL	100.0000	---

NEGOCIOS GLOBALES

GLOBAL RISKS

MAPFRE GLOBAL RISKS	Ctra. Pozuelo, 52. Majadahonda. (Madrid) Spain	28.00% (1)(2)	Insurance and reinsurance	MAPFRE, S.A. MAPFRE ESPAÑA	100.0000 ---	99.9994 0.0006
ITSEMAP SERVICIOS TECNOLÓGICOS MAPFRE, S.A. (Fusionada en 2015 con SERVIFINANZAS, S.A. SOCIEDAD UNIPERSONAL)	Ctra. Pozuelo, 52. Majadahonda. (Madrid) Spain	28.00% (1)	IT services	MAPFRE GLOBAL RISKS MAPFRE RE MAPFRE, S.A.	--- --- ---	60.0000 39.9752 0.0248
ITSEMAP CHILE, S.A. (Liquidada en 2014)	Apoquindo, 4499 Santiago (Chile)	--	IT services	MAPFRE CHILE REASEGUROS ITSEMAP SERVICIOS TECNOLÓGICOS	--- ---	25.0000 75.0000
SERVIFINANZAS, S.A. SOCIEDAD UNIPERSONAL	Ctra. Pozuelo, 52. Majadahonda. (Madrid) Spain	28.00% (1)	Finance	MAPFRE GLOBAL RISKS	100.0000	100.0000
INDUSTRIAL RE S.A.	23, Avenue Monterey L-2163 Luxembourg	30.00%	Reinsurance	MAPFRE GLOBAL RISKS	100.0000	100.0000

SOLUNION

SOLUNION SEGUROS DE CREDITO S.A.	Avda.General Perón,40 (Madrid) Spain	28.00% (2)	Insurance and reinsurance	MAPFRE GLOBAL RISKS	50.0000	50.0000
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REINSURANCE

MAPFRE RE COMPAÑÍA DE REASEGUROS, S.A.	Paseo de Recoletos, 25 (Madrid) Spain	28.00% (1)(2)	Reinsurance	MAPFRE, S.A. MAPFRE ESPAÑA	92.2454 0.0003	91.5288 0.0003
CIAR INVESTMENT	45, Rue de Trèves Brussels (Belgium)	34.00%	Real Estate Management	MAPFRE RE MAPFRE INTERNACIONAL	99.9900 0.0100	99.9900 0.0100
MAPFRE CHILE REASEGUROS, S.A.	Avda.Apoquindo, 4499 Santiago de Chile (Chile)	20.00%	Holding	MAPFRE RE	100.0000	100.0000
CAJA REASEGURADORA DE CHILE S.A.	Avda.Apoquindo, 4499 Santiago de Chile (Chile)	20.00%	Reinsurance	MAPFRE CHILE REASEGUROS	99.8467	99.8467
INMOBILIARIA COSTA DE MONTEMAR, S.A.	Avda.Apoquindo, 4499 Santiago de Chile (Chile)	20.00%	Real Estate	MAPFRE CHILE REASEGUROS	31.4400	31.4400
C R ARGENTINA, S.A.	Bouchar 547 piso 14 Buenos Aires (Argentina)	35.00%	Consultancy services	MAPFRE CHILE REASEGUROS	99.9960	99.9960
MAPFRE RE DO BRASIL COMPAÑÍA DE REASEGUROS	Rua Olimpiadas ,242,5º andar,conjunto 52 Vila Olimpia; Sao Paulo (Brazil)	15.00%	Insurance and reinsurance	MAPFRE RE BRASIL ASISTENCIA	99.9999 0.0001	99.9999 0.0001
MAPFRE RE ESCRITORIO DE REPRESENTACION COMPAÑÍA DE REASEGUROS	Rua Olimpiadas ,242,5º andar,conjunto 52 Vila Olimpia; Sao Paulo (Brazil)	15.00%	Representation services	MAPFRE RE MAPFRE RE DO BRASIL	99.9999 0.0001	99.9999 0.0001

YEAR END FIGURES (THOUSANDS OF EUROS)								METHOD OR PROCEEDINGS	
ASSETS		NETO EQUITY		REVENUE		ANNUAL EARNINGS		2015	2014
2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
1,743,849	1,561,737	150,212	149,515	322,408	278,282	9,996	10,530	(A)	(A)
2,302	2,589	2,205	2,542	733	587	162	86	(A)	(A)
1,114	856	705	597	641	524	106	64	(A)	(A)
2,627	2,532	2,364	2,229	---	---	135	215	(B)	(B)
1,197	1,132	1,125	1,126	---	---	(4)	(5)	(B)	(B)
99	41	25	12	84	35	15	3	(A)	(A)
186,814	175,359	75,468	72,387	113,612	91,464	17,973	10,583	(C)	(C)
520,330	---	156,267	---	286,629	---	3,253	---	(G)(A)	---
1,106,139	---	143,890	---	467,679	---	(575)	---	(G)(A)	---
3,020,541	2,848,404	779,802	559,989	1,279,796	1,138,290	106,579	87,910	(A)	(A)
---	2,200	---	2,054	---	2,146	---	991	(H)	(A)
(0)	39	(0)	39	---	1	---	0	(H)	(A)
1,104	628	994	628	6	5	(78)	3	(A)	(A)
40,954	40,344	26,731	25,893	4,644	3,434	1,211	277	(A)	(A)
388,281	350,052	96,383	113,232	133,500	125,093	1,502	2,010	(E)	(E)
5,039,861	4,717,110	1,141,679	1,137,623	4,544,320	3,762,730	146,705	136,623	(A)	(A)
9,645	9,713	8,583	8,617	496	493	(32)	74	(A)	(A)
146,887	139,877	42,419	44,849	49,812	21,194	871	1,191	(A)	(A)
113,019	100,596	12,757	13,598	38,195	17,896	182	786	(A)	(A)
4,959	20,043	3,082	20,021	---	---	---	---	(B)	(B)
71	71	54	54	---	---	---	---	(A)	(A)
162,703	202,255	34,609	40,997	68,162	121,008	6,874	6,228	(A)	(A)
47	47	47	47	---	---	---	---	(B)	(B)

Name	Address	Effective tax rate	ACTIVITY	PARTICIPATION IN CAPITAL		
				HOLDER	PERCENTAGE	
					2015	2014
INMOBILIARIA PRESIDENTE FIGUEROA ALCORTA, S.A.	Bouchard 547 piso 14 B. Aires (Argentina)	35.00%	Real Estate	• MAPFRE RE	99.9985	99.9985
INMOBILIARIA TIRILLUCA S.A. (Liquidada en 2014)	Avda. Apoquindo, 4499 Santiago de Chile (Chile)	20.00%	Real Estate	• MAPFRE CHILE REASEGUROS	---	43.7500
MAPFRE MANDATOS Y SERVICIOS, S.A.	Bouchard 547 piso 14 B. Aires (Argentina)	35.00%	Services	• MAPFRE RE • MAPFRE ARGENTINA HOLDING	95.0000 5.0000	95.0000 5.0000
REINSURANCE MANAGAMENT INC.	100 Campus Drive 07932 New Jersey (USA.)	35.00%	Services	• MAPFRE RE	100.0000	100.0000
ASISTENCIA						
MAPFRE ASISTENCIA COMPAÑÍA INTERNACIONAL DE SEGUROS Y REASEGUROS, S.A.	Ctra. Pozuelo, 52 Majadahonda (Madrid) Spain	28.00% (1)(2)	Insurance and reinsurance	• MAPFRE, S.A. • MAPFRE ESPAÑA	99.9970 0.0030	99.9970 0.0030
IBERO ASISTENCIA, S.A.	Avda. Liberdade, 40 Lisbon (Portugal)	27.50%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	100.0000
BRASIL ASISTENCIA S/A	Alameda Ásia, 42. Tamboré Santana de Parnaíba Sao Paulo (Brazil)	34.00%	Travel assistance	• MAPFRE ASISTENCIA	99.9990	99.9990
MAPFRE SOLUTIONS DO BRASIL LTDA (En 2014 MAPFRE WARRANTY BRASIL LTDA)	Alameda Mamore 989. Alphaville Alphaville Barueri Sao Paulo (Brazil)	34.00%	Travel assistance	• BRASIL ASISTENCIA	99.9900	99.9900
AFRIQUE ASSISTANCE, S.A.	16, Rue Dr.Alphonse Laverning, 1002 (Tunisia)	35.00%	Travel assistance	• MAPFRE ASISTENCIA	49.0000	49.0000
VEASISTENCIA, S.A.	Avda.del Libertador Torre Maracaibo Caracas (Venezuela)	34.00%	Travel assistance	• MAPFRE ASISTENCIA • MAPFRE RE	99.9980 0.0020	99.9980 0.0020
ANDIASISTENCIA COMPAÑÍA DE ASISTENCIA DE LOS ANDES, S.A.	Carrera, 11, N° 93 - B - 09 Bogotá (Colombia)	38.50%	Travel assistance	• MAPFRE ASISTENCIA • IBEROASISTENCIA	94.8999 5.0977	94.8999 5.0977
FEDERAL ASSIST Co.	7300 Corporate Center Drive, Suite 601 Miami Florida 33126 (USA.)	37.60%	Travel assistance	• MAPFRE ASSISTANCE USA INC.	100.0000	100.0000
IBEROASISTENCIA, ARGENTINA S.A.	Tucuman, 744 B. Aires (Argentina)	35.00%	Travel assistance	• MAPFRE ASISTENCIA • IBEROASISTENCIA	99.9999 0.0001	99.9999 0.0001
SUR ASISTENCIA, S.A.	Av.Apoquindo 4499 Santiago de Chile (Chile)	17.50%	Travel assistance	• MAPFRE ASISTENCIA • IBEROASISTENCIA	99.0000 1.0000	99.0000 1.0000
IBEROASISTENCIA, S.A.	Ctra. Pozuelo, 52 Majadahonda (Madrid) Spain	28.00% (1)	Travel assistance	• MAPFRE ASISTENCIA • MAPFRE FAMILIAR	99.9300 0.0700	99.9300 0.0700
IRELAND ASSIST, LTD	22-26 Prospect Hill Galway (Ireland)	12.50%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	100.0000
GULF ASSIST, B.S.C.	Manama Centre Building Manama (Barhain)	--	Travel assistance	• MAPFRE ASISTENCIA	74.6250	74.6250
INSURE AND GO	Maitland House, Warrior Square, Southend-on-Sea, Essex SSI 2JY, (UK)	28.00%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	100.0000
INSURE AND GO AUSTRALIA	SWAAB Attorneys, Level 1, 20 Hunter Street, Sydney, NSW 2000 (Australia)	28.00%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	100.0000
TRAVEL CLAIMS SERVICES LIMITED	Maitland House, Warrior Square, Southend-on-Sea, Essex SSI 2JY, (UK)	28.00%	Travel assistance	• INSURANCE AND GO	100.0000	100.0000
INSURE AND GO AUSTRALASIA	Maitland House, Warrior Square, Southend-on-Sea, Essex SSI 2JY, (UK)	28.00%	Travel assistance	• INSURANCE AND GO	100.0000	100.0000
CIG SERVICES LIMITES	Maitland House, Warrior Square, Southend-on-Sea, Essex SSI 2JY, (UK)	28.00%	Travel assistance	• INSURANCE AND GO	100.0000	100.0000
FRANCE ASSIST	55, Rue Raspail Levallois Perret (France)	34.33%	Travel assistance	• MAPFRE WARRANTY	100.0000	100.0000
EUROSOS ASSISTANCE, S.A.	282 Messogion Avenue 155,62 Neo Psichico. Athens (Greek)	35.00%	Travel assistance	• IBEROASISTENCIA • MAPFRE ASISTENCIA	0.5000 99.5000	0.5000 99.5000

YEAR END FIGURES (THOUSANDS OF EUROS)									METHOD OR PROCEEDINGS	
ASSETS		NETO EQUITY		REVENUE		ANNUAL EARNINGS				
2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	
---	---	---	---	---	---	---	---	(B)	(B)	
---	---	---	---	---	---	---	---	(H)	(C)	
20	36	20	36	---	---	(4)	---	(B)	(B)	
1,030	888	19	17	---	---	---	---	(A)	(A)	
725,719	674,774	271,288	241,901	570,725	608,775	(28,639)	25,109	(A)	(A)	
2,233	1,566	450	483	2,473	1,708	204	183	(A)	(A)	
24,116	24,375	5,381	4,993	37,719	43,351	(9,401)	(2,685)	(A)	(A)	
836	2,361	395	538	688	514	(1,912)	(310)	(A)	(A)	
4,364	3,937	2,592	2,235	3,129	2,458	825	413	(A)	(A)	
1,445	12,869	525	3,938	858	5,676	(386)	1,634	(A)	(A)	
12,561	10,808	2,319	329	23,523	19,523	(2,315)	(2,008)	(A)	(A)	
37,731	24,842	8,202	7,542	23,627	21,570	1,604	2,194	(A)	(A)	
13,110	10,660	3,809	1,973	33,053	19,495	871	(1,725)	(A)	(A)	
8,075	6,853	1,158	914	12,302	9,427	302	(1,287)	(A)	(A)	
13,384	13,332	2,604	2,323	5,633	5,335	281	543	(A)	(A)	
2,737	2,612	2,087	1,915	1,221	1,338	172	260	(A)	(A)	
5,228	4,534	2,773	2,977	5,157	4,434	94	(130)	(A)	(A)	
10,546	13,278	5,872	8,223	29,840	38,645	2,130	939	(A)	(A)	
1,039	1,039	385	(3,632)	7,006	5,000	(1,003)	(1,370)	(A)	(A)	
800	1,039	(1,357)	1,098	1,730	2,655	(188)	60	(A)	(A)	
---	---	---	---	---	---	---	---	(A)	(A)	
---	---	---	---	---	---	---	---	(A)	(A)	
610	365	490	308	402	328	182	92	(A)	(A)	
1,474	2,562	366	380	1,114	2,069	(12)	372	(A)	(A)	

Name	Address	Effective tax rate	ACTIVITY	PARTICIPATION IN CAPITAL		
				HOLDER	PERCENTAGE	
					2015	2014
CARIBE ASISTENCIA, S.A.	Avda. Tiradentes Esq. Pres. Gonzalez. Edif. La Cumbre. Ens. Naco. Domingo (Dominican Republic)	25.00%	Travel assistance	• MAPFRE ASISTENCIA	79.4700	75.5100
ECUASISTENCIA, S.A.	Avda. Doce de Octubre, 1942 Quito (Ecuador)	25.00%	Travel assistance	• MAPFRE ASISTENCIA • ANDIASISTENCIA	94.5400 5.4600	94.5400 5.4600
CONSULTING DE SOLUCIONES Y TECNOLOGÍAS SIAM, S.A.	Ctra. Pozuelo, 52 Majadahonda (Madrid) Spain	28.00% (1)	Consultancy	• MAPFRE ASISTENCIA • IBEROASISTENCIA	99.9259 0.0741	99.9259 0.0741
PERÚ ASISTENCIA, S.A.	Tarata 160-9ª - Miraflores Lima (Peru)	28.00%	Travel assistance	• MAPFRE ASISTENCIA • IBEROASISTENCIA	99.8639 0.1361	99.8639 0.1361
IBEROASISTENCIA INTERNACIONAL	Ctra. Pozuelo, 52 Majadahonda (Madrid) Spain	28.00% (1)	Travel agency	• MAPFRE ASISTENCIA • IBEROASISTENCIA	99.7600 0.2400	99.7600 0.2400
VIAJES MAPFRE CCI, S.L.	Ctra. Pozuelo, 52 Majadahonda (Madrid) Spain	28.00%	Travel wholesaler	• MAPFRE ASISTENCIA	100.0000	100.0000
MÉXICO ASISTENCIA, S.A.	Porfido Díaz, 100 Col. Nochebuena Mexico City (Mexico)	28.00%	Travel assistance	• MAPFRE ASISTENCIA	99.9998	99.9998
ALLMAP ASSIST GESELLSCHAFT FÜR BEISTANDSLEISTUNGEN MBH	Im Rosengarten, 256 61118 Bal Wilbel (Germany)	28.00%	Travel assistance	• MAPFRE ASISTENCIA • IBEROASISTENCIA	99.9500 0.0500	99.9500 0.0500
PANAMÁ ASISTENCIA, S.A.	Calle 50 local 9 D, piso 9 Panamá, Bella Vista (Panamá)	28.00%	Travel assistance	• MAPFRE ASISTENCIA	76.0000	76.0000
TUR ASSIST, LTD.	Hakki Yeten Caddesi Dogu is Merkezi 17/2 (Turquía)	28.00%	Travel assistance	• MAPFRE ASISTENCIA • IBEROASISTENCIA	91.6667 8.3333	91.6667 8.3333
URUGUAY ASISTENCIA, S.A.	Rincón, 487 of. 610 Montevideo (Uruguay)	28.00%	Travel assistance	• MAPFRE ASISTENCIA • IBEROASISTENCIA	94.8165 5.1835	94.8165 5.1835
ASISTENCIA BOLIVIANA, S.A.	Celso Castedo Barba, 39 Centro Santa Cruz (Bolivia)	25.00%	Travel assistance	• MAPFRE ASISTENCIA	99.4600	99.4600
COSTA RICA ASISTENCIA	Sabana Norte rest Chicote 100 mN 25 E 200 N 25 E San José (Costa Rica)	28.00%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	100.0000
QUETZAL ASISTENCIA, S.A.	Diagonal 6, zona 10 Ed. internaciones, Of. 301 (Guatemala)	--	Travel assistance	• MAPFRE ASISTENCIA	99.9920	99.9920
EL SALVADOR ASISTENCIA, S.A.	Centro Finarc Gigarte Torre B 3ª nivel sobre Alameda Roosevelt San Salvador (El Salvador)	25.00%	Travel assistance	• MAPFRE ASISTENCIA • IBEROASISTENCIA	99.9900 0.0100	99.9900 0.0100
LLC MAPFRE WARRANTY	Denisovskiy Pereulok 26 105005, Moscu (Russia)	20.00%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	100.0000
NICASSIT, S.A.	Colonial Los Robles, Managua, (Nicaragua)	28.00%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	100.0000
BENELUX ASSIST, S.A.	Rue de Treves, 45 Bruxelles, (Belgium)	34.00%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	51.0000
MAPFRE WARRANTY S.P.A.	Strada Trossi 10/A 13030 Verone (Italy)	37.25%	Extended warranty	• MAPFRE ASISTENCIA • IBEROASISTENCIA	99.9900 0.0100	99.9900 0.0100
MAPFRE INSURANCE SERVICES S.L.R. (En 2014 ALLIANCE OPTIMALE, S.L.R.)	16 Avenue Tony Garnier 69007 Lyon (France)	33.00%	Vehicle Guarantee	• MAPFRE WARRANTY	100.0000	100.0000
MAPFRE WARRANTIES	Route des Trois Cantons 11 L-18399 Windhof (Luxemburg)	--	Vehicle Guarantee	• MAPFRE WARRANTY	100.0000	100.0000
NORASIST, INC D/B/A ROAD CANADA	1930 Yonge S.T. Suite 1028 Toronto, Ontario M4S 1Z4 (Canada)	28.00%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	100.0000
BRICKELL FINANCIAL SERVICES MOTOR CLUB INC.	7300 Corporate Center Drive, Suite 601 Miami Florida 33126 (USA.)	37.30%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	100.0000
ROAD CHINA ASSISTANCE Co, LTD	Jianguolu Chaoyang District, Beijing, PR (China)	28.00%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	100.0000
MAPFRE ABRAXAS SOFTWARE, LTD	9, Blenheim Court Beaufort Park Almondsbury, Bristol BS32 4NE (UK)	28.00%	Pecuniary losses	• MAPFRE ASISTENCIA	100.0000	100.0000
ABRAXAS INSURANCE	9, Blenheim Court Beaufort Park Almondsbury, Bristol BS32 4NE (UK)	28.00%	Pecuniary losses	• MAPFRE ABRAXAS	100.0000	100.0000

YEAR END FIGURES (THOUSANDS OF EUROS)								METHOD OR PROCEEDINGS	
ASSETS		NETO EQUITY		REVENUE		ANNUAL EARNINGS			
2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
3,433	2,692	1,687	1,332	3,397	2,422	556	303	(A)	(A)
7,756	5,179	3,346	1,347	16,908	12,191	1,591	(59)	(A)	(A)
29,032	28,143	7,986	7,858	5,820	6,470	131	639	(A)	(A)
2,176	1,874	292	(22)	1,916	1,475	(282)	(591)	(A)	(A)
4,682	4,683	4,667	4,668	---	---	(1)	3	(A)	(A)
14	14	(229)	(228)	---	---	(1)	(1)	(A)	(A)
23,300	22,066	6,350	7,957	47,208	45,071	3,070	4,112	(A)	(A)
66	150	(13)	48	---	---	---	---	(A)	(A)
3,466	2,824	968	823	7,009	4,795	45	(18)	(A)	(A)
26,489	8,248	6,507	936	59,425	24,685	5,851	(285)	(A)	(A)
12,331	7,468	2,706	2,004	21,267	15,077	986	773	(A)	(A)
---	---	(168)	(151)	---	---	---	---	(A)	(A)
---	---	---	---	---	---	---	---	(A)	(A)
1,055	1,003	324	447	3,057	2,293	60	201	(A)	(A)
950	754	(161)	(10)	1,365	561	(64)	(188)	(A)	(A)
681	1,846	(1,196)	(334)	898	1,725	(1,105)	(225)	(A)	(A)
368	357	193	100	890	588	116	101	(A)	(A)
4,081	5,262	1,014	2,888	---	13,019	(1,241)	204	(A)	(A)
17,058	28,951	1,177	1,998	28,473	34,065	(259)	(1,063)	(A)	(A)
1,256	429	89	214	918	787	(124)	136	(A)	(A)
6	14	(49)	(39)	5	5	(10)	(10)	(A)	(A)
871	1,060	(234)	173	3,642	4,525	(461)	(79)	(A)	(A)
39,783	28,239	4,224	9,849	131,698	107,582	(4,506)	84	(A)	(A)
42,093	39,304	592	1,087	40,991	43,007	(578)	888	(A)	(A)
2,107	6,577	1,121	5,013	---	162	---	129	(A)	(A)
7,108	5,590	1,970	2,004	10,226	11,045	228	628	(A)	(A)

Name	Address	Effective tax rate	ACTIVITY	PARTICIPATION IN CAPITAL		
				HOLDER	PERCENTAGE	
					2015	2014
MAPFRE WARRANTY UK LIMITED	9, Blenheim Court Beaufort Park Almondsbury, Bristol BS32 4NE (UK)	28.00%	Pecuniary losses	• MAPFRE ABRAXAS	100.0000	100.0000
HOME 3	One Glas Wharf, Bristol BS2 0ZX	--	Home care	• MAPFRE ABRAXAS	50.0000	50.0000
CENTRO INTERNACIONAL DE SERVICIOS Y ASISTENCIA, S.A.	Edificio Biotec Plaza Local 010 Ruta 8 Km 17,500 Montevideo (Uruguay)	28.00%	Call Center	• MAPFRE ASISTENCIA	100.0000	100.0000
INDIA ROADSIDE ASSISTANCE PRIVATE LIMITED	4th Floor Dinasty Business Park Building Andheri Kurla Road Mumbai Maharashtra (India)	34.00%	Travel assistance	• MAPFRE ASISTENCIA • IBEROASISTENCIA	99.6300 0.3700	99.6300 0.3700
ARABA ASSIST FOR LOGISTIC SERVICES	Wafi Al-Tal Street; Al-Otoum Commercial complex, Bldg no. 98. 4th floor, office no. (405) Amman (Jordanian)	25.00%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	100.0000
ROADSIDE ASSIST ALGERIE SPA	57, Rue des Freres Adessalami 3eme étage. Vieux Kouba. Alger (Argelia)	40.00%	Travel assistance	• MAPFRE ASISTENCIA • IBEROASISTENCIA • IBEROCONSULTING	60.3000 0.4000 0.3000	60.3000 0.4000 0.3000
NILE ASSIST	19713 26 July St. Mohandseen 2ª Floor Giza (Egipto)	20.00%	Travel assistance	• MAPFRE ASISTENCIA • IBEROASISTENCIA • IBEROCONSULTING	98.0000 1.0000 1.0000	98.0000 1.0000 1.0000
LIB ASSIST	Shohadaa El-Sahht, Nuffleyeen P.o. Box 72166 Tripoli. (Libya)	35.00%	Travel assistance	• MAPFRE ASISTENCIA	51.0000	51.0000
MAPFRE ASISTENCIA LIMITED	RM 1101-02 B Jordan Road Yaumatei, Kowloon - Hong Kong	35.00%	Assistance and specialty risks	• MAPFRE ASISTENCIA	100.0000	100.0000
MAPFRE ASISTENCIA COMPANY LIMITED	4F, N°69, Jilin RD - Zhongshan Dist. Taipei City104 - Taiwan	40.69%	Assistance and specialty risks	• MAPFRE ASISTENCIA	100.0000	100.0000
MIDDLESEA ASSIST LIMITED	18ª, Europa Centre Floriana FRN 1400 (Malta)	16.50%	Assistance and specialty risks	• MAPFRE ASISTENCIA • MIDDLESEA INSURANCE P.L.C.	51.0000 49.0000	51.0000 49.0000
MAPFRE WARRANTY JAPAN KABUSHIKI KAISHA	1-6-1 Roppongi Minato-Ku, (Tokio)	17.00%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	100.0000
INSURE & GO INSURANCE SERVICES USA CORP.	7300 Corporate Center Drive, Ste 601 Miami, FL 33126	37.60%	Travel assistance	• MAPFRE ASSISTANCE USA INC	100.0000	100.0000
MAPFRE ASSISTANCE USA INC.	7300 Corporate Center Drive Miami FL 33026	40.00%	Holding	• MAPFRE ASISTENCIA	100.0000	100.0000
CENTURY AUTOMOTIVE SERVICES COMPANY	10555 Montgomery Blvd. Bldg. 2 Suite 120 Albuquerque, NM 87111	40.00%	Special risks	• MAPFRE ASSISTANCE USA INC	100.0000	100.0000
PT MAPFRE ABDA ASSISTANCE	Plaza Kelapa Gading (Ruko Inkopal) Blok A, n° 9 Jalan. Rays Boulevard Barat Kelapa Gading 14240 Jakarta Utara	---	Insurance	• MAPFRE ASISTENCIA • PT ASURANSI BINA DANA ARTA TBK	51.0000 49.0000	--- ---
OTRAS ACTIVIDADES						
REAL ESTATE						
MAPFRE INMUEBLES, S.G.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) Spain	28.00% (1)	Real Estate	• MAPFRE ESPAÑA • MAPFRE SEGUROS DE EMPRESAS • MAPFRE, S.A. • MAPFRE VIDA • MAPFRE GLOBAL RISKS	76.8430 --- 9.9977 7.0279 6.1302	50.1551 26.6876 9.9977 7.0279 6.1302
INMO ALEMANIA GESTIÓN DE ACTIVOS INMOBILIARIOS, S.L.	Pso. De la Castellana, 24 (Madrid) Spain	28.00%	Real Estate	• MAPFRE ESPAÑA • MAPFRE GLOBAL RISKS	10.0000 10.0000	10.0000 10.0000
DESARROLLOS URBANOS CIC. S.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) Spain	28.00% (1)	Real estate	• MAPFRE INMUEBLES • MAPFRE, S.A.	99.9216 0.0784	99.9216 0.0784
SERVICIOS INMOBILIARIOS MAPFRE S.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) Spain	28.00% (1)	Real Estate services	• MAPFRE INMUEBLES • DESARROLLOS URBANOS	99.9000 0.1000	99.9000 0.1000
INMOBILIARIA MAPINVER S.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) Spain	28.00% (1)	Real estate	• MAPFRE INMUEBLES	100.0000	100.0000
MAQUAVIT INMUEBLES, S.L.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) Spain	28.00%	Real Estate	• MAPFRE, S.A.	56.8432	56.8432

YEAR END FIGURES (THOUSANDS OF EUROS)									METHOD OR PROCEEDINGS	
ASSETS		NETO EQUITY		REVENUE		ANNUAL EARNINGS				
2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	
412	628	363	155	128	159	73	27	(A)	(A)	
691	1,492	(508)	(2,278)	1,546	266	(153)	(565)	(C)	(C)	
368	593	(574)	(16)	---	1,061	(528)	(297)	(A)	(A)	
4,255	3,657	8	674	3,767	2,907	(719)	(313)	(A)	(A)	
3,148	2,090	562	849	2,547	1,654	118	59	(A)	(A)	
7,049	6,292	4,143	2,636	6,886	4,693	1,813	1,124	(A)	(A)	
735	1,958	(116)	712	714	2,010	(379)	147	(A)	(A)	
94	95	(62)	(63)	---	---	---	---	(A)	(A)	
2,376	2,448	515	1,439	419	1,211	(136)	422	(A)	(A)	
827	336	(338)	(264)	939	64	---	---	(A)	(A)	
959	800	622	599	1,308	1,101	24	86	(A)	(A)	
3,917	2,107	2,143	(626)	---	---	(2,350)	(526)	(A)	(A)	
4,478	1,598	670	(664)	235	235	(344)	(572)	(A)	(A)	
35,668	28,104	31,325	27,221	1,812	---	1,812	(288)	(A)	(A)	
221,156	169,742	3,904	3,861	13,837	13,837	1,187	1,218	(A)	(A)	
431	---	194	---	---	---	(57)	---	(G)(A)	---	
753,246	758,780	493,426	490,735	43,282	23,413	2,802	(7,444)	(A)	(A)	
57,748	75,590	51,744	57,131	854	9	806	(30)	(C)	(C)	
74,506	75,477	(43,085)	(40,189)	---	---	(2,895)	(2,714)	(A)	(A)	
728	793	419	378	1,162	1,223	141	54	(A)	(A)	
5,163	5,087	(10,068)	(9,759)	---	3,688	(309)	980	(A)	(A)	
45,318	55,091	44,230	45,902	2,608	2,941	(1,672)	599	(A)	(A)	

Name	Address	Effective tax rate	ACTIVITY	PARTICIPATION IN CAPITAL			
				HOLDER	PERCENTAGE		
					2015	2014	
OTHER							
PROVITAE CENTROS ASISTENCIALES S.L.	C/ Castello 123 (Madrid) Spain	28.00%	IT services	• MAQUAVIT INMUEBLES, S.L.	50.0000	50.0000	
BIOINGENIERIA ARAGONESA, S.L.	C/ Monasterio de las Huelgas, nº 2 Nave 6 P.I. Alcalde Caballero 50014 Zaragoza (Spain)	28.00%	IT for seniors	• MAQUAVIT INMUEBLES, S.L. • MAPFRE ESPAÑA	100.0000 ---	60.0000 40.0000	
FANCY INVESTMENT S.A..	Avda. 18 de Julio, 841 Montevideo (Uruguay)	--	Holding	• MAPFRE, S.A.	100.0000	100.0000	
DIXCITY REAL ESTATE, S.A. SOCIEDAD UNIPERSONAL (En 2014 CENTRO INTERNACIONAL DE FORMACIÓN DE DIRECTIVOS S.A.)	Ctra. Nacional I, km 32.500 (San Agustín de Guadalix) Spain	--	Training	• MAPFRE, S.A.	---	100.0000	
MAPFRE TECH	Ctra. Pozuelo, 52. Majadahonda. (Madrid) Spain	28.00% (1) (2)	IT	• MAPFRE ESPAÑA • MAPFRE GLOBAL RISKS • MAPFRE SEGUROS DE EMPRESAS • MAPFRE VIDA • MAPFRE RE • MAPFRE ASISTENCIA • MAPFRE AMÉRICA • MAPFRE INVERSIÓN • MAPFRE, S.A.	79.2791 2.0626 --- 14.6805 1.0000 1.9681 0.0192 0.0160 0.9744	78.5064 2.0626 0.7727 14.6805 1.0000 1.9681 0.0192 0.0160 0.9744	
MAPFRE SOFT S.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) Spain	28.00% (1)(2)	IT	• MAPFRE AMÉRICA • MAPFRE FAMILIAR	99.9991 0.0009	99.9991 0.0009	
PREMINEN PRICE COMPARISON HOLDINGS LIMITED	Ty Admiral, David Street, Cardiff, CF10 2EH	---	Online prices compare professionals	• MAPFRE, S.A.	50.0000	---	

CONSOLIDATION METHOD OR PROCEDURE

- (A) Fully consolidated subsidiaries
- (B) Fully subsidiaries excluded in consolidation
- (C) Associated and investee companies by the equity method
- (D) Associated and investee companies excluded in consolidation
- (E) Joint ventures consolidated by equity method
- (F) Companies added to the scope of consolidation in 2014
- (F) Companies added to the scope of consolidation in 2015

TAX GROUP

- (1) Company belonging to Tax Group 9/85
- (2) Company belonging to the VAT Group 87

YEAR END FIGURES (THOUSANDS OF EUROS)									METHOD OR PROCEEDINGS	
ASSETS		NETO EQUITY		REVENUE		ANNUAL EARNINGS				
2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	
8,310	8,308	6,408	6,466	---	---	(57)	(17)	(C)	(C)	
238	102	238	(2,955)	7	13	(8)	(47)	(A)	(A)	
12,451	14,556	12,449	14,554	709	1,027	702	1,017	(A)	(A)	
---	137	---	137	---	---	---	(3)	(H)	(A)	
76,030	68,190	1,221	2,266	260,515	239,880	108	---	(A)	(A)	
15,340	8,894	2,060	1,757	12,367	13,581	10	8	(A)	(A)	
4,574	---	4,571	---	---	---	---	---	(G)(E)	---	

(*) MAPFRE has the majority of the voting rights in the General Assembly



07



Audit Report for the Annual Consolidated Financial Statements 2015





KPMG Auditores S.L.
Edificio Torre Europa
P^o de la Castellana, 95
28046 Madrid

Translation of the audit report on the consolidated financial statements originally issued in Spanish. In the event of discrepancy, the original Spanish audit report prevails.

Independent Audit Report on the Consolidated Financial Statements

To the Shareholders of
MAPFRE, S.A.

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of MAPFRE, S.A. ("the Parent Company") and its subsidiaries (the Group), which comprise the consolidated balance sheet as at December 31, 2015, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in net equity, the consolidated cash flow statement and the notes for the year then ended.

Director's Responsibility for the consolidated financial statements

The Directors of the Parent Company are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the consolidated equity and consolidated financial position and the consolidated results of MAPFRE, S.A. and its subsidiaries, in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU), and other requirements in the regulatory financial information framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the accompanying consolidated financial statements based on our audit. We conducted our audit in accordance with prevailing audit regulations in Spain. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of the consolidated financial statements by the Directors of the Parent Company in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of the consolidated equity and consolidated financial position of MAPFRE, S.A. and its subsidiaries as at December 31, 2015, and its consolidated results and consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU), and other requirements of the regulatory framework of financial information applicable in Spain.

Report on Other Legal and Regulatory Requirements

The accompanying consolidated 2015 management report contains such explanations as the Directors of MAPFRE, S.A. consider appropriate concerning the situation of the Group, the evolution of its business and other matters; however, it is not an integrating part of the consolidated financial statements. We have verified that the accounting information contained in the aforementioned consolidated management report is consistent with the 2015 consolidated financial statement. Our work as auditors is limited to verifying the consolidated management report in accordance with the scope mentioned in this paragraph and does not include the review of information other than the obtained from the accounting records of MAPFRE, SA and its subsidiaries.

KPMG Auditores, S.L.

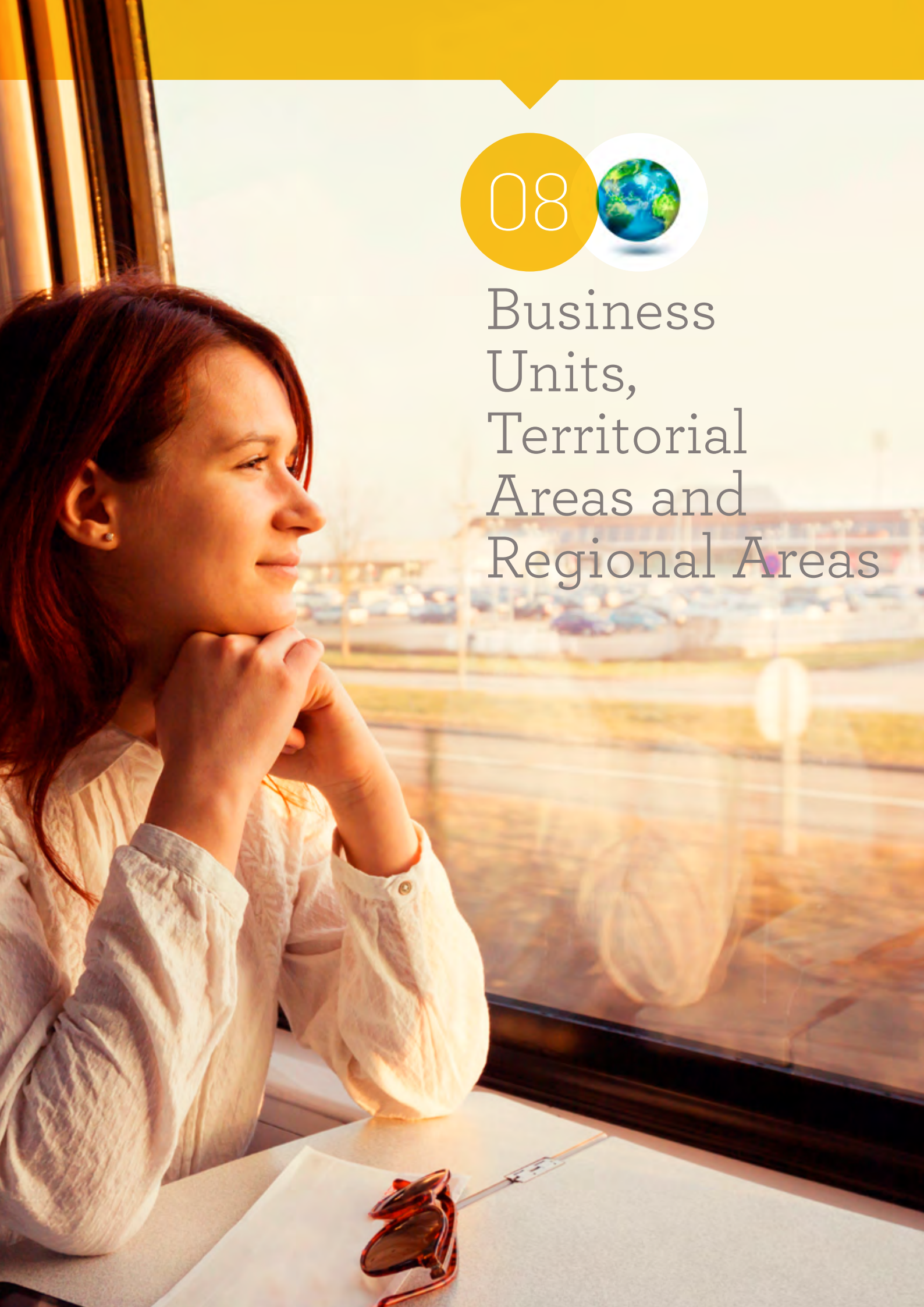
(Signed in the original audit report issued in Spanish)

Hilario Albarracín Santa Cruz
10 February 2016

08



Business
Units,
Territorial
Areas and
Regional Areas



INTRODUCTION

The business activities of MAPFRE are conducted through four Business Units (Insurance; Assistance, Services and Specialty Risks; Global Risks; and Reinsurance); three Territorial Areas (IBERIA, LATAM and INTERNATIONAL), and seven Regional Areas ((Iberia (Spain and Portugal), Brazil, LATAM North, LATAM South, North America, EMEA (Europe, Middle East and Africa) and APAC (Asia – Pacific)) as per the organization chart included in this report.

All Business Units except for the Reinsurance Unit are organized according to the MAPFRE Regional Areas constituting the planning, support and supervisory geographical units for all business units in the region.

The main figures of the business are presented below (*):

Item	TOTAL REVENUE			TOTAL EXPENSES		
	2015	2014	% Variation	2015	2014	% Variation
IBERIA	8,683.3	8,709.1	(0.3%)	(8,167.9)	(8,060.3)	1.3%
LATAM	9,728.7	10,592.9	(8.2%)	(8,741.2)	(9,626.6)	(9.2%)
INTERNATIONAL	5,304.6	3,971.7	33.6%	(5,354.8)	(3,792.5)	41.2%
MAPFRE RE	4,661.0	3,903.0	19.4%	(4,455.8)	(3,702.8)	20.3%
TOTAL	28,377.5	27,176.6	4.4%	(26,719.8)	(25,182.2)	6.1%

Millions of euros

Item	RESULTS					
	BEFORE TAX AND NON-CONTROLLING INTERESTS			AFTER TAX AND NON-CONTROLLING INTERESTS		
	2015	2014	% Variation	2015	2014	% Variation
IBERIA	515.4	648.7	(20.6%)	494.8	448.1	10.4%
LATAM	987.4	966.2	2.2%	245.2	293.0	(16.3%)
INTERNATIONAL	(50.2)	179.2	(128.0%)	(38.5)	120.4	(132.0%)
MAPFRE RE	205.1	200.3	2.4%	152.6	141.5	7.8%
TOTAL	1,657.7	1,994.4	(16.9%)	854.1	1,003.0	(14.9%)

Millions of euros

(*) Note: The 2014 financial information in this section for Business Units, Territorial Areas and Regional Areas has been restated, classifying the business of CATALUNYACAIXA as discontinued and including adjustments in the regional allocation of expenses and revenues of MAPFRE ASISTENCIA.

Item	COMBINED RATIO NET OF REINSURANCE ⁽¹⁾	
	2015	2014
IBERIA	97.2%	94.9%
LATAM	95.9%	95.2%
INTERNATIONAL	106.0%	99.9%
MAPFRE RE	93.9%	93.1%

(1) Over earned premiums

Item	AVERAGE NUMBER OF EMPLOYEES	
	2015	2014
IBERIA	9,491	9,239
LATAM	17,786	17,854
INTERNATIONAL	9,167	7,539
MAPFRE RE	334	320

The following pages provide a summary of the activities undertaken and the results obtained in 2015, broken down by Territorial and Regional Areas, and the Reinsurance Business Unit.



IBERIA



During 2015, Non-Life showed a positive performance in a context of growth following years of decreased business. Growth of the Life business has been affected by low interest rates.

MAPFRE's market shares are 11.3 percent in Spain (6.8 percent in Life and 15 percent in Non-Life) and 1.3 percent in Portugal.

The Iberia region closed the year with total premiums of 6,696.7 million euros, which represents a 2.5 percent decrease with regard to the previous year. Results after tax and non-controlling interests increased to 494.8 million euros, and the combined ratio for earned premiums was at 97.2 percent.

These figures are the product of the strength of the sales network, the development of alternative distribution channels, adequate investment management, the brand image and consistent cost control.

KEY ACTIVITIES

The most important actions and achievements of 2015 were:

- Automobile line – a six-year business plan (MAPFRE Recover Plan) has been launched with the aim of generating 750,000 net policies; the 'AUTOS INTEGRAL' system has been rolled out; the forwarding ratio for good quality repair shops has increased; and underwriting regulations on new business and fleet renewal have been updated.
- Health – foundations have been laid for rationalizing the technical and commercial offering of open groups.
- Property – the multi-variable rate for houses has been rolled out.

- Development and consolidation of agreements with manufacturers (PSA, VW and MERCEDES) and branded financial institutions such as RCI, FORD CREDIT and FCA (FIAT, JAGUAR, LAND ROVER).

- The position in aggregators has been strengthened; the step-by-step automobile rate calculator has been launched, together with online rate calculators for funeral, bicycles, pets and legal advice (MAPFRE LEX).

- Migration of MAPFRE.es portal in the context of adapting to the global corporate Internet framework.

New products and coverages

The portfolio of products and coverages was completed during the year, with the following highlights:

IN SPAIN:

- Design and launch of 'Tú Eliges Autos' program, MAPFRE's proposal for competing in terms of price.
- Rollout of SIALP as a medium-term savings alternative and multi-fund, unit-linked product.
- Design of new coverage for home policies linked to digital protection, and launch of new valuable services linked to policies for homeowner associations and store owners.
- Launch of Corporate Multi-peril product aimed at the SME segment.
- Development and launch of FLEXIACCIDENTES and FLEXILIDER products for accident insurance.



Convention in Washington for the commercial network and bancassurance collaborators

IN PORTUGAL:

- Reformulation of the traditional renewable annual risk product (TAR) and launch of new modular risk product which complements the life-risk range.
- Replacement of the entire range of savings products with mathematical reserve redemption with market value redemption products.
- Full reformulation of third-party liability product range.

Commercial initiatives

The main initiatives carried out were:

IN SPAIN:

- Launch of commercial management tools such as: Particulares y Autónomos 360^º (Individuals and Self-employed 360), Vencimientos Autos Completos (Maturity Full Automobile), Autos Integral (Comprehensive Automobile) and Cálculo Riesgo (Risk Calculation).
- Implementation of commercial initiative 'Impulsa Vida' to reactivate issuing of savings premiums.

- New webpage for corporate business where services are offered and sales initiatives are developed to gain a closer relationship with the client (based on prior pricing).
- Creation of digital transformation office, and launch of programs and initiatives based on the omnichannel approach, mobility, boost in social networks and improvement of digital client experience as key elements in our relationship with our clients, and operation execution.
- Implementation of the project 'Plan de Negocio en Oficinas Delegadas' (business plan in delegate offices) as a commercial management method for exclusive intermediary teams.
- Launch of 'Immediador' project for exclusive intermediaries, based on moving commercial management tools to devices.
- Strengthening and consolidation of the professional relationship with major brokers by signing agreements which allow for a new action framework.

IN PORTUGAL:

- New structure of Commercial Department, with four specialized areas depending on the distribution channel: Agency Network, Major Brokers, Banking and Agreements, and Digital.



Annual Meeting of MAPFRE SPAIN



- Implementation of the Management Model for Local Commercial Campaigns and rollout of Commercial Agenda.
- Creation of 'Exclusive Agent with Own Office' in the context of the strategy for creating own sales network.
- Change in the Profits and Over policy for agents and brokers: reinforcement of profitability parameter among the remuneration criteria, more ambitious growth goals and adaptation to the strategy.
- Closing of the distribution agreement for Credit Risk-Protection with BBVA Consumer Finance, and rollout of affinity agreements with the Portuguese Association of the Automobile Sector (ARAN).

Technical management and customer service

The main activities conducted in this area were as follows:

PROVISION AND PROVIDERS:

- Automation of requests for tow truck services.
- Creation of five new automobile service centers (Madrid-Luchana, Getafe, Rivas Vaciamadrid, Alcobendas and Logroño).
- Rollout of services derived from the digital care and protection guarantees, specifically digital deletion, anti-bullying and device location.
- Extension of the online authorization request and management system to all insured parties.

- Obtaining the AENOR certification (UNE-EN ISO 9001:2008) for quality management systems in service regarding legal and veterinary services.

BILL PAYMENTS

- An automatic communication channel has been opened to inform the client that a bill has not been paid; payment with card is accepted.
- Start of development of new way of paying bills: PayPal for all products, direct billing and flexible payment schemes for a client's policies.
- Rollout and standardization of bill reporting to public bodies through the e-billing platform.

TECHNICAL MANAGEMENT

- Orienting the Non-Life Technical Area to process-based management by updating, standardizing and simplifying policy and contract management at the level of functional block.
- Adaptation of Corporate Technical Area by integrating the relationship model for the Global Risks business; the aim is to comprehensively meet the needs of commercial lines.
- Creation of the Market Pricing Area with a view to quickly adapting to market changes in different segments.
- Pilot of biometric signature in 45 direct offices for the automobile sector: the client's signature on the policy's particular conditions is captured immediately and in digital format.



Participation in Insurance Week

CUSTOMER SERVICE

- The SI24, customer service contact center for MAPFRE ESPAÑA and MAPFRE VIDA, handled over 11 million incoming calls and made 5.9 million outgoing calls in 2015. The center also handled one million contacts from the MAPFRE Portal and MAPFRE Clients Area (web channel).
- Over 4.3 million operations were carried out in SI24, an increase of 5 percent on the previous year. The main areas of increase are in the Asset and Commercial Provision activity.
- Three-year renewal of ISO 9001:2008 certification for our Quality Management System (QMS).
- In 2015, SI24 kept working on transformation and innovation, and added Interactive Voice Response with voice recognition to the relationship with our clients.
- Review and update of the SI24 business continuity plan.

Information and technology systems

Throughout 2015 the Information Technology Area worked toward accompanying the different regional areas in their achievement of strategic objectives. The main activities conducted were as follows:

- Progress in implementing the adaptations of applications affected by the company restructuring at MAPFRE ESPAÑA.

- National deployment of new issuing system to market home products, and adaptation to automobile products.
- Development of new health system that will provide a new platform for comprehensive Health management.
- Launch of pilot initiative whereby some independent repairers receive repair notices with the work order in an app, thanks to the new corporate mobility platform KONY.
- Rollout of digital transformation at MAPFRE by providing the clients with a series of rate calculators.
- Start of gradual implementation of a single, valid embargo management system for all areas.
- In 2015, the first LEAN office (maximum efficiency offices) pilot was carried out in the Processes Area in Portugal; it referred to the portfolio renewal business. The identified improvements are currently being implemented.

COMPANIES

The aggregate premiums for the entities comprising the Iberia region in 2015 were as follows:

- MAPFRE ESPAÑA, with premiums of 4,473.5 million euros.
- MAPFRE ESPAÑA in Portugal holds 198.8 million euros premiums in the Life and Non Life businesses.

- MAPFRE VIDA, with premiums growing to €1,794.2 million.
- MAPFRE ASISTENCIA, with a premium volume of €36.3 million
- MAPFRE GLOBAL RISKS, with premiums of €407.4 million

The following should be noted:

- BANKINTER and MAPFRE jointly acquired BARCLAYS life and pensions business in Portugal
- Sale of MAPFRE's investment in CATALUNYACAIXA VIDA and CATALUNYA CAIXA ASSEGUANCES GENERALS amounting to 50.01 percent.
- Operational integration of ASEVAL into BANKIA-MAPFRE VIDA (BMV).
- General Meeting approved merger of MAPFRE FAMILIAR and MAPFRE EMPRESAS.

Of the non-insurance companies, the most important are MAPFRE INVERSIÓN, MULTIMAP and POLICLÍNICOS SALUD 4. The latter entity opened one general clinic and three dental clinics during the year.

OUTLOOK

The strategy formulated by Iberia for the 2016-2018 period includes the resolution of specific challenges for the region and its contribution to the Group's 2016-2018 Strategy Map, based on the following strategic lines:

- Client orientation through segment development and process adaptation to increase perceived quality.
- Operational efficiency through the automation and simplification of operations to reduce expenses, and relying on modern and efficient technology platforms.
- Digital transformation and adaptation to new client needs.
- Development of innovative products and services to achieve profitable growth, especially in the automobile, life, health and corporate lines.



- Reinforcement of people's commitment to MAPFRE values and the development of people with global skills and abilities.



THE STRATEGY FORMULATED BY IBERIA FOR THE 2016-2018 PERIOD INCLUDES THE RESOLUTION OF SPECIFIC CHALLENGES FOR THE REGION AND ITS CONTRIBUTION TO THE GROUP'S 2016-2018 STRATEGY MAP.

IBERIA FINANCIAL INFORMATION^(*)

Revenue	2015	2014	Var. % 15/14
WRITTEN AND ACCEPTED PREMIUMS	6,696.7	6,865.2	(2.5%)
REVENUE FROM INVESTMENTS AND OTHER	1,986.6	1,843.9	7.7%
TOTAL REVENUE	8,683.3	8,709.1	(0.3%)

Millions of euros

Expenses	2015	2014	Var. % 15/14
CLAIMS RATIO	(5,298.4)	(5,619.6)	(5.7%)
OTHER TECHNICAL EXPENSES	(1,138.1)	(1,020.4)	11.5%
FINANCIAL EXPENSES AND OTHER	(1,731.4)	(1,420.3)	21.9%
TOTAL EXPENSES	(8,167.9)	(8,060.3)	1.3%

Millions of euros

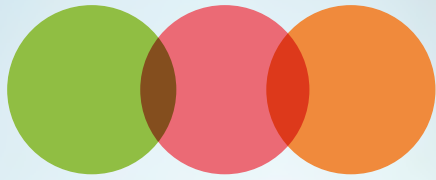
Results	2015	2014	Var. % 15/14
BEFORE TAX AND NON-CONTROLLING INTERESTS	515.4	648.7	(20.6%)
AFTER TAX AND NON-CONTROLLING INTERESTS	494.8	448.1	10.4%

Millions of euros

Non-life insurance ratios (over earned premiums)	2015	2014
Claims ratio net of reinsurance	75.0%	74.0%
Cost ratio net of reinsurance	22.2%	20.9%
COMBINED RATIO NET OF REINSURANCE	97.2%	94.9%

Employees	2015	2014
Average number of employees	9,491	9,239

(*) For the sake of comparison, CATALUNYACAIXA was excluded for 2014 as a discontinued activity, though the adjustments in the regional allocation of MAPFRE ASISTENCIA expenses and revenues were included.



LATAM



Formed by the regional areas of:

Brazil

This country constitutes a single region, with its headquarters in São Paulo (Brazil).

LATAM North

Made up of Mexico, the Dominican Republic, Panama, El Salvador, Nicaragua, Costa Rica, Honduras and Guatemala, with headquarters in Mexico City (Mexico).

LATAM South

Headquartered in Bogota, and made up of Colombia, Venezuela, Ecuador, Peru, Chile, Argentina, Uruguay and Paraguay.

The key figures for 2015 for the regional areas in Latin America are shown below (*).

Item	TOTAL REVENUE			TOTAL EXPENSES		
	2015	2014	% Variation	2015	2014	% Variation
BRAZIL	5,481.5	6,094.2	(10.1%)	(4,662.9)	(5,346.2)	(12.8%)
LATAM NORTH	1,942.4	1,295.2	50.0%	(1,872.7)	(1,213.1)	54.4%
LATAM SOUTH	2,304.7	3,203.4	(28.1%)	(2,205.6)	(3,067.4)	(28.1%)
LATAM TOTAL	9,728.7	10,592.9	(8.2%)	(8,741.2)	(9,626.6)	(9.2%)

Millions of euros

Item	RESULTS					
	BEFORE TAX AND NON-CONTROLLING INTERESTS			AFTER TAX AND NON-CONTROLLING INTERESTS		
	2015	2014	% Variation	2015	2014	% Variation
BRAZIL	818.6	748.1	9.4%	153.4	142.9	7.4%
LATAM NORTH	69.7	82.2	(15.1%)	42.4	57.7	(26.4%)
LATAM SOUTH	99.1	136.0	(27.1%)	49.4	92.4	(46.6%)
LATAM TOTAL	987.4	966.2	2.2%	245.2	293.0	(16.3%)

Millions of euros

Item	COMBINED RATIO NET OF REINSURANCE ⁽¹⁾	
	2015	2014
BRAZIL	94.6%	93.1%
LATAM NORTH	96.8%	95.0%
LATAM SOUTH	98.1%	98.9%
LATAM TOTAL	95.9%	95.2%

(1) Over earned premiums

Item	AVERAGE NUMBER OF EMPLOYEES	
	2015	2014
BRAZIL	7,444	7,692
LATAM NORTH	3,472	3,346
LATAM SOUTH	6,870	6,816
LATAM TOTAL	17,786	17,854

(*). For the sake of comparison, adjustments in the regional allocation of MAPFRE ASISTENCIA expenses and revenues were included in 2014.



BRAZIL

2015 was another challenging year for the Brazilian insurance market; this was due to low economic growth, currency devaluation, increase in interest rates, low performance of correlated industries and, consequently, a decrease in insurance demand.

Despite the economic slowdown, Brazil has carried out its activities satisfactorily and met the local currency budget in terms of results before tax and non-controlling interests, and it maintained its position as the main MAPFRE operation outside Spain (20% of total revenue).

Strengthening its position as a multichannel, multidistribution and multiproduct insurance company, with improvements to the underwriting and synergy processes, was a deciding factor in ensuring that the Regional Area achieved positive results.

Within this context, it closed 2015 with total premiums of 4,814.2 million euros, which represents a 13.3 percent decrease with regard to the previous year. Results before tax and non-controlling interests increased to 818.6 million euros, with growth of 9.4 percent, while the combined ratio was at 94.6 percent.

Thanks to this performance, it remained in fourth place among the largest insurance groups in Brazil, with 8 percent market share and a leading position in the risk insurance segments (automobile, damages and life-risk) at 17.4 percent.

KEY ACTIVITIES

Brazil closed the year as leader of the insurance life-risk sector with 18.4 percent share. There was an improvement in the expense and claims ratio indices, which led to a decrease in the annual combined ratio.

In major risks, it consolidated the second position with 16.2 percent market share and 10.2 percent increase on the previous year.

In the Global Risks businesses, revenue was 136 million euros, which represents an increase of 33 percent over the previous year; and business from Brazil represented an increase of 53 percent on 2014.

For the automobile portfolio, the year closed with second position in the ranking with 14.9 percent market share and almost 2.8 million insured vehicles.

The combined auto ratio closed 0.4 percentage points below 2014 at 92.3 percent. This positive performance was achieved even though there was greater competitiveness in 2015: main competitors lowered their prices to keep their market share since the car industry was one of those most affected by the economic slowdown, with a 25.2 percent decrease in the sale of new vehicles compared with the previous year. The increase in interest rates also led to competitors operating with a higher combined ratio.

MAPFRE SERVIÇOS FINANCEIROS is known for its high specialization and profitability.

The Protection Area has consolidated its position in the Brazilian Market with 120,000 protection plans and 700 million euros in managed assets. Capitalization reached a total of €38 million in premiums and focused on incentives, promotions and rental deposits.



InovaLab innovation space



Opening of new offices

New products and coverage

The following product and coverage initiatives were carried out during the year in the Brazil Regional Area:

- The launch of an agricultural insurance product independent of state funding, which played a decisive role in reverting the results of rural insurance during the second half of 2015.
- Launch of 'Auto Reducido', a six-month automobile insurance product which complies with the region's value proposition that aimed to reach non-buyer clients by developing new methods of payment collection, creation or adaptation of products.
- Issuing of first effective satellite insurance police (launched in 2014) with full product implementation during 2015.
- Expansion of smart collection services in Massified insurance, including an environmentally appropriate destination for electrical and electronic equipment under extended guarantee, and reverse logistics.
- Rollout of health insurance operation with about 10,000 life policies in portfolio at the end of the year.

Commercial initiatives

These were the main commercial undertakings during the year:

- Consolidation of the Commercial Connection system by including the territorialization project; it divided the country into 260 territories thus facilitating the actions of the commercial area and increasing its capacity by 8,000 annual visits to distributors.
- Implementation of the Strategy Map for Activity Management (MEGA) which provides distributors with in-depth diagnosis and analysis and directs them to opportunities.
- Main insurance brokers in the regional have the option of online sales using a specific technology tool.
- Continuous improvement of automobile insurance by implementing improvements to the sales processes, increasing product technical margins in the region, enhancing provider loyalty and attracting new clients.
- Expansion of loyal network and increase in self-service of automobile insurance (web claim and appraisal based on image) with reduced operational costs and improved customer service experience.
- Implementation of the 'Brand Ambassadors' concept with the aim of enhancing the providers' loyalty and increasing brand exposure.



Visit to Brazil of the crew of the MAPFRE yacht in the Volvo Ocean Race

- Provision of multi-year insurance product in banking channel which closed the year at 15 percent of the sales through this channel.
- Launch of new institutional campaign in the media which reinforces brand attributes, its main products and the company's position in the sector.

Technical management and customer service

As for customer service, the Brazil regional area focused on the following: optimizing call center activities by improving service quality, increasing efficiency and reducing costs; proceeding with the implementation of the SAP system by integrating back-office operations and consequently reducing costs and operations risks and increasing control of economic and financial processes; consolidating digital transformation by expanding the range of digital services for clients and developing this type of service for distribution with the aim of increasing efficiency, reducing costs and strengthening business sustainability; continuing to capture business, operational and back-office synergies across units and, as such, reducing costs, streamlining assistance and insurance activities and increasing sales.

Information and technology systems

The year was marked by the development of an advanced digitalization process: over nine million documents were processed based on images; out of over 40 million documents issued annually, 98 percent are already issued automatically; stronger customer service structure in SIM 24 hours with 750 jobs and over 1600 employees who are able to provide information and help depending on the clients' needs; and over 6.7 million calls/year and about 700 services provided in 3,900 locations.

OUTLOOK

Given that it is possible that low economic growth may continue, the Brazil Regional Area will focus on intensifying its commercial activities so as to retain its clients and expanding its distribution channels.

The sustainable growth strategy will continue, prioritizing projects which strengthen client orientation in business that generate value for their stakeholders.

In 2016, it is expected that the volume of written premiums will remain stable, and the results will be above the market's average in practically all segments.



THE YEAR WAS MARKED BY THE DEVELOPMENT OF AN ADVANCED DIGITALIZATION PROCESS: OVER NINE MILLION DOCUMENTS WERE PROCESSED BASED ON IMAGES.

BRAZIL FINANCIAL INFORMATION

Revenue	2015	2014	Var. % 15/14
WRITTEN AND ACCEPTED PREMIUMS	4,814.2	5,553.3	(13.3%)
REVENUE FROM INVESTMENTS AND OTHER	667.3	541.0	23.3%
TOTAL REVENUE	5,481.5	6,094.2	(10.1%)

Millions of euros

Expenses	2015	2014	Var. % 15/14
CLAIMS RATIO	(2,068.6)	(2,243.4)	(7.8%)
OTHER TECHNICAL EXPENSES	(1,371.9)	(1,486.7)	(7.7%)
FINANCIAL EXPENSES AND OTHER	(1,222.5)	(1,616.1)	(24.4%)
TOTAL EXPENSES	(4,662.9)	(5,346.2)	(12.8%)

Millions of euros

Results	2015	2014	Var. % 15/14
BEFORE TAX AND NON-CONTROLLING INTERESTS	818.6	748.1	9.4%
AFTER TAX AND NON-CONTROLLING INTERESTS	153.4	142.9	7.3%

Millions of euros

Non-life insurance ratios (over earned premiums)	2015	2014
Claims ratio net of reinsurance	60.8%	60.2%
Cost ratio net of reinsurance	33.8%	32.9%
COMBINED RATIO NET OF REINSURANCE	94.6%	93.1%

Employees	2015	2014
Average number of employees	7,444	7,692



LATAM NORTH

In a context of continued deceleration of growth of Latin American economies in general and, specifically, of the economies in countries that make up the LATAM North Regional Area, business performance in the area has been very positive.

In 2015 the premiums issued by LATAM North reached a value of 1,849.6 million euros, with a growth of 52.7 percent over the previous year. By units, the 54 percent growth of the Insurance Unit is particularly salient, followed by the 23.3 percent growth by Global Risks and 18.4 percent by Asistencia. Turning to results by countries, which all underwent double-digit growth, Mexico was particularly prominent with 60.9 percent, followed by Nicaragua with 53 percent.

The capture of the biannual PEMEX insurance program, signed by MAPFRE Mexico, stands out, with a premium of €387 million. Even when excluding this operation from the total, growth in the Region Area would be 22 percent, as well as being the growth of Mexico by 9.6 percent.

Gross results recorded were not particularly favorable, down by 15.1 percent on 2014 to 69.7 million euros. This result is in line with a decrease in the Insurance Unit affected by the results in Mexico, which closed at 6.2 million euros. The Global Risks Unit attained 20.1 million euros and Asistencia generated 5.4 million euros.

The growth in the original currency of the premiums issued exceeded that of the insurance industry as a whole.

KEY ACTIVITIES

New products and coverages

In 2015 there was a wide range of new products, coverage and customer services, of which the following are the most noteworthy:

- In the motor line, new products aimed at specific segments of private clients have been launched. In the Dominican Republic, products aimed at women, in Nicaragua at vehicles between 10 and 15 years old and in Panama, a modular and multi-annual insurance.
- Launch of the Specialty Risks programs, generalized in Extensions of Vehicle Warrantees, and more specifically, in Payment Protection.
- Consolidation of the Travel Assistance Insurance in the region.
- Signing of the agreement with INTERNATIONAL GROUP PROGRAM (IGP) for the range of life and health insurance to multinationals in the region, beginning the commercial plan in 2016.

Commercial initiatives

The year 2015 saw development of the deployment of MAPFRE's new corporate structure in the countries in the Regional Area, with the creation of commercial and client areas that group commercial activity with the development of client strategy.



Dino Mon, Operations Manager of MAPFRE PANAMA, Insurer of the Year 2015



MAPFRE MEXICO, Innovation in Partnership award during the fourth Annual Latin American Insurance Summit 2015

The main initiatives carried out in 2015 were:

- Ambitious Territorial Expansion Plans have begun in Mexico, the Dominican Republic, Honduras, and they are being designed in the other countries to aggressively begin in 2016 with a time-line of 3 years (El Salvador, Nicaragua, Costa Rica, Panama and Guatemala).
- Strengthening of the distributor client strategy, mainly in the financial institutions segment (specifically in regional and local banks, microfinance institutions and other credit institutions) and non-financial distributors: via the automobile, travel and public service companies sector, telecommunications and affinity groups.
- Development of the Digital Multichannel Segment, mainly in Mexico, and telesales operations by MAPFRE ASISTENCIA.
- Implementation of the Local Value Proposition developed at MAPFRE MEXICO.
- The Synergies Plan between the Insurance and Asistencia subsidiaries in the region was started.
- The initiative in Mexico for client portfolio loyalty through the distributor Client Loyalty Program called Recompensas Color MAPFRE stands out.
- The event "Grandes Riesgos Globales", LATAM NORTH, was held with the participation of more than 200 attendees from five countries, under the organization and coordination of MAPFRE MEXICO, the Regional Business and Clients Management and the support of the Global Risks Unit.

- Representation in organizations and institutions relating to insurance and the rankings for companies with greatest brand recognition, socially responsible companies, best companies to work for and sustainable companies.

Technical management and customer service

Among the main actions carried out in 2015 in this area, the following are worth highlighting:

- Permanent extension and review of agreements with technical providers (garages, appraisers, assistance, clinics and hospitals) and creation of own medical centers for primary healthcare for clients in Panama and Guatemala.
- Using EMBLEM in the automobile insurance pricing system in Mexico and Panama.
- Generalized use of the Internet to facilitate relationships with the distributor client and consumer.
- Improvements to the road-side assistance coverage have been added throughout the Region, either by covering a broader area or with an improved geolocation system

Information and technology systems

The importance of developing and implementing IT systems adapted to management needs and fully client-oriented remain a top priority for MAPFRE. The following work was carried out in this respect during 2015:



Centennial of MAPFRE LA CENTRO AMERICANA

- The new Corporate Portal for Clients has been implemented in all countries across the Region.
- The regional processes model (Policy and Contracts Management and Claims and Provisions Management) has been implemented, which will enable the standardization of products and work methods, facilitating operational efficiency and making it possible to regionalize products and services.
- There was further deployment of the corporate technology outsourcing agreement with Telefónica to manage the calculation centers of the subsidiary companies, centralizing operations in the Miami data processing centers, completing the migration of Costa Rican, Guatemalan and Nicaraguan companies, and now awaiting the migration of Honduras, Panama and El Salvador.
- In Mexico and the Dominican Republic, the project management tool has been implemented, which will service the entire region.
- The implementation of SAP, a corporate tool for accounts management, was completed in Mexico and Costa Rica.
- The implementation of Tronweb, a corporate application for managing the insurance business, continues in the countries of Central America.
- Operational integration has begun between the Asistencia and Insurance units.

COMPANIES

In the distribution of business in LATAM North, MAPFRE MEXICO plays a significant role due to relative importance of this country's economy over the others in the regional area. The premium volume issued by the Insurance, Assistance and Global Risks Units in Mexico reached 1,296 million euros at the end of 2015, which represents 60.9 percent of the total issued. Results before tax at the end of the same year was 23.3 million euros, representing 32 percent of the figures obtained at regional level.

OUTLOOK

The growth perspectives of the Gross Domestic Product in the Regional Area reflected a satisfactory performance on a Latin American level in 2015, and it's expected that the region ends the period with growth of 3.7 percent. The growth forecast for Mexico in 2015 is 2.6 percent compared with an original projection of 3.2 percent, mainly affected by the drop in oil prices. For 2016, a 3.4 percent rise in Gross Domestic Product is projected.

With a reasonable GDP projection in comparison with other regions and a low insurance penetration of 2.1 percent, a young population pyramid, there are great opportunities for growth in the insurance industry.

LATAM North has managed to fulfill the growth objectives budgeted for in the insurance business, greater than those of its markets. In addition to the initiatives marked out by corporate areas, the regional area will focus its efforts on the aspects that will help to reach these targets. Specifically, it will:



THE PREMIUM VOLUME ISSUED BY THE INSURANCE, ASSISTANCE AND GLOBAL RISKS UNITS IN MEXICO REACHED 1,296 MILLION EUROS AT THE END OF 2015, WHICH REPRESENTS 60.9 PERCENT OF THE TOTAL ISSUED.

- Development of a business plan focused on innovative and different products and services that enable us to improve the range offered to the clients.
- Improvement to the technical management, correctly managing the risks and obtaining technical profitability.
- Development of a plan to reduce expenses, both internally and externally, to increase competitiveness and improve the combined ratio.

LATAM NORTH FINANCIAL SITUATION

Revenue	2015	2014	Var. % 15/14
WRITTEN AND ACCEPTED PREMIUMS	1,849.6	1,211.6	52.7%
REVENUE FROM INVESTMENTS AND OTHER	92.9	83.7	11.0%
TOTAL REVENUE	1,942.4	1,295.2	50.0%

Millions of euros

Expenses	2015	2014	Var. % 15/14
CLAIMS RATIO	(610.0)	(489.2)	24.7%
OTHER TECHNICAL EXPENSES	(354.1)	(289.1)	22.5%
FINANCIAL EXPENSES AND OTHER	(908.6)	(434.7)	109.0%
TOTAL EXPENSES	(1,872.7)	(1,213.1)	54.4%

Millions of euros

Results	2015	2014	Var. % 15/14
BEFORE TAX AND NON-CONTROLLING INTERESTS	69.7	82.2	(15.1%)
AFTER TAX AND NON-CONTROLLING INTERESTS	42.4	57.7	(26.5%)

Millions of euros

Non-life insurance ratios (over earned premiums)	2015	2014
Claims ratio net of reinsurance	60.9%	59.5%
Cost ratio net of reinsurance	35.9%	35.5%
COMBINED RATIO NET OF REINSURANCE	96.8%	95.0%

Employees	2015	2014
Average number of employees	3,472	3,346



LATAM SOUTH

In 2015, the economy of the Zone weakened primarily because of falling prices for oil and some commodities, which caused some countries to be unable to meet their deficit objectives due to the heavy dependency of public revenue on these resources.

This situation arose on the steep devaluations of currency in some countries and the inherent inflationist tensions thereof, which had a substantial impact on growth, as measured in euros.

Additionally, the political and social uncertainties of the region increased as elections were held in various countries, driving the risk premium up.

The regulatory trend likewise continued, primarily affecting finance and insurance sectors, resulting in more restrictive legislation and with greater control vested in oversight entities.

Within this context, the regional area ended the year with premiums of 2,030.4 million euros, a decrease of 29 percent over the previous year, primarily affected by the strong devaluations in Venezuela, Argentina and Colombia.

The gross profit was 99.1 million euros, a decrease of 27 percent from the previous year, primarily due to the extraordinary impact on the results of legislative changes regarding taxes in Venezuela, natural disasters (earthquake, flooding and volcanic activity) in Chile, and additional provisions in Colombia and the devaluation of currencies.

The combined ratio net of reinsurance reached 98.1 percent compared with 98.9 percent the previous year.

KEY ACTIVITIES

The main activities carried out during 2015 were as follows:

- The progress of the organic expansion plan of Own and Delegate Network Offices, entailing a medium- and long-term investment. This process has been shored up by the training programs for new agents and refresher programs for existing agents in nearly all the countries where the Regional Area operates.
- The selection of non-traditional distribution channels with significant market presence, use of banking channels, retailers and others, securing substantial agreements with distributors such as: Scotiabank, Itaú, Banco de Chile, Banco Patagonia, Falabella, Cencosud, Ripley, ENEL and vehicle financing entities such as GM and Renault in Colombia.
- Participation in the Corporate Client Segmentation Project, with medium-term implementation and special representation in Peru, Colombia and Ecuador.
- Creation of Operations Divisions for each Asistencia entity.
- Coordination and execution of the different corporate projects of the Regional Area: providers as brand ambassadors, contact centers, etc.



Antonio Huertas visits Argentina

New products and coverage

The following activities stand out among the provided products and coverages:

- Individual Life insurance launched in Paraguay and Ecuador, and individual burial insurance in Argentina.
- Reconsideration of the characteristics of educational insurance in Colombia and final withdrawal from retailing pension insurance and life annuities in the country.
- Continuation of business model development with medical centers in Peru to afford low-income individuals the opportunity to access a qualified healthcare service as an alternative to the services provided by public healthcare.

New products have been designed to expand the offer fundamentally in the automobile and general lines, and specific travel assistance policies were created to sell through agency networks. We are also working on the design of a standard structure for products that can be employed in all countries of the Regional Area.

Commercial initiatives

Work continued throughout the year on the unification, consolidation, entry and quality of client data to secure a harmonized management thereof.

Electronic trading has begun making strides in Colombia, Peru and Chile, primarily in retailing automobile, home, Life and travel insurance. It has particularly affected third-party liability policies for automobiles, where this channel represented 25 percent of issuing.

Local actions and a regional campaign were undertaken to buttress the Life insurance business, resulting in a 17 percent growth in sales.

Additionally and in favor of multichannel options, in addition to the continuity in the creation of specific networks and proprietary structures, distribution agreements were reached with retail channels, automobile manufacturers and banks.

Technical management and customer service

The following is particularly noteworthy in the field of technical management and customer services:

- Implementation of operational self-management processes to let clients and intermediaries process various unassisted transactions.
- Considerable progress in the standardization and harmonization in claims processing plans.
- Development of the Electronic Billing Project so that clients can receive notifications digitally.
- Establishment of a solution for agents that would enable them to carry out the entire retail management process via tablet.
- Design of a unification plan for contact centers per country.
- Launch of apps that let clients gain access to certain services and also internal use (appraisals).
- Implementation of the E-commerce tool in Chile and Colombia.
- Progress in the implementation of issuing, renewal and supplement creation processes automatically.

Information and technology systems

The following key activities were conducted during the year:

- Start of the SAP implementation project in all countries of the Regional Area with an estimation of its final implementation in 2017.



Zaida Gabas de Requena, CEO of MAPFRE PARAGUAY

- Implementation of the “365” management tool in Chile, Paraguay and Peru; scheduled for the remaining countries in the Regional Area during 2016.
- Continuation of the installation of the Balanced Score Card system in all countries.
- Implementation of processes for formalizing, regularizing and controlling the needs and/or requirements of offices at different areas of the companies.
- Promotion of Phoenix as the assistance management tool in all countries for unifying and automating processes.
- Simplification and unification of the different company databases, improving response capabilities while reducing maintenance costs.
- Analysis and restructuring of client databases in all the countries as an initial step to the operational segmentation that will be done in 2016 for consumer and distributor clients.

COMPANIES

With a view to simplifying structures, improving operations and reducing costs, the administration, human resources and legal counsel areas were unified among insurance and assistance companies in all countries of the Regional Area. The operational organizational charts were also standardized throughout insurance and assistance companies.



Antonio Huertas visits Colombia

The presence of external directors was consolidated in the governance bodies of the countries, reaching in all cases at least 50 percent; and external chairmen were appointed in Argentina, Venezuela, Paraguay and Colombia, thus reinforcing the Group's transparency policy.

The company structures in Chile and Argentina were simplified during the year.

OUTLOOK

The economic prospects will be influenced by raw material and oil pricing variations given the economic dependency that the countries in the region have on them and the correlation of currencies against the dollar or euro.

The negative influence of both factors will entail a decrease in public investment and possible restrictions on consumption, which will certainly affect the insurance sector.

Notwithstanding the foregoing, substantial growth is expected in local currency, with increases above the market average and a growing market share, primarily in mass and individual segments.

The consolidation of technical aspects and the improvement in management and cost control will permit an improvement in management ratios and the technical result in all companies.

Moreover, the synergies created among the insurance and assistance companies will enable the forging of new market niches with combined and more competitive products in non-traditional distribution channels.

Turning to the large corporate risk business, the decentralization proposed from the Global Risks Unit with the creation of support structures in Chile, Colombia and Peru will also facilitate an improvement in the understanding of local risks and response times, resulting in a competitive advantage and greater growth.



SUBSTANTIAL GROWTH IS EXPECTED IN LOCAL CURRENCY, WITH INCREASES ABOVE THE MARKET AVERAGE AND A GROWING MARKET SHARE, PRIMARILY IN MASS AND INDIVIDUAL SEGMENTS.

LATAM SOUTH FINANCIAL SITUATION

Revenue	2015	2014	Var. % 15/14
WRITTEN AND ACCEPTED PREMIUMS	2,030.4	2,863.9	(29.1%)
REVENUE FROM INVESTMENTS AND OTHER	274.2	339.5	(19.2%)
TOTAL REVENUE	2,304.7	3,203.4	(28.1%)

Millions of euros

Expenses	2015	2014	Var. % 15/14
CLAIMS RATIO	(801.5)	(1,350.6)	(40.7%)
OTHER TECHNICAL EXPENSES	(494.4)	(618.0)	(20.0%)
FINANCIAL EXPENSES AND OTHER	(909.7)	(1,098.7)	(17.2%)
TOTAL EXPENSES	(2,205.6)	(3,067.4)	(28.1%)

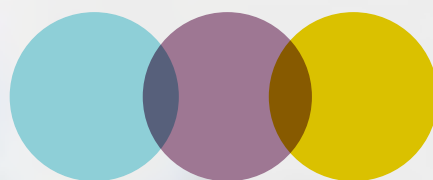
Millions of euros

Results	2015	2014	Var. % 15/14
BEFORE TAX AND NON-CONTROLLING INTERESTS	99.1	136.0	(27.1%)
AFTER TAX AND NON-CONTROLLING INTERESTS	49.4	92.4	(46.6%)

Millions of euros

Non-life insurance ratios (over earned premiums)	2015	2014
Claims ratio net of reinsurance	60.0%	65.6%
Cost ratio net of reinsurance	38.1%	33.3%
COMBINED RATIO NET OF REINSURANCE	98.1%	98.9%

Employees	2015	2014
Average number of employees	6,870	6,816



INTERNATIONAL

Formed by the Regional Areas of:

North America

This area includes the United States, Puerto Rico and Canada, and is based in Webster, MA (USA).

EMEA

This area includes the operations in Europe, the Middle East and Africa, (particularly those in Turkey, the United Kingdom and Malta), and is based in Madrid (Spain).

APAC

This area includes the operations in the Asia-Pacific region (China, Philippines, Indonesia, Japan, Hong Kong, India, Australia and Taiwan), and is based in Shanghai (China).

The key figures for 2015 of the International Regional Areas are shown below^(*).

Item	TOTAL REVENUE			TOTAL EXPENSES		
	2015	2014	% Variation	2015	2014	% Variation
NORTH AMERICA	2,968.2	2,334.9	27.1%	(3,022.7)	(2,239.6)	35.0%
EMEA	2,200.3	1,514.4	45.3%	(2,189.7)	(1,437.0)	52.4%
APAC	136.1	122.4	11.2%	(142.4)	(115.9)	22.8%
INTERNATIONAL TOTAL	5,304.6	3,971.7	33.6%	(5,354.8)	(3,792.5)	41.2%

Millions of euros

Item	RESULTS					
	BEFORE TAX AND NON-CONTROLLING INTERESTS			AFTER TAX AND NON-CONTROLLING INTERESTS		
	2015	2014	% Variation	2015	2014	% Variation
NORTH AMERICA	(54.5)	95.3	(157.2%)	(32.7)	67.1	(148.8%)
EMEA	10.6	77.4	(86.3%)	(2.4)	47.9	(105.0%)
APAC	(6.3)	6.5	(197.2%)	(3.4)	5.4	(162.7%)
INTERNATIONAL TOTAL	(50.2)	179.2	(128.0%)	(38.5)	120.4	(132.0%)

Millions of euros

Item	COMBINED RATIO NET OF REINSURANCE ⁽¹⁾	
	2015	2014
NORTH AMERICA	108.1%	102.1%
EMEA	102.6%	96.2%
APAC	103.8%	93.5%
INTERNATIONAL TOTAL	106.0%	99.9%

(1) Over earned premiums

Item	AVERAGE NUMBER OF EMPLOYEES	
	2015	2014
NORTH AMERICA	3,381	3,933
EMEA	4,291	2,677
APAC	995	929
INTERNATIONAL TOTAL	9,167	7,539

(*) For the sake of comparison, adjustments in the regional allocation of MAPFRE ASISTENCIA expenses and revenues were included in 2014.



NORTH AMERICA

The hard winter hitting the Northeast USA affected consumption in the first few months of 2015 and resulted in very significant losses for the insurance industry operating in this region. To mitigate this negative impact, the sector has implemented both quantitative and qualitative measures.

According to the most recent market-related data in September, growth of Non-Life insurance in North America continues accelerating compared with last year and has reached 4.2 percent, fundamentally because of the increase in product prices for individuals and companies and procurement of additional insurance on the back of economic growth in the second and third quarters (sales of homes and automobiles).

With regard to Life insurance, premiums rose by 3.8 percent, mainly due to the 4.7 percent increase in the sale of life annuity products. The health segment grew by 13.2 percent due to strong demand and an increase in prices to offset the coverage of medical expenses.

In this context, the region closed the year with written and accepted premium volume of 2,776.8 million euros, a 31.9 percent increase on 2014. Results after taxes and non-controlling interests were (32.7) million euros with a combined ratio of 108.1 percent.

KEY ACTIVITIES

MAPFRE USA

Premium volume reached 8.6 percent compared with the previous year, with a market increase of 4.5 percent in personal lines, while automobile insurance grew by 5 percent.

In Massachusetts, premiums increased 2.7 percent due to strong competition, whereas in other states the increase was 23.7 percent. The number of policies grew by 4.6 percent

for the entire portfolio, with a 0.2 percent decrease in Massachusetts, while in other states it grew by 17.1 percent.

Private automobile sector premiums, which have a significant influence on the rest of the business, grew approximately 5.5 percent.

Improvements in products and pricings, technical management of activity and system improvements will be the levers for increasing profitability.

MAPFRE PUERTO RICO

Business volume increased 4.4 percent over the year, especially in the health insurance line, with growth of 14.5 percent against 2014. This business line represents 33.6 percent of the total premiums, exceeding the 29 percent accounted for in the previous financial year.

Premium volume for life insurance grew by 85.5 percent, representing 3 percent of the total premiums, compared with 1.4 percent the previous year. The property and contingency lines did not experience a percentage change in comparison with the previous year and the automobile line registered growth of 12.3 percent.

MAPFRE ASISTENCIA

In 2015, the Asistencia Business Unit in the North America region increased accepted revenue by 10.2 percent on the previous year. The growth mainly came from the Specialty Risks Division with an increase of 22.6 percent.

MAPFRE GLOBAL RISKS

During 2015 the growth in the Global Risks business was almost 40 percent.

New products and coverages

MAPFRE USA

In 2015, MAPFRE USA continued the expansion of its product portfolio and increased its presence in new states.

With the acquisition of the MIDDLE OAK portfolio, it is now operating in the states of Maine and Vermont, as well as expanding the range of products with the inclusion of Premier Living, a product for high value homes (above 700,000 euros) and a product for restoring historic houses that provides coverage for homes built before 1900. Another new product has been added for recreational boats.

The core private automobile product, GEAR 2.0, was launched in Tennessee in 2015, with a positive impact on the growth of this market. Furthermore, MAPFRE USA launched its new generation of home products in Arizona, which features pricing based on risk and it is continuing with the replacement of the most traditional products.

The company has developed its UBI program (usage-based insurance) in Ohio and Idaho, meaning that nine states now have this type of insurance available. The program currently features a device that adapts to automobiles, with the plan for 2016 being to develop a technology that can be used with a cell phone app.

The company is offering products for companies in four new states (Arizona, California, Florida and Pennsylvania), and the product for SMEs was launched in the states of Arizona and Pennsylvania in December.

The company now has the capacity to sell travel insurance in 47 states with the launch in Connecticut at the start of the year.

The life product extended in 2015 to include ten new states, meaning that the number of states in which life insurance can be sold has risen to 12.

MAPFRE PUERTO RICO

The following actions were carried out:

In life insurance: the additional coverage for total physical disability to the Cancer policy provides monthly benefits for occupational or non-work related disability; the Personal Accident Policy, which includes accident benefit for individuals and their family with additional coverage such as hospitalization due to an accident, emergency medical treatment, fracture, burn or dislocations, and double compensation for accidental death; the Group Policy for Regular Accidents, which provides additional profits for accidents for the participants of a group, including coverage for death, dismemberment, funeral, loss of sight and hearing and the payment of education for dependents.

In healthcare insurance: new plans for small groups, new designs and pricing.

In movable assets and accidents: business insurance policies offering protection against flooding.

MAPFRE ASISTENCIA

The products and coverages portfolio was completed during the year with the incorporation of travel insurance programs, cruise projects, additional coverage plans for electrical devices, the Global Expat program and the addition of new specialty risk programs for the industry, for which the North America region has identified significant growth potential.

MAPFRE GLOBAL RISKS

Puerto Rico and the USA both displayed strong increases in their businesses in 2015 with very positive results. The commitment to continue expanding business in both territories will remain in 2016.



Presentation of the MAPFRE Stadium (Columbus, Ohio)

Commercial initiatives

MAPFRE USA

By using digital marketing with improved lead management, sales doubled to 5.5 million euros at year-end.

A process has been developed that improves the conservation of the MIDDLE OAK portfolio, permitting the transformation of 32,000 policies to date for more than 27 million euros. Currently, 85 percent of the quoted policies are being renewed.

Efforts were made to improve brand recognition in both the insurance environment and for the general public.

An agreement was signed in 2015 with the Columbus Crew team from the main US soccer league, and its stadium is now known as MAPFRE Stadium. The stadium in Columbus (Ohio) can hold 20,000 spectators and is the first soccer stadium in the USA built specifically for this sport. In 2016, the stadium will host the classifying match between the United States and Guatemala for the World Cup.

MAPFRE USA continues to be the exclusive provider of roadside assistance vehicles on the main highways and freeways in Massachusetts, and the agreement was recently extended until March 2018. Through this program, MAPFRE highlights its commitment with the slogan "People helping People".

We have also actively participated in events with associations of agents and brokers, coordinating meetings with agencies and brokers, exchanging our points of view about products, prices, services and the strategy designed to boost profitable growth.

Moreover, MAPFRE continues as the exclusive automobile insurance agent of the Boston Red Sox baseball team through a joint sponsorship with AAA in the Northwest.



MAPFRE PUERTO RICO

Some of the important activities carried out during the year were seminars aimed at producers to present new technological tools designed to facilitate relationships with MAPFRE; the acquisition of new business in new and used car dealers via external consultants; the use of retail and pharmacy chains as a new sales distribution channel for healthcare products; the opening of four vehicle inspection centers; the development and launch of an Internet quotation system for products aimed at SMEs; an alliance with the Institute of Chartered Accountants to recruit and develop new agents; and the creation of a new Portfolio Conservation Unit reporting to the Business Development Area.

MAPFRE ASISTENCIA

During the year work was done on strengthening the sales of Specialty Risks to diversify the Client portfolio in 2016 and the launch of Auto Nation; the redefinition of our business strategy and value proposition for Roadside Assistance in the US and Canada following the loss of State Farm; and the launch of travel insurance programs via the MAPFRE USA Commercial Network.

Technical management and customer service

MAPFRE USA

Automobile insurance fees were adjusted as of May 2016 due to the claims frequency increase. This increase was common in the sector as the result of the increase in economic activity and low fuel prices.

Following the hard winter, underwriting and pricing practices were adapted in home insurance in line with the new weather pattern that has developed in recent years.

As a measure to be implemented in 2016, a rapid response team is being developed for catastrophic events, meaning that we can react more efficiently if this type of event happens again. These resources will form part of the property damage team during regular non-catastrophic periods.

As part of the Global Client Experience corporate project, satisfaction surveys for the claims service were launched.

Monitoring of communication with clients is a priority, so users have been provided with multiple communication channels (automatic SMS/text services, text with video links, etc.) giving them information about their process at any given time.

We are working on a project with the Technology Area that will integrate the automobile damage assessment provider with our systems (CCC), enabling us to increase our ability to improve the management of digital calls, in addition to providing information about the damages using the agent/client's web portal.

There is also a separate project for the automation of the payment process for collision-related claims to speed up the claims payment process and the complaint cycle, improving the customer experience.

In relation to the reporting capacities, the company has launched an Internet-based tool that speeds up the allocation of a claim to each appraiser. In a later phase, the aim is to provide a dynamical function to use photos or videos to assess the claim (ePics, Drive-in, Early tow), a repair program (CAREZ, HO Contractor Network) and to set a date for an appraisal appointment.

A quality management system has been implemented that includes the recording of 100 percent of interactions with clients to measure their satisfaction and loyalty by means of a survey.

MAPFRE PUERTO RICO

Activities related to (intermediate and end user) customer services are being continued with, mainly based on the use of technology as a means of improving process execution.

New portals have been created and the existing ones have been improved, as well as improving Internet security; new software and communications technology has been installed and there are still training courses in place for intermediaries for using IT tools.

With respect to technical management, BPMs are still being used in the commercial business renewal process; the BI infrastructure has been improved to measure profitability, make expense distributions with greater precision and set budgets; and price discounts have been revised in personal automobile, commercial auto, cancer and health insurance.

MAPFRE ASISTENCIA

Integration of departments that enable sustainable growth is being rolled out.

Information and technology systems

MAPFRE USA

The portfolio conversion process has been implemented for policies from MIDDLE OAK for the states of Connecticut and Rhode Island. For the states of Arizona, Florida and Pennsylvania, automatic endorsements have been set up in offices for automobile policies and a new BOP product has been implemented (commercial property).

In the state of California a new umbrella product has been implemented (extension of third-party liability) and home, private auto and commercial property products have been updated.

The life insurance business has been implemented in the states of Washington, Idaho, Oregon, New Jersey and Rhode Island as well as the system for issuing travel insurance via independent agents; the comprehensive client vision has been set up, including all its products and personal data, and the voice and screen recording systems have been set up for the Contact Center.

Phase I of the Data Warehouse has concluded, incorporating quote information from all systems (MA systems, AP/V12 and TRONweb), including historic systems up to 2010 and tools for their use (Cognos, SAS and Aginity); the development platform for NewTron has been installed, and the first application is scheduled for May 2016. For the direct channel, the full online contracting process for automobile policies has been implemented in the state of Massachusetts and, for the state of California, pricing with final assisted contracting, and the CompareNow has been set up for the states of Washington and Massachusetts.

Technology investment continues in the management platform for the CUBE project and the different options are undergoing a general technical feasibility assessment.

MAPFRE PUERTO RICO

At MAPFRE PUERTO RICO, the customer orientation strategy has been promoted via a multi-device platform which includes new personal policy quotation systems, a new insureds and client area, a new portal for opening claims, and new payment, workshop search and health search services.

The third-party liability businesses (General Liability, Inland Marine and Garage Keeper) have been set up on TronWeb.

With regard to boosting process efficiency, new processes (BPM) have been implemented to automate and control the renewal of commercial package and commercial auto policies and the group invoicing process has been reengineered. A new portal has also been set up for tracking unpaid installments and better administration, which is accessible from the Intranet or from producers' Extranet.

MAPFRE ASISTENCIA

At MAPFRE ASISTENCIA, the migration of ROAD America infrastructures to the Miami "Espacio MAPFRE" DPC has been completed. ROAD Canada has been integrated, including its migration to RADIINST (main business support application), its incorporation to the new crane operator portal and its infrastructures and communication networks have also been integrated. The connection between RADIINST and SAP has been completed to automate invoicing to client companies.

COMPANIES

The integration of MAPFRE ASISTENCIA and MAPFRE PUERTO RICO continues under the scope of MAPFRE North America. The teams continue working together to develop the synergies that have been identified. Regarding the Asistencia operation, an Insurance-Asistencia Coordination Committee was recently set up which will focus on the cost control tasks; establishing and redefining the strategic position of MAPFRE ASISTENCIA; analysis of opportunities in the Century business and the integration of Insure&Go in the Region.

In Puerto Rico, the company PREFERRED RISK was absorbed by MAPFRE PRAICO, thus reducing the number of active Non-Life insurers on the island to two.



IMPROVEMENTS IN PRODUCTS AND PRICINGS, TECHNICAL MANAGEMENT OF ACTIVITY AND SYSTEM IMPROVEMENTS WILL BE THE LEVERS FOR INCREASING PROFITABILITY.

OUTLOOK

MAPFRE USA

In 2016, MAPFRE USA will focus its efforts on the profitable growth of each of the states in which it operates, focusing on its pricing strategy, underwriting, invoicing and the management of agents with the aim of improving the claims ratio.

In multichannel growth, focus will be placed on sales actions via the digital channel, by extending the online solution introduced in Massachusetts at the end of 2015 to Washington and Ohio during 2016. The company will continue with its digital strategy in the Lead Generators, aggregators and marketing segments, optimizing the search for potential clients.

The distribution channels will also be enhanced with the introduction of MAPFRE ASISTENCIA products and services that other insurers are not able to offer, thus obtaining a competitive advantage that will increase sales.

MAPFRE PUERTO RICO

The Gross Domestic Product (GDP) of Puerto Rico continually reduced throughout 2009 - 2011 and 2013-2014, with a slight growth reported in 2012. The outlook for 2015 is that the GDP will reduce once more.

Sales of new houses and automobiles are expected to be lower than previous years, estimating a decrease in the sale of insurance for these two elements.

MAPFRE ASISTENCIA

In 2016, the two main divisions, Asistencia and Specialty Risks will continue to try and capture market share using a greater integration strategy with the North America region.

The business structure and expenses structure of the Roadside Assistance Division will be completely redefined as a result of the loss of State Farm.

MAPFRE GLOBAL RISKS

The growth strategy of the business developed by Global Risks continues being an objective for the region.

NORTH AMERICA FINANCIAL INFORMATION

Revenue	2015	2014	Var. % 15/14
WRITTEN AND ACCEPTED PREMIUMS	2,776.8	2,105.9	31.9%
REVENUE FROM INVESTMENTS AND OTHER	191.4	229.0	(16.4%)
TOTAL REVENUE	2,968.2	2,334.9	27.1%

Millions of euros

Expenses	2015	2014	Var. % 15/14
CLAIMS RATIO	(1,731.8)	(1,291.5)	34.1%
OTHER TECHNICAL EXPENSES	(600.8)	(483.8)	24.2%
FINANCIAL EXPENSES AND OTHER	(690.1)	(464.3)	48.6%
TOTAL EXPENSES	(3,022.7)	(2,239.6)	35.0%

Millions of euros

Results	2015	2014	Var. % 15/14
BEFORE TAX AND NON-CONTROLLING INTERESTS	(54.5)	95.3	(157.2%)
AFTER TAX AND NON-CONTROLLING INTERESTS	(32.7)	67.1	(148.7%)

Millions of euros

Non-life insurance ratios (over earned premiums)	2015	2014
Claims ratio net of reinsurance	80.4%	74.4%
Cost ratio net of reinsurance	27.7%	27.7%
COMBINED RATIO NET OF REINSURANCE	108.1%	102.1%

Employees	2015	2014
Average number of employees	3,881	3,933



EMEA

In 2015 the EMEA insurance industry showed a slight volume recovery even though this has been mitigated by strong pricing competition and the depreciation of emerging market currencies.

In this context, MAPFRE has extended its presence in EMEA's biggest markets and, as such, increased its role and leadership in the region, particularly in non-life insurance.

The Regional Area closed the year with total premiums of 1,981.7 million euros, which represents a 53.9 percent increase with regard to the previous year. These figures result from an expansion strategy in new markets and channels which has relied on both organic growth and acquisitions. Results before taxes were 10.6 million euros and the combined ratio for earned premiums was 102.7 percent as a result of fierce competition in the markets of the Region.

KEY ACTIVITIES

During the year the business volume increased, with particular growth in the automobile, life-savings and global risks insurance line of activity.

One of the main regional activities was completing the first phase of integration of DIRECT LINE Germany and Italy into the MAPFRE Group structure.

This initial phase entailed the analysis of the operational model of the acquired companies, identification of the projects to carry out for progressively implementing the MAPFRE operational model, and the start of the implementation of different corporate policies. Significant resources have been dedicated to identifying best practices within the acquired companies that could be exported to other MAPFRE operations worldwide.

New products and coverage

The portfolio of products and coverage was completed during the year. In this respect, the following were key:

- Specialty Lines launch by MAPFRE GLOBAL RISKS.
- Particularly prominent in Malta:
 - The launch of two With-Profits and Unit-Linked personal pension plans by the Life insurance-specialized subsidiary, MSV, distributed via our network, through over 470 mediators and by the partner BANK OF VALLETA.
 - Other product launches worth mentioning included Max Protect with burial coverages, and Wise Protect, which includes full coverage when insuring the vehicle with MAPFRE.
 - Further, an online tool has been developed for simulating pension plans and selling lifestyle-related products.

Commercial initiatives

The following key activities were conducted during the year:

- MAPFRE GLOBAL RISKS has implemented the first phase of a growth plan in Europe (European Growth Plan), including hiring expert human resources in the British, German and French markets. This plan allows for expanding business in these countries and looking for new office locations in the European market.

– New corporate contracts were signed regarding the different lines, predominantly automobile, health and general insurance in Turkey and Malta.

– A regional office was opened in southern Malta.

– Corporate multichannel project launch in Turkey with the creation of two new area divisions within the retail structure to implement two new distribution channels during 2016: own network based on the MAPFRE success model and the Internet channel (E-Commerce). These two new channels will supplement the current distribution network, primarily targeting independent agents and brokers.

– Ocean Club customer loyalty program launch in Turkey for the largest distributors, including, depending on the level of loyalty to the company, different levels of services and added values.

– In each country of the Region, intense efforts have been made in the search for commercial synergies among the different Business Units, particularly among the Asistencia and Global Risk Units, harnessing existing corporate client relationships and relationships with the Insurance Unit for not only products but also distribution channels.

Technical management and customer service

Technical management was targeted at:

– Implementing the MAPFRE model in the actuarial and technical duties of DIRECT LINE Germany and Italy, which included the creation of technical underwriting areas focused on creating products and developing Market Pricing.

– Optimizing the price and cost of acquisition for the DIRECT LINE end-of-year campaign.

– The following are the salient projects and highlights of the Operations Area during 2015:

- CESVIMAP renewed TQ certification issued to the GENEL SERVIS workshops in Istanbul and Anatolia.

CESVIMAP has been promoted as an applicant for authorized quality certifier in the Maltese market for the repair shops used by members of the Malta Insurance Association (MIA).

- The issuing process for the automobile and asset lines has been reviewed.

• The fruits of the collaboration between the subsidiary TUR ASSIST and insurance company MAPFRE GENEL have begun to ripen regarding customer support services in the automobile line. This model is scheduled to be applied to the health insurance during 2016.

- A new appraisal center was inaugurated at the regional office in Luga, Malta; and the capacity of the appraisal center at the Birkirkara regional office was enlarged.

- The claims from the portfolio acquired by MAPFRE MIDDLESEA INSURANCE from ALLCARE were integrated.

– MAPFRE ASISTENCIA has started to provide road assistance service to the DIRECT LINE Italy automobile portfolio; the regional goals regarding electronically triggered assistance services have reached 34 percent of the total; the use of on-site repair services for road assistance has been boosted, and rates have been negotiated downward with the main service providers in Italy and Greece; for travel insurance, the processing and assistance centers operated by the UK unit from Southend-on-Sea (UK) and Galway (Ireland) have been joined and integrated into Bristol.

– Furthermore, the corporate strategic projects also included rolling out the 'Providers as Brand Ambassadors' project in Italy, and implementing LEAN methodology in Malta and Italy.



Kickoff of the MAPFRE integration process of DIRECT LINE Germany and Italy

Information and technology systems

These activities included defining the Corporate Technology Platform for each country, and measuring its extension and setting goals for 2016.

The following regional level activities are noteworthy:

- The corporate CRM solution implementation project has begun in Turkey, and the customer databases in Turkey and Malta were analyzed.
- The corporate project management methodology and Clarity tool have been implemented in Turkey and MAPFRE MIDDLESEA (Malta); and implementation has begun in MSV LIFE (Malta) and DIRECT LINE Germany and Italy.
- Within the Global Internet Framework project, the new commercial portal for MAPFRE GENEL SIGORTA has started production, and the definition of the portals for MAPFRE MIDDLESEA and DIRECT LINE Italy has started.
- As for human resources, solutions for training management and performance evaluation have been implemented in Turkey and MAPFRE MIDDLESEA, and implementation has begun in MSV LIFE and DIRECT LINE Germany and Italy.
- The corporate solution for contact centers was implemented in MAPFRE ASISTENCIA (United Kingdom) and updated at MAPFRE ASISTENCIA (Italy).
- In the context of globalization of the Corporate Technology and Processes Division, implementation of the template organization model for the IT & Processes teams has begun in DIRECT LINE Germany and Italy, MAPFRE MIDDLESEA and MSV LIFE.

COMPANIES

During the fiscal year, approval was granted by the regulatory bodies in Italy and Germany to acquire the DIRECT LINE GROUP subsidiaries in these countries. The regional figures include this acquisition from June 2015.

MAPFRE GENEL has strengthened its leading position in Turkey, especially in automobile, health and corporate insurance, with a non-life market share of 7.7 percent.

In July, MAPFRE MIDDLESEA announced that it had acquired the ALLCARE Insurance Limited portfolio, thus reinforcing its leadership and commitment to develop the insurance business in Malta.

OUTLOOK

The Regional Area's plans for 2016 are to carry on with the strategic line established in recent years, based on product and geographical diversification, a firm commitment to distribution through different channels, and increased profitability from higher business volume and cost containment.

Next year's growth will occur predominantly in Germany, France, Italy and Turkey as a result of commercial activities carried out by insurance companies, the integration of the operations acquired from DIRECT LINE and the development of Asistencia and Global Risk businesses in all markets throughout the region.



MAPFRE HAS EXTENDED ITS PRESENCE IN EMEA'S BIGGEST MARKETS AND, AS SUCH, INCREASED ITS ROLE AND LEADERSHIP IN THE REGION, PARTICULARLY IN NON-LIFE INSURANCE.

EMEA FINANCIAL SITUATION

Revenue	2015	2014	Var. % 15/14
WRITTEN AND ACCEPTED PREMIUMS	1,981.7	1,288.0	53.9%
REVENUE FROM INVESTMENTS AND OTHER	218.6	226.5	(3.5%)
TOTAL REVENUE	2,200.3	1,514.4	45.3%

Millions of euros

Expenses	2015	2014	Var. % 15/14
CLAIMS RATIO	(1,206.6)	(863.8)	39.7%
OTHER TECHNICAL EXPENSES	(367.3)	(257.2)	42.8%
FINANCIAL EXPENSES AND OTHER	(615.8)	(316.0)	94.9%
TOTAL EXPENSES	(2,189.7)	(1,437.0)	52.4%

Millions of euros

Results	2015	2014	Var. % 15/14
BEFORE TAX AND NON-CONTROLLING INTERESTS	10.6	77.4	(86.3%)
AFTER TAX AND NON-CONTROLLING INTERESTS	(2.4)	47.9	(105.0%)

Millions of euros

Non-life insurance ratios (over earned premiums)	2015	2014
Claims ratio net of reinsurance	74.2%	68.6%
Cost ratio net of reinsurance	28.4%	27.6%
COMBINED RATIO NET OF REINSURANCE	102.6%	96.2%

Employees	2015	2014
Average number of employees	4,291	2,677



APAC

The most distinctive characteristics of the Asia and Pacific Regional Area are its scale and cultural and social diversity. This diversity is also evident in the macroeconomic, regulatory and insurance status of its member countries, adding complexity to business development.

Most countries in the area can be considered emerging economies or developing economies with high growth rates and low insurance penetration, e.g., China, Indonesia and Vietnam.

In turn there are, city-states like Singapore and Hong Kong (regional commercial and financial hubs) which are international insurance niches competing with traditional markets, and countries with mature markets such as Australia, Japan and New Zealand that share profiles and regulations which are very similar to those of western.

Over the last few years, growth forecasts for the region have been very positive, with annual GDP growth of 9 percent.

For 2015, the revised International Monetary Fund GDP projections were around 5.5 percent, mostly due to the slowdown of economic growth in China and its impact on export-dependent economies in the region (Australian, Korea, Indonesia and Vietnam). Even though this generalized decrease in economic growth may affect demand for insurance, this rate substantially exceeds the projections for the USA (2.1 percent) and the euro zone (1.5 percent); consequently, this region is a very attractive market for companies looking for growth opportunities.

The Regional Area is currently present directly in Australia, Philippines, Greater China (including Hong Kong and Taiwan), India, Indonesia, and Japan, and has 11 companies: eight assistance and specialty risks, two non-life insurance, and one services for insurance operations in China (Muralla).

The equity participation in all companies is 100 percent, except for the insurance company in the Philippines (75 percent) and the Indonesian company ABDA (ASURANSI BINA DANA ARTA) (20 percent).

Within this context, APAC closed 2015 with premiums of 114.6 million euros, resulting in a 13.2 percent increase compared to the previous financial year, and total revenues of 136.1 million euros, an 11.2 percent increase. Results after taxes and non-controlling interests were 3.4 million euros. The combined ratio over earned premiums was 103.8 percent.

The lower results as compared to the previous year are mostly due to the cost of the Muralla project (3 million euros), worse results for MAPFRE INSULAR in the Philippines (4.5 million euros lower than the previous year), and the new effects of the central service expenses of MAPFRE ASISTENCIA (2.7 million euros).

KEY ACTIVITIES

In terms of business volume, it should be noted that the premiums in the region have shown constant year-on-year growth in all business units.

Insurance gross premium volume at MAPFRE INSULAR grew 28.3 percent, primarily favored by the appreciation of the Philippine peso against the euro (6 percent inter-annual). Excluding exchange effects, premiums suffered a 5 percent drop primarily due to the cancellation of premiums pending collection. However, the automobile business grew 11 percent compared with the previous year.

Asistencia and Specialty Risks grew by 14.3 percent. Greater China (5 percent) and Australia (47 percent) were the main contributors with 55 percent of the total premiums in the Region. Specifically, the core volume of business in Greater

China still revolves around roadside assistance (approximately 80 percent), with growth of 30 percent.

As for Australia, the sales volume refers almost exclusively to travel insurance.

New products and coverages

During the financial year, work on the development of new products and services was carried out, including the following launches:

- Tick Travel Insurance in Australia focused on the aggregator market which already represents 10 percent of sales.
- Kabayan OFW Voluntary Insurance in the Philippines, non-life product which complements the mandatory insurance (Philippine citizens workings overseas).
- KaKAMPi MO, accident microinsurance aimed at the average-income population, in electronic format via SMS.
- Funeral insurance in the Philippines, KaKAMPI Funeral Insurance.
- Mediphone and the first contract for guarantee extension in the assistance company in the Philippines.

Commercial initiatives

The main initiatives carried out during the course of the year were:

- Launch of Extension of Guarantee with Skoda in India, and signing of Letter of Intent with Renault to guarantee used vehicles.
- Exclusive distribution agreement for guarantee extension with Toyotsu Insurance Company for Toyota dealers in the Philippines.

- Creation of three official accounts in China's biggest social network China, WeChat. This platform was used to launch gamification campaigns in social networks (WeChat, Weibo) to attract followers, promote the brand and sell travel insurance.

- Strengthening of focus on digital marketing campaigns in Australia to promote the digital brand in the country (social media and Customer Journey Optimization), PPC (Pay Per Click) campaigns for cell phones, etc.

- Launch of website in Australia to promote travel insurance, Multitrip.com.au and All Clear.

- Active promotion of microinsurance in Assistance company in the Philippines.

Technical management and customer service

Work on this area has mostly focused on reviewing the conditions and technical protocols with road assistance service providers in China with the aim of reviewing their rates and checking that central service guidelines are being observed; evaluating and improving the Assistance Call Center shared between the Philippines and Australia to complement 24-hour and weekend travel assistance so as to improve service quality and increase business volume; training e-commerce team in MAPFRE ASISTENCIA China with experience in Pay Per Click in Chinese search engines and optimization of search results; and creating accounts in and management of Chinese social networks, online and phone customer service, and affiliate sales network.

Information and technology systems

During the year, implementation of the SAP tool was finalized at MAPFRE INSULAR; the Tronweb tool was successfully launched at MAPFRE INSULAR, albeit initially only to manage the automobile portfolio; Futura tools were implemented at the IBEROASISTENCIA companies in the Philippines; and the Maiassist program was also launched in the Philippines.



Opening in Beijing of CESVI CHINA

COMPANIES

Two new companies have opened in the region: MAPFRE ABDA ASSISTANCE in Indonesia and MAPFRE QINGDAO Limited in China.

MAPFRE ABDA ASSISTANCE will fulfill the service agreement with the insurance company ABDA. Participation in this company is 51 percent, and the initial business refers to road assistant and the call center service for ABDA. The company was formed in November and is expected to begin operations in January 2016.

MAPFRE QINGDAO Limited – services companies in Qingdao, Shangdon region in China – acts as the company vehicle to prepare the Muralla project, handle licenses and form the insurance company.

OUTLOOK

For 2016, the strategy will focus on improving company profitability, and diversifying the products and business models so as to adapt them to the changing market needs, especially in digital terms.

The focus will be kept on reducing costs and increasing efficiency and productivity through the companies' synergies, utilizing sharing structures or developing more competitive products.

Special care will be taken to follow up on the launch for launching automobile insurance in China Muralla, a key project for developing the Regional Area and MAPFRE's presence and recognition in the region.

Another pending task is reinforcing awareness of the brand MAPFRE, either through marketing or through the active participation in conferences, seminars and discussion panels.



THE REGIONAL AREA IS CURRENTLY PRESENT DIRECTLY IN AUSTRALIA, PHILIPPINES, GREATER CHINA (INCLUDING HONG KONG AND TAIWAN), INDIA, INDONESIA, AND JAPAN.

APAC FINANCIAL SITUATION

Revenue	2015	2014	Var. % 15/14
WRITTEN AND ACCEPTED PREMIUMS	114.6	101.2	13.2%
REVENUE FROM INVESTMENTS AND OTHER	21.5	21.2	1.4%
TOTAL REVENUE	136.1	122.4	11.2%

Millions of euros

Expenses	2015	2014	Var. % 15/14
CLAIMS RATIO	(75.7)	(48.7)	55.4%
OTHER TECHNICAL EXPENSES	(29.9)	(21.2)	40.7%
FINANCIAL EXPENSES AND OTHER	(36.7)	(45.9)	(20.0%)
TOTAL EXPENSES	(142.4)	(115.9)	22.8%

Millions of euros

Results	2015	2014	Var. % 15/14
BEFORE TAX AND NON-CONTROLLING INTERESTS	(6.3)	6.5	(197.2%)
AFTER TAX AND NON-CONTROLLING INTERESTS	(3.4)	5.4	(163.0)

Millions of euros

Non-life insurance ratios (over earned premiums)	2015	2014
Claims ratio net of reinsurance	74.4%	65.1%
Cost ratio net of reinsurance	29.4%	28.4%
COMBINED RATIO NET OF REINSURANCE	103.8%	93.5%

Employees	2015	2014
Average number of employees	995	929



MAPFRE RE

Due to a lack of significant catastrophes, the reinsurance market has obtained positive, but declining results, in an environment of very little growth of the most developed economies.

The nonoccurrence of relevant catastrophes over the last four years has resulted in strong competition in terms of rates and conditions, as well as the entrance of new capital into the market, which has reduced the technical margin of insurers and has propitiated greater retention by the large insurance groups by means of global management of their reinsurance programs. This market situation has favored the consolidation of several operators, by means of mergers or acquisitions, searching for greater scale and business diversification.

In this competitive and complex context, MAPFRE RE has registered an increase in underwritten premiums and revenue, a positive results and shareholders' equity in line with the previous year.

On August 24, 2015, the rating agency, Standard & Poor's, gave MAPFRE RE an A rating with outlook stable, thus maintaining its rating two points above that of the Kingdom of Spain. On October 21, the agency A. M. Best confirmed the A rating with outlook stable, endorsing the diversification of the business entered into and the trajectory of positive and stable results.

KEY ACTIVITIES

MAPFRE RE obtained total revenue of 4,661 million euros, an increase of 19.4 percent on the previous year, and a combined ratio in the non-life business of 93.9 percent, which shows great discipline in the underwriting and quality of the portfolio; results before tax and non-controlling interests reached 205.1 million euros, and shareholders' equity stood at 1,174 million euros, all positive figures and obtained in a complicated and competitive environment.

Commercial initiatives

Both central services and the offices carried out intense activity in all markets together with the clients and brokers.

The new branch in Labuan, which enables MAPFRE to work in the Malaysian market, was set up in 2015. Since November it has been authorized and the new branch in Singapore is operational. The application for opening a representation office in China was authorized on December 28, 2015, which is the step prior to requesting the opening of a branch in that country following the waiting period required by the regulator. The aim is to have closer contact with clients in the growing Asian market.

During the year, focused on the people lines, MAPFRE RE participated as a speaker at different sector-specific seminars and conferences held in Spain, Colombia, Chile and Mexico; and training courses were given to clients in Turkey, Chile, Argentina, Mexico and Venezuela.

In relation to the agriculture risks line, training days and experience exchanges were held with technicians from TARSIM (Turkey) and underwriting and claims management training took place in Colombia.

The Reinsurance Forum was held in Madrid, with the participation of 18 guests from 14 countries; and different executives from the company took part in sector conferences, including the Pacific Insurance Conference (PIC), held in Manila, ALASA (Colombia) and Congreso de Biomedicina de Seguros (Spain), some of which were sponsored by the company.



MAPFRE RE HAS REGISTERED AN INCREASE IN UNDERWRITTEN PREMIUMS AND REVENUE, A POSITIVE RESULTS AND SHAREHOLDERS' EQUITY IN LINE WITH THE PREVIOUS YEAR.

Technical management and customer service

The complexity of the new legal requirements and opening of new offices has propitiated the reinforcement of entity personnel with highly qualified personnel, at central services and office level, hand in hand with a strong investment in training for the professional development of our human capital. Specific training has been provided at the management centers in Madrid, Milan, Paris and Bogota on administrative support in the People lines. Moreover, entity personnel have participated in the training programs provided by the Group, particularly one in the Executive Development Program, three in the Avanza Program and eight in the Global Management Program.

In addition to the constant improvement of the IT processes applied to the business, internal work has been continued to apply the Solvency II legislation, which comes into force in 2016; and MAPFRE RE has adopted and approved a series of corporate policies and rules regarding compliance with Solvency II. Pertinent contact and participation is maintained with the European Insurance Chief Financial Officers Forum.

MAPFRE RE has continued its collaboration with Fundación MAPFRE and has participated as a speaker at the Insurance and New Technologies and Big Data in Health conferences.

Information and technology systems

Adaptations have been made to the systems to manage business from the new lines and the new portal has been set up on the Internet, within the Global Internet Framework project.

The model has been built for managing counterparty risk, which enables global tracking of MAPFRE's exposure and developing a homogenous and integrated reinsurance policy. Furthermore, the integration of the entire MAPFRE RE infrastructure has been completed in the DPC corporate Data Processing Center in Alcalá de Henares.

Substantial improvements have been incorporated in personal reinsurance management, in both the analysis of portfolio risks and claims. Improvements have also been made to the catastrophic accumulation model and regressed business management model, as well as to the automation of the weekly closure processes.

COMPANIES

MAPFRE RE DO BRASIL generated revenue of 57.9 million euros, pre-tax results of 10.7 million euros, leaving shareholders' equity at 34.6 million euros at the end of the year, all within a very competitive market.

INVERSIONES IBÉRICAS and MAPFRE CHILE REASEGUROS produced revenues of 49 million and pre-tax results of 1.1 million euros, closing out the year with shareholders' equity of 42.4 million euros.

OUTLOOK

A moderate recovery in growth is expected within the most developed economies, a slight uptick in interest rates and maintenance of the liquidity flows provided by the central banks to stimulate the economy.

Reinsurance companies must keep focused on obtaining positive technical results - very limited in recent years - which will lead to the search for greater portfolio diversification. Market consolidation processes will be kept active by means of acquisitions and mergers with the aim of reaching size, cost saving and capital.

The best placed companies will be those that pay attention to the needs of their clients, and which have diversified portfolios with the ability to generate sufficient and balanced results.



Baden Baden Reinsurance meeting



Annual Premiums Meeting

MAPFRE RE FINANCIAL INFORMATION

Revenue	2015	2014	Var. % 15/14
WRITTEN AND ACCEPTED PREMIUMS	3,731.9	3,343.3	11.6%
REVENUE FROM INVESTMENTS AND OTHER	929.1	559.7	66.0%
TOTAL REVENUE	4,661.0	3,903.0	19.4%

Millions of euros

Expenses	2015	2014	Var. % 15/14
CLAIMS RATIO	(1,601.1)	(1,410.9)	13.5%
OTHER TECHNICAL EXPENSES	(648.0)	(562.6)	15.2%
FINANCIAL EXPENSES AND OTHER	(2,206.8)	(1,729.3)	27.6%
TOTAL EXPENSES	(4,455.8)	(3,702.8)	20.3%

Millions of euros

Results	2015	2014	Var. % 15/14
BEFORE TAX AND NON-CONTROLLING INTERESTS	205.1	200.3	2.4%
AFTER TAX AND NON-CONTROLLING INTERESTS	152.6	141.5	7.8%

Millions of euros

Non-life insurance ratios (over earned premiums)	2015	2014
Claims ratio of accepted reinsurance	64.6%	64.5%
Cost ratio of accepted reinsurance	29.3%	28.6%
COMBINED RATIO, NET OF RETROCEDED REINSURANCE	93.9%	93.1%

Employees	2015	2014
Average number of employees	334	320



09



Proposed resolutions



Resolutions proposed for the Ordinary Annual General Meeting of MAPFRE S.A. to be held on March 11, 2016:

- 01 To approve the individual, consolidated, and Annual Accounts for the financial year 2015.
- 02 To approve the distribution of 2015 results proposed by the Board of Directors, and thus to distribute a total dividend of €0.13 gross per share to shares numbers 1 to 3,079,553,273, both inclusive. Part of this dividend, the sum of €0.06 gross per share, was paid out in advance following a resolution passed by the Board of Directors on November 3, 2015 and the rest, up to the agreed total of €0.07 gross per share, will be paid on a date to be determined by the Board of Directors, during the period from May 1 to June 30, 2016.
- 03 To approve the Board of Directors' management during 2015.
- 04 To reelect director Esteban Tejera Montalvo as executive director for a further four years.
- 05 To reelect director Ignacio Baeza Gómez as executive director for a further four years.

These reelection proposals were approved in a report from the Appointments and Remuneration Committee and shall be deemed approved, if applicable, notwithstanding compliance with bylaws and standards of good governance.

- 06 To ratify the appointment of board member María Leticia de Freitas Costa, appointed by the Board of Directors on July 23, 2015, via the co-option procedure, and reelect her for a period of four years, as independent director.
- 07 To ratify the appointment of board member José Antonio Colomer Guiu, appointed by the Board of Directors on February 9, 2016, via the co-option procedure, and reelect him for a period of four years, as independent director.

Said proposals have been brought before the Board of Directors, through the Appointments and Remuneration Committee and shall be deemed approved, if applicable, notwithstanding compliance with bylaws and standards of good governance.

- 08 To amend Article 22 of the Corporate Bylaws, effective as of June 17, 2016, which shall be worded as follows:

The Audit Committee shall comprise at least three but not more than five Directors, all of whom shall be non-executive, and at least the majority of whom must be Independent Directors, and one of whom shall be designated in view of his or her knowledge and experience in accounting matters, auditing or both. Overall, the members of the Committee should have the pertinent technical knowledge in relation to the Company's sector of activity. Its Chairman shall be an Independent Director and they must be substituted in this position every four years, only to be reelected to the post one year after leaving that position. The Secretary shall be a member of the Board of Directors, and may designate a Vice Secretary, a position which need not comply with the condition of being Board Member.

This Committee shall have the following responsibilities:

- a) *To apprise the Annual General Meeting of matters that are the responsibility of the Committee and, in particular, regarding the results of the audit, explaining how the committee has contributed to the integrity of the financial information and role that the Committee had in said process.*
- b) *To supervise the efficiency of the internal control of the company, internal audit and risk management systems, as well as debate the significant weaknesses in the internal control system detected when carrying out audits with the external auditor without compromising the independence thereof. For such purpose, and as the case may be, they may present recommendations or proposals to the Board of Directors and the corresponding term for the tracking thereof.*
- c) *To supervise the process of drawing up and presenting the mandatory financial information, and present recommendations or proposals to the Board of Directors with a view to safeguarding its integrity.*

d) To bring before the Board of Directors, the proposals for the selection, appointment, reelection and substitution of the External Auditor, being accountable for the selection process as contemplated in the pertinent legislation in force, as well as the conditions of their hiring, and regularly gather from them information regarding the auditing plan and its execution, in addition to preserving their independence in the carrying out of their duties.

e) To establish appropriate relationships with the External Auditor in order to receive information concerning those issues which may jeopardize their independence, so that they may be examined by the Committee, and any other issues related to the accounts auditing process, and, whenever pertinent, authorizations of services other than the ones prohibited in the terms contemplated in the pertinent legislation in force for auditing accounts, regarding regulations concerning independence, and all other communications as stipulated under account auditing legislation and auditing standards. In any case, they must receive annual written confirmation from the External Auditor of their independence from the company or companies directly or indirectly linked to it, as well as the detailed and individualized information concerning the additional services of any type rendered and those professional fees received corresponding to these companies by said External Auditor, or by the people or companies linked to them in accordance with the provisions of the accounts auditing legislation in force.

f) To issue a yearly report, prior to the publication of the accounts audit report, expressing an opinion concerning whether the independence of the External Auditor has been compromised. This report, in any case, must contain the reasoned evaluation of the provision of each and every one of the additional services to which the above letter makes reference, individually considered and jointly, apart from those concerning legal audits and in relation to the independent status or with the regulatory statutes for account auditing activity.

g) To report in advance to the Board of Directors regarding all issues covered by Law, in these Articles and in the Rules of the Board of Directors, and in particular about the financial information that the Company must make public periodically, about the creation or acquisition of shares in special purpose companies or with their registered address in countries or regions that are considered to be tax havens, and regarding transactions with linked parties.

09

To authorize the Board of Directors so that, pursuant to the provisions of section 146 and similar of the Revised Text of the Spanish Corporations Act, the Company may proceed, directly or through affiliates, to acquire treasury stock, subject to the following limits and requirements:

- Categories: acquisition by sale, or by any other transaction inter vivos for good and valuable consideration, of shares free of any liens or encumbrances.
- Maximum number of shares to be acquired: shares whose face value, added to the face value of the shares already owned by the Company and its subsidiaries, does not exceed 10 percent of the share capital.
- Minimum and maximum acquisition price: 90 percent and 110 percent, respectively, of their listed quotation on the acquisition date.
- Duration of the authorization: five years as from the date of the resolution herein.

Express authorization is granted so that treasury stock acquired by the Company or its subsidiaries may be, in use of said authorization, fully or partially destined for: (i) disposal or amortization, (ii) delivery to workers, employees or administrators of the Company or its group whenever there is a recognized right to do so directly or as a result of exercising call option rights held thereby as provided for in the last paragraph of article 146, section 1, letter a) of the Revised Text of the Spanish Corporations Act, and (iii) reinvestment plans involving dividends or similar instruments.

This authorization involves the withdrawal of the authorization granted on March 9, 2013.

10 To approve pursuant to article 529r of the Revised Text of the Spanish Corporations Act, the Directors' Compensation Policy, whose text has been made available to shareholders for the purpose of the call to the Annual General Meeting, and includes the maximum number of shares to deliver as a result of its execution and the maximum amount of annual remuneration for Directors in their condition as such.

11 To countersign the Annual Report regarding Remuneration of the Directors that is submitted, in an advisory capacity, to the Annual General Meeting, with the favorable report of the Appointments and Remuneration Committee.

12 To authorize the Board of Directors to delegate the vested powers conferred by the Annual General Meeting, as provided for under article 249 bis of the Revised Text of the Spanish Corporations Act, regarding the previous agreements to the Steering Committee, with express powers of substitution for each and every member of the Board of Directors.

13 To delegate the broadest powers to the Chairman and to the Secretary to the Board of Directors so that either of them may appear before a Notary and proceed to execute and submit to the public the present agreements by executing the necessary public and private documents required to register them in the Company Registry; with the express authority to make as many amendments, clarifications, rectifications and corrections as are required or necessary in order to adapt the agreements to the description of the Company Registrar and thereby obtain their full or partial registration as set out in section 63 of the Company Registry Regulations.

14 To authorize the Board of Directors to clarify and interpret the preceding resolutions.



10

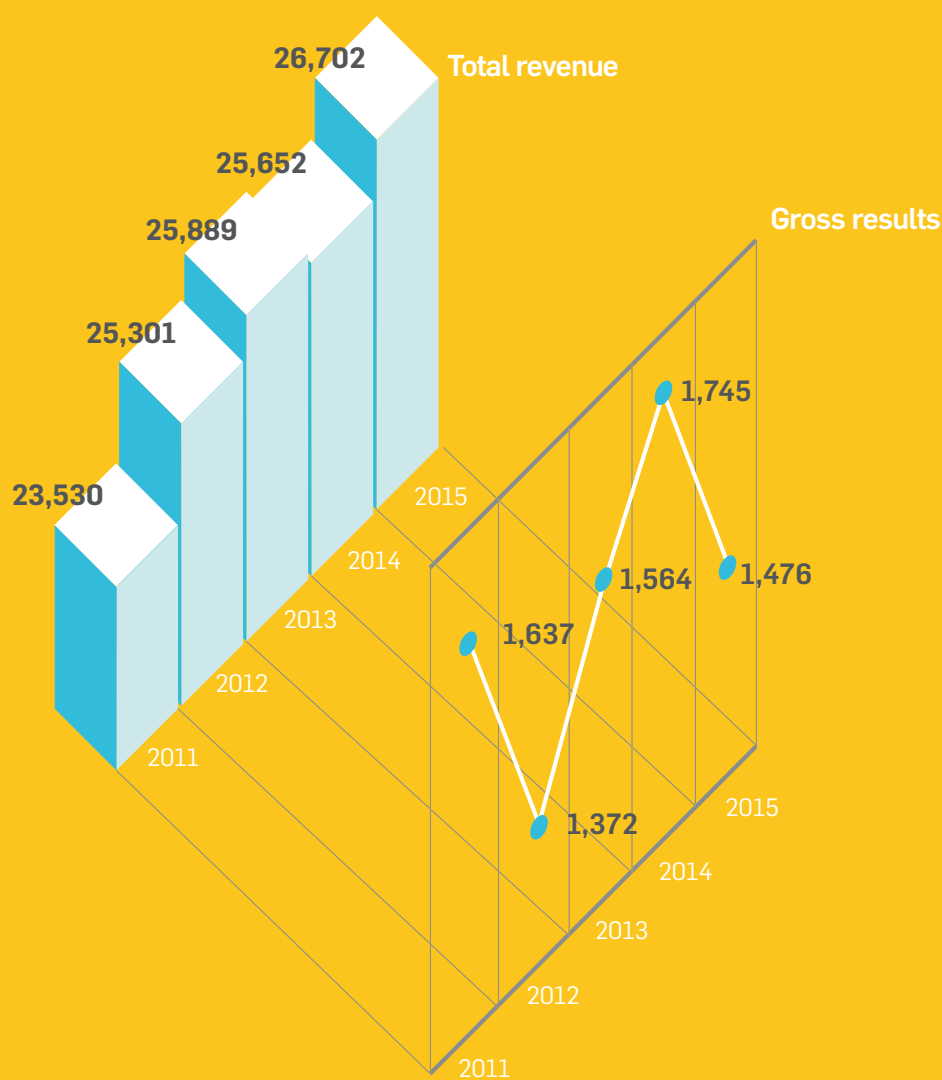


Basic
information
on the
MAPFRE
Group

KEY FIGURES

Revenues and profits

Figures in millions of euros



Income statement

	2011	2012	2013	2014	2015
TOTAL REVENUE	23,530	25,301	25,889	25,652	26,702
WRITTEN AND ACCEPTED PREMIUMS	19,600	21,580	21,836	21,816	22,312
Non-Life	14,473	15,479	16,278	16,370	17,441
Life	5,128	6,101	5,558	5,445	4,870
Non-life business earnings	1,164	1,237	1,150	1,243	911
Life business earnings	541	415	499	660	699
Earnings from other activities	(68)	(280)	(85)	(158)	(134)
EARNINGS BEFORE TAX	1,637	1,372	1,564	1,745	1,476
EARNINGS	963	666	791	845	709
Third-party Life funds under management	29,312	31,035	33,614	40,818	37,917

Figures in millions of euros

Management ratios

	2011	2012	2013	2014	2015
Non-Life					
Claims ratio, net of reinsurance	69.2%	67.4%	67.0%	68.0%	70.0%
Cost ratio, net of reinsurance	27.7%	28.0%	29.1%	27.8%	28.6%
Combined ratio, net of reinsurance	96.9%	95.4%	96.1%	95.8%	98.6%
Life					
Net operating expenses / provisions (MAPFRE VIDA)	1.03%	1.09%	1.09%	0.98%	1.02%
RETURN ON EQUITY (ROE)	14.2%	9.0%	10.1%	10.0%	8.0%

Total revenues

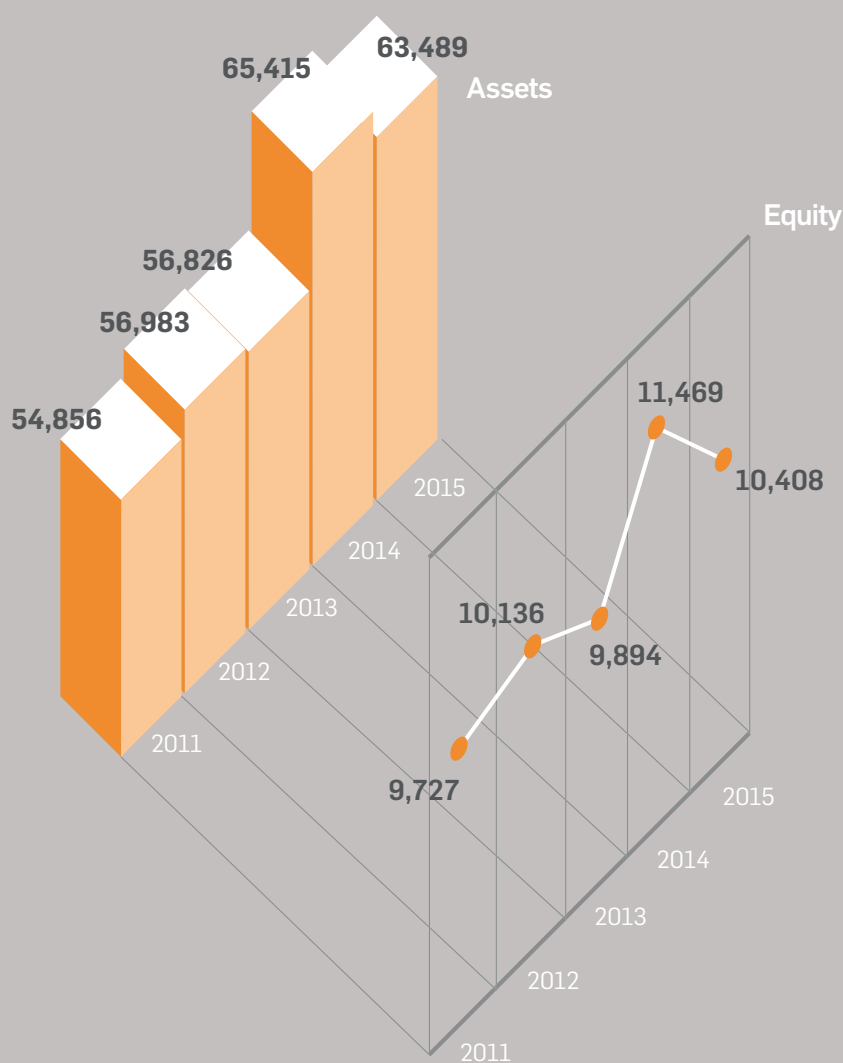
26,702
million euros

Written and accepted premiums

22,312
million euros

Assets and equity

Figures in millions of euros



Balance sheet

	2011	2012	2013	2014	2015
PROPERTY, FINANCIAL INVESTMENTS AND CASH	37,951	39,764	40,375	48,673	46,265
Property (including for own use)	2,503	2,414	2,331	2,392	2,268
Equities and mutual funds	2,085	1,874	2,165	2,434	2,757
Fixed income	29,264	31,239	31,200	39,010	36,821
Other investments (includes unit-linked)	2,845	3,219	3,516	3,648	3,429
Treasury	1,254	1,018	1,163	1,189	989
TECHNICAL PROVISIONS	36,451	37,976	38,743	46,445	45,061
Provision for unearned premiums	7,065	7,265	7,021	7,604	8,385
Provision for Life insurance	18,623	19,906	21,018	27,385	25,026
Provision for outstanding claims	8,286	8,119	7,800	8,579	9,037
Other provisions (includes unit-linked)	2,477	2,686	2,903	2,876	2,612
EQUITY	9,727	10,136	9,894	11,469	10,408
Capital and reserves	7,043	7,810	7,833	9,153	8,574
Non-controlling interests	2,684	2,326	2,060	2,317	1,835
TOTAL ASSETS	54,856	56,983	56,826	65,415	63,489

Figures in millions of euros

The information on the balance sheet and income statement from 2014 has been restated, classifying the business of CATALUNYACAIXA as discontinued

Total assets

63,489
million euros

Group equity	2014	2015
BALANCE AS AT JANUARY 1	9,894	11,469
Income and expenses recognized directly in equity		
Available-for-sale portfolio	2,844	(610)
Foreign exchange conversion differences	158	(869)
From application of shadow accounting to provisions	(2,136)	320
Other income and expenses recognized in equity	4	(5)
TOTAL	871	(1,163)
Annual earnings	1,323	1,199
Distribution of earnings from the previous year	(528)	(557)
Interim dividend for current year	(263)	(223)
Other changes in equity	172	(316)
BALANCE AS AT DECEMBER 31	11,469	10,408

Figures in millions of euros

Business footprint and geographical distribution	2014	2015
NUMBER OF COUNTRIES WITH PRESENCE	49	51
AVERAGE NUMBER OF EMPLOYEES	34,952	36,778
IBERIA	9,239	9,491
LATAM	17,854	17,786
INTERNATIONAL	7,539	9,167
MAPFRE RE	320	334
NUMBER OF BRANCHES	15,008	14,780
IBERIA	7,010	6,403
LATAM	7,710	7,933
INTERNATIONAL	288	444
REGIONAL DISTRIBUTION OF THE BUSINESS BY PREMIUMS		
IBERIA	31%	28%
LATAM	40%	36%
INTERNATIONAL	15%	20%
MAPFRE RE	14%	16%

Market shares	2014	2015
Spain (premiums)		
Automobile	20.5%	20.4%
Health	5.9%	6.2%
Other Non-Life	15.9%	15.7%
Life	8.4%	6.8%
Total	12.1%	11.3%
Spain Life (technical provisions)	11.2%	10.7%
Latin America (Non-Life premiums)	9.7%	n.d.

The market shares from 2014 have been recalculated, classifying the business of CATALUNYACAIXA as discontinued.

Ratings	AGENCY	2014	2015
MAPFRE S.A. - Debt issuer rating	STANDARD & POOR'S	BBB+	BBB+
Financial strength ratings			
MAPFRE RE	STANDARD & POOR'S	A	A
MAPFRE RE	AM BEST	A	A
MAPFRE GLOBAL RISKS	STANDARD & POOR'S	A	A
MAPFRE GLOBAL RISKS	AM BEST	A	A
MAPFRE GLOBAL RISKS	MOODY'S	Baa1	A3
MAPFRE ASISTENCIA	MOODY'S	Baa1	A3



STOCK INFORMATION

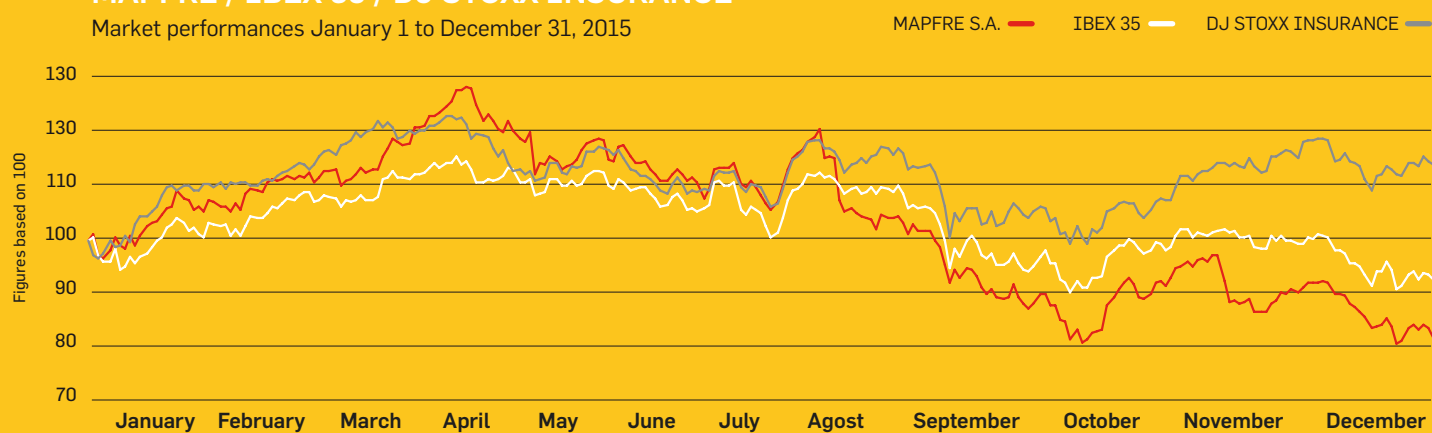
Shareholder structure	2014		2015	
	%	number	%	number
MAPFRE PORTFOLIO	67.7	1	67.7	3
Other MAPFRE companies	0.08	2	0.1	2
Investors with stakes over 0.1 percent				
Spanish	1.1	7	0.3	2
Other countries	17.8	22	19.2	24
Investors with stakes of less than 0.1 percent				
Spanish	11.7	244,623	11.0	228,867
Other countries	1.6	3,320	1.7	3,199
TOTAL	100	247,975	100	232,097

Stock market performance	2011	2012	2013	2014	2015
Market cap as at December 31 (millions of euros)	7,560.3	7,129.2	9,586.6	8,662.8	7,119.9
Number of shares outstanding	3,079,553,273	3,079,553,273	3,079,553,273	3,079,553,273	3,079,553,273
PER	7.9	10.7	12.1	10.3	10.0
Adjusted earnings per share (euros)	0.32	0.22	0.26	0.27	0.23
Price / Book value	1.07	0.91	1.22	0.95	0.83
Dividend per share (euros)	0.15	0.12	0.12	0.14	0.14
Dividend yield (percent)	5.9	6.1	4.4	4.7	4.9
Average number of shares traded	9,581,223	9,459,267	9,727,802	11,711,993	9,937,097
Average daily effective value (millions of euros)	24.48	18.51	26.26	34.56	28.46

Earnings and dividends per share are calculated using an adjustment factor and the average weighted number of shares, pursuant to the provisions of IFRS 33.

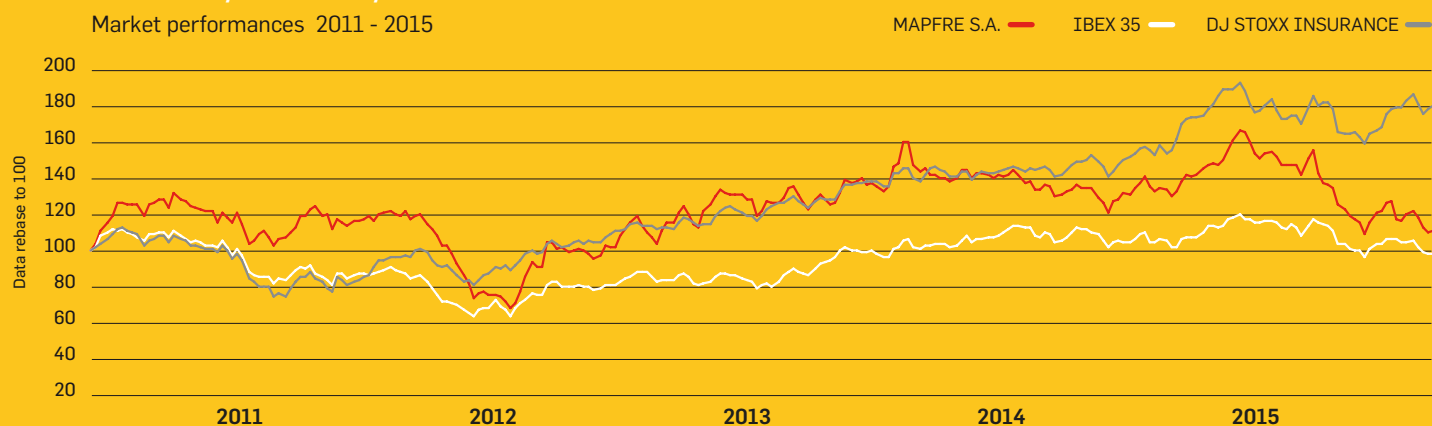
MAPFRE / IBEX 35 / DJ STOXX INSURANCE

Market performances January 1 to December 31, 2015



MAPFRE / IBEX 35 / DJ STOXX INSURANCE

Market performances 2011 - 2015



TERRITORIAL AND REGIONAL AREAS AND REINSURANCE: PREMIUMS, REVENUE AND EARNINGS

Premiums	MILLIONS OF EUROS		% VARIATION
	2014	2015	15/14
IBERIA	6,865	6,697	(2.5%)
BRAZIL	5,553	4,814	(13.3%)
LATAM NORTH	1,211	1,850	52.7%
LATAM SOUTH	2,863	2,030	(29.1%)
NORTH AMERICA	2,105	2,777	31.9%
EMEA	1,288	1,982	53.9%
APAC	101	115	13.2%
MAPFRE RE	3,343	3,732	11.6%

Total revenue	MILLIONS OF EUROS		% VARIATION
	2014	2015	15/14
IBERIA	8,709	8,683	(0.3%)
BRAZIL	6,094	5,482	(10.1%)
LATAM NORTH	1,295	1,942	50.0%
LATAM SOUTH	3,203	2,305	(28.1%)
NORTH AMERICA	2,335	2,968	27.1%
EMEA	1,514	2,200	45.3%
APAC	122	136	11.2%
MAPFRE RE	3,903	4,661	19.4%

Earnings B.T.M.	MILLIONS OF EUROS		% VARIATION
	2014	2015	15/14
IBERIA	448	495	10.4%
BRAZIL	143	153	7.3%
LATAM NORTH	58	42	(26.5%)
LATAM SOUTH	92	49	(46.5%)
NORTH AMERICA	67	(33)	(148.7%)
EMEA	48	(2)	(105.0%)
APAC	5	(3)	(163.0%)
MAPFRE RE	142	153	7.8%

The information on the balance sheet from 2014 has been restated, classifying the business of CATALUNYACAIXA as discontinued

TERRITORIAL AND REGIONAL AREAS AND REINSURANCE: OTHER INFORMATION

Management Ratios	COMBINED RATIO NET OF REINSURANCE	
	2014	2015
IBERIA	94.9%	97.2%
BRAZIL	93.1%	94.6%
LATAM NORTH	95.0%	96.8%
LATAM SOUTH	98.9%	98.1%
NORTH AMERICA	102.1%	108.1%
EMEA	96.2%	102.6%
APAC	93.5%	103.8%
MAPFRE RE	93.1%	93.9%

The information from 2014 has been restated, classifying the business of CATALUNYACAIXA as discontinued, 'and including adjustments in the regional allocation of costs and revenues of MAPFRE ASISTENCIA

Average number of employees	2014	2015
IBERIA	9,239	9,491
BRAZIL	7,692	7,444
LATAM NORTH	3,346	3,472
LATAM SOUTH	6,816	6,870
NORTH AMERICA	3,933	3,881
EMEA	2,677	4,291
APAC	929	995
MAPFRE RE	320	334

MAPFRE GROUP: HISTORICAL DEVELOPMENT

Years	Revenue	Assets Managed	Gross Profit	Number of Employees
1983	142	268	7	1,204
1986	434	706	20	2,323
1989	1,214	1,989	49	3,869
1992	2,419	3,769	37	5,528
1995	3,249	6,879	203	11,292
1998	4,546	9,669	178	15,219
2001	8,933	19,276	316	16,756
2004	10,756	31,482	847	19,920
2005	12,189	36,552	872	24,967
2006	13,234	38,988	1,156	28,091
2007	14,866	44,820	1,366	30,615
2008	17,711	47,759	1,383	34,603
2009	18,830	49,573	1,446	35,225
2010	20,471	56,471	1,431	36,744
2011	23,530	62,585	1,637	34,390
2012	25,301	64,632	1,372	35,586
2013	25,889	66,048	1,564	36,280
2014	25,652	75,618	1,746	37,053
2015	26,702	73,302	1,476	38,405

Figures in millions of euros, except employees



ANNUAL REPORT
2015