



EDIFÍCIO MAPFRE

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12M 2019 Results
Analyst & Investor
presentation
February 12th, 2020



Key Figures > 12M 2019

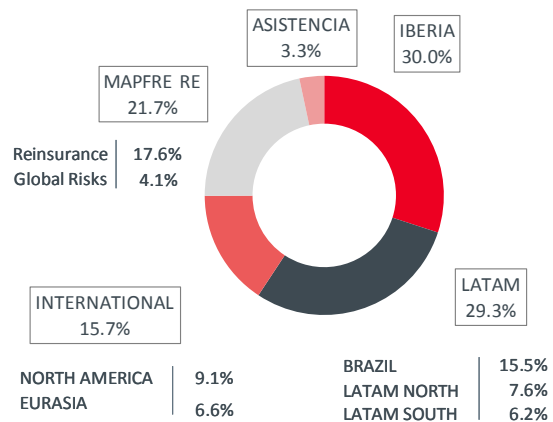
	12M 2019	Δ	Δ at constant exchange rates
Revenue	28,472	7.1%	6.8%
Total written and accepted premiums	23,044	2.2%	2.0%
- Non-Life	17,559	2.9%	2.4%
- Life	5,485	0.2%	0.4%
Non-Life Combined Ratio - MAPFRE S.A.	97.6%	0.0 p.p	
Non-Life Loss Ratio	69.0%	-0.8 p.p	
Non-Life Expense Ratio	28.6%	0.8 p.p	
Non-Life Combined Ratio - Insurance units	96.5%	-1.3 p.p	
Attributable result	609.2	15.2%	674.8 -3.9%
ROE	7.2%	0.8 p.p	8.0% -0.5 p.p
Balance sheet			
Assets under management	63,638	8.8%	
Shareholders' equity	8,854	10.8%	
	9M 2019	Δ	
Solvency ratio⁽¹⁾	194.6%	5.1 p.p	

(1) Variation calculated against data at December 31st, 2018

(2) Excluding 2018 and 2019 goodwill writedowns

Key figures > by business unit

Premiums – Breakdown by business unit



	Attributable result			Premiums		Combined ratio		ROE	
	12M 2019	Δ mn	Δ %	12M 2019	Δ %	12M 2019	Δ p.p.	12M 2019	Δ p.p.
IBERIA	497.8	17.2	3.6%	7,718	0.8%	94.4%	0.6 p.p	12.6%	0.2 p.p
LATAM	214.9	58.0	36.9%	7,547	9.6%	94.4%	-3.8 p.p	--	--
BRAZIL	97.0	42.8	79.1%	3,978	0.1%	92.2%	-6.3 p.p	9.6%	4.3 p.p
LATAM NORTH	63.1	19.5	44.6%	1,973	50.7%	94.7%	-3.4 p.p	15.2%	3.7 p.p
LATAM SOUTH	54.8	(4.3)	-7.3%	1,597	-0.6%	100.0%	2.7 p.p	9.8%	-0.6 p.p
INTERNATIONAL	93.7	46.3	97.6%	4,027	-3.9%	102.3%	-1.2 p.p	--	--
NORTH AMERICA	78.6	43.7	124.8%	2,332	-3.9%	100.4%	-1.7 p.p	6.0%	3.2 p.p
EURASIA	15.1	2.6	21.0%	1,696	-4.0%	106.1%	-0.6 p.p	2.2%	0.3 p.p
TOTAL INSURANCE	806.4	121.4	17.7%	19,292	3.0%	96.5%	-1.3 p.p	--	--
Reinsurance	76.7	(72.4)	-48.5%	4,520	19.4%	99.2%	3.2 p.p	--	--
Global Risks	(19.2)	(38.8)	-198.5%	1,060	-9.7%	123.5%	31.5 p.p	--	--
ASISTENCIA	(88.0)	(77.9)	--	861	-5.5%	103.3%	-0.1 p.p	-44.4%	-40.1 p.p
OTHER ⁽¹⁾	(166.7)	148.0	47.0%	-2,690	-29.9%	--	--	--	--
TOTAL	609.2	80.4	15.2%	23,044	2.2%	97.6%	0.0 p.p	7.2%	0.8 p.p
Ex goodwill writedowns	674.8	(27.4)	-3.9%	--	--	--	--	8.0%	-0.5 p.p

(1) "Other" includes Corporate Areas and consolidation adjustments

Breakdown of attributable result > 12M 2019

	12M 2019	Δ (€mn)	Δ (%)	ex- goodwill writedowns ⁽¹⁾		
				12M 2019	Δ (€mn)	Δ (%)
Result of Non Life business	920	181	24.5%	920	8	0.8%
Result of Life business	614	-67	-9.9%			
Result of Other Activities	-233	-162	229.2%	-167	-97	136.5%
Hyperinflation adjustments	-22	-3	-15.6%			
Result before tax and non-controlling interests	1,279	-51	-3.9%	1,344.8	(159.2)	-10.6%
Taxes	-324	129	-28.5%			
Non-controlling interests	346	-3	-0.8%			
Attributable result	609	80	15.2%	674.8	(27.4)	-3.9%

Result of Non Life business

- › Strong improvements in BRAZIL, NORTH AMERICA and LATAM NORTH
- › Higher large and NatCat claims affecting reinsurance and global risks
- › Higher realized gains

Result of Life business

- › BRAZIL: lower result due to reversal of unexpired risk provision in 2018
- › IBERIA: positive evolution due to higher realized gains, inclusion of Caja Granada Vida and Caja Murcia Vida business during 2019, as well as a higher impact of Life actuarial table updating during 2018

Result of Other Activities

- › Restructuring charges and lower operating results at MAPFRE ASISTENCIA
- › Increased investment in strategic initiatives across the Group, mainly digitalization and innovation
- › Lower financial result due to an increase in debt, as well as lower financial income in LATAM, mainly in Brazil

Taxes

- › IBERIA: positive extraordinary tax impact
- › BRAZIL: reduction in corporate tax rate

(1) Excluding 2018 and 2019 goodwill writedowns

Adjusted attributable result

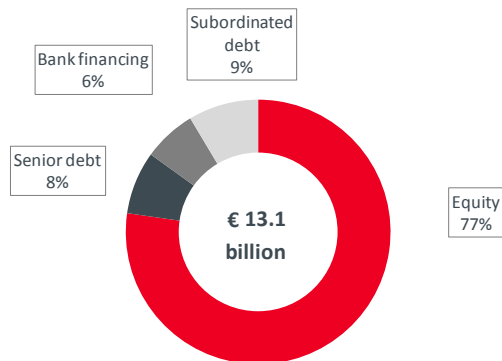
	12M 2018	12M 2019	Δ (mn)	Δ (%)
Attributable result	528.9	609.2	80.4	15.2%
Weather related, NatCat and other extraordinary large claims	(108.3)	(147.5)	(39.2)	
<i>Direct insurance operations ⁽¹⁾</i>	<i>(11.7)</i>	<i>(21.0)</i>	<i>(9.3)</i>	
<i>MAPFRE RE ⁽²⁾</i>	<i>(96.6)</i>	<i>(126.6)</i>	<i>(30.0)</i>	
Reorganization of operations & other corporate transactions ⁽³⁾	(16.6)	16.0	32.6	
Goodwill writedowns ⁽⁴⁾	(173.5)	(65.6)	107.9	
Financial Gains & Losses *	134.9	135.4	0.5	
<i>Real estate ⁽⁵⁾</i>	<i>50.7</i>	<i>15.4</i>	<i>(35.3)</i>	
<i>Financial investments</i>	<i>84.2</i>	<i>120.1</i>	<i>35.9</i>	
Attributable result (adjusted)	692.4	670.9	(21.5)	-3.1%

	2018	2019
(1)	<ul style="list-style-type: none"> › US winter storms - MAPFRE USA (-€11.7 mn) 	<ul style="list-style-type: none"> › Severe rain and storms in Spain (-€17.3 mn) › Chilean riots impact at insurance unit (-€3.7 mn)
(2)	<ul style="list-style-type: none"> › Japanese typhoons (-€87.3 mn) › US winter storms - MAPFRE RE (-€9.3 mn) 	<ul style="list-style-type: none"> › Japanese typhoons (-€106.5 mn) › Chilean riots impact at reinsurance unit (-€20.1mn)
(3)	<ul style="list-style-type: none"> › US exit plan (-€7.2 mn) › Restructuring costs at Global Risks (-€9.4 mn) 	<ul style="list-style-type: none"> › Organizational structure re-alignment (-€8.1 mn) and sale of related financial assets (€20.9 mn) at MAPFRE USA › Geographic reorganization at MAPFRE ASISTENCIA (-€10 mn) › Extraordinary tax impact in Spain (€13.2 mn)
(4)	<ul style="list-style-type: none"> › US (-€129.7 mn), Italy (-€21.6 mn) and Indonesia (-€22.2 mn) 	<ul style="list-style-type: none"> › MAPFRE ASISTENCIA (-€65.6 mn)
(5)	<ul style="list-style-type: none"> › Chile (€25 mn), Portugal (€7.2 mn), Spain (€18.5 mn) 	<ul style="list-style-type: none"> › Brazil (€2.7 mn), Belgium (€5.9 mn), Spain (€6.8 mn)

(*) Financial gains & losses include actively managed portfolios and real estate (across MAPFRE Group), net of writedowns

Capital structure & credit metrics

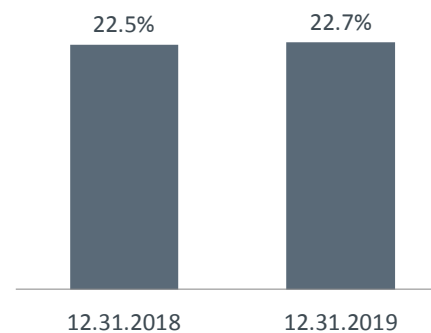
Capital structure



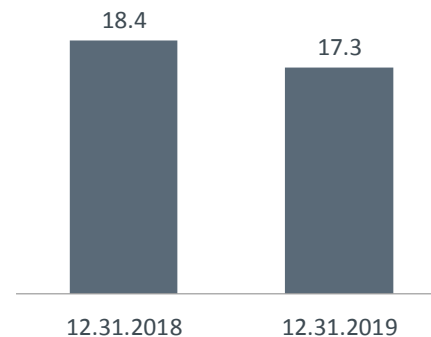
Total debt (mn€) - breakdown

	12M 2019	Δ
Total debt	2,974	303
Senior debt	1,005	1
Bank financing	848	302
Subordinated debt	1,121	1

Leverage (%) ⁽¹⁾



Interest coverage (x) ⁽²⁾



(1) Total Debt / (Total Equity + Total Debt)

(2) Earnings before tax & financial expenses (EBIT) / financial expenses

Shareholders' equity

Change in shareholders' equity (€ mn)

Balance at 12/31 previous year	7,994
Result for the period	609
Dividends	-447
Net unrealized capital gains of AFS portfolio*	715
Currency conversion differences	36
Others	-53
Balance at period end	8,854

*Net of shadow accounting adjustments

Net unrealized capital gains - AFS portfolio (€bn)

	12.31.2018	12.31.2019
Net unrealized gains	0.3	1.0
Unrealized gains	2.1	3.6
Shadow accounting adjustments	-1.8	-2.6

Currency conversion differences (€ mn)

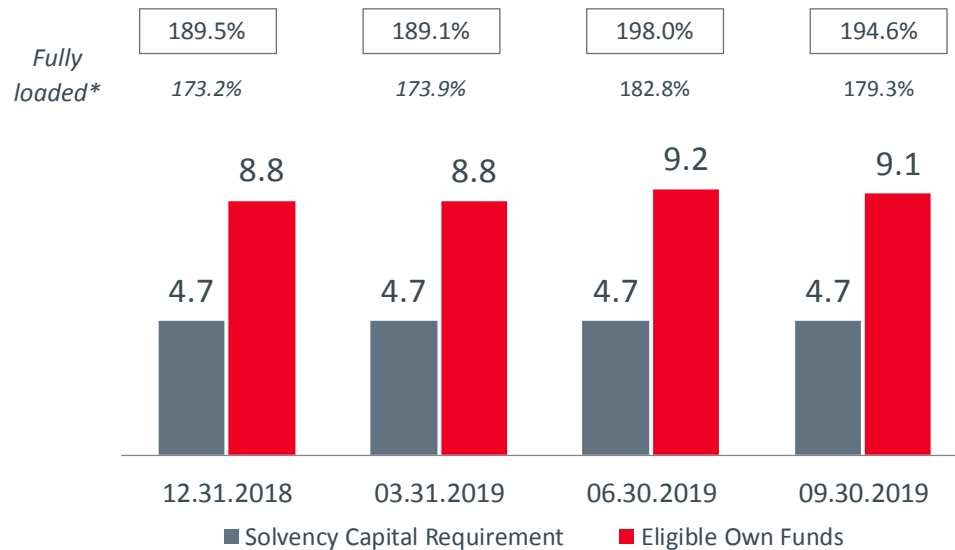
	12.31.2019	Δ	% Δ currency
Total	-702	36	-
<i>of which:</i>			
US dollar	490	47	2.2%
Brazilian real	-648	-18	-1.5%
Turkish lira	-309	-14	-9.0%
Mexican peso	-104	17	6.1%

AFS portfolio – IBERIA – breakdown by portfolio type (€bn)

	Immunized	Actively managed		Total
		Free	Conditioned	
Net unrealized gains	0.0	0.7	0.2	0.9
Unrealized gains	1.8	0.7	1.0	3.5
Shadow accounting adjustments	-1.8	0.0	-0.8	-2.6
Market Value	13.8	7.0	6.8	27.5

Solvency II

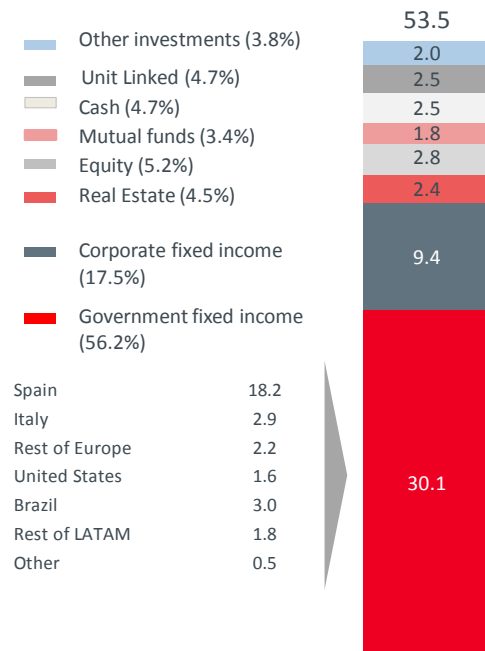
Solvency II ratio



*Excluding impacts of transitional measures for technical provisions and equity

Investment portfolio & Assets under management

Investment portfolio – Breakdown by asset class



Assets under management

	12.31.2018	12.31.2019	% Δ
Assets under management	58.5	63.6	8.8%
<i>of which:</i>			
Investment portfolio	49.3	53.5	8.6%
Pension funds	4.9	5.5	12.4%
Mutual funds & other	4.3	4.6	6.9%

Financial gains & losses (€ mn)¹

	Non-Life		Life		Total	
	12.31.2018	12.31.2019	12.31.2018	12.31.2019	12.31.2018	12.31.2019
IBERIA	90.0	81.5	18.4	36.2	108.5	117.7
MAPFRE RE*	29.9	51.1	5.8	9.1	35.7	60.2
TOTAL	119.9	132.5	24.2	45.3	144.2	177.9

1) Includes only actively managed financial investment portfolios and real estate in the Euro area, net of writedowns, before taxes and non-controlling interests

*2018 figures include financial gains and losses for GLOBAL RISKS

Fixed income portfolios

Fixed income portfolios – Euro area - actively managed (IBERIA & MAPFRE RE)

	Non-Life: Total		Non-Life: Burial		Non-Life: Other		Life	
	12.31.2018	12.31.2019	12.31.2018	12.31.2019	12.31.2018	12.31.2019	12.31.2018	12.31.2019
Market value (€bn)	7.16	7.27	1.20	1.57	5.96	5.71	6.24	6.82
Accounting Yield (%)	2.11	1.95	4.24	4.07	1.68	1.37	3.91	3.53
Market Yield (%)	1.42	0.78	2.43	1.22	1.22	0.66	1.05	0.33
Modified duration (%)	6.75	8.25	17.93	19.23	4.49	5.24	6.60	6.89

Fixed income portfolios – Other main regions & units

	BRAZIL - MAPFRE		LATAM NORTH		LATAM SOUTH		NORTH AMERICA	
	12.31.2018	12.31.2019	12.31.2018	12.31.2019	12.31.2018	12.31.2019	12.31.2018	12.31.2019
Market value (€bn)	1.87	1.99	0.85	0.95	1.73	1.89	1.87	2.03
Accounting Yield (%)	6.47	5.25	6.51	6.44	6.98	7.09	2.96	2.88
Modified duration (%)	1.53	1.24	2.84	2.96	6.48	7.06	5.26	5.06

MAPFRE's commitment to sustainability

United Nations (UN) Global Compact

- UN Environment Programme Finance Initiative (UNEPFI)
- Principles for Sustainable Insurance (PSI)
- Paris Pledge for Action
- UN Principles for Responsible Investment (PRI)
- UN 2030 agenda - Sustainable Development Goals & Human Rights



Employment & diversity

- Permanent contracts: 97% of >30,000 employees worldwide
- Vacancies in positions of responsibility covered by women: 48.3% in 2019 (45% by 2021)
- Share of workforce with disabilities: 2.9% in 2019 (3% by 2021)
- Work-life balance and career development

Sustainable investing & financing

- ≈90% of investment portfolio with high & very high ESG ratings
- No investment in companies with 30% or more of their revenues from coal-fired energy sources
- Recent launch of MAPFRE *Inclusión Responsable* (listed as best practice in the United Nations Global Compact)
- Syndicated credit line (€1 bn) converted into sustainable loan

Key figures – by line of business

	Premiums		Attributable result		Combined ratio	
	12M 2019	Δ	12M 2019	Δ	12M 2019	Δ
Total	7,717.8	0.8%	497.8	3.6%	--	--
<i>of which:</i>						
Motor	2,313.6	1.3%	154.9	-25.5%	93.7%	2.9 p.p
General P&C	2,036.7	8.5%	91.5	21.6%	96.3%	-1.6 p.p
Health & Accident	692.2	4.2%	39.8	-0.6%	94.4%	0.3 p.p
Other Non-Life ⁽¹⁾	264.0	-0.3%	22.1	45.0%	94.4%	-5.9 p.p
Life-Protection	470.0	10.0%	69.3	0.6%	70.9%	-0.7 p.p
Life-Savings	1,955.1	-9.3%	70.0	67.4%	--	--

Key figures – by entities

	Premiums		Attributable result		ROE	
	12M 2019	Δ	12M 2019	Δ	12M 2019	Δ
MAPFRE ESPAÑA	5,245.1	4.2%	262.5	-13.1%	11.2%	-2.4 p.p
MAPFRE VIDA	2,472.9	-5.8%	236.0	32.3%	14.6%	3.9 p.p
Total	7,717.8	0.8%	497.8	3.6%	12.6%	0.2 p.p
<i>of which:</i>						
Spain	7,582.3	0.8%	488.7	4.7%	12.7%	0.4 p.p
Portugal	135.4	1.1%	9.1	-34.4%	8.3%	-7.0 p.p

Key highlights

- › Excellent premium growth:
 - › Motor: good growth, both in retail and fleets
 - › General P&C: driven by Homeowners (+4.8%) and Condominiums (+8.5%)
 - › Life: solid growth in Life-Protection (+10%), offset by lower sales of Savings products due to interest rate environment

Key highlights (continued)

- › Motor combined ratio:
 - › Excellent level in a competitive market with pricing pressure
 - › Rising frequency of material damage claims, as well as severity, due to higher vehicle repair costs
- › General P&C combined ratio: solid improvement thanks to Homeowners and Commercial lines, despite severe rain and storms in 2H (€23 mn pre-tax impact)
- › Increase in Life-Savings result due to:
 - › Higher realized gains, mainly driven by asset sales from surrenders
 - › Inclusion of new Bankia subsidiaries during 2019
 - › Higher impact of Life actuarial table updating during 2018 (€11.6 mn in 2019 vs. €34.5 in 2018)
- › Portugal: improved combined ratio, fall in attributable result due to lower realized gains (€7.2 mn net impact in 2018 from sale of real estate)
- › Pre-tax realized gains: €117.7 mn in 2019 vs. €108.5 mn in 2018
- › Positive extraordinary tax impact

BRAZIL

Key figures

	Premiums		Attributable result		Combined Ratio	
	12M 2019	Δ	12M 2019	Δ	12M 2019	Δ
Total	3,977.5	0.1%	97.0	79.1%	--	--
<i>of which:</i>						
Motor	842.7	-16.9%	-18.8	66.4%	107.5%	-7.2 p.p
General P&C	1,629.6	1.9%	66.6	46.4%	77.9%	-2.9 p.p
Life-Protection	1,400.4	11.8%	48.8	-15.2%	84.0%	7.8 p.p

Key highlights

- › Fall in Brazilian real average exchange rates (-1.9%)
- › Strong growth in the Life-Protection business, driven by the bancassurance channel
- › Positive premium developments in the Agricultural segment, helping to offset the fall in Motor, as a result of greater underwriting discipline and cancellation of loss making contracts
- › General P&C (€66.6 mn in 2019 vs. €45.5 mn in 2018): improving trends in Multi-peril and Agricultural segments

Key highlights (continued)

- › Motor (-€18.8 mn in 2019 vs. -€56.0 mn in 2018):
 - › Absence of extraordinary negative adjustments (-€22 mn net impact in 2018)
 - › Reduction in combined ratio, thanks to technical measures, portfolio clean-up and cost containment
- › Life-Protection (€48.8 mn in 2019 vs. €57.6 mn in 2018):
 - › Non-recurring reversal of unexpired risk provision in 2018 (€17.8 mn net impact in 2018)
 - › Growth in premiums helping to offset increase in acquisition expenses for Life-Protection in bancassurance channel
- › Taxes: lower corporate tax rate
- › Relatively stable financial income, due to resilient portfolio yields

LATAM NORTH

Key figures

	Premiums		Attributable result		Combined ratio	
	12M 2019	Δ	12M 2019	Δ	12M 2019	Δ
LATAM NORTH	1,973.1	50.7%	63.1	44.6%	94.7%	-3.4 p.p
<i>of which:</i>						
Mexico	1,324.8	84.2%	25.1	38.9%	98.1%	-3.7 p.p
Central America	499.0	8.7%	26.4	61.9%	91.0%	-3.6 p.p
Dominican Rep.	149.4	13.9%	11.7	25.3%	86.2%	-1.8 p.p

Key highlights

- › Tailwinds from all main currencies (Mexican peso +4.7%, Panamanian balboa +5.4%, Dominican peso +1.7%)
- › Continuous development of multichannel approach, reaching several agreements with financial institutions and banks
- › Mexico:
 - › Solid local currency growth in main lines of business (+16.2%, excluding €449 mn multi-year PEMEX policy), especially the Life and Property segments
 - › Significant reduction of Motor combined ratio (94.7% in 2019 vs. 100.9% in 2018), thanks to tariff and risk selection measures
- › Central America:
 - › Panama: improvement in the combined ratio in main business lines, driven by technical measures, as well as tariff increases in Health
 - › Solid growth and profitability trends in Honduras, Guatemala and El Salvador
- › Dominican Republic: good local currency growth (+12%) and outstanding technical performance in Life-Protection and General P&C

LATAM SOUTH

Key figures

	Premiums		Attributable result		Combined ratio	
	12M 2019	Δ	12M 2019	Δ	12M 2019	Δ
LATAM SOUTH	1,596.7	-0.6%	54.8	-7.3%	100.0%	2.7 p.p
<i>of which:</i>						
Peru	551.7	12.3%	29.2	-6.7%	97.2%	4.5 p.p
Colombia	379.9	-2.9%	5.2	153.5%	99.6%	2.0 p.p
Chile	276.0	-4.6%	5.5	-82.9%	104.7%	8.1 p.p
Argentina	170.7	-14.7%	4.9	--	107.2%	0.0 p.p
Uruguay	93.9	-15.5%	3.7	--	95.1%	-6.9 p.p
Paraguay	69.5	1.7%	6.9	9.9%	90.8%	0.0 p.p

Key highlights

- › Excellent local currency trends in main markets, with volatility from exchange rate movements
- › Continuing development of bancassurance operations as well as agreements with car manufacturers across the region

Key highlights (continued)

- › Peru: premiums up +8% in local currency, with noteworthy growth in Life-Savings. Uptick in combined ratio in Motor, Non-Motor and Life-Protection
- › Colombia: excellent financial performance due to proactive ALM measures in annuity run-off portfolio and improving combined ratio in General P&C, helping to offset a slight increase in Motor
- › Chile: resilient underlying results, considering realized gains in 2018 from the sale of a property (€25 mn post-tax). Impact of riots in 2019 (-€3.7 mn post-tax) and higher combined ratio in Motor
- › Argentina: premiums impacted by average exchange rates (-35.7%). Strong financial income, helping to mitigate combined ratio performance
- › Strong profit contribution from Uruguay and Paraguay

NORTH AMERICA

Key figures – by business unit

	Premiums		Attributable result		Combined ratio	
	12M 2019	Δ	12M 2019	Δ	12M 2019	Δ
United States	1,950.0	-4.3%	57.2	--	101.8%	-2.3 p.p
<i>of which:</i>						
Northeast	1,686.2	3.8%	76.8	66.6%	99.4%	-1.1 p.p
East Central	128.5	-26.2%	-6.6	55.4%	114.3%	-3.4 p.p
West	133.2	-24.4%	1.4	120.6%	106.0%	-4.6 p.p
Exit states	--	--	-0.3	92.8%	--	--
Verti	3.4	--	-14.2	-11.0%	--	--
Puerto Rico	381.7	-1.3%	21.5	-19.9%	90.5%	2.5 p.p
NORTH AMERICA	2,331.7	-3.9%	78.6	124.8%	100.4%	-1.7 p.p

Key figures – by lines of business

	Premiums		Attributable result		Combined ratio	
	12M 2019	Δ	12M 2019	Δ	12M 2019	Δ
NORTH AMERICA	2,331.7	-3.9%	78.6	124.8%	100.4%	-1.7 p.p
<i>of which:</i>						
Motor	1,550.5	-5.4%	26.2	--	104.0%	-1.3 p.p
General P&C	717.8	0.3%	45.6	20.2%	74.8%	-11.3 p.p

(1) Exit from five states in 2018; extraordinary net financial gains in 2019 (€20.9 mn) and restructuring expenses and exit from Commercial lines outside of Massachusetts (-€8.1 mn)

Key highlights

- › Impact of dollar appreciation on average exchange rates (+5.3%)
- › Fall in premiums in local currency (-8.7%) in North America as a result of the 2018 exit from five states, and other measures applied in the Non-Northeast region
- › Increase in attributable result (+€49 mn) in the United States, due to:
 - › measures implemented in Personal Motor, including tariff increases & cancellation of non-performing business
 - › lower weather-related losses, mainly in Homeowners (-€11.7 mn extraordinary impact in 2018)
 - › extraordinary impacts from reorganization of operations⁽¹⁾ (-€7.2 mn in 2018 vs. €12.8 mn in 2019)
- › Puerto Rico: excellent technical result

Key figures

	Premiums		Attributable result		Combined ratio	
	12M 2019	Δ	12M 2019	Δ	12M 2019	Δ
EURASIA	1,695.5	-4.0%	15.1	21.0%	106.1%	-0.6 p.p
<i>of which:</i>						
Italy	470.9	-0.7%	-1.5	60.9%	106.0%	-3.0 p.p
Turkey	448.3	-7.7%	7.2	-49.6%	113.5%	1.2 p.p
Malta	357.3	-8.3%	4.9	12.7%	90.3%	-2.6 p.p
Germany	342.7	4.7%	5.8	115.3%	98.7%	0.1 p.p

Key highlights

- › Italy: strong improvement in the combined ratio and local accounting net profits of €2.1 mn at year end
- › Turkey:
 - › Fall in Turkish lira average exchange rates (-13.1%)
 - › Local currency premium growth (+6.2%) below current inflation levels due to strict underwriting policy in MTPL
 - › Fall in attributable result to €7.2 mn vs. €14.2 mn in 2018:
 - › High combined ratio in Motor driven by the impact of MTPL regulation on Turkish Motor tariffs as well as higher claims from the compulsory “High Risk MTPL Pool”
 - › Negative impact of inflation and currency depreciation on spare parts and other claim costs, which is also impacting Non-Motor lines
- › Germany: strong premium growth trends with a stable combined ratio
- › Malta: strong improvement in combined ratio

MAPFRE RE (I/II)

Key figures * - by business unit

	12M 2019	Δ
Total Premiums	5,580.5	12.5%
<i>of which:</i>		
<i>Non-Life</i>	4,986.8	14.4%
<i>Life</i>	593.7	-1.1%
Reinsurance	4,520.4	19.4%
Global Risks	1,060.1	-9.7%
Attributable result	57.5	-65.9%
Reinsurance	76.7	-48.5%
Global Risks	-19.2	-198.5%
Combined ratio	101.0%	5.4 p.p
Reinsurance	99.2%	3.2 p.p
Global Risks	123.5%	31.5 p.p

Key figures - premium breakdown

Breakdown by region		Breakdown by business line	
IBERIA	1.3%	P&C	41.4%
EURASIA	51.1%	Global Risks business	19.0%
LATAM	28.0%	Auto	18.8%
NORTH AMERICA	19.6%	Life & Accident	13.7%
		Other lines	4.8%
		Transport	2.4%

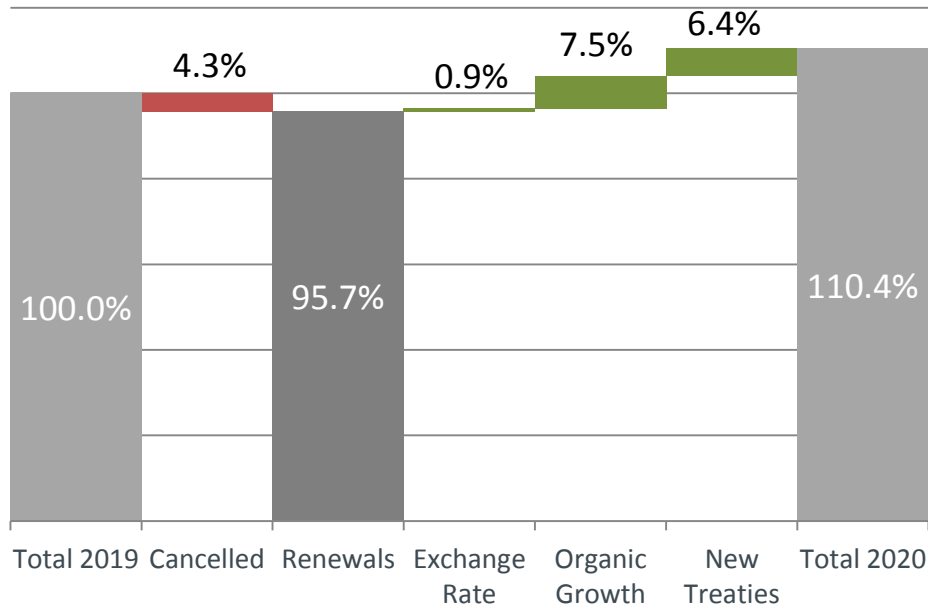
*2018 figures have been restated on a like for like basis, including the information for GLOBAL RISKS

Key highlights

- › Premium growth resulting from:
 - › higher participation in business from key clients
 - › one large Group transaction
 - › currency effects
- › Lower premiums in the global risks segment due to transfer of European facultative business to MAPFRE RE, which mitigated strong rate increases on the retained business
- › Combined ratio impacted by several large claims, exceeding annual large loss budget, as well as higher attritional claims frequency. Pre-tax impacts of the most relevant claims:
 - › Japanese typhoons: -€151.5
 - › Riots in Chile: -€28.5
 - › Other large claims: -€79.9 mn (-€65.4 mn in 2018)
 - › Impact of Brazilian drought: -€14.7 mn
- › Pre-tax net financial gains of €60.2 mn (€35.7 mn at 12M 2018)

MAPFRE RE (II/II)

January renewals – Non Group Reinsurance



Key highlights

- › More than 75% of Non-Group Treaty premiums up for renewal
- › Over 10% increase in estimated premiums, in line with our growth plan
- › Better underwriting profitability: risk-adjusted improvement in Terms and Conditions
- › Enhanced portfolio diversification by line of business (Motor, Life and Credit & Bonds)
- › Retro: successful renewal, with optimized structure and keeping longstanding support from key counterparties in a challenging environment

MAPFRE ASISTENCIA

Gross operating result *

	Total		Assistance	Travel Insurance	Special Risks
	2018	2019			
Total operating result	-0.7	-2.7	3.0	-9.5	3.8
UK, France & Belgium	-15.7	-17.4	-0.1	-18.9	1.6
Rest of Eurasia	6.4	8.3	-1.8	8.9	1.2
LATAM	8.5	3.5	0.9	0.4	2.2
NORTH AMERICA	0.1	3.0	4.0	0.1	-1.2

*Excluding writedowns and restructuring costs

Breakdown extraordinary impacts

	12M 2019
Attributable result	-88.0
Total goodwill writedowns	-65.6
InsureandGo (U.K.)	-35.6
MAPFRE Abraxas (U.K.)	-12.8
Brickell Financial Services Motor Club (U.S.A)	-16.6
Norassist (Canada)	-0.6
Restructuring costs	-10.0
Total extraordinary impacts	-75.6
Attributable result - adjusted	-12.4

Key highlights

- › Updating of business forecasts for the assistance and special risks businesses in the United Kingdom and North America, due to:
 - › Socioeconomic backdrop and uncertainty in the United Kingdom
 - › New business scenario in North America, with a lack of scale in roadside assistance, while streamlining operations
- › Provision for geographic reorganization in several countries (-€10 mn net impact)
- › Good performance of InsureandGo in Australia and Ireland
- › Good result of operations in LATAM

Wrap up

➤ **Insurance business (€806 mn net result, +17.7%)** > outstanding performance with combined ratio of 96.5%

- **IBERIA** (€498 mn, +3.6%) > positive premium and profitability trends, in a very competitive market
- **LATAM** (€215 mn, +36.9%) > profitable growth, with outstanding performance in Mexico and successful strategy implementation in Brazil
- **INTERNATIONAL** (€94 mn, +97.6%) > improving results in USA, Germany and Italy, on the right path to meeting targets

➤ **MAPFRE RE** > continuing to generate attractive returns, reducing exposures in the global risks segment in order to lower volatility

Focus on technical excellence and profitable growth, supported by resilient investment portfolio > delivering results in a challenging environment

➤ **Transformation process** > investing in innovation and digitalization and streamlining operations to increase efficiency

➤ **Shareholder value creation** > strong financial position and dividend payment capacity

Revenue	Top line figure which includes premiums, financial income, and revenue from non-insurance entities and other revenue
Combined ratio – Non-Life	Expense ratio + Loss ratio
Expense ratio – Non-Life	(Operating expenses, net of reinsurance – other technical revenue + other technical expenses) / Net premiums earned
Loss ratio – Non-Life	(Net claims incurred + variation in other technical reserves + profit sharing and returned premiums) / Net premiums earned
Result of Non-Life business	Includes technical result, financial result and other non-technical result of the Non-Life business
Result of Life business	Includes technical result, financial result and other non-technical result of the Life business
Corporate Areas and Consolidation Adjustments	Includes expenses from Corporate Areas, consolidation adjustments, as well the result attributable to MAPFRE RE and MAPFRE INTERNACIONAL's non-controlling interests and other concepts
Other business activities	Includes the Group's non-insurance activities undertaken by the insurance subsidiaries, as well as by other subsidiaries, including activities of the holding companies of MAPFRE S.A. and MAPFRE INTERNACIONAL
Solvency II ratio	Eligible Own Funds (EOF) / Solvency Capital Requirement (SCR)
ROE (Return on Equity)	(Attributable result for the last twelve months) / (Arithmetic mean of equity attributable to the controlling company at the beginning and closing of the period (twelve months))
Other investments	Includes interest rate swaps, investments in associates, accepted reinsurance deposits and others

Alternative Performance Measures (APM) used in this report correspond to those financial measures that are not defined or detailed within the framework of the applicable financial information. Their definition and calculation can be consulted at the following link:

<https://www.mapfre.com/corporate/institutional-investors/financial-information/>

If you are an investor or shareholder and would like to receive more information regarding the MAPFRE share or have questions regarding MAPFRE's results and strategy, please find our contact information below:

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Certain numerical figures included in the Investor Presentation have been rounded. Therefore, discrepancies in tables between totals and the sums of the amounts listed may occur due to such rounding.