MAPFRE

MANAGEMENT insights 2021

March 16, 2021

AGENDA

01	Strategy update and business review	Mr. HUERTAS
02	Reinsurance	Mr. PÉREZ DE LEMA
03	Investments and Asset Management	Mr. JIMÉNEZ
04	Capital Management	Mr. MATA

SPEAKERS

Antonio Huertas
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01 Strategy update and business review

Antonio Huertas

2020 overview > strong results in a year marked by COVID and economic crisis

Consolidating profitability trends in insurance units and resilient balance sheet

PREMIUMS	**€20.5 bn**	-11.1%
	at constant exchange rates	-4.1%
COMBINED RATIO	**94.8%**	-2.9 p.p.
COMBINED RATIO (Insurance Units)	**92.9%**	-3.6 p.p.
SOLVENCY II RATIO	**183.5%** (provisional figures)	-3.3 p.p.
DIVIDENDS PAID	**13.5 cents**	-6.9%

- **Rapid implementation of business continuity plan >** in all countries and units
- **COVID-19 P&L impacts**
  - Largest impacts on the top-line > mitigated by successful portfolio retention plan
  - Manageable COVID claims > offset by lower frequency, mainly in Motor
  - Strict cost savings plan > offsetting COVID related expenses
- **Focus on transformation and digitalization >** advancing in strategic initiatives
- **Extensive balance sheet review and resilient capital position >** adapting valuations and exposures to current scenario
- **Optimization of shareholder return >** without compromising financial position

IBERIA > 2020 highlights

Advancing in strategy execution in a challenging environment

NON LIFE PREMIUMS	
€5.3 bn	+0.6%
LIFE PROTECTION PREMIUMS	
€477 mn	+1.5%
COMBINED RATIO	
92% (Non Life)	-2.4 p.p.
84.9% (Motor)	-8.8 p.p.
DIGITALIZATION (growth)	
Digital revenue	+10.8%
MAPFRE.com policies	+9%
Verti premiums	+6%
Digital transactions	+13.6%
CLIENT ORIENTATION	
Churn rate	9.5%
Δ vs. 2019	-0.5 p.p.

Profitable growth

- Outperforming market growth in key Non Life segments and Life Protection
- Cost contention > expense ratio ex-COVID measures: 20.7% (-0.6 p.p.)

Technical and operational management

- Growth in digital transactions
- Advanced analytics (client churn and conversion models)

Multi-channel approach

- Digital > solid growth in MAPFRE.com and Verti channels
- Successful launch of Banco Santander operations and agreement extended to Portugal
- Digitalization and transformation of MAPFRE network
- Agreements to boost new sources of business (Amazon, Correos, Iberdrola, Renault)

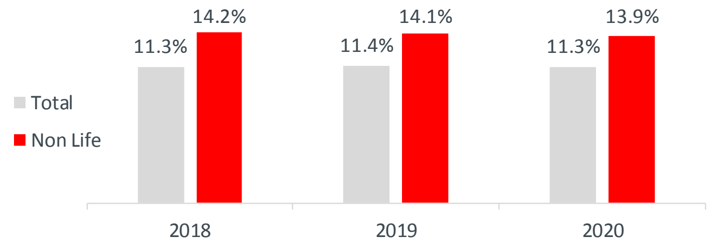
Client orientation

- Successful portfolio retention plan
- Omni-channel cross-selling campaigns

IBERIA > Spanish market context

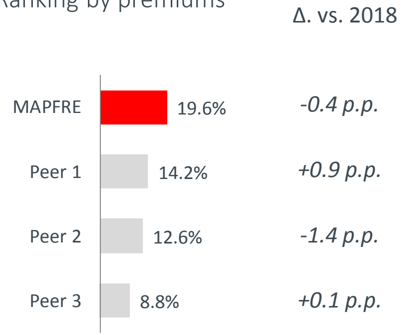
Outperforming the market in key segments . . .

Relative stability of leading market positions



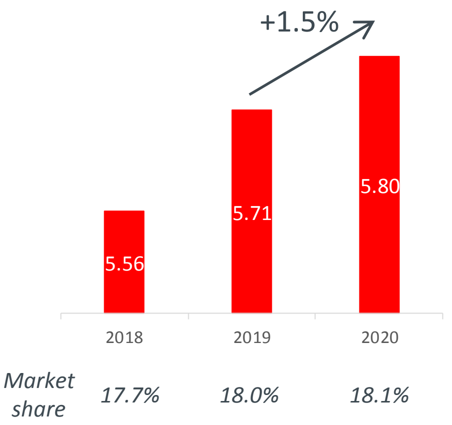
Leading by far in Motor…

Ranking by premiums

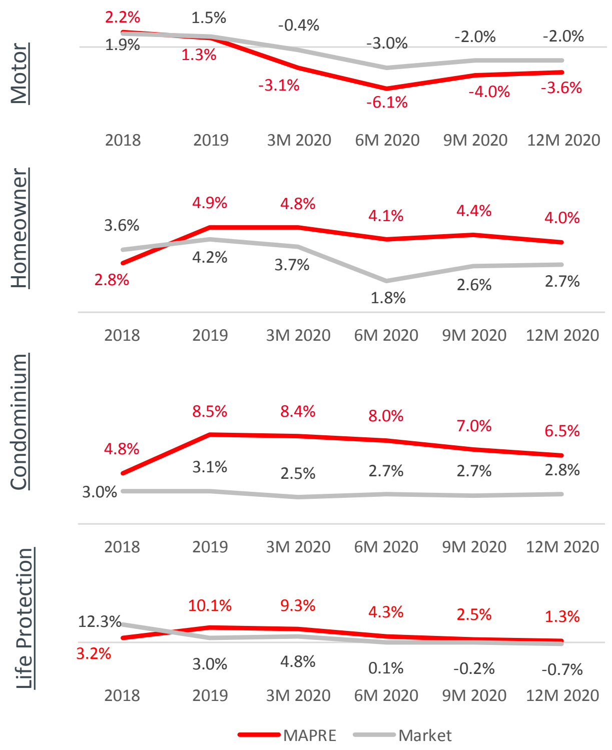


…and increasing insured fleet

nº vehicles (mn)



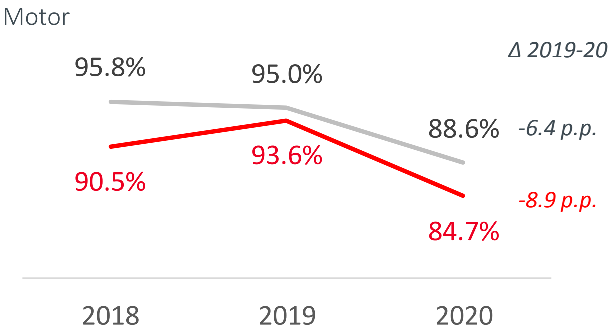
Premium growth by segment

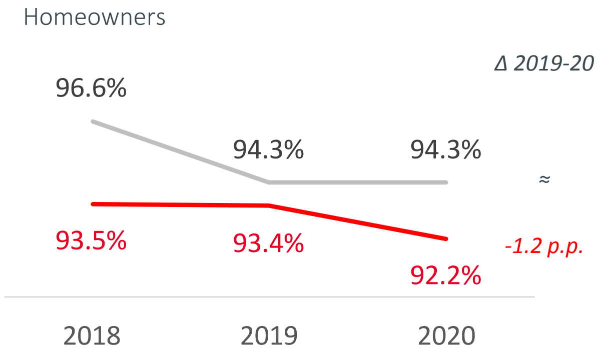


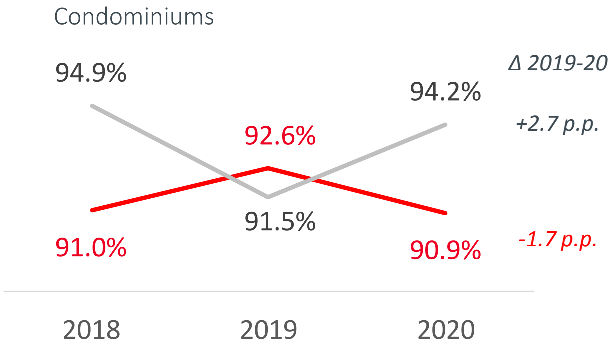
IBERIA > Spanish market context

. . . while maintaining a significant profitability advantage

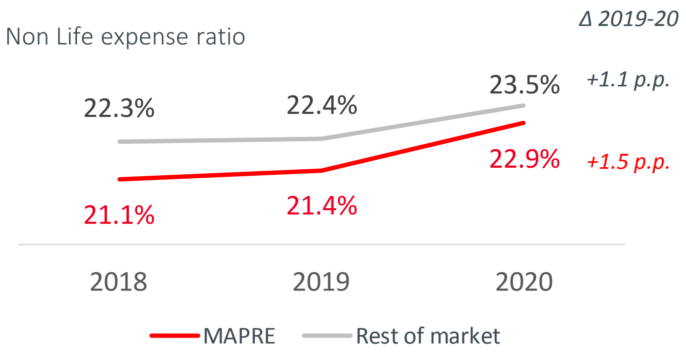
Combined ratio







Higher efficiency levels than other players . . .



IBERIA > 2021 outlook and priorities

Focused on gaining market share and cost contention

Outlook

High uncertainty surrounding economic recovery and mobility

Top line > new vehicle sales remain at low levels and Life Savings environment is still challenging

Combined ratio > low frequency

Non Life (≈ 95%)
Motor (91-93%)

Financial income > manage low interest rates with second wave approved for alternative investments

Priorities

Growth > gain market share across key business lines

Portfolio protection > market pricing in all personal lines (Life segment in 2021)

Cost contention > expense growth below premium growth

Initiatives

Bancassurance > optimize BANKIA exit value as well as existing agreements, and rebuild channel

Digitalization > connect VERTI and SAVIA with MAPFRE network, new agreements with digital partners, data to generate business

Product offering > electric and personal mobility vehicles, on-off Motor products

Client focus > value proposition for SMEs, Tribes, Youth, Seniors and families

BRAZIL > 2020 highlights

Focus on growth while improving profitability levels

PREMIUMS

€3.1 bn +5.1%

at constant exchange rates

ATTRIBUTABLE RESULT

€101.5 mn +4.6%

ROE

11.3% +1.7 p.p.

COMBINED RATIO

87.6% (Non-Life) -4.6 p.p.

100.2% (Motor) -7.3 p.p.

Solid local currency growth trends

- Bancassurance (+15%) > outperforming market with growth in Life Protection (+12%) and Agro (+23%)
- MAPFRE channel (-5%) > fall in Motor (-28%), mitigated by growth in Industrial lines

Strong underwriting result and efficiency gains

- Improved profitability and lower frequency, especially in Motor, mitigating headwinds from currency depreciation and lower financial income

Improvements in technical and operational management

- Fraud detection and reduction
- Convergence and optimization of technological systems
- Enhanced internal control system
- Intelligent automation / growth in digital transactions
- Focus on cost contention

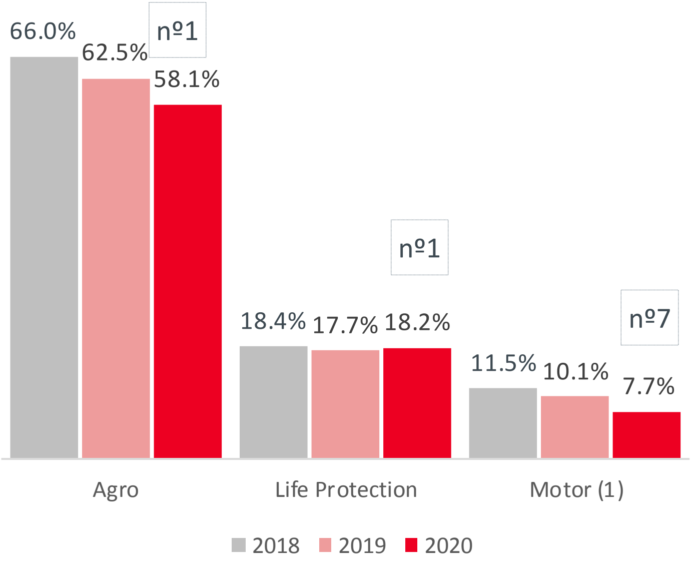
Client orientation

- Focus on increasing total clients and profitable distributors

BRAZIL > market context

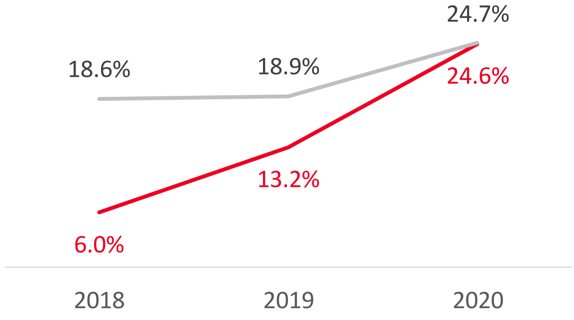
Market leader in profitable segments, while selectively reducing exposure in Motor

Market share evolution

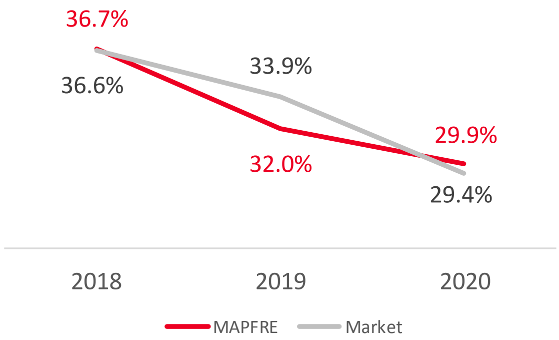


Technical margin (2)

Motor (1)



Life Protection



(1) Excludes DPVAT
(2) SUSEP data and local accounting criteria. Includes claims, commissions and reinsurance items.

BRAZIL > 2021 priorities

Transition year, while consolidating technical management improvements

Profitable Growth	MAPFRE channel	- **Motor >** adjust processes and technology, improve product offering in existing channels and identify new forms of distribution - **Growth and technical excellence in Life >** identify strategic distribution partners - **Reinforce presence in SMEs >** expand offering for emerging risks and improve customer and distributor experience
	BRASILSEG	- **Adapt and innovate product offering >** optimize Banco do Brasil distribution potential - **Digital business >** correct inefficiencies of traditional business and increase attractiveness to client
Technical excellence	Technology	- **Integration and evolution of systems >** migration to corporate solutions - **Focus on data integrity** - **New corporate platform for Life >** launch of new products in 2021
	Underwriting & claims mgt.	- **Tariffs >** multi-variate tariff and product simplification, in Motor, Commercial, Rural and Mass Multi-peril, promoting tariff adjustment - **Claims management >** new tool for vehicle repair estimates
	Increase efficiency	- **Contribute to cost reduction >** smart automation, centralized service centers for commercial, technical and administrative activities

USA > 2020 highlights

Streamlined geographic presence and transformation process underway

PREMIUMS

€1.7 bn

of which ≈90% in the Northeast region

ATTRIBUTABLE RESULT- USA

€78 mn +36.6%

ATTRIBUTABLE RESULT - NORTHEAST

€110.5 mn +41.6%

ROE - MAPFRE USA

≈7% +1.3 p.p.

ROE - MAPFRE INSURANCE (EX-VERTI)

≈8% +1.2 p.p.

COMBINED RATIO - USA

96.6% -5.2 p.p.

COMBINED RATIO - NORTHEAST

92.4% -6.9 p.p.

Streamlining of geographical presence

- Exit of Arizona and traditional business in Pennsylvania completed
- Evaluating several options for exit of Florida business
- Run-off of Commercial lines outside of Massachusetts

Adaptation of cost structure

- 6% headcount reduction in 2020

Technical and operational management

- Centralization of Contact Center
- Consolidation of technological systems
- Leverage new pricing engine (Earnix)
- Advanced Analytics

Client orientation

- New Auto and Home products
- Agent and customer segmentation

Digital business

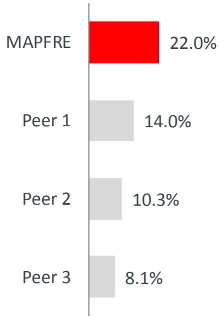
- Rebalanced acquisition effort toward higher CLTV*, digital now counting for 10% of new business in Massachusetts

** Customer Lifetime Value*

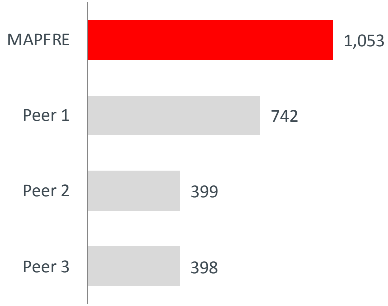
USA > market context

MAPFRE is the absolute leader in P&C personal lines in Massachusetts

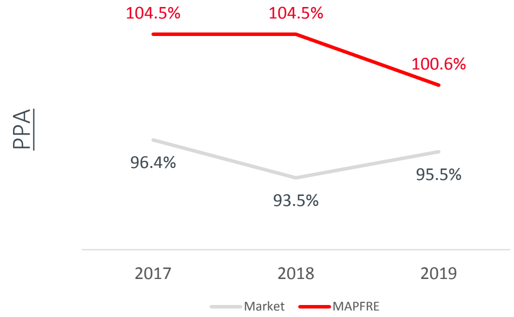
Private Passenger Auto (PPA)
Ranking

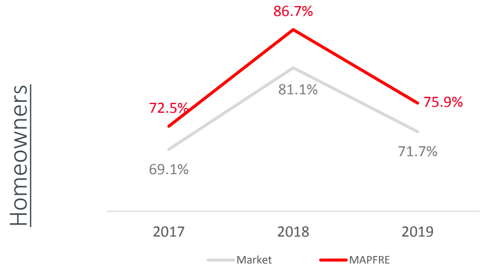


Insured vehicles (PPA)
Ranking ('000)

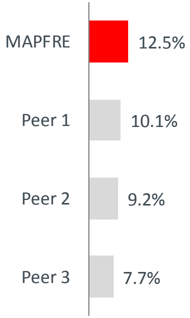


Combined ratio

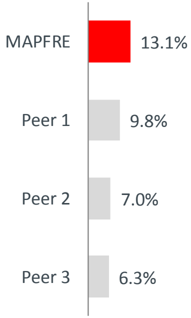




Commercial Auto
Ranking



Homeowners
Ranking



Note: All figures for Massachusetts. Latest available data for the market. Combined ratios as per statutory accounts, which differ from IFRS.

USA > 2021 priorities

Return to growth while maintaining positive claims trends and strict cost control

- **Return to growth in premiums and policies >** grow new business and improve retention
- **Agreement with AAA motor club >** enhance capabilities
- **Customer and agent segmentation >** differentiated value proposition for target market and agent segments
- **Boost digital business >** sustain quality underwriting and expand digital offer in Massachusetts, while repositioning Verti
- **Operational efficiency & technology >** leverage new Guidewire based platform (moving expense ratio closer to key competitors), reorganization of claims handling and operations, improved use of data

2019-2021 Strategic Plan > focus on transformation and restructuring

Successfully adapting our business model . . .

80/20 program

- **≈ €1.8 bn of premiums cancelled** during 2016-2020

Streamlining geographical presence and product portfolio

- **United States >**
  - Exit of 5 states in 2018 and commercial lines outside of Massachusetts in 2019
  - Exit of Arizona and traditional business in Pennsylvania in 2020
  - Currently evaluating options for Florida
- **Brazil >** cancellation of loss-making broker accounts in Motor
- **Assistance >**
  - Exit of 13 countries since 2016, focusing on countries with insurance units, including the recently announced exit of Road China
  - Travel assistance business in Europe and Asia currently under review
- **VERTI Italy >** dealership channel considered non-strategic
- **Annuity portfolios in LATAM >** sale of run-off portfolios

Reduction of non-strategic assets

- **Real estate >** undeveloped land (Buy to Rent) and nursing homes (Maquavit)
- **Funeral services >** Funespaña business

2019-2021 Strategic Plan > focus on transformation and restructuring

. . . while leveraging new opportunities

Santander agreement	- **Successful first year** and extension of agreement to Portugal
Distribution agreements	- Positive performance of **Actinver** in Mexico - Increased stake in **Abante** in Spain
Dominican Republic	- Strong contribution from **MAPFRE Salud ARS** health business acquired in 2020
Alternative asset program	- 1st wave: €1.05 bn total, of which €800 mn already committed - **2nd wave: additional €300 mn**, to be allocated mainly to European Real Estate and Global Infrastructure
Bankia exit	- **Optimize exit value** and evaluate opportunities for future business development

2019-2021 Strategic Plan > moderate and profitable growth

Clear priorities, focusing on profitability and optimizing capital allocation going forward

Capital allocation	- **Focus on core markets >** Spain, Brazil, the United States and Mexico - **Lower future capital allocation in non-core markets >** mainly focused on strategic channels and business lines - **De-risking of non-strategic assets** and operations
Products	- Focus on **personal lines** - Recover and defend **leading position in Motor** segment across geographies - Develop **Health and Life Protection in LATAM >** focused on bancassurance - Leverage **growth opportunities in reinsurance** through MAPFRE RE
Channels	- Continue developing **multi-channel approach** - Organic **growth in digital** channel > focusing on MAPFRE.com and Verti brand - Develop **new distribution and bancassurance agreements >** both exclusive and non-exclusive

Key figures > February 2021

	2M 2021	Δ	Δ at constant exchange rates
Total written and accepted premiums	**4,228**	**-4.8%**	**2.3%**
- Non-Life	3,487	-3.1%	3.5%
- Life	740	-12.2%	-2.8%
Non-Life Combined Ratio - MAPFRE S.A.	**94.6%**	**-5.2 p.p.**	
Non-Life Loss Ratio	66.4%	-4.7 p.p.	
Non-Life Expense Ratio	28.2%	-0.5 p.p.	
Non-Life Combined Ratio - Insurance units	**93.6%**	**-5.8 p.p.**	
Attributable result	**99.2**	**41.3%**	

Million euros

2021 Financial Targets

	2019-21 Target	Status	2021 Guidance
ROE (ave. 2019-21)	8%-9%	7.8% (1) average	≈ 8.5% (2)
Combined ratio (ave. 2019-21)	96-97%	96.2% average	≈ 95%
Total revenue	€28-€30 bn	€25.4 bn in 2020	≈25.4 bn
Adjusted net income (3)	-	€763 mn in 2020	≈ €700 mn
Payout	>50%	73% in 2020	>50%, unchanged

(1) Excluding goodwill writedowns
(2) Excluding any potential capital gains from Bankia transaction
(3) Excluding capital gains and relevant NatCat events

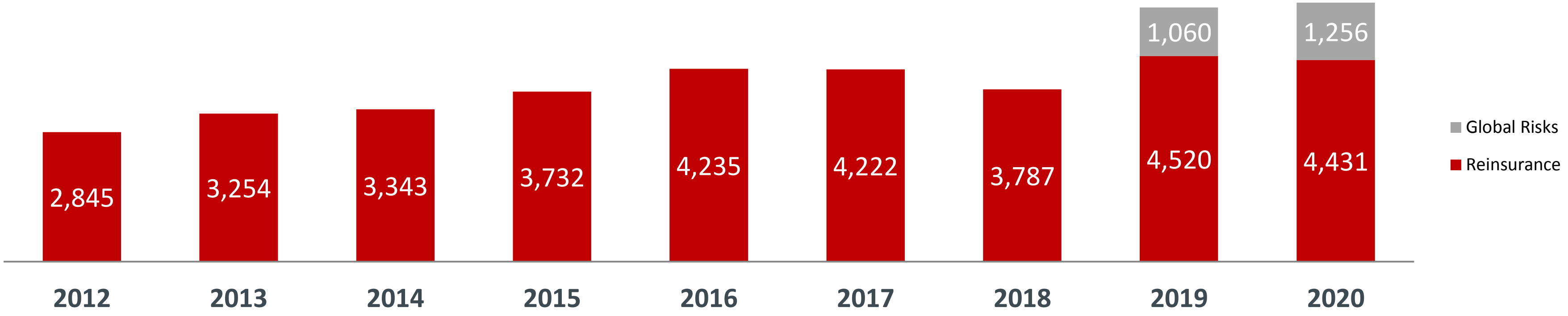
02 Reinsurance

Eduardo Pérez de Lema

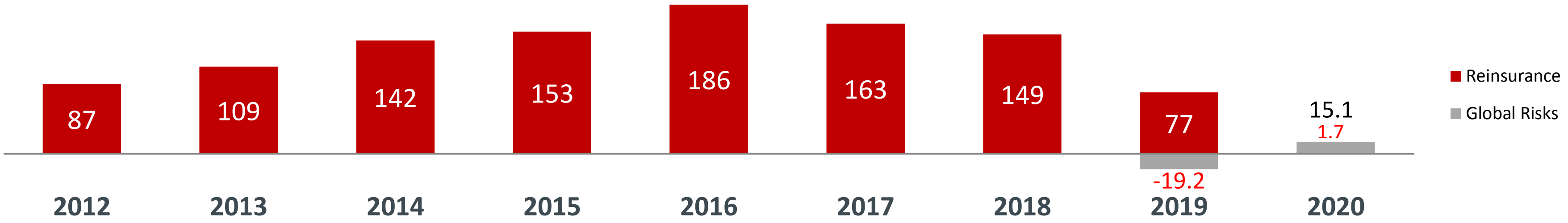
2020 overview

MAPFRE RE continues showing resilience in turbulent times

Gross Premiums



Attributable result



2020 highlights

Business Development

- Healthy growth in Non-Group reinsurance business in improving market, with a better balanced portfolio
- Stability of MAPFRE business
- Strong growth in Global Risks portfolio after restructuring, based on a very good pricing momentum

Claims activity

- Manageable and below market average COVID-19 impact in reinsurance portfolio
- Large loss activity above budget, excluding COVID-19, driven by higher frequency of medium sized claims
- High loss activity on MAPFRE business (Puerto Rico EQ, Hurricanes in Central America, Gloria Storm and some man-made events)

Results

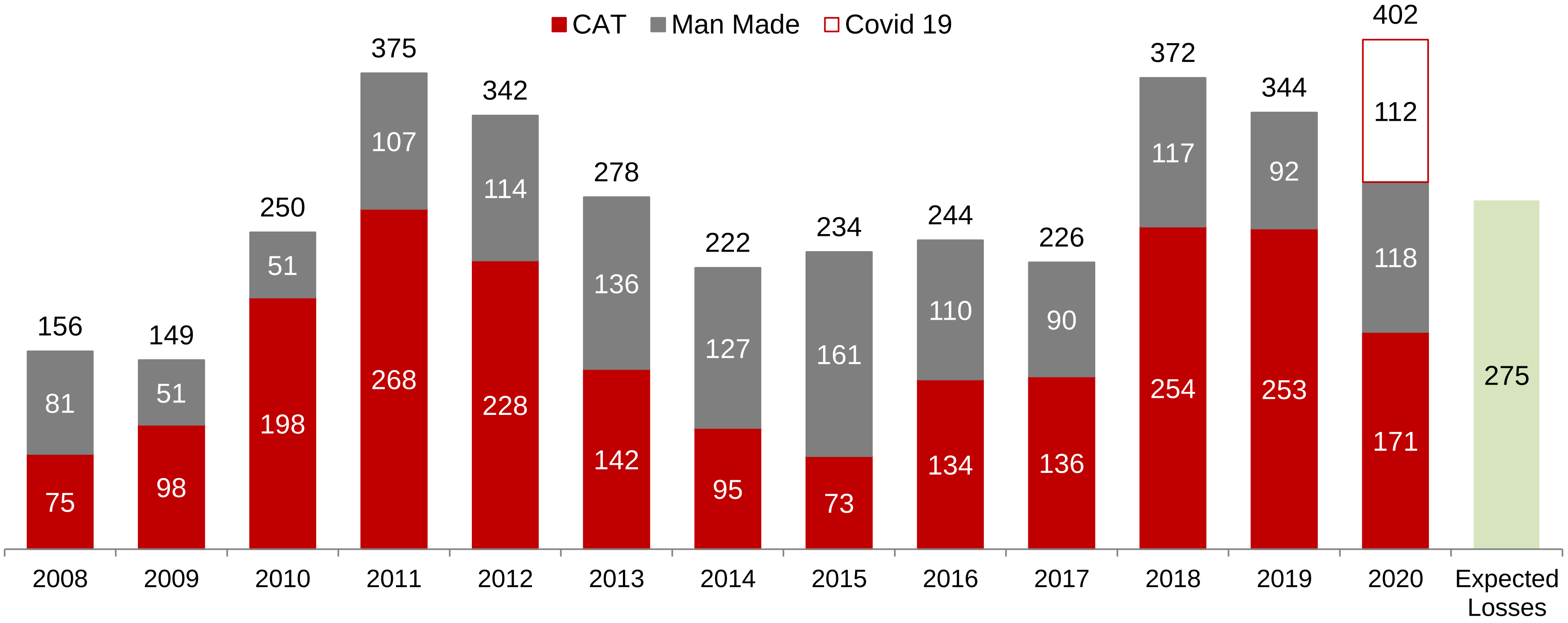
- Excellent performance of Global Risks
- Resilient Non Group business: 98.4% Combined Ratio (93.6% ex-COVID)
- Absorbed volatility from MAPFRE business
- Lower investment returns

Operational

- Increase of operational efficiency
    - E-accounting (Accord) both external and intragroup reinsurance (RE21)
    - Automation of key processes
    - Increase in geocoding and modelling capabilities on natural perils

Large loss impact on MAPFRE RE [1]

Pre-tax and minority interests



[1] Reinsurance business only, doesn't include MAPFRE Global Risks

COVID impact

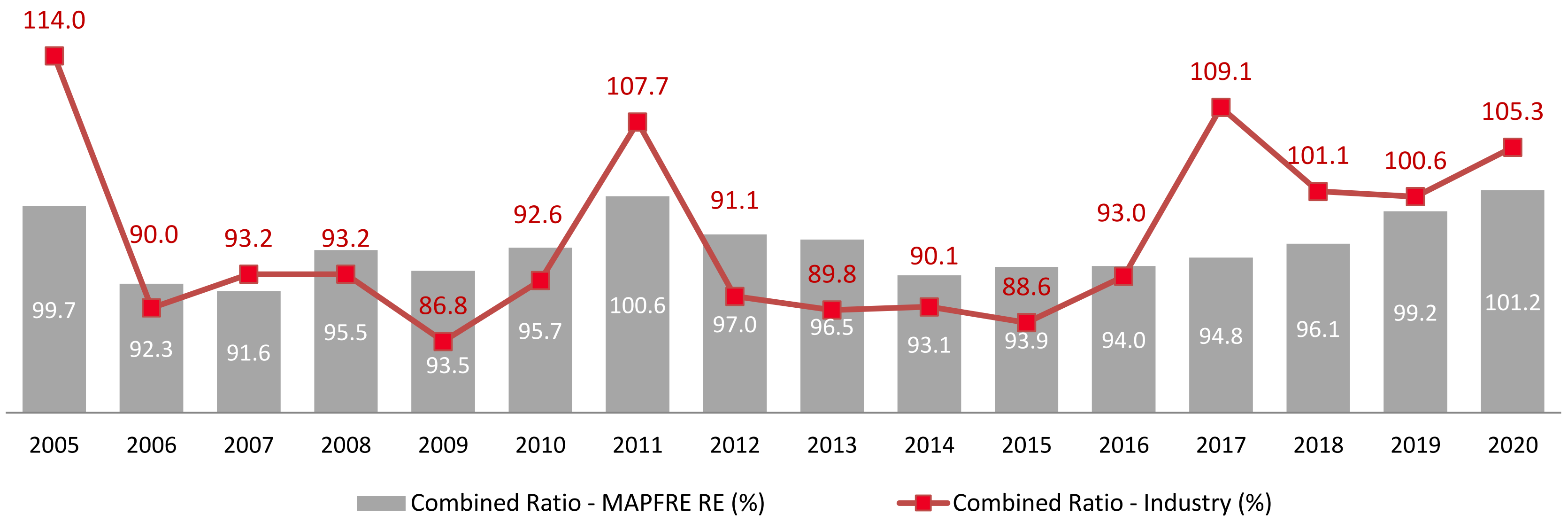
Breakdown by line of business [1]

Line of Business	Q1	Q2	Q3	Q4	Total
Property BI	-	67.5	-1.5	20.4	86.5
Marine	-	1.7	0.8	2.5	5.0
Credit	-	10.0	0.1	-9.3	0.7
Others	-	0.9	0.2	1.4	2.5
Total Non Life	-	80.1	-0.4	15.0	94.7
Life	-	0.2	0.3	17.2	17.7
Total	-	80.3	-0.1	32.2	112.4

- Impact of COVID in MAPFRE RE is below average (3.7% combined ratio impact vs 9.4% market average)
- Claims concentrated in few jurisdictions and clients
- Prudent reserving policy
- Uncertainty will remain due to litigation both on insurance and reinsurance level
- Potential moderate additional impacts on mortality business
- Clarification of coverage and exclusions completed on the treaty portfolio

[1] Reinsurance business only, doesn't include MAPFRE Global Risks

MAPFRE RE continues beating the market in “difficult years”



	MAPFRE RE[1]	Industry [2]
Average Combined Ratio (2005 - 2020)	**95.9%**	**96.6%**
Standard Deviation Combined Ratio (2005 - 2020)	**3.0%**	**8.4%**

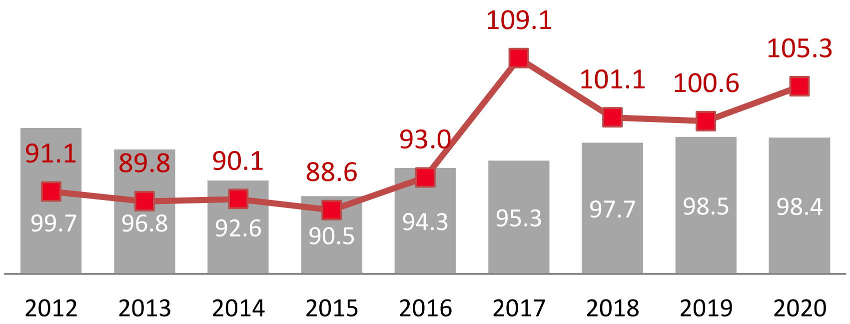
[1] Reinsurance business only, doesn’t include MAPFRE Global Risks

[2] Source: 2005-2014 AM Best. 2015-2020 MAPFRE RE

Main segments performing as designed

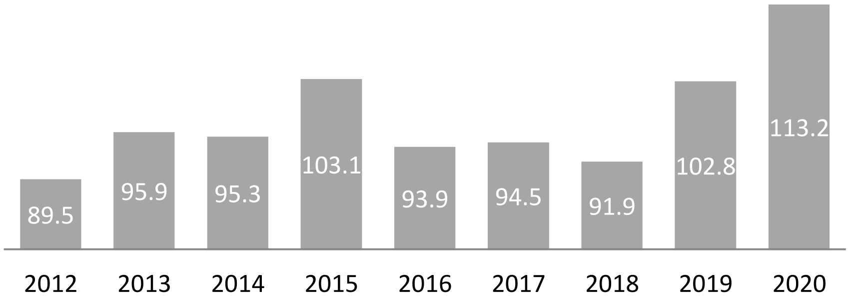
Non Group Business

- Solid performance, with reduced volatility
- High quality and very diversified portfolio
- Very low expense ratio allows outperforming the market



MAPFRE Business

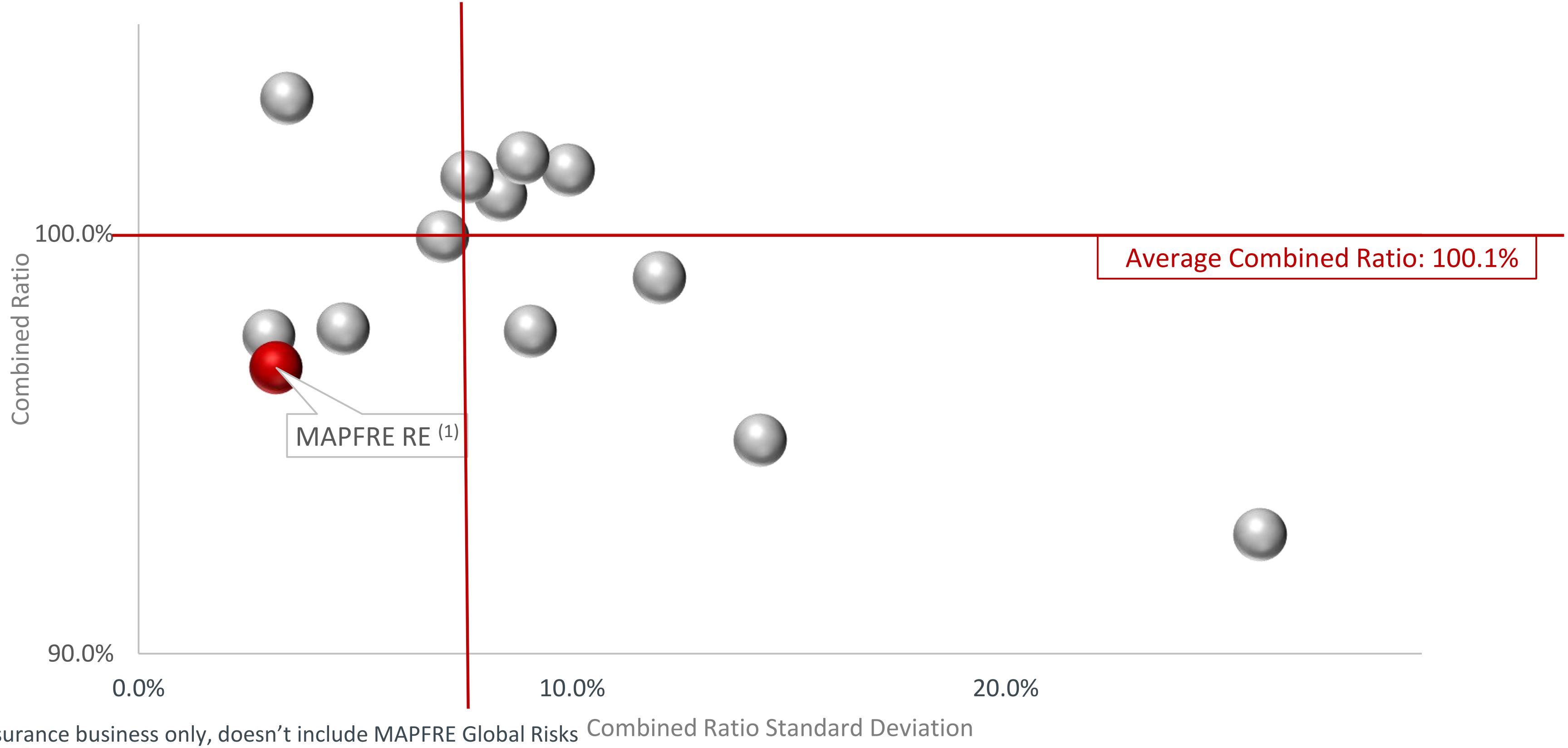
- Powerful retention optimization tool for MAPFRE
- Absorbs volatility of MAPFRE Insurance Group
- Adds diversification benefits to the total portfolio



*Reinsurance business only, doesn't include MAPFRE Global Risks
Source: 2012-2014 AM Best. 2015-2020 MAPFRE RE

Average Non-Life Combined Ratio > reinsurers 2015 – 2020

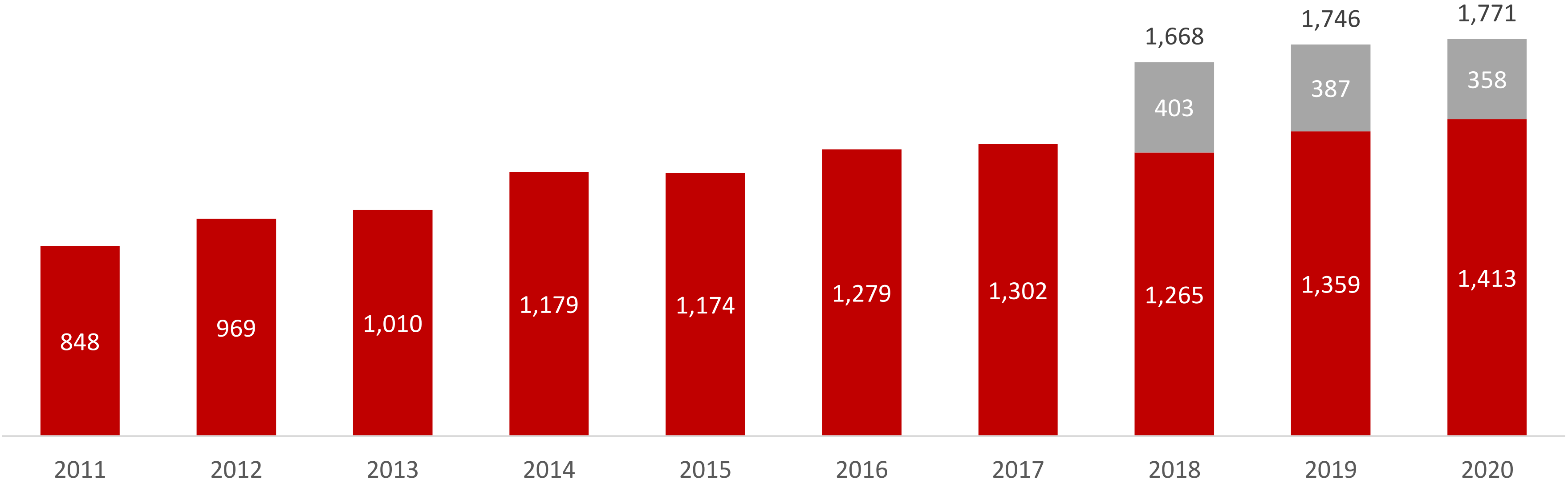
Proven track record of competitive performance and reduced volatility compared to peers



(1) Reinsurance business only, doesn't include MAPFRE Global Risks

MAPFRE RE maintains very solid capital and solvency position

Shareholders' equity



- The company has financed growth through retained earnings
- Dividends upstreamed in the period 2012-20: €681 million
- Integration of MGR allowed significant capital optimization
- Reallocation of capital into reinsurance business, while allowing MGR to grow in core segment
- Solvency II Ratio: around 190% (1)

(1) Estimated at December 2020

Positive treaty renewals during the last 12 months

Non Life Non Group Business	April 2020	Midyear 2020	January 2021	Total
Proportional	+10.6%	+12.0%	+3.6%	+5.4%
XL	+31.7%	+28.8%	+14.0%	+18.6%
Total Treaty	+18.1%	+16.4%	+5.2%	+7.9%

- Across the board improvement in terms & conditions:
    - Average risk adjusted price increase on CAT XL portfolio: 7.8% in January
    - Reduction on proportional CAT event limits on many treaties
    - Increase in rates on ceded primary portfolios
    - Clarification and enhancement of exclusionary language
- Slight shift in portfolio mix towards higher margin XL business
- Positive price momentum on facultative business
- Forecasted slowdown on proportional Life business due to crisis driven volume reductions in primary markets

MAPFRE reinsurance protection

MAPFRE Insurance Group reinsurance program

- Unchanged ceded reinsurance policy
- Structure has proved its effectiveness in recent years
- Main renewal period (July) > no changes or capacity shortage are foreseen, with risk appetite unchanged
- Frequency cover already in place as of January

MAPFRE RE retrocession program

- Successful renewal completed in December
- No major structural changes
- Moderate increase in retention and limit on the CAT XL coverage to reflect portfolio growth
- Unchanged retention on the frequency protection
- Risk adjusted pricing in line with reinsurance market

2021 priorities and outlook

- Assuming a normalized large loss activity, MAPFRE RE should return to profitability and resume dividend upstreaming
- Both MAPFRE business and Non Group business continue to have a key strategic role for the Group
- No relevant changes are expected in risk profile or footprint, and reinsurance protections should remain unchanged
- Priorities
    - Improvement of margin on the portfolio
    - Continued growth on better priced business
    - Maintain competitive advantage in terms of expense ratio

03 Investments and Asset Management

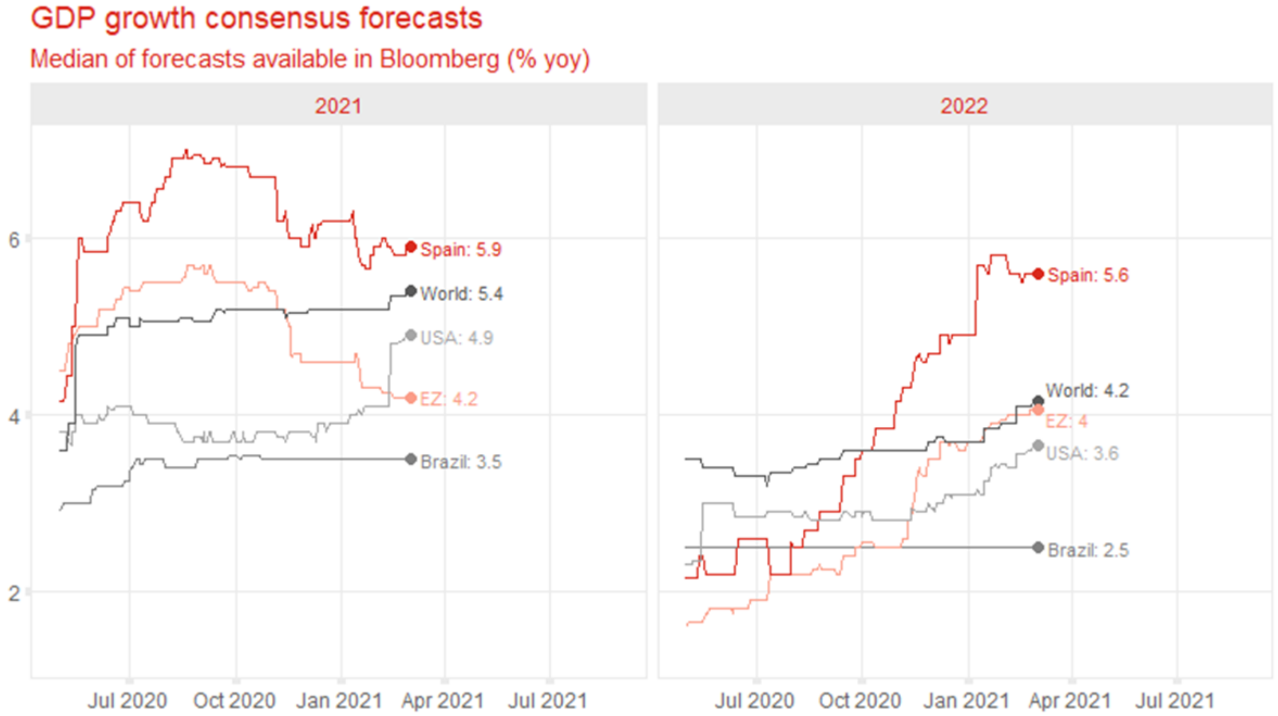
José Luis Jiménez

Economic outlook

Rising growth expectations

Growth forecasts are high by historical standards and more importantly are being revised upwards in recent weeks, especially in 2022.

This may led to a “Goldilocks period", as long as growth is high enough to improve asset prices, but spare capacity remains at levels compatible with ongoing stimulus, thus keeping yields low.



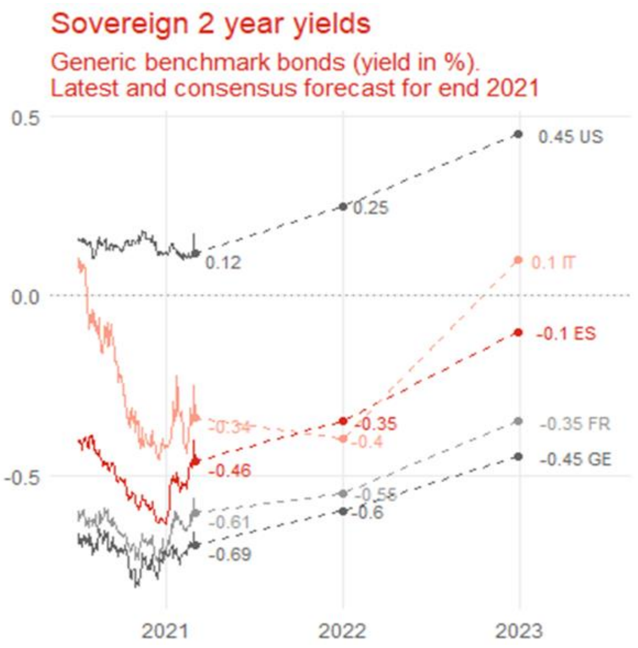
Source: MAPFRE with Bloomberg data. Last available: Mar - 2 - 2021

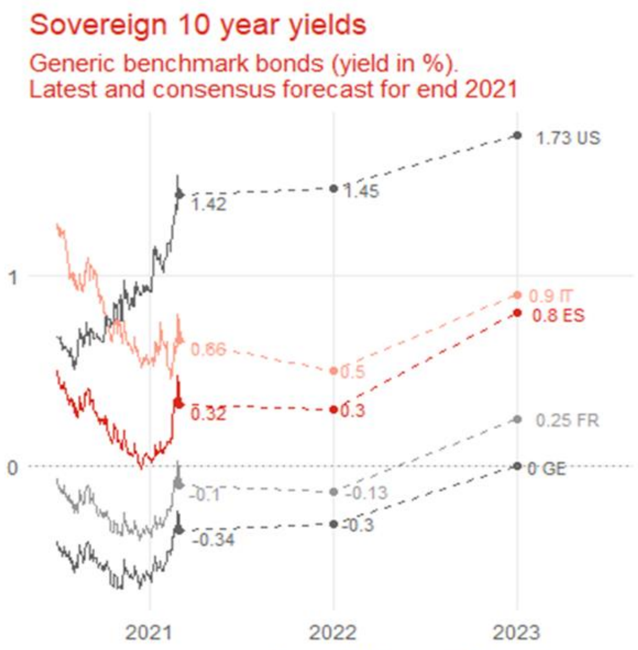
Economic outlook

Smooth normalization of yields

The expected evolution of rates is upward, but very gradually.

In fact, even current forecasts point to curve levels well below the pre-pandemic period even in 2022, regardless of recent volatility.

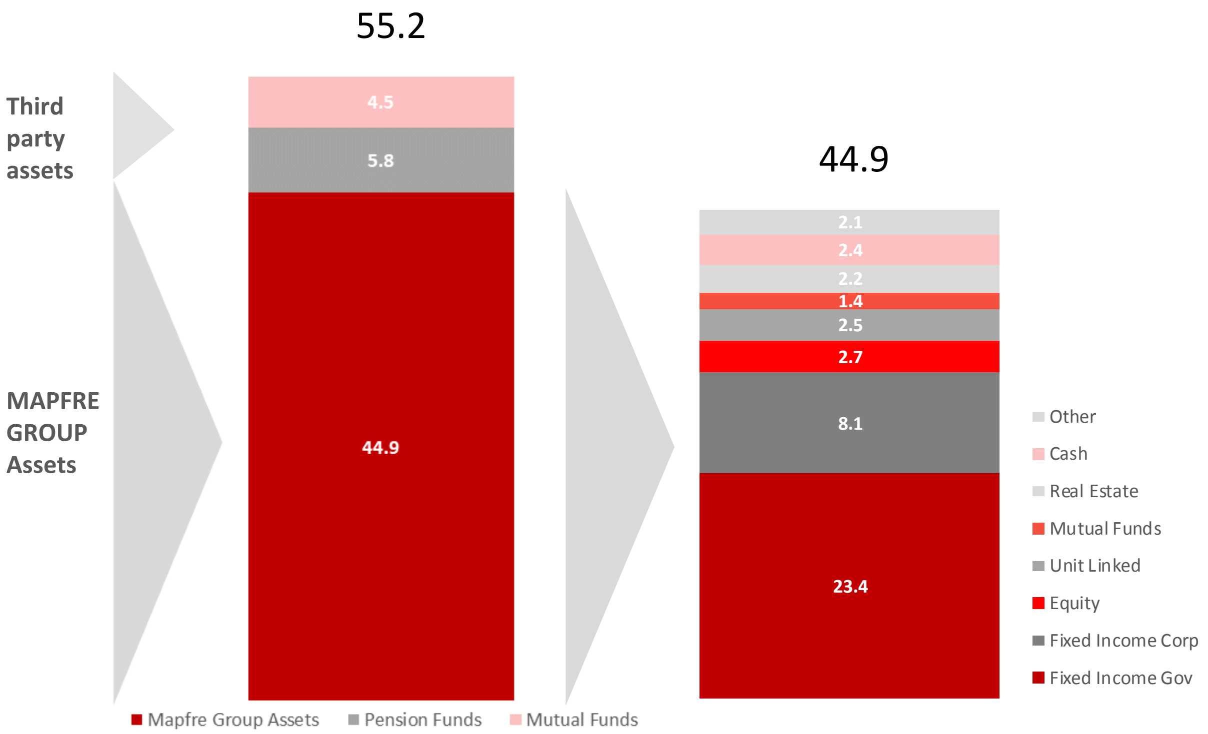




Source: MAPFRE with Bloomberg data.
Last available: Mar - 1 - 2021
Consensus forecasts for closing 2021 and 2022

Assets under Management

Breakdown > December 2020



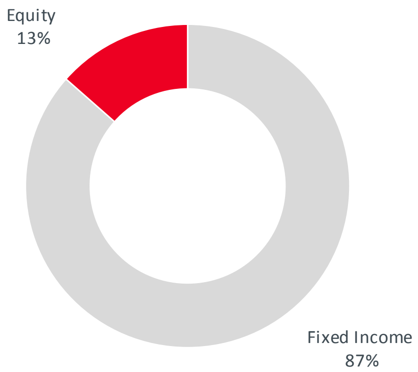
Billion euros

- Lower AuM compared to 2019 due to the reclassification of Bankia MAPFRE Vida as held for sale
- Real Estate accounted at net book value (€874 mn unrealized capital gains)
- Unit Linked products commercialized mainly in Spain and to a lesser extent in Brazil and Malta

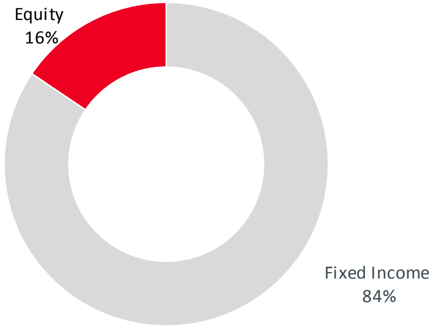
Investment portfolio > MAPFRE Group

Financial investments > breakdown by portfolio type

Life Business (€21.5 bn)



Non- Life Business (€15 bn)



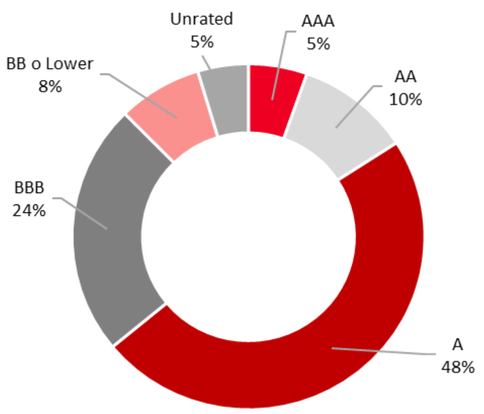
		Actively Managed		
	Inmunized	Conditioned	Free	TOTAL
IBERIA	9.0	5.7	1.2	15.9
LATAM	0.2	1.3	1.7	3.2
INTERNATIONAL	0.0	2.2	0.1	2.2
MAPFRE RE	0.1	0.0	0.0	0.1
TOTAL	**9.2**	**9.3**	**3.0**	**21.5**
Unrealized Capital Gains	**2.4**	**1.5**	**0.1**	**4.0**

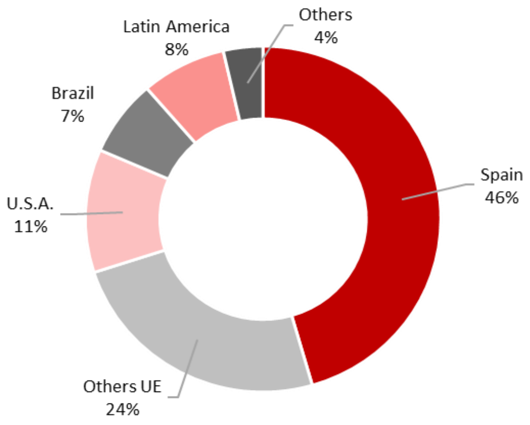
		Actively Managed		
	Inmunized	Conditioned	Free	Total
IBERIA	1.5	0.4	3.4	5.3
LATAM			2.0	2.0
INTERNATIONAL			3.7	3.7
MAPFRE RE			3.9	3.9
MAPFRE ASISTENCIA			0.1	0.1
TOTAL	**1.5**	**0.4**	**13.2**	**15.1**
Unrealized Capital Gains	**0.6**	**0.1**	**0.5**	**1.3**

Billion euros
Note: Real Estate and Unit Linked excluded

Investment portfolio
Additional information

Fixed Income (€31.5 bn)





Equity (€2.7 bn)

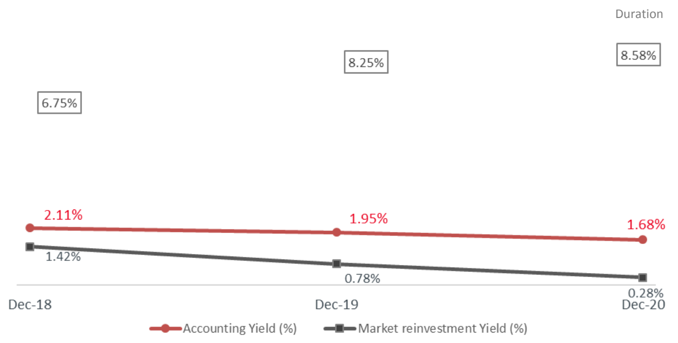
- 80% investments in US and European companies. Less than 20% in Spain
- Top 10 holdings amount to one third of total equity portfolio
- At the end of 2020 we had capital gains in this asset class and there were no impairments despite important market fluctuations

(*) Includes: Government and Corporate Fixed Income

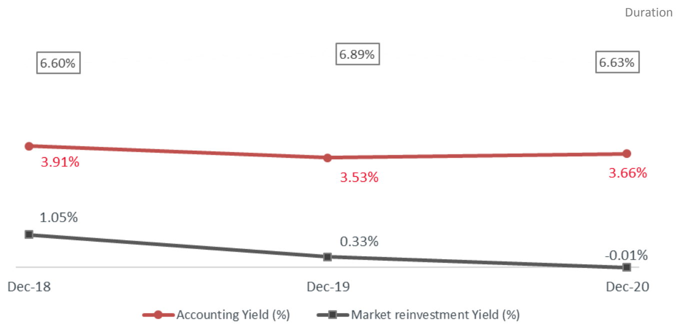
Fixed income portfolios

Stable income in Euro fixed income portfolio and positive outlook for US and Brazil portfolio

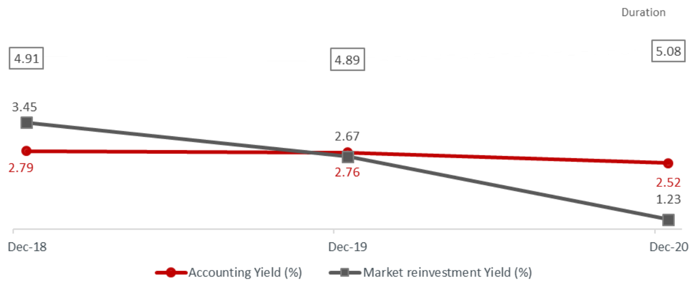
Actively managed portfolio – Non-Life (Iberia + MAPFRE RE)



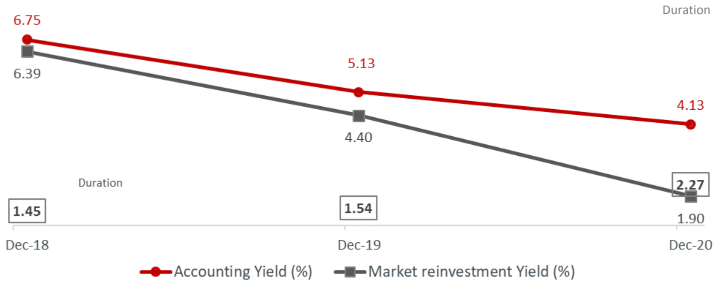
Actively managed portfolio – Life (Iberia + MAPFRE RE)



USA

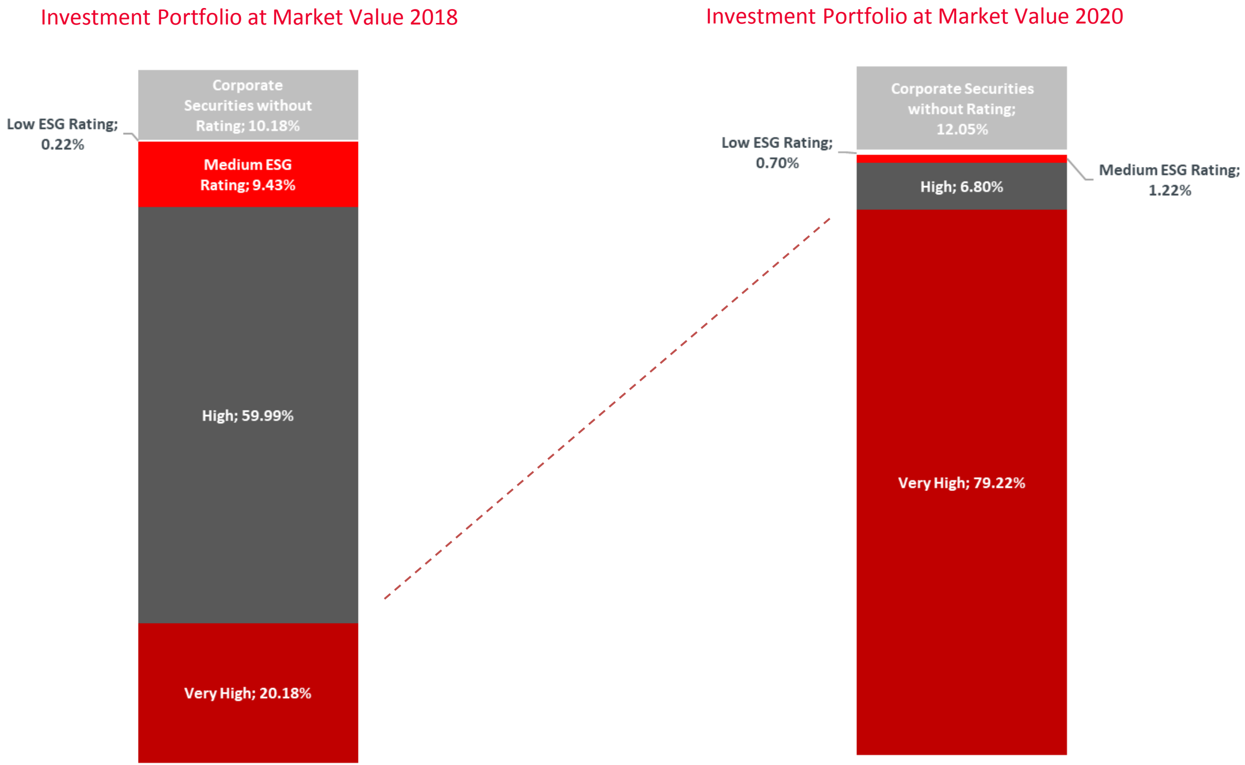


Brazil



Responsible Investment

Significantly improving our portfolio's ESG quality



Responsible Investment

Improving our footprint

MAPFRE Portfolio SDG impact

Index of impact of each asset class to each SDG. Yearly comparison

MAPFRE Portfolio SDG impact

Index of impact of each asset class to each SDG

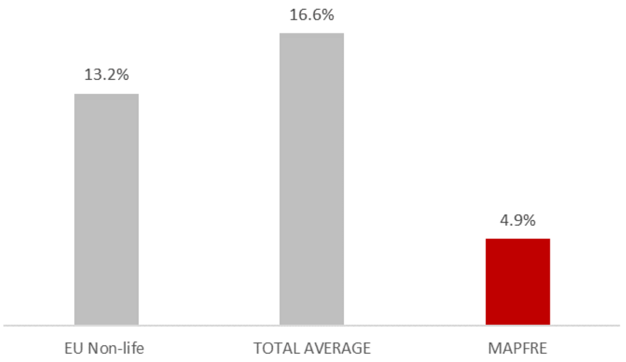
Source: MAPFRE and University of Siena.

The index ranges from 0 (center of the circle) to 100 (outer line)

Investment strategy

- **Book yield >** keep it as high as possible without increasing risk profile
- **Corporate credit >** consider tactically decreasing exposure in anticipation of potential spread widening
- **Equity allocation >** favor long term approach. We do not realize capital gains unless our Investment Committee agrees on switching sector or companies
- **Alternatives >** set up funds in real estate, private equity, private debt and renewable energy with world-class partners and co-investment philosophy. Second wave approved this year (additional €300 mn)
- **Diversification >** still have a lot of leeway in terms of further diversification
- **ESG >** continue working with an integrated approach to ESG factors in our investment process

% Illiquid Assets over Investment Portfolio



Source: MAPFRE and JP Morgan

Increasing balance sheet diversification (1st wave)

	Investment Aproved	Committed Capital	Deployed Capital
Private Debt		115.0	56.2
Private Equity		258.0	46.0
Infraestructure		60.0	27.5
Real Estate and Others		377.9	333.5
TOTAL	**1,050.0**	**810.9**	**463.2**

million euros

Conclusions

Looking forward in a post-COVID environment

- **Outlook >** we expect some tailwinds coming from the macro picture (GDP growth, interest rates and FX), but as the old saying makes clear, “We hope for the best but we plan for the worst”
- **Conservative investment portfolio >** since last March, we have further de-risked corporate credit
- **Life business >** the focus is on developing innovative unit linked solutions and mutual funds
- **Main lines of action >** protecting the book yield, accumulating capital gains in equities and increasing balance sheet diversification in the alternative space
- **ESG focus >** the ESG quality of our investment portfolio has increased significantly since 2018, more than 86% of the assets with ratings have scored High or Very High; for the second year in a row we are measuring our SDG impact which is running in the right direction with an improvement in 49% of the goals

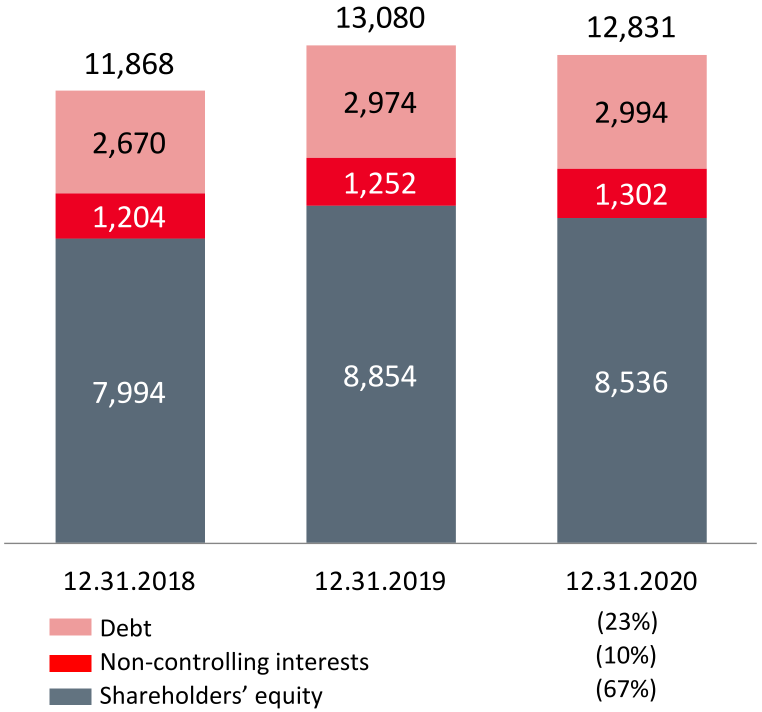
04 Capital Management

Fernando Mata

Capital structure

Diversified and stable capital base

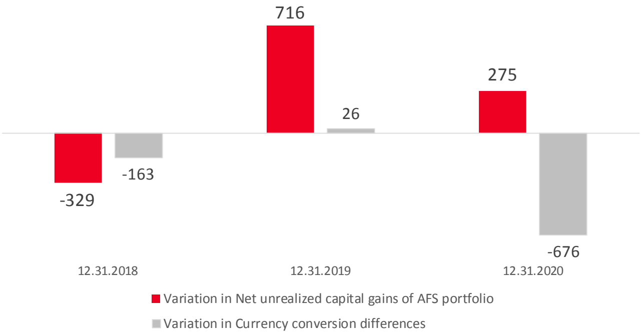
Capital structure



Million euros

Breakdown – shareholders' equity

	12.31.2018	12.31.2019	12.31.2020
Capital, retained earnings and reserves	**9,010**	**9,155**	**9,244**
Net unrealized capital gains of AFS portfolio*	291	1,006	1,282
Currency conversion differences	-1,266	-1,240	-1,916
Treasury stock and other adjustments	-41	-66	-74
Attributable shareholders' equity	**7,994**	**8,854**	**8,536**



*Net of shadow accounting adjustments

Currency exposure

Diversified exposures with limited sensitivities

Currency conversion differences

	12.31.2020	Δ 2020	% Δ currency 2020	Sensitivity to 1 p.p Δ in currency	% Δ currency 03.12.2021	% Δ currency 2021E**
Total	**-1,916***	**-676**	-	-	-	-
Of which:						
US dollar	301	-189	-8.2%	23	2.2%	1.2%
Brazilian real	-945	-297	-28.9%	10	-4.5%	-2.0%
Turkish lira	-346	-37	-26.6%	1	0.4%	-6.2%
Mexican peso	-141	-37	-12.8%	3	-1.7%	-9.1%

* Currency conversion differences include -€545.1 mn of adjustments in Venezuelan and Argentine currencies (hyperinflationary economies)

** Source: MAPFRE Economics

Million euros

Debt position

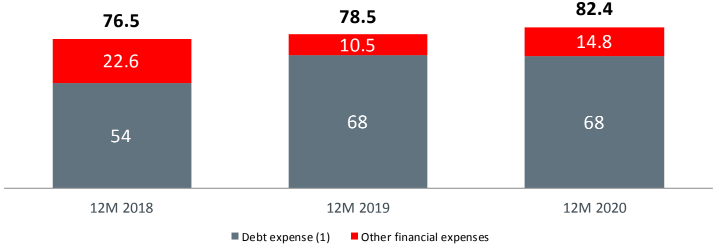
Strong credit metrics

Total debt (mn€)

	12.31.2018	12.31.2019	12.31.2020
Total debt	**2,670**	**2,974**	**2,994**
of which:			
senior debt - 5/2026	1,004	1,005	1,006
subordinated debt - 3/2047 (First Call 3/2027)	618	618	618
subordinated debt - 9/2048 (First Call 9/2028)	503	503	504
syndicated credit facility - 02/2025 (€ 1,000 M)	490	610	600
bank debt (2)	56	238	266
Leverage	**22.5%**	**22.7%**	**23.3%**

Current average cost of debt (%) ~2.5% (1)

Financial expenses (mn€)



- Additional debt capacity (SII):
  - Tier 1: 1.5 bn€
  - Tier 2: 0.8 bn€

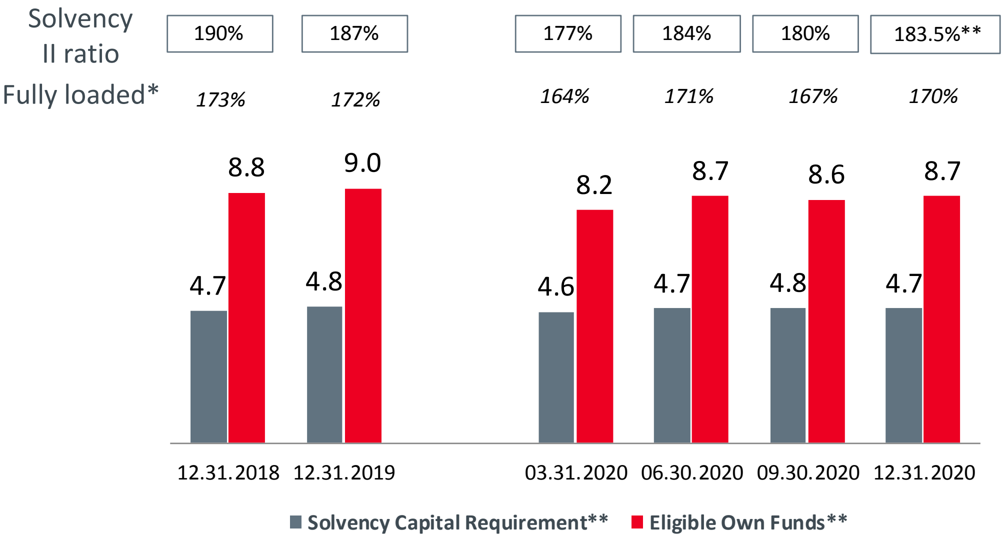
(1) Holding Company debt

(2) Includes operating debt at subsidiaries and premium financing

Solvency II

Robust and stable solvency position

Solvency II (bn €)



* Excluding impacts of transitional measures for technical provisions (1.4 pp per year)

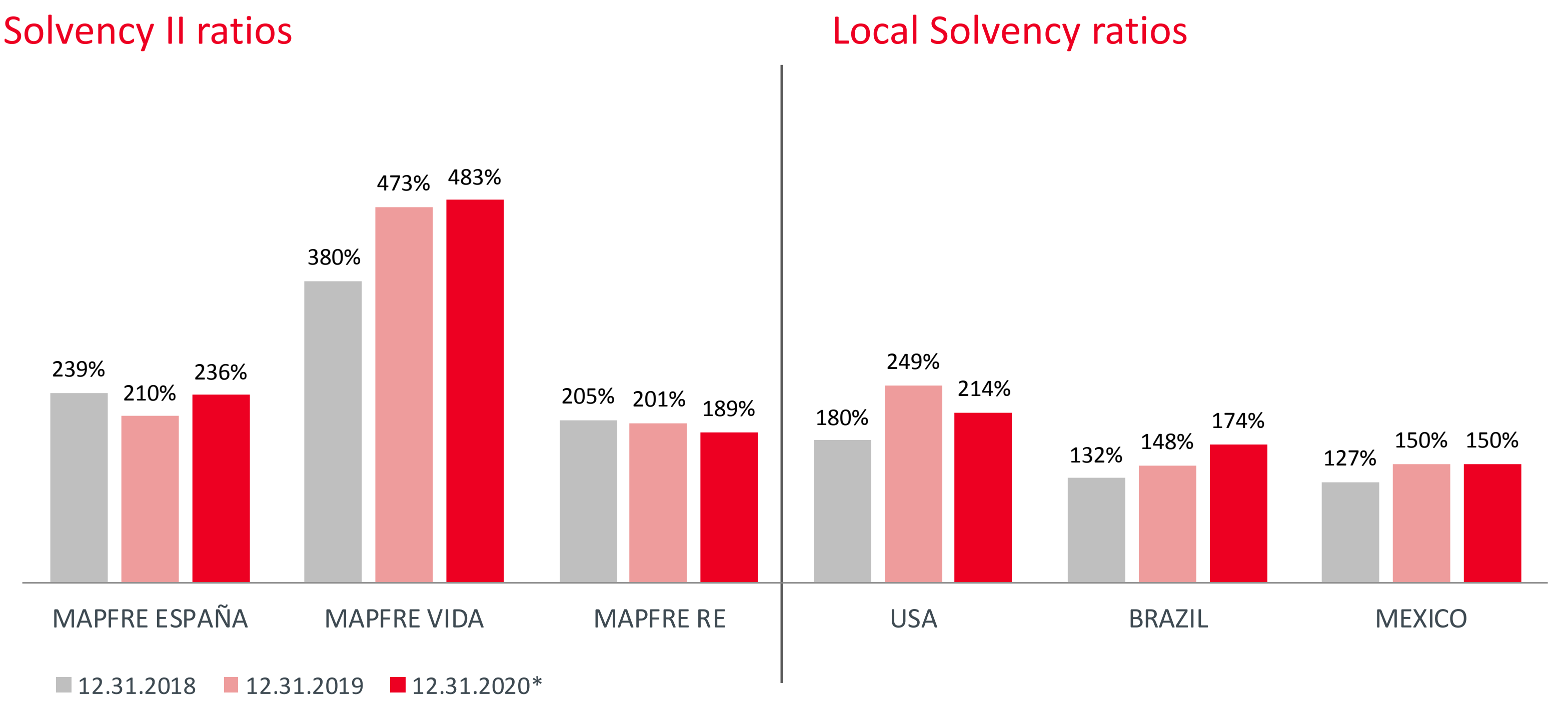
** Solvency II figures as well as the SCR & EOF as of December 2020 are provisional

Breakdown of BSCR (mn €)

	12.31.2018	12.31.2019	12.31.2020
Market	2,498	2,924	2,894
Counterparty	800	729	704
Life Underwriting	969	1,056	1,208
Health Underwriting	232	251	259
Non-Life Underwriting	2,305	2,410	2,323
Diversification Benefits & others	-2,221	-2,377	-2,428
BSCR Total	**4,583**	**4,993**	**4,961**

Solvency II – by entity

Strong solvency position at main dividend contributing units



* Provisional data

Capital position

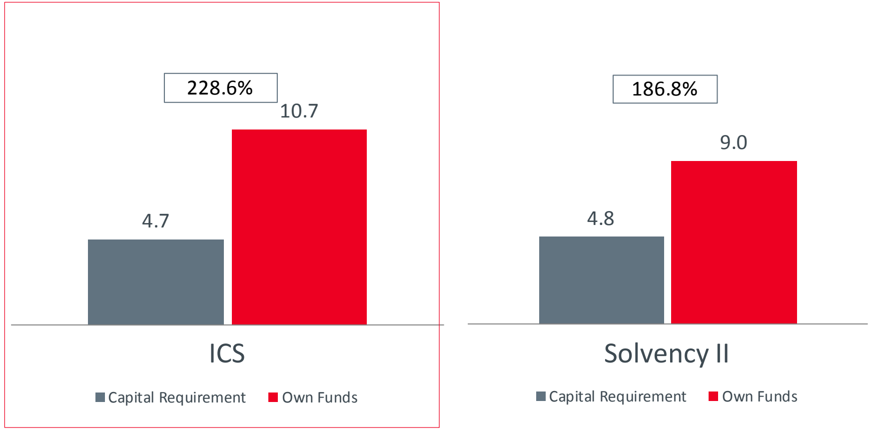
Regulatory developments underway and ICS results reflect an even stronger capital position

Solvency II

	12.31.2020
Solvency II ratio (provisional figures)	**183.5%**
Fully loaded (provisional figures) (2)	*170.3%*
Solvency II ratio (estimated final figures) (3)	**>190%**
Bankia exit (4)	5.0%

(1) Data as of 12.2019 for comparability purposes
(2) Excluding impacts of transitional measures for technical provisions and equity
(3) Estimated final figures, reflecting potential approval by local regulator for longevity risk internal model for MAPFRE Group calculations, as well as further fine-tuning of calculations
(4) Assuming no change in Own Funds, only SCR adjustment

ICS disclosure - 12.31.2019 (1)



- Higher Own Funds under ICS due to global consolidation and treatment of minority interests, as opposed to equivalence method used under SII (Brazil, USA and Mexico)
- Diversification benefit for matching portfolios under ICS

Dividend upstreaming

Supported by core units with solid underlying results and cash generation

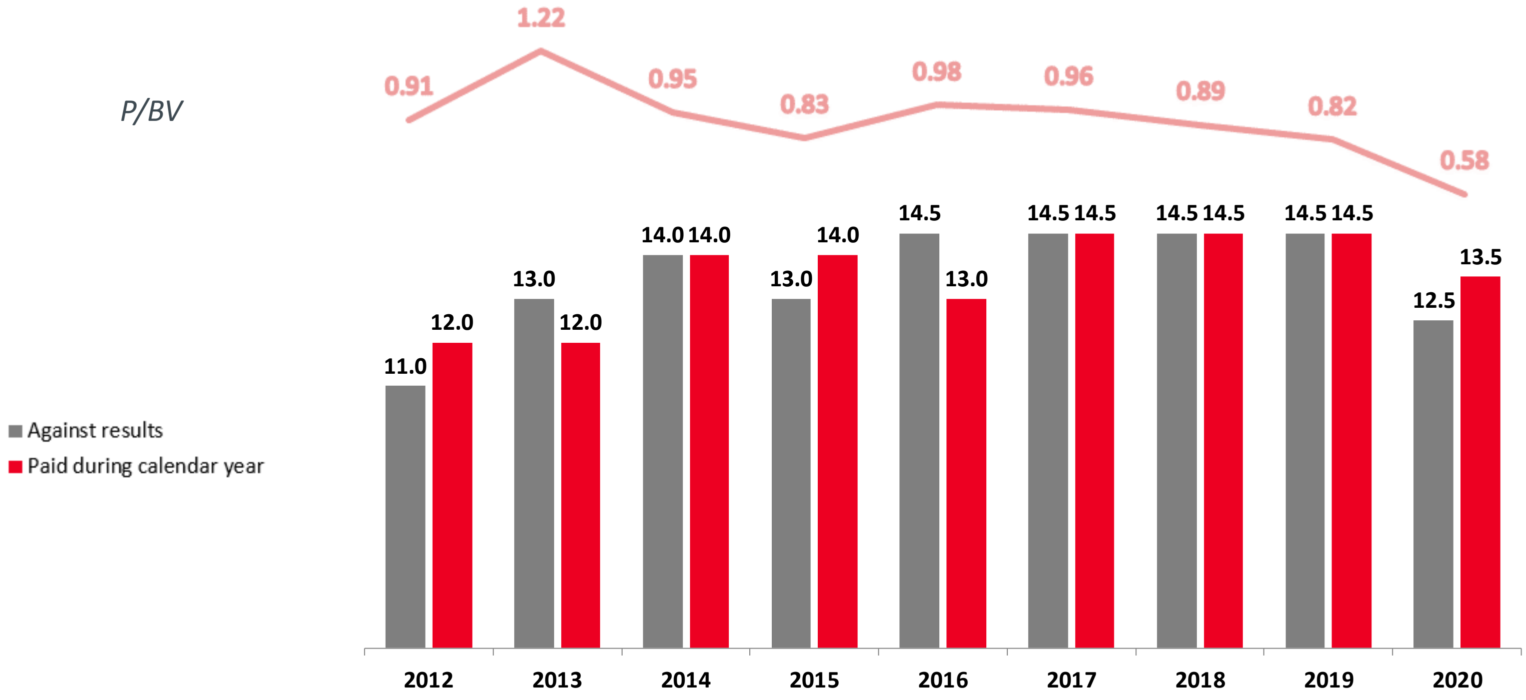
Dividends upstreamed from subsidiaries (mn€)

	2018	2019	2020	Average payout 2018-2020
SPAIN	355	433	388	82%
of which:				
MAPFRE ESPAÑA	*231*	*240*	*222*	84%
MAPFRE VIDA	*124*	*190*	*121*	72%
INTERNATIONAL	153	258	151	66%
of which:				
BRAZIL	*0*	*81*	*52*	53%
LATAM (Ex Brazil)	*51*	*92*	*40*	52%
USA	*71*	*63*	*57*	133%
Others	*31*	*22*	*1*	52%
MAPFRE RE	138	68	0	85%
TOTAL	**647**	**759**	**539**	
Dividends paid by MAPFRE S.A. (calendar year)	-447	-447	-416	

- Dividends upstreamed from Operating Units to Holding Company should cover:
  - MAPFRE S.A. dividend
  - Interest expense and other payments at holding companies (ave. €120-130 mn/year)
  - Cancellation of intercompany balances
- Operating Units should finance their organic growth with earnings retention

Dividend history

Returning to sustainable dividend path, supported by BANKIA proceeds, with target payout ratio unchanged at > 50%



	2012	2013	2014	2015	2016	2017	2018	2019	2020
Payout ratio	50.9%	50.6%	51.0%	56.5%	57.6%	63.7%	84.4%	73.3%	73.1%

Capital Management > outlook

Strong balance sheet and capital position, and stable cash flow generation from subsidiaries

Shareholders' equity	› Expected to move in a range of €8-9 bn
AFS portfolio	› Movements across different asset classes expected to be neutral
Currency effects	› Lower drag than previous years, in line with currency forecasts
Retained earnings	› Positive contribution to capital base, driven by current payout target and improved earnings outlook
Intangibles	› Clean-up of goodwill and other intangibles over the last years with €1.4 bn goodwill remaining
Solvency	› Within comfort range (200% +/-25 p.p.) despite market volatility & with a positive outlook
Leverage	› Comfortable with current leverage and debt structure, which supports our financial needs
Dividends	› Subsidiary upstreaming budget based on a similar contribution from units › Payout ratio above 50% remains unchanged

Investor Relations

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Corporate website: www.mapfre.com
Financial documentation center: www.mapfre.com/en/financial-information/

Upcoming events – H1 2021*:

18 March	Morgan Stanley European Financials Conference
8-28 April	Blackout period
29 April	3M 2021 Results release
8-10 June	Goldman Sachs European Financials Conference
15 June	JP Morgan European Insurance Conference
5-25 July	Blackout period
26 July	6M 2021 Results release

Follow us at:

* Dates are subject to change

Terminology

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/

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MAPFRE S.A. does not undertake to update or revise periodically the content of this document.

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.