

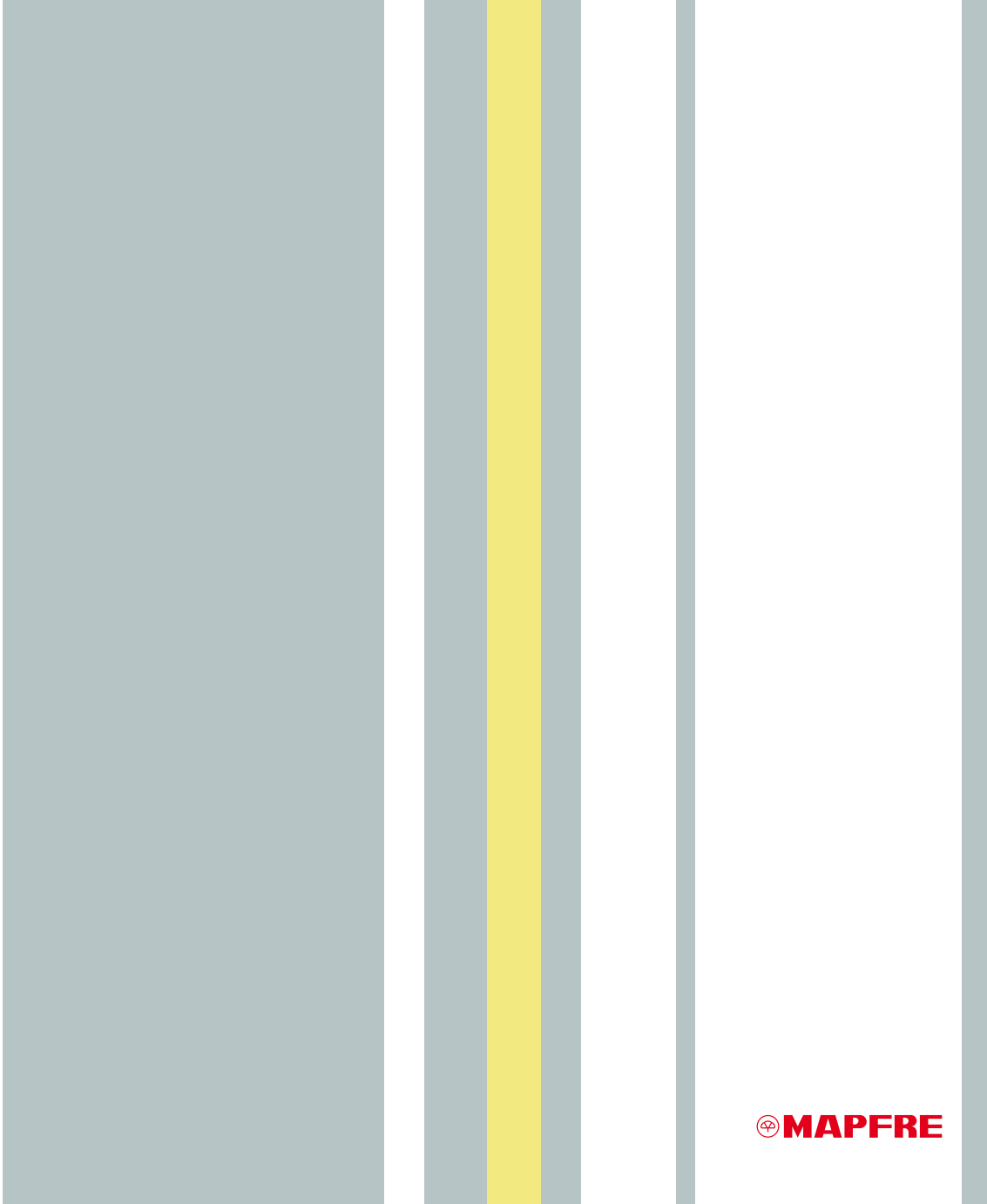
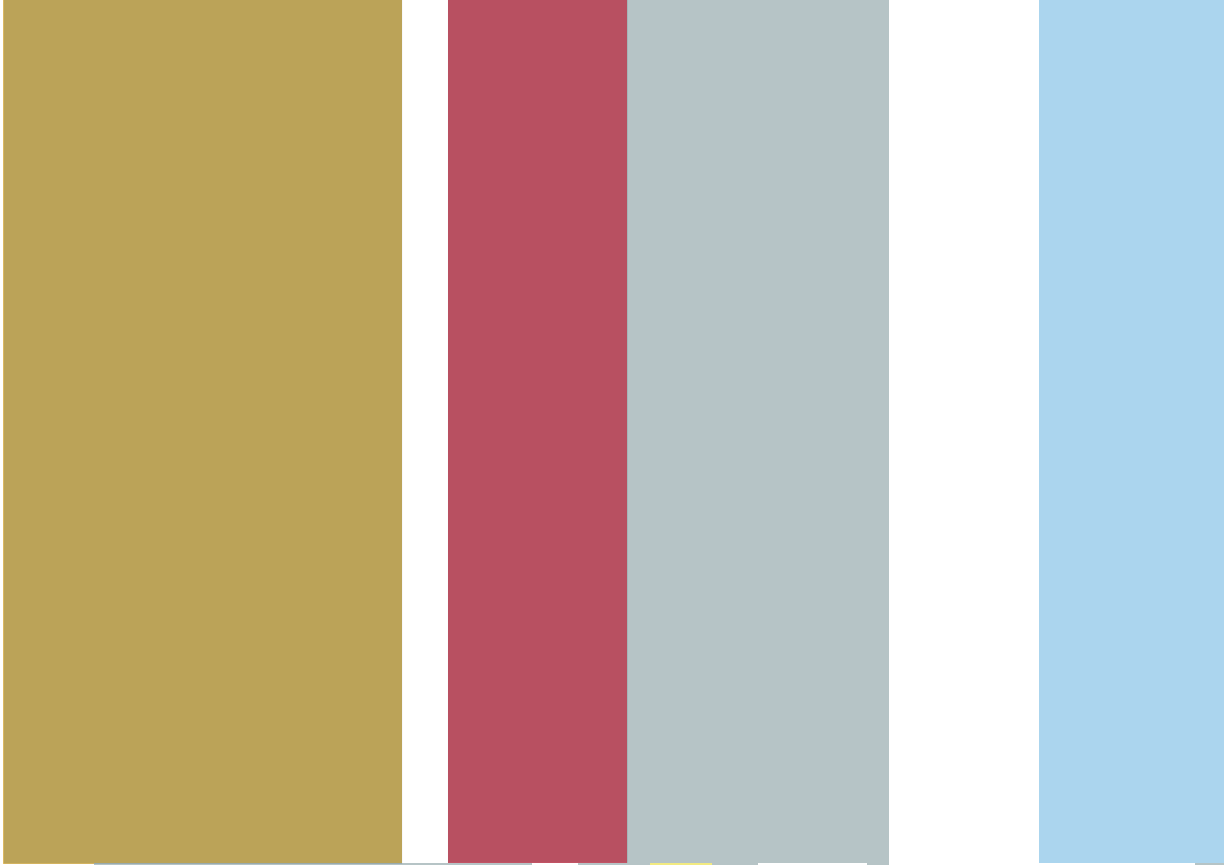


Consolidated
Annual Accounts
and Management
Report

Business Units,
Territorial Areas
and Regional Areas

ANNUAL REPORT

2014



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1 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</i>			
FIRST VICE CHAIRMAN	Esteban Tejera Montalvo	<i>First Vice Chairman</i>			
SECOND VICE CHAIRMAN	Francisco Vallejo Vallejo	<i>Second Vice Chairman</i>	<i>Member</i>		<i>Chairman</i>
THIRD VICE CHAIRMAN	Antonio Núñez Tovar	<i>Member</i>			
FOURTH 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>			
	Georg Daschner				
	Rafael Fontoira Suris				
	Luis Hernando de Larramendi Martínez	<i>Member</i>	<i>Member</i>		
	Luis Iturbe Sanz de Madrid		<i>Chairman</i>	<i>Chairman</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>
	Catalina Miñarro Brugarolas	<i>Member</i>		<i>Member</i>	
	Alfonso Rebuelta Badías		<i>Member</i>		
	Matías Salvá Bennasar				
SECRETARY	Ángel L. Dávila Bermejo	<i>Secretary</i>	<i>Secretary</i>	<i>Secretary</i>	

Composition of the governing bodies resulting from the resolutions expected to be adopted on March 13, 2015.

HONORARY CHAIRMEN
Julio Castelo Matrán
José Manuel Martínez Martínez

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Letter to shareholders

Dear Shareholder,

In 2014, our Group conducted its activity in an environment which, on the one hand, saw the consolidation of the recovery of the Spanish economy, and on the other, one in which doubts increased regarding the development of other European and Latin American economies. Meanwhile, the performance of financial markets has been marked by a sharp decline in interest rates in the eurozone and in other developed economies, and by the beginning of an appreciation phase for the U.S. dollar.

In this context, MAPFRE has achieved:

- consolidated leadership in Spain, forging ahead with international diversification;
- an increased number of premiums in the majority of business lines and countries, in which the contribution of Life insurance and Spain's return to the path of growth have been especially significant, and
- a marked rise in results and dividends.

MAIN ACTIVITIES

In recent years MAPFRE has undertaken a profound reorganization of its internal structures with a view to simplifying those structures and adapting them to the new challenges currently facing the Group.

In this regard, in 2013 a new organizational structure was approved which came into effect on January 1, 2014. This includes the creation of nine Corporate Areas, four Business Units, three Territorial Areas, and seven Regional Areas. The purpose of this is to facilitate:

- decentralized management within a common framework of action that guarantees the local implementation of policies established for the whole Group; and
- the dissemination of best practices and reinforcement of innovation in the design and launch of new products and services.

During the financial year, the Group implemented a number of initiatives to strengthen its multichannel distribution capacity. These included:

- the new global agreement, announced in January, by which MAPFRE, on February 1, became the exclusive provider of Life and Non-Life insurance products for the entire BANKIA commercial network. The agreement involved the restructuring of the bancassurance business with this financial institution through new distribution agreements with the operator BANKIA MEDIACIÓN, and the contributions to the current life insurance endeavor among BANKIA and MAPFRE, BANKIA MAPFRE VIDA, from the ASEVAL and LAIETANA VIDA businesses.
- the agreement with the British insurer DIRECT LINE GROUP, announced on September 25, through which MAPFRE would acquire its automobile insurance subsidiaries in Italy and Germany for €550 million. This transaction is part of MAPFRE's firm commitment to direct online insurance and allows it to strengthen its presence in Europe, by integrating two profitable and established companies, leaders in the direct insurance market and with high growth and value creation potential.
- 686 new points of sale, reaching a total of 15,008 branches worldwide, as well as a 16.2 percent increase in the number of brokers, to 79,289 for all the territorial areas.

It should be pointed out that on February 20, the Standard & Poor's agency announced that, following the review conducted for the issuer with the new methodology for classifications on the reference country's rating, it decided to place MAPFRE RE and MAPFRE GLOBAL RISKS financial strength rating three levels above the rating for the Kingdom of Spain, while improving the MAPFRE S.A. issuer rating to one notch above that of the sovereign. Subsequently, on May 30, the agency made it public that, as a result of Spain's improved credit rating review, it was increasing MAPFRE S.A.'s credit rating to "BBB+" and MAPFRE RE and MAPFRE GLOBAL RISKS' financial strength classification to "A", with outlook stable in all three cases. As such, MAPFRE became the Spanish business group with the highest classification and the only financial group in the world with ratings three levels above that of its own country. Standard & Poor's based its decision on the strength of MAPFRE's competitive position, buttressed by its diversification in terms of geography and business.

MAPFRE and its subsidiaries continued to receive awards and accolades for their business performance, the quality of the services provided to clients and responsibility toward employees and society in 2014. It is worth mentioning the inclusion of our shares in the Dow Jones Sustainability World, Dow Jones Sustainability Europe, FTSE4Good and FTSE4Good IBEX indices, which evaluate the performance of listed companies in terms of sustainable development and respect for human rights. Meanwhile, the U.S. magazine FORTUNE has once again included MAPFRE among the 500 largest companies in the world.

KEY FACTS AND FIGURES

The excellent overall results of our subsidiaries are reflected in the following figures:

- Total consolidated revenues grew by 1.8 percent to reach €26,366.7 million. Of that amount, €22,400.9 million came from premiums, which increased by 2.6 percent. By Territorial Area:

- > premiums issued and accepted in the IBERIA Territorial Area grew to €7,455.7 million, an increase of 1.5 percent. It is worth noting the return to growth demonstrated by all the main Non-Life insurance businesses, especially the Automobile business, the significant contribution of the bancaassurance channel in Life-Savings insurance and the notable growth in the acquisition of investment and pension funds via the agency channel.

- > premiums from the LATAM Territorial Area increased by 3.8 percent, reaching €9,627.6 million. There was strong growth in local currency in most countries as a result of the commercial drive during the year; in Brazil, this was accompanied by the increased contribution of the BANCO DO BRASIL network, mainly in Life insurance.

- > businesses integrated within the INTERNATIONAL Territorial Area recorded premium volume of €3,491.1 million, up by 4.8 percent. Growth in Non-Life insurance in the United States and Turkey was notable, as well as the rise in the Life premiums figure in Malta and the favorable development of MAPFRE ASISTENCIA in Continental Europe, China and Australia.

- > MAPFRE RE and its subsidiaries reported consolidated premiums of €3,343.3 million, an increase of 2.8 percent, arising from new business in the Life insurance line.

- Life insurance, pension fund and investment fund assets under management increased by 21.4 percent, exceeding €40,000 million for the first time.
- Net consolidated profit increased to €845.1 million, a rise of 6.9 percent.
- Earnings per share increased from €0.26 to €0.27.
- Lastly, consolidated net equity stood at €11,469.4 million, compared to €9,893.7 million in 2013. €2,316.7 million of this corresponds to holdings of minority shareholders in subsidiary companies. Consolidated shareholders' equity increased to €2.97 per share at the end of 2014, compared to €2.54 as at December 31, 2013.

OUR SHARE PRICE

The performance of the stock market in 2014 was driven by doubts about the growth level of European economies and developing countries, expectations about the actions of the main central banks and interest rate movements. In this environment, our share price fell 9.6 percent to €2.81. During this period, the Spanish IBEX 35 stock market index recorded a 3.7 percent increase, while the Dow Jones STOXX Insurance index revalued by 9.8 percent.

DIVIDENDS

MAPFRE's objectives include maintaining a dividend policy in line with growth in its earnings. In this respect the Board of Directors has agreed to:

- pay an interim dividend against the 2014 results of €0.06 per share, taking the total dividend payout in 2014 to €0.14 per share; and
- propose at the Annual General Meeting a final dividend of €0.08 gross per share, which represents a 7.7 percent increase in the dividend against the results for the year.

During the year, MAPFRE S.A. shareholders received dividends of €431.1 million, 16.7 percent up on the previous fiscal year.

I would like to end this letter by expressly thanking our shareholders, our clients, the supervisory bodies, and generally everyone who has placed their confidence in us and supported throughout the year. I would also like to take this opportunity to express my gratitude to 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,



ANTONIO HUERTAS
CHAIRMAN AND CEO

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General information

MAPFRE is a global company engaged mainly in insurance and reinsurance activities, and operates in over 45 countries on five continents. The group's holding company is MAPFRE, S.A., whose shares are components of the Madrid and Barcelona Stock Exchanges. They are also listed on the IBEX 35, 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, Prevention and Road Safety, and Health Promotion.

The group has 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 a strong leadership position in the Spanish Insurance market. At the close of 2014 it ranked 10th in the European insurance market and sixth in Non-Life insurance. Additionally, it held first position in this segment in Latin America, where it is the second largest insurance group.

PRESENCE

5,524

COMPANY-OWNED
OFFICES

9,484

BANCASSURANCE
OFFICES



> DIRECT INSURANCE

> ASSISTANCE

> GLOBAL RISKS

> REINSURANCE

LATAM

BRAZIL

Brazil > > > >

LATAM NORTH

Costa Rica	>	Honduras	> >
Dominican Rep.	> >	Mexico	> > > >
El Salvador	> >	Nicaragua	> >
Guatemala	> >	Panama	> >

LATAM SOUTH

Argentina	> > >	Paraguay	>
Chile	> > >	Peru	> >
Colombia	> > >	Uruguay	> >
Ecuador	> >	Venezuela	> > >

MAPFRE operates in 49 countries through its 259 subsidiaries. At the end of 2014, MAPFRE had 5,524 company-owned offices worldwide, including 3,069 in Spain and 2,087 in Latin America. The company also distributes its products through 9,484 branches of banking institutions and other outlets that sell MAPFRE insurance through partnership agreements. The network comprises more than 79,000 agents and brokers, of which around 5,600 operate in the United States and more than 24,700 in Brazil.

In insurance activities, MAPFRE leads the Spanish market and is the tenth largest insurance company in Europe. It is present in 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 U.S. (where it is one of the country's 20 largest Automobile insurance companies), as well as Australia, China, the Philippines, France, Indonesia, Ireland, Malta, Portugal, the United Kingdom and Turkey.

In the Assistance field, MAPFRE operates in 45 countries and is the third largest such company worldwide. Moreover, the Group's professional reinsurance company (MAPFRE RE) ranks among the top 15 reinsurance entities worldwide and does business around the globe through 18 offices and two subsidiary companies. The Group's specialized company MAPFRE GLOBAL RISKS manages global insurance programs.



APAC



Australia

SPAIN

► 3,069

COMPANY-OWNED
OFFICE

► 3,861

BANCASSURANCE
OFFICE



INTERNATIONAL

EMEA

Algeria	►	Jordan	►
Bahrain	►	Luxembourg	►
Belgium	► ►	Malta	► ►
Egypt	►	Russia	►
France	► ► ►	Sweden	►
Germany	► ► ►	Tunisia	►
Greece	►	Turkey	► ►
Hungary	►	U.A.E	►
Ireland	►	United Kingdom	► ► ►
Italy	► ► ►		

NORTH AMERICA

Canada	► ►
Puerto Rico	► ►
USA	► ► ►

APAC

Australia	►	Japan	►
China	► ►	Malaysia	►
Hong Kong	►	Philippines	► ► ►
India	►	Taiwan	►

IBERIA

IBERIA

Spain	► ► ►	Portugal	► ► ► ►
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ORGANIZATIONAL CHART 2014

MAPFRE S.A.
Presidency

MAPFRE EXECUTIVE COMMITTEE

GLOBAL CORPORATE AREAS

Finance

Investment

Human Resources

Resources and
Institutional Coordination

Strategy and
Development

Internal Audit

General Counsel

Business and Clients

Business Support

BUSINESS UNITS: INSURANCE/ASSISTANCE/GLOBAL RISKS

BUSINESS UNIT: REINSURANCE

IBERIA

LATAM

INTERNATIONAL

MAPFRE RE

IBERIA
(Spain/Portugal)

LATAM NORTH

EMEA
(Europe/Middle East/Africa)

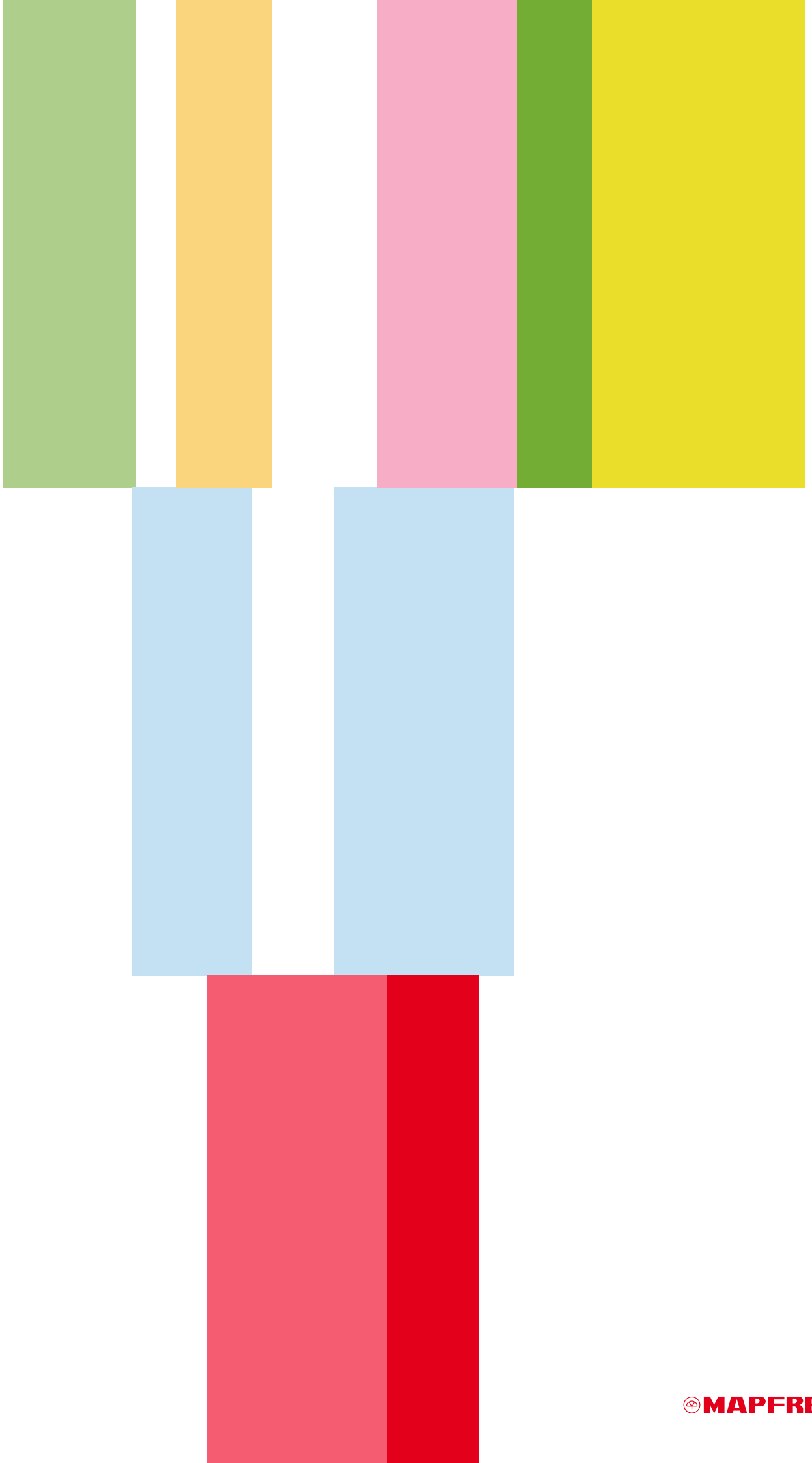
LATAM SOUTH

NORTH AMERICA
(USA-Puerto Rico/Canada)

BRAZIL

APAC
(Asia/Pacific)

Organizational chart on the date of issue of the Annual Report 2014.



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Significant events in the year

2013

JANUARY

JANUARY 9

MAPFRE Chairman and CEO, Antonio Huertas, chosen as one of the five most highly rated executives on the IBEX35 for his business management by FORBES magazine.

MAPFRE declared a leader in online positioning and reputation, according to the Insurance Companies 2.0 report compiled by the consultancy firm Porter Novelli.

JANUARY 10

MAPFRE launches GARANTÍA 18, a five-year, single-premium insurance product offering a minimum annual effective interest rate of 3.36 percent.

JANUARY 16

MAPFRE launches “Horizontes”, an advertising campaign designed to convey MAPFRE’s new positioning as the most trusted global insurance company.

MAPFRE opens a new Automobile Center in Valencia.

JANUARY 20

MAPFRE VIDA launches GARANTÍA 13, a single-premium savings insurance product linked to the 3-month Euribor.

JANUARY 29

MAPFRE receives the KPMG-EI Confidencial Award for its internationalization process.

JANUARY 31

MAPFRE and BANKIA sign a new global bancassurance agreement that includes the acquisition by MAPFRE of 51 percent of ASEVAL and LAIETANA VIDA and 100 percent of LAIETANA SEGUROS GENERALES.

FEBRUARY

FEBRUARY 11

MAPFRE presents the Group’s results for 2013, with revenues exceeding €25,889 million (up 2.3 percent) and net attributable profits of €790.5 million (up 18.7 percent).

FEBRUARY 17

MAPFRE launches TRIPLE ACCIÓN 4X5, a single-premium savings insurance product linked to the stock market performance of TELEFÓNICA, BANCO DE SANTANDER and REPSOL.

FEBRUARY 19

GENEL SERVIS opens a new Automobile Center in Istanbul.

FEBRUARY 21

Standard & Poor's upgrades MAPFRE S.A.'s rating to BBB, with outlook stable, making it the business Group with the highest rating in Spain.

FEBRUARY 27

MIDDLESEA and its Life subsidiary open a new office and an Automobile Center in Birkirkara (Malta).

FEBRUARY 28

FORTUNE magazine ranks MAPFRE as the world's fifteenth most admired insurance group.

MARCH

MARCH 3

MAPFRE Vice Chairman Esteban Tejera joins the Spanish Insurance Compensation Consortium as a member of its Board of Directors.

MARCH 7

MAPFRE INVERSIÓN tops the ranking in profits of securities companies in 2013, according to the Spanish National Securities and Exchange Commission.

MARCH 10

EMC CORPORATION certifies MAPFRE as a Center of Excellence in the application of products and services for business content management.

MARCH 14

The Annual General Meeting of MAPFRE approves the Group's financial statements and the proposal for the distribution of a total dividend of €0.13 per share against 2013 earnings, which represents an 18 percent increase on the previous year.

MAPFRE opens a new Automobile Center in León.

MARCH 19

MAPFRE launches PUENTE GARANTÍA 4, a guaranteed investment fund linked to the performance of the STOXX Europe 600.

MARCH 20

MAPFRE opens a new Polyclinic in Seville.

APRIL

APRIL 3

MAPFRE gains 56 positions in the ranking of global companies with the most valuable brands and is among the top 10 Spanish companies in this respect, according to the Brand Finance Global consultancy firm.

APRIL 11

The MAPFRE RENTA LARGO pension scheme is recognized as the best in its category (global fixed income) in 2013 by EXPANSIÓN and ALLFUNDS BANK.

APRIL 29

GENEL SERVIS opens a new Automobile Center in Istanbul.

MAY

MAY 6

MAPFRE chooses KPMG as the company's new auditor.

MAY 8

The Great Place to Work consultancy firm includes MAPFRE on the list of "Best Workplaces 2014" in Spain, among companies with more than 1,000 employees.

MAY 9

MAPFRE moves up 23 positions on the "Forbes List" to number 376 among the most valuable companies in the world and remains among the "Top Ten" Spanish companies included on this list.

MAY 14

The Corporate Reputation Business Monitor (MERCOR) 2014 ranks MAPFRE among the ten companies with the best reputation in Spain.

MAY 30

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

JUNE

JUNE 2

Advice Strategic Consultants ranks MAPFRE among the strategic companies regarded as essential for contributing to Spain's economic growth.

JUNE 10

MAPFRE presents its financial innovation strategy to a delegation of the European Financial Management Association (EFMA).

JUNE 11

MAPFRE launches GLOBAL EXPAT, the company's first global product, a Health insurance solution targeted at expatriate workers.

JULY

JULY 1

Setting up of the Association for the Development of Client Experience, a meeting point, knowledge exchange forum and client experience observatory of which MAPFRE SPAIN is a founding partner.

JULY 3

MAPFRE starts operating in the Automobile and Home insurance businesses in Pennsylvania, (United States).

MAPFRE BRAZIL obtains the ISO 14001 Environmental Management certificate, becoming the first insurance entity in Brazil to obtain this international distinction.

For the second straight year, MAPFRE ranks 13 on the Great Place to Work list and remains one of the best multinationals to work for in Latin America.

JULY 14

The Ministry of Industry, Energy and Tourism recognizes MAPFRE as one of the pioneering companies in the registration of .es domains.

MAPFRE receives the AENOR Certificate for its Health services provision in Spain.

JULY 24

Standard & Poor's upgrades the rating of MAPFRE RE and MAPFRE GLOBAL RISKS to "A", with outlook stable.

AUGUST

AUGUST 12

INERCO acquires the ITSEMAP subsidiaries in Brazil, Mexico and Portugal.

AUGUST 13

InsureandGo, the MAPFRE ASISTENCIA subsidiary specializing in the sale of online travel insurance, wins the Gold Award for its ONE TRIP BARE ESSENTIALS policy in Australia.

AUGUST 20

MAPFRE is recognized as one of the companies with the greatest brand impact in the Spanish market by the Higher Institute for Internet Development (ISDI) and ACCSOS.

SEPTEMBER

SEPTEMBER 1

MAPFRE starts operating in the Life insurance business in the United States.

SEPTEMBER 10

MAPFRE ranks ninth among the best companies to work for, and tops the insurance industry ranking in Spain, according to ACTUALIDAD ECONÓMICA magazine.

SEPTEMBER 12

MAPFRE RE rises to 14th place in the ranking of the main reinsurance companies according to the ratings agency A.M. BEST.

SEPTEMBER 15

MAPFRE MEXICO tops a ranking of the companies with the best reputation in the insurance industry, according to the Corporate Reputation Business Monitor (MERCOR).

SEPTEMBER 19

MAPFRE RE rises to 15th place in the "Global Reinsurance Highlights 2014" ranking of reinsurance companies by net premiums, published by the ratings agency Standard & Poor's.

SEPTEMBER 23

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

SEPTEMBER 25

MAPFRE announces the agreement on its acquisition of the direct Automobile insurance companies, DIRECT LINE Italy and DIRECT LINE Germany, for €550 million.

MAPFRE launches TRIPLE ACCIÓN INDEX, a savings insurance product linked to the stock market performance of TELEFÓNICA, BANCO DE SANTANDER and REPSOL.

SEPTEMBER 29

MAPFRE receives the Duque de Ahumada Award for Excellence in Corporate Security.

OCTOBER

OCTOBER 1

MAPFRE affirms its membership of the new Spanish Chamber of Commerce.

OCTOBER 3

MAPFRE Chairman and CEO Antonio Huertas participates in the 25th Plenary Assembly of the Latin American Business Council (CEAL), which met in Spain for the first time.

OCTOBER 9

MAPFRE ASISTENCIA opens new offices in Lyon and launches InsureandGo in France.

OCTOBER 12

MAPFRE and FUNDACIÓN MAPFRE receive the Civil Guard Silver Cross of Merit.

OCTOBER 13

MAPFRE receives the award for the Best Customer Experience Strategy from the Association for the Development of Client Experience (DEC).

For the third straight year, the UN Progress Report rates MAPFRE as an "Advanced Level" company for Social Responsibility issues.

OCTOBER 21

BB MAPFRE launches a project in Brazil to sell insurance in vending machines and department stores.

OCTOBER 28

MAPFRE GLOBAL RISKS expands its offering in Specialty Lines, (special insurance for risks that are unusual in terms of their size or complexity).

OCTOBER 30

Partnership agreement to offer insurance to those affiliated with the Chinese Association in Spain.

MAPFRE PERU features on the list of the top three insurance companies with the best reputation in the Corporate Reputation Business Monitor (MERCO).

NOVEMBER

NOVEMBER 4

MAPFRE ASISTENCIA wins the Segurador Brasil Award in the service provider category.

NOVEMBER 5

MAPFRE's Board of Directors resolves to pay a 2014 interim dividend of €0.06 per share.

MAPFRE's Board of Directors approves changes to move toward a new structure more appropriate to its global dimension, effective as of January 1, 2015.

NOVEMBER 6

BB MAPFRE receives the Valor Carreira Award for its people management from VALOR ECONÓMICO magazine.

NOVEMBER 13

InsureandGo recognized by PLIMSOLL PUBLISHING LIMITED with the "Outstanding Company" award in the United Kingdom.

MAPFRE opens a new dental clinic in Madrid.

NOVEMBER 21

MAPFRE Chairman and CEO Antonio Huertas honored as "Businessperson of the Year 2014" by the Brazilian-Spanish Chamber of Commerce.

DECEMBER

DECEMBER 9

The Corporate Technology and Processes Division receives an honorable mention in the Excellence in Innovation category at the KAIZEN LEAN awards, which recognize continuous improvement in Process Optimization, increased productivity and cost savings.

DECEMBER 15

The company's entry into the Health insurance business in Brazil is announced.

DECEMBER 18

MAPFRE ECUADOR tops the list of insurance companies in the country's Corporate Reputation Business Monitor (MERCO).

Key events in MAPFRE'S expansion and development over the last 10 years

2005

- The insurance premiums of SISTEMA MAPFRE exceed €10,000 million.
- The market capitalization of CORPORACIÓN MAPFRE exceeds €3,000 million.
- SISTEMA MAPFRE manages funds worth over €30,000 million.
- The Board of Directors of SEPI awards CLINISAS to MAPFRE CAJA SALUD.
- MAPFRE acquires a majority shareholding in NOSSA CAIXA SEGUROS E PREVIDENCIA, a Brazilian Life and Pensions Insurer.
- SISTEMA MAPFRE employs over 20,000 staff.
- MAPFRE becomes the leading insurance group by premium volume in Non-Life in Latin America.
- All MAPFRE foundations that operate in Spain are merged into FUNDACIÓN MAPFRE.

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 SEGUADOR 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.

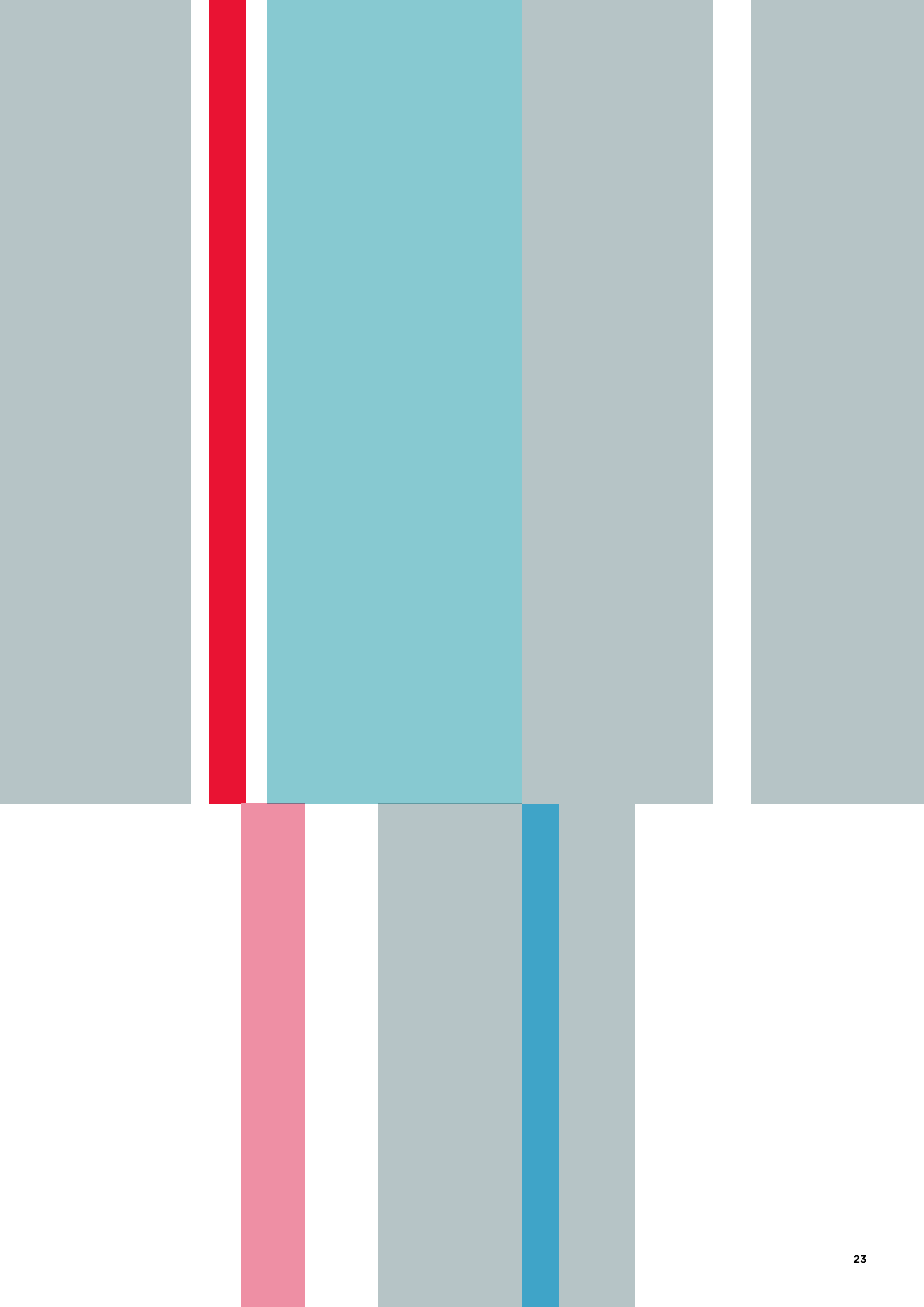
— Launch of the first global product, GLOBAL EXPAT, a Health insurance solution targeted at expatriate workers.

— 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.





5

Consolidated Management Report 2014

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 49 countries through 259 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 included in 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. a single-member private limited liability company, which is wholly controlled by FUNDACIÓN MAPFRE.

As of January 1, 2014, the Group's business activities have been carried out 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), LATAM NORTH, LATAM SOUTH, BRAZIL, NORTH AMERICA, EMEA (Europe, Middle East and Africa) and APAC (Asia Pacific).

The activities of the various Business Units supplement those of the Group's Corporate Areas (Financial, Investments, 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 Board of Directors of MAPFRE, S.A. is the most 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 legally ceded, and three Sub-Steering Committees (Audit, Appointments and Remuneration, 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. In the same way, the Global Business Committee, which reports regularly to the Executive Committee, is 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 is 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 depends 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

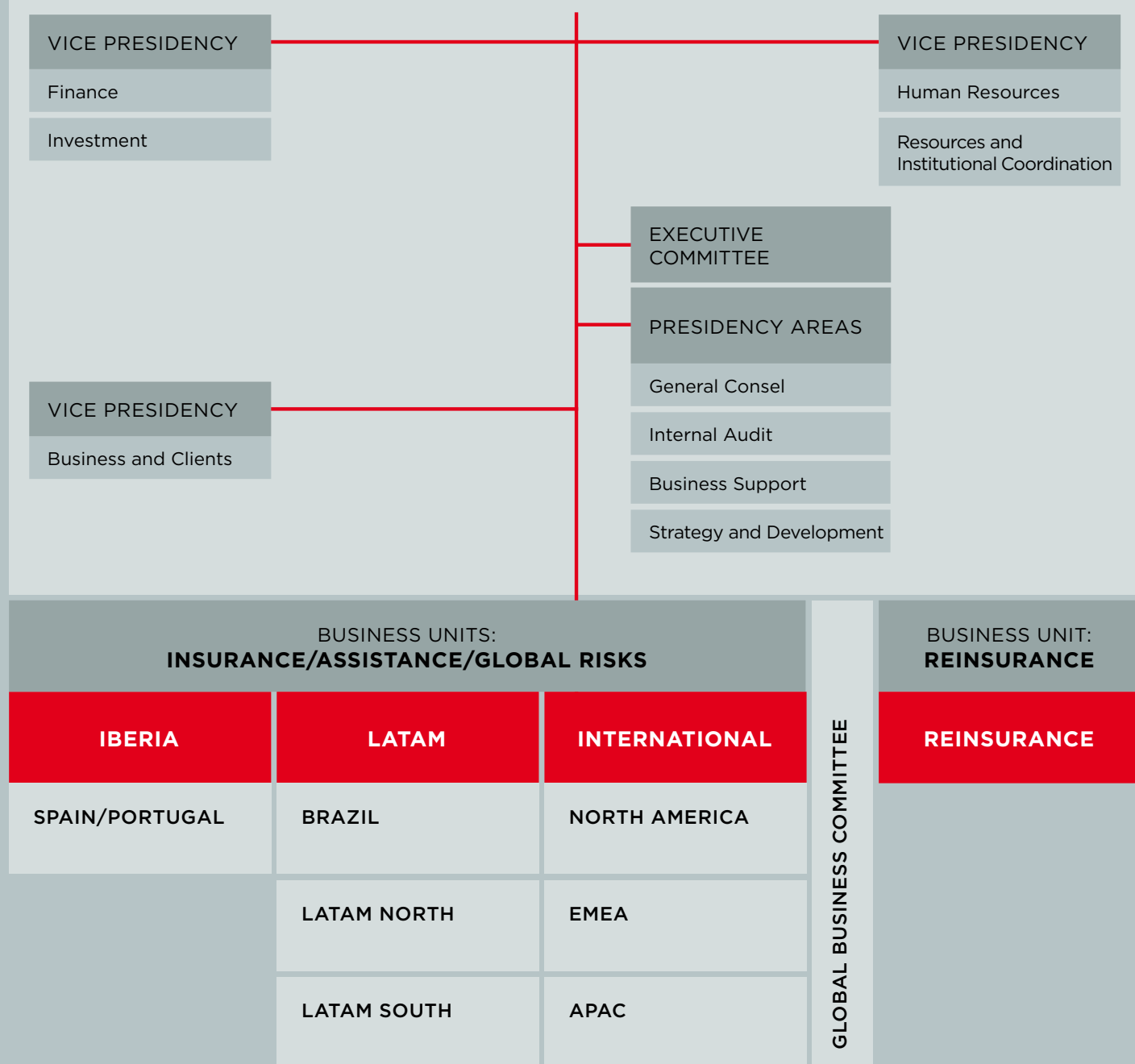
Administrators within vital companies, or those of reduced dimensions.

With the goal of continuing to advance in equipping the organization with a structure adequate for its global dimensions and the current reality of MAPFRE Group, new changes have been approved in the Group's management structure, effective as of January 1, 2015, which will allow the company to continue advancing in the completion of established goals, better diversifying the portfolio of products and dedicating adequate professional resources to the demanding and rigorous analysis of business opportunities and of risks assumed.

The new Organization Chart is shown here, and will come into force as of January 1, 2015.

MAPFRE S.A.

Presidency



Organization

During the 2014 financial year, the activities of the Group were carried out through the Business Units (Insurance: Assistance, Services and Speciality Risks; Global Risks and Reinsurance) that are geographically organized in line with the Territorial and Regional Areas structures, except for the Reinsurance Business Unit.

The IBERIA Territorial Area in itself comprises 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 largest 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 supply and adaptation to the legal and commercial nature of each market.

As of year-end 2014, MAPFRE's global distribution network included 15,008 offices. The network breaks down as follows:

Offices	2014	2013
IBERIA		
DIRECT AND SUBOFFICES	3,149	3,185
Bancassurance	3,861	3,273
Subtotal IBERIA	7,010	6,458
LATAM		
DIRECT AND SUBOFFICES	2,087	2,086
Bancassurance	5,623	5,503
Subtotal LATAM	7,710	7,589
INTERNATIONAL		
DIRECT AND SUBOFFICES	288	275
Subtotal INTERNATIONAL	288	275
TOTAL OFFICES	15,008	14,322

At the close of the financial year, MAPFRE's presence in Spain stands apart, with 3,069 offices, as well as Brazil, which has 931 offices, and Mexico, with 431 offices.

Overall, MAPFRE's global network facilitated the collaboration of over 79,000 partners in 2014, including agents, representatives and brokers. The breakdown of these partners is shown in the table below:

Commercial network	2014	2013
IBERIA		
Agents	10,999	11,149
Delegates	2,697	2,618
Brokers	5,038	3,710
Subtotal IBERIA	18,734	17,477
LATAM		
Agents	12,599	11,318
Delegates	6,161	4,585
Brokers	33,459	26,763
Subtotal LATAM	52,219	42,666
INTERNATIONAL		
Agents	6,742	6,430
Delegates	197	95
Brokers	1,397	1,539
Subtotal INTERNATIONAL	8,336	8,064
TOTAL COMMERCIAL NETWORK	79,289	68,207

MAPFRE's own distribution networks are supplemented by the distribution capabilities facilitated by its agreements with various entities, particularly with regards to bancassurance, (BANKIA, BANKINTER, BANCO CASTILLA-LA MANCHA—as the successor to the banking and para-banking activity of CCM MADRID- BANCO DE CAJA ESPAÑA DE INVERSIONES SALAMANCA Y SORIA –as the successor to the banking and para-banking activity of CAJA DUERO-, CATALUNYA BANC –as the successor to the banking and para-banking activity of -CAIXA CATALUNYA, CAIXA D'ESTALVIS DE TARRAGONA and CAIXA D'ESTALVIS DE MANRESA-, BANCO DO BRAZIL, BHD LEON and BANK OF VALETTA, among others). MAPFRE distributed its products in 2014 through 9,484 bancassurance offices, 3,861 in Spain, 5,493 in Brazil, and 130 in the Dominican Republic). MAPFRE also has 2,364 distribution agreements, including a significant proportion with financial institutions (200), automobile dealerships (2,043) and shopping centers and service providers (89).

Within the insurance sector, MAPFRE is the leader in the Spanish market, with a market share of 15.15 percent in Non-Life insurance, and 10.64 percent in Life insurance.

Additionally, it is the tenth-largest insurer in Europe, and is present in 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 7.1 percent (according to numbers for the financial year 2013, the latest available). Furthermore, MAPFRE RE, the Group's worldwide professional reinsurance business, is included in the top 15 ranking of global reinsurance companies.

BUSINESS PROGRESS AND RESULTS

ECONOMIC CONTEXT

During the entirety of 2014, a climate of greater stability was created in international financial markets, which translated into new reductions in the costs of financing as well as in risk premiums and volatility. This progress, however, was not without episodes of tension, such as those featuring emerging economies in the first part of the year, the episode linked to the escalation of geopolitical tensions in the Ukraine, Syria and Iraq and those associated with the lack of confidence regarding worldwide economic growth, especially in the eurozone, and deflationary fears, which were heightened following the drop in crude oil prices. Despite this, the world economy continued on the road to recovery, supported by the greater dynamism of some advanced economies, among which the USA and the United Kingdom played a key role, as well as by the moderation of fiscal consolidation and some very accommodating monetary policies.

The North American economy contracted during the first quarter after being impacted by negative temporary factors, such as poor weather conditions and the corrections to supply lines. Activity recovered vigorously starting in the second quarter, intensifying the improvement of conditions in the labor market and the real estate sector, which identified the North American market as the driver for global growth. Consequently, the Federal Reserve began to scale down non-conventional stimulæ, carrying out a monthly cutback calendar in its asset purchase program until it was wrapped up in the last quarter of the year, even while monetary policy maintained its expansive direction.

In Japan, the growth pattern in the first half of the year was affected by the increase in consumer tax that occurred in April and which contributed to growth in activity in the first quarter at the expense of the second, worsening the economic stagnation in the following months.

The stimulus measures, such as the extension of the asset purchase program or the acceleration in the annual pace of expansion of the monetary base, could not avoid the economy

2014 results presentation

entering into a technical recession in the third quarter, which led to early elections being called, and left the new increase in consumer tax planned for October 2015 unresolved.

In Europe, the economic recovery lost its momentum from the summer months. The context of global deceleration was extremely influential on the exporting sector while economic sanctions, applied bilaterally during the conflict with Russia and the Ukraine, had an impact, in the greatest way possible, on Germany and the most important economies in Europe. Despite a certain degree of flexibility, the demands of Germany to continue forward with structural reforms and fiscal adjustments slowed the application of vigorous stimulus plans. In the final stretch of the year, the European Fund for Strategic Investments, designed by the European Commission with the objective of encouraging investments in transport and energy infrastructure, mainly, during the period of 2016-2018, was approved for a maximum amount of 315,000 million euros.

In response to the low-inflation perspectives, economic weakening and sluggishness in monetary and credit progress, and with the objective of improving the mechanism for transmission of monetary policy, the European Central Bank (ECB) decided to adopt a combination of expansive monetary policies that included, amongst others, the reduction of 20 basis points, to 0.05 percent, in interest rate for key financial operations, the extension of normal one-week and three-month unlimited liquidity auctions to at least until December 2016, and putting into action an asset purchase program.

In the banking sector, new prudent solvency standards began to be applied, having been agreed upon by the Basel Committee (Basel III), the basic objectives of which were to increase the requirements for the entities' equity, as well as improving the quality of same. Moreover, during the final quarter, the Single Supervisory Mechanism entered into force and the ECB assumed direct supervisory responsibilities, first having carried out an evaluation of the banking system of the eurozone (130 entities analyzed) in which the Spanish banking system stood out with very favorable results.

In summation, during 2014, the stabilization of financial markets was consolidated even if the real economic recovery showed an unequal regional profile with periods of fragility.

Annual general meeting 2014

Spain showed itself to be one of the most dynamic economies in the eurozone, with a year-on-year growth rate in GDP of around 2 percent in the fourth quarter and close to 1.4 percent for the whole of 2014, according to the report published by the Bank of Spain. The most favorable economic progress was reflected in the increase in employment, which showed a positive year-on-year increase for the first time since 2007. According to the workforce survey taken during the fourth quarter, over the financial year 433,900 jobs were created, and unemployment decreased by 8.1 percent. This positive development was accompanied, additionally, by a genuine strengthening of the financial and economic situation of the non-financial private sector.

In emerging markets, instability was the dominant characteristic at the beginning of the year, when the Central Banks of countries such as Turkey, India, South Africa, Argentina and even Brazil decided to increase interest rates in response to the effects of the currency crisis in Argentina that caused severe depreciations in their currencies, stock market crashes and capital outflows that bedded in as the financial year progressed. In China, the decline in exports as a result of the lower level of global trade as well as the transformation process in its economic model, giving a greater weight to internal demand, caused a loss of cyclical inertia that demanded measures designed to stimulate activity, amongst them the first cutback in interest rates since 2012, by 40 basis points to 5.6 percent for loans per year and by 25 basis points to 2.75 percent for deposits over the same time period.

The price of base materials was affected by expectations of a weakening in demand given slower growth in China and other countries, as well as the position of exporting countries in maintaining their production rate. The price of petroleum underwent a notable drop starting in the summer, which produced an annual cutback of 50 percent in the Brent quotation to reach 2009 levels, less than 57 dollars per barrel.

Under these conditions, a generalized drop in interest rates on sovereign debt occurred, reaching historically low levels in eurozone countries. In Spain, the profitability of public debt over ten years was lower than the benchmark of 1.7 percent during the last part of the year, dropping the differential with German public debt to around 110 basis points. The credit risk premiums for fixed income securities issued by financial and non-financial businesses also dropped. In the USA and the United Kingdom, economies that are further along in the cycle, the profitability of long-term debt also decreased, although in a less drastic fashion.

The stock markets progressed positively, in general, surrounded by an environment of less risk aversion, slight recovery, expansive policies from the Central Banks and a search for a return to the view of reduced profitability of bonds. The indices in developed nations in particular stood out positively, reaching historical maximums in the case of the German Dax (+2.6 percent), the Swiss SMI (+9.5 percent) and the North American S&P 500 (+11.4 percent), where the growing economic dynamism was supported by greater strength in the job market and the real estate sector. Movement within the IBEX (+3.6 percent) remained lateral, spurred on by competitiveness produced by the severe economic restructuring, but affected by deflationist tendencies and the environment of weak growth within Europe. In Japan, the Nikkei (+7 percent), the subsequent stimulus measures were stunted by the weakness of internal demand and the setback in structural reforms. Moreover, the movement of emerging Stock markets was lead by Asian indices as well as by those countries with economies that benefited from the fall in the price of crude oil as well as in the case of Turkey (+26 percent) and India (+30 percent).

In the currency market, the lukewarm economic activity and the expectations of additional monetary relaxation in the eurozone, in conjunction with the improved prospects for the North American market, pressured a decline in the euro exchange rate that translated into a depreciation of 12 percent in relation to the dollar over the year. In relation to the rest of the main currencies, the euro's loss in value varied between two percent and seven percent, with the exception of the Japanese yen against which the euro remained stable. But the true protagonist of the market was the ruble, which dropped 60 percent in its exchange against the euro, reflecting the economic contraction caused by economic sanctions and the severe correction to oil prices.

In summation, during 2014, the stabilization of financial markets was consolidated even if the real economic recovery showed an unequal regional profile with periods of fragility.

DEVELOPMENT OF INSURANCE MARKETS

The Spanish market¹

According to initial estimates, the total volume of direct insurance premiums issued in 2014 rose to 55,343 million euros, with the following breakdown by business line:

Business line	2014	2013	% Var. 14/13
Life	24,799	25,510	(2.8%)
Non-Life	30,544	30,301	0.8%
TOTAL DIRECT INSURANCE	55,343	55,811	(0.8%)

Figures in millions of euros

Non-Life insurance accounted for 55.2 percent of the total volume of premiums. The Automobile line continues to be the largest in terms of volume, and the variation during 2014 can be considered as a turning point in relation to the rate of decrease in prior years. In this sense, it can be seen that the recovery in the level of economic activity in Spain represents an increase in selling this type of insurance.

Annual general meeting 2014

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 of Business	2014	2013	% Var. 14/13
Automobile	9,882	10,021	(1.4%)
Health	7,175	6,937	3.4%
Multi-peril	6,546	6,537	0.1%
Other Non-Life business lines	6,941	6,806	2.0%
TOTAL NON-LIFE	30,544	30,301	0.8%

Figures in millions of euros

In view of the data at the closure of September, technical profitability remains at levels similar to those of the previous year. In this sense, the Automobile line has seen a worsening, but has been compensated by the improvements in Multi-Peril and Health.

¹ Source: ICEA.

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

	TOTAL		AUTOMOBILE		MULTI-PERIL		HEALTH	
Claims ratio	30.09.14	30.09.13	30.09.14	30.09.13	30.09.14	30.09.13	30.09.14	30.09.13
Expenses	71.1%	71.3%	78.2%	77.3%	60.0%	61.5%	82.3%	83.6%
Combined ratio	22.2%	22.0%	20.0%	19.4%	30.1%	30.6%	11.6%	11.3%
RATIO COMBINADO	93.3%	93.3%	98.2%	96.7%	90.1%	92.1%	93.9%	94.9%

The volume of savings managed by life insurance, represented by the technical provisions, reached 164,197 million euros, an increase of 1.6 percent on the previous year.

The following chart shows the progress of assets managed by life insurance, investment funds and pension funds, as well as their corresponding variations with regard to the previous year:

ITEM	2014	2013	% Var. 14/13
Life Insurance	164,197	161,651	1.6%
Investment Funds	194,844	153,834	26.7%
Pension Funds	99,285	92,715	7.1%
TOTAL	458,326	408,200	12.3%

Figures in millions of euros

The growth in investment funds stands out, which have seen their second-best year in history, in terms of net contributions.

Latin American markets²

The following chart shows the variation in issued premium volumes³ for the main Latin American insurance

Country	Date	Non Life	Life	Total
Argentina	6/30/2014	33.4%	40.5%	37.0%
Brazil	9/30/2014	21.4%	5.4%	15.6%
Chile	9/30/2014	1.4%	(1.8%)	(0.7%)
Colombia	9/30/2014	7.7%	(8.6%)	(1.0%)
Mexico	9/30/2014	0.8%	6.2%	3.2%
Peru	9/30/2014	8.1%	25.2%	13.0%
Puerto Rico	9/30/2014	(9.3%)	16.8%	(6.8%)
Venezuela	9/30/2014	n.d.	n.d.	58.8%

The following trends were observed during the year:

- The insurance markets in the region continue to be independent from underlying economic activity. In the same way, a general slowdown has been seen compared with previous years, due to the economic deceleration experienced in practically all countries. The elevated nominal growth in some markets reflect high levels of inflation.
- Non-Life insurance has been in good shape, despite the high level of competition, which was especially noteworthy in the Automobile line.
- In Life insurance, although there was some slowing on the previous year caused by the economic downturn, growth remained high, due to higher savings levels and the development of pension systems. Worthy of mention is the deceleration in Colombia, which is due to the exteriorization of agreements for pensions from the previous year – operations that have not been repeated this year – and that resulted in strong growth in 2013.

Other markets

In the USA, based on market estimates to September, growth in Non-Life was similar to the prior year at 4.4 percent. This was mainly due to higher prices in products for individuals as well as for businesses. Life insurance saw a 2.4-percent growth rate, due to an increase in the sale of life annuities. The Health segment grew by 15.5 percent, reflecting an increase in demand and price increases to cover higher medical costs.

In Turkey, with figures to the end of September 2014, the insurance market presented total growth of 6.2 percent, which represents a significant deceleration in relation to the same period in the previous year. Automobile insurance, the main component of Non-Life insurance with a weight of 46.7 percent of the total Non-Life premiums presented growth of 0.7 percent as a result of the drop of more than 25 percent in the sale of cars due to the economic downturn and the measures taken by the authorities geared toward private consumption.

The reinsurance market

For the third straight year, the reinsurance market has achieved positive results and a boost to its balance sheet, even after the payment of dividends and returning, in some cases, capital to shareholders.

This positive situation, due mainly to the absence of large catastrophes during these last three years, conceals elements such as the continuous reduction in prices and the deterioration of reinsurance conditions, the progressive reduction of the interest rate and the pressure of alternative capital that, using various formulae, has come into the market.

With the goal of maintaining reasonable performance, some reinsurers have diversified their investments toward higher-risk assets and longer maturity periods. At the same time, the tendency was consolidated by larger multinational and global insurance companies to increment their holdings and centralizing the purchase of multinational coverage at head office level, which leaves premiums to the market to determine.

Due to the above, the combined ratio, excluding large catastrophes and the release of reserves from previous years, has increased, leaving the technical result, to which the reduction in the ratio of financial income must be added, which translates to an accelerated reduction in margin, to being more exposed to the occurrence of a large catastrophe.

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.

REVENUE ON OPERATIONS AND FUNDS MANAGED

The premiums issued and accepted by the group of the Territorial Areas and the Reinsurance Business Unit that make up the Group increased during the 2014 financial year to 23,917.7 million euros, an increase of 3.1 percent. Consolidated premiums amounted to 22,400.9 million euros, an increase of 2.6 percent. Total operating revenues totaled 27,216 million euros, including 849.3 million euros of new gross contributions to pension funds. The revenue mentioned is distributed by activity type as follows:

	2014	2013	% 14/13
Written and accepted premiums	22,400.9	21,835.6	2.6%
Financial revenue	3,405.4	3,288.1	3.6%
Revenue from non-insurance companies and others	560.4	765.6	(26.8%)
Subtotal consolidated revenue	26,366.7	25,889.3	1.8%
Gross contributions to pension funds ⁽¹⁾	849.3	677.0	25.5%
TOTAL OPERATING REVENUES	27,216.0	26,566.3	2.4%

Figures in millions of euros

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

Consolidated revenue for 2014 presents figures that are higher by 1.8 percent than those from the previous year and include:

- the increase in the number of premiums in the majority of lines of business and countries, with the contribution of Life insurance and Spain getting back on the road to growth being of special significance; and
- the increased financial revenue from Brazil, LATAM SOUTH and MAPFRE RE.

The table below shows funds managed in Life and Savings products:

	2014	2013	% 14/13
Life technical provisions ⁽¹⁾	30,615.1	24,391.9	25.5%
Pension funds	5,788.8	5,372.2	7.8%
Mutual funds and portfolios under management	4,413.6	3,850.0	14.6%
TOTAL	40,817.5	33,614.1	21.4%

Figures in millions of euros

(1) Includes all technical provisions of life insurance companies and provisions in Life insurance from multi-segment insurance companies.

The change in the value of assets managed is mainly due to the increase of business in Spain and Latin America, and includes the growth in Life insurance business, a rebound in the market value of investments and the growth of the collection of investment and pension funds. Likewise, technical provisions from ASEVAL and LAIETANA VIDA have been incorporated in 2014.

Discounting adjustments for changes in the market value of assets backing the technical provisions of life insurance, funds under management increased by 13.6 percent.

Financial information by Territorial Area

IBERIA

The premiums issued and accepted by the group of insurers in this Territorial Area reached the amount of 7,455.7 million euros, an increase of 1.5 percent, as per the following breakdown by country:

	2014	2013	% 14/13
IBERIA	7,455.7	7,346.2	1.5%
SPAIN	7,256.2	7,179.1	1.1%
PORTUGAL	199.5	167.2	19.3%

Figures in millions of euros

The variation in the figures for premiums includes:

- in Non-Life insurance, the return to the road to growth in all the main lines, in particular the recovery of Automobile insurance. Business insurance has remained practically stable in terms of issuing volume, despite intense competition.
- the increase in Life-Savings insurance, prompted by the meaningful contribution of the bancassurance channel, in particular BANKIA (new distribution agreement valid as of February 1), CATALUNYA CAIXA and CCM, and the very good performance in Portugal.

The premiums issued and accepted by the group of the Territorial Areas and the Reinsurance Business Unit that make up the Group increased during the 2014 financial year to 23,917.7 million euros, an increase of 3.1 percent.

— the incorporation of business coming from ASEVAL, LAIETANA VIDA and LAIETANA SEGUROS GENERALES as of November 1, which has contributed premiums of 18 million euros.

New gross contributions to pension funds increased to 849.3 million euros, an increase of 25.5 percent.

The following table shows details of premiums issued and accepted in Spain in the various lines in 2014 and 2013, together with market share (provisional for 2014):

	MARKET SHARES ⁽¹⁾				
	2014	2013	% Var.	2014	2013
Automobile	2,033.0	2,056.4	(1.1%)	20.6%	20.5%
Health	426.5	399.8	6.7%	5.9%	5.8%
Other Non-Life ⁽²⁾	2,175.7	2,212.1	(1.6%)	16.1%	16.3%
TOTAL NON-LIFE	4,635.2	4,668.3	(0.7%)	15.2%	15.3%
Life Risk	380.0	379.3	0.2%		
Life Savings	2,148.2	2,048.8	4.9%		
TOTAL LIFE	2,528.2	2,428.1	4.1%	10.6%	9.6%
Accidents ⁽³⁾	92.8	82.7	12.2%		
TOTAL	7,256.2	7,179.1	1.1%	13.1%	12.7%

Figures in millions of euros

(1) 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.

(2) For comparison, included within "Other Non-Life" in the 2013 financial year are the premiums issued and accepted in Spain by MAPFRE GLOBAL RISKS and 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, booked a volume of assets in investment funds and managed portfolios of 3,533.5 million euros, which represents a rise of 16.7 percent; and assets from pension funds totaled 1,902.1 million euros, an increase of 13 percent.

LATAM

The premiums issued and accepted by the group of insurers managed by this Territorial Area totaled 9,627.6 million euros, an increase of 3.8 percent. Below, figures are shown that correspond to the Regional Areas and the main countries:

	2014	2013 ⁽¹⁾	% 14/13
BRAZIL	5,553.1	5,195.1	6.9%
LATAM SOUTH	2,863.4	2,985.8	(4.1%)
of which:			
COLOMBIA	612.8	744.4	(17.7%)
VENEZUELA	1,023.2	1,004.8	1.8%
ARGENTINA	307.1	371.7	(17.4%)
CHILE	322.6	327.2	(1.4%)
PERU	349.7	324.6	7.7%
LATAM NORTH	1,211.1	1,091.2	11.0%
of which:			
MEXICO	805.0	727.3	10.7%

Figures in millions of euros

(1) For comparison purposes, the premiums issued and accepted by MAPFRE GLOBAL RISKS and MAPFRE ASISTENCIA are included in the 2013 financial year.

In relation to the figures shown in the previous table, the following must be emphasized:

- The notable increase in business volume in Brazil, promoted principally by Life insurance, through the sale of products linked to loans, and by sales of Agricultural insurance, Industrial Risks and Automobile in the Non-Life line.
- A reduction in the amount of premiums in Colombia, mainly in Life insurance as a consequence of falling sales in life annuities, which have been partially mitigated by the good performance of Non-Life insurance.
- A notable development in Automobile insurance in Venezuela, which has compensated for sub-inflation growth in the other lines.
- Significant growth in the Automobile line in Argentina, which has partially compensated for the effect of the strong depreciation of the peso against the euro (-32.6 percent).
- Good performance in the Automobile line in Chile, which has allowed for absorption to a large extent of the effect of the depreciation of the peso against the euro (-12 percent).

— Significant growth in the Life, Automobile and Health-Accidents businesses in Peru.

— Growth of the premium figures in Mexico, despite the devaluation of the peso against the euro (-4 percent), driven mainly by the Automobile, Life and Health lines.

According to the figures for the 2013 financial year, the latest available, MAPFRE still leads the ranking of Non-Life insurance companies in Latin America, with a market share of around 9.5 percent in the countries and territories in which it operates.

The following chart shows the market shares in direct Non-Life insurance in the various main countries:

Country	Ranking	Market Shares ⁽¹⁾
Brazil	1	15.5%
Puerto Rico	1	14.5%
Peru	3	15.4%
Chile	4	10.8%
Venezuela	5	7.6%
Colombia	6	6.9%
Mexico	5	5.2%
Argentina	9	3.0%

(1) Figures according to the most recent information available for every market.

INTERNATIONAL

The premiums issued and accepted by the group of insurers in this Territorial Area have reached the amount of 3,491.1 million euros, an increase of 4.8 percent. Below are the figures that correspond to the Regional Areas and the main countries:

	2014	2013 ⁽¹⁾	% 14/13
NORTH AMERICA	2,105.1	2,014.0	4.5%
of which:	1,796.0	1,717.4	4.6%
UNITED STATES			
PUERTO RICO	308.9	296.5	4.2%
EMEA	1,285.3	1,230.6	4.4%
of which:	572.6	576.7	(0.7%)
TURKEY			
MALTA	189.3	138.6	36.6%
APAC	100.7	86.3	16.7%
of which:	41.7	36.0	15.8%
CHINA			
PHILIPPINES	39.3	37.3	5.4%

Figures in millions of euros

(1) For comparison purposes, the premiums issued and accepted by MAPFRE GLOBAL RISKS and MAPFRE ASISTENCIA are included in the 2013 financial year.

In relation to the figures shown in the previous table, the following must be emphasized:

— In the United States, the increase in the figures for premiums, driven by the Automobile and Home lines.

— In Puerto Rico, the increase in premiums coming on the back of growth in the Health-Accidents line, despite the loss of the Medicare business in the first quarter of 2013.

— In Turkey, where premiums were practically stable, despite the depreciation of the lira against the euro, thanks to the good performance of the Fire and Automobile lines and the Assistance business.

— In Malta, a notable increase in the number of premiums, boosted by Life insurance, with a strong increase in the sale of insurance with profit participation, and Automobile insurance, as a result of new products being launched and the expansion of the current network.

— In the Philippines, an increase in the number of premiums, despite the depreciation of the peso against the euro (-2.7 percent), promoted by the Automobile line and the Global Risks business.

MAPFRE RE

In the accepted reinsurance business, MAPFRE RE and its subsidiaries reported consolidated premiums of 3,343.3 million euros (3,253.7 million in 2013), an increase of 2.8 percent, coming from new business in the Life line.

RESULTS

Net profit attributable to the parent company (discounting external partners) reached the amount of 845.1 million euros, an increase of 6.9 percent. This is broken down in the following table, by origin and composition of the result:

	2014	2013	% 14/13
NON-LIFE INSURANCE AND REINSURANCE			
Written and accepted premiums	16.409,4	16.277,7	0,8%
Premiums earned net of ceded and retroceded reinsurance	13.227,4	13.229,4	0,0%
Net claims ratio and variation in other technical provisions	(8.994,5)	(8.868,5)	1,4%
Operating costs net of reinsurance	(3.618,1)	(3.790,7)	(4,6%)
Other technical revenue and expenses	(51,9)	(60,8)	(14,6%)
Technical Result	562,9	509,4	10,5%
Net financial and other non-technical revenue	769,2	684,3	12,4%
NON-LIFE BUSINESS RESULT	1.332,1	1.193,7	11,6%
LIFE INSURANCE AND REINSURANCE			
Written and accepted premiums	5.991,5	5.557,8	7,8%
Premiums earned net of ceded and retroceded reinsurance	5.230,8	4.772,6	9,6%
Net claims ratio and variation in other technical provisions	(4.838,5)	(4.331,1)	11,7%
Operating costs net of reinsurance	(1.143,8)	(1.029,8)	11,1%
Other technical revenue and expenses	(11,6)	5,4	-
Technical Result	(763,1)	(582,9)	30,9%
Net financial and other non-technical revenue	1.376,5	965,1	42,6%
Unrealized capital gains (losses) on Unit Linked investments	104,4	116,7	(10,5%)
LIFE BUSINESS RESULT	717,8	498,9	43,9%
OTHER ACTIVITIES			
Operating revenue	455,0	536,7	(15,2%)
Operating expenses	(476,4)	(543,1)	(12,3%)
Other revenue and expenses	(131,1)	(79,0)	(65,9%)
RESULTS FROM OTHER ACTIVITIES	(152,5)	(85,4)	(78,6%)
Result on restatement of financial accounts	(73,5)	(43,3)	69,7%
Pre-tax results	1.823,9	1.563,9	16,6%
Tax on earnings	(500,0)	(372,4)	34,3%
Results after tax	1.323,9	1.191,5	11,1%
Result after tax from discontinued operations	(0,5)	(1,7)	(70,6%)
Result for the financial year	1.323,4	1.189,8	11,2%
Result attributable to external partners	(478,3)	(399,3)	19,8%
RESULT ATTRIBUTABLE TO THE CONTROLLING COMPANY	845,1	790,5	6,9%

Figures in millions of euros

The breakdown of profit by Regional Area is shown below:

Regional Area	2014
IBERIA	431.8
BRAZIL	143.5
LATAM SOUTH	93.6
NORTHAMERICA	70.2
EMEA	56.5
LATAM NORTH	59.1
APAC	6.9
REGIONAL AREAS TOTAL	861.6
MAPFRE RE	141.5
HOLDINGS AND ELIMINATIONS	(158.0)
TOTAL	845.1

Figures in millions of euros

BALANCE SHEET

The following table shows the consolidated balance sheet:

	2014	2013
Goodwill	2,030.5	1,928.4
Other intangible assets	2,046.3	1,969.5
Other property, plant and equipment	303.8	326.2
Cash	1,188.6	1,162.8
Investments and real estate	47,484.5	39,212.0
Participation of reinsurance in technical provisions	3,367.2	3,046.5
Reinsurance and insurance transactions	4,973.9	4,362.1
Deferred tax assets	2,023.3	1,305.1
Other assets	3,813.8	3,513.2
TOTAL ASSETS	67,231.9	56,825.8
Shareholders' equity	9,152.7	7,833.5
External partners	2,316.7	2,060.2
Financial and subordinated debt	1,788.2	1,725.2
Technical provisions	46,444.9	38,742.6
- Life Insurance provisions ⁽¹⁾	29,472.1	23,243.4
- Other technical provisions	16,972.8	15,499.2
Provisions for risks and expenses	688.3	646.8
Reinsurance and insurance transactions	1,973.7	1,900.0
Deferred tax assets	2,662.3	1,740.8
Other Liabilities	2,205.1	2,176.7
TOTAL LIABILITIES	67,231.9	56,825.8

Figures in millions of euros

¹⁾ Includes unit-linked.

Total assets under management, including investment funds and pension funds, increased to 77,434.3 million euros, (66,048 million euros at year-end 2013), an increase of 17.2 percent.

Main activities during the fiscal year

ACQUISITIONS, PROJECTS AND DISPOSALS

The following operations took place during the year:

— New global agreement for bancassurance with BANKIA.

In January, the agreement was announced by which MAPFRE became the exclusive provider of Life and Non-Life insurance products for BANKIA and by which BANKIA, as of February 1, began distributing MAPFRE products in its entire commercial network.

This has also involved the restructuring of the bank insurance business through new distribution agreements for Life and Non-Life lines with bancassurance operator BANKIA MEDIACIÓN, as well as the contribution to the current joint Life insurance company of BANKIA and MAPFRE from the business of ASEVAL and LAIETANA VIDA.

— Acquisition of DIRECT LINE subsidiaries in Italy and Germany

On September 25, the agreement with the British insurer DIRECT LINE GROUP was announced through which MAPFRE would acquire its subsidiaries for Automobile insurance in Italy and Germany for 550 million euros.

This operation is part of MAPFRE's firm commitment to direct online insurance, which allows it to strengthen its presence in Europe.

— Increase of MAPFRE FAMILIAR's holding in FUNESPAÑA, S.A.

On December 29, the increase in MAPFRE FAMILIAR's shareholding in FUNESPAÑA, S.A., by approximately 17.2 percent, was announced, giving it 81 percent of voting rights.

MAPFRE FAMILIAR intends to make a public takeover bid to exclude all FUNESPAÑA, S.A. shares from the Spanish stock exchanges it trades on.

INVESTMENT

The management of securities investments continues to be done with prudence, both in terms of credit risk and in terms of risk of fluctuations in the stock markets.

In this regard, investment-grade fixed-income investments account for more than 95 percent, and bonds rated AA or higher represent 25 percent. The relative weight of bonds rated BBB increased their relative weight by half a

percentage point, largely explained by the increase in the value of bonds issued by Spanish residents and by increased positions in bonds issued by the Kingdom of Spain.

Regarding market risk, equity positions were slightly above eight percent of all the portfolios where these assets are included in the investment policy.

The increase in financial investments of institutions located outside the eurozone due to the depreciation of the euro against some currencies in 2014 is also noteworthy, particularly in the case of the U.S. dollar, which has increased in value by 12 percent against the euro.

The interest rate risk of Life insurance portfolios remains very low. More than two thirds of life insurance portfolios, other than those covering unit-link 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 about interest rates in each country.

The real estate strategy in 2014 focused on divestment of non-core assets such as shops and small footprint offices from the network and subsidiaries. The portfolio of excess homes is minimal, with just 13 homes being rented.

The equity market has experienced a cut in capitalization rates, with the consequent rise in value of leased buildings. Property development still lacks accessible funding, and this affects the illiquidity of land and its value, although an upward movement is perceived with developers who buy equity.

Outside Spain, investments have been made in buildings for own use and/or these have been rented, some assets have been sold and new corporate buildings have been modified to meet business needs. Building of the MAPFRE GENEL SIGORTA headquarters in Istanbul is underway, the building in Malta is being renovated, and work has begun on the future headquarters in Asuncion (Paraguay). A new central office has been rented for the call center in Bristol (UK).

During the year, 57 non-significant buildings (premises, offices, warehouses, homes, etc.) were sold for a total of 13.7 million euros with a profit of 4.5 million euros. Leasing activity during the year included leasing 3,300 m² in Santa Cruz de Tenerife, 2,200 m² in MAPFRE TOWER in Barcelona, and 4,000 m² in Torre Reforma in Mexico.

The accounting balance of real estate investment at year-end 2013 (2,392 million euros) represented 4.9 percent of

Press conference to announce the acquisition of Direct Line in Germany and Italy

total investments. Of that amount, 1,165.7 million euros (48.7 percent) correspond to properties used by the group, and the remaining 51.3 percent (1,226.3 million euros) to properties that are for lease or for sale. At year-end the occupancy rate of rental properties amounted to 85.5 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, Strategic Plans, Risk Management, Control, Reporting and Communication Activities, and Supervision) in the Group entities.

Due to organizational changes in MAPFRE, and following the Guidelines on the System of Governance issued by the European Insurance and Occupational Pensions Authority (EIOPA) in preparation for the entry into force of Solvency II regulations, in 2014 the Internal Control Policy and governance model guidelines facilitating their application were overhauled.

Further work was done on the Risk Management component, with the quarterly production of the fixed factor capital model, and in preparing the MAPFRE Group for the forthcoming European solvency regulations (Solvency II) by developing the "Standard Formula" and "Stress Test" proposed by EIOPA. Assessing operational risks, evaluating controls and establishing corrective measures, if appropriate, have also been promoted in a coordinated manner in the Business Units.

The procedure relating to preparing the Quarterly Survey of Internal Controls on Financial Reporting in all entities and business units of the Group has also been updated. This procedure leaves documentary evidence of the controls implemented during the financial development process, providing reasonable assurance in decision-making and the presentation of results, while being established as the internal communication channel for sharing relevant information for preparing financial information.

Regarding the Supervision component, insurance entities and services of the top 22 countries where MAPFRE operates

International Internal Audit Seminar

have reported on the degree of development of their Internal Control System, facilitating the evaluation of the suitability, adequacy and effectiveness of the their elements for Internal Audit teams.

INTERNAL AUDIT

Since January 1, 2014, as a result of adaptation to the new structure of MAPFRE, 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 15 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 General Management of the Group's Internal Audit Division, which created a Quality and Procedures Office with global powers in early 2014.

During 2014, 1,068 internal audits were performed, 96 of which correspond to specific Information Technology audits. Of the total work done, 367 were related to the Internal Control and Financial Reporting System (ICFR) In addition, 15,008 hours were dedicated to training internal auditors, an average of 91 hours per auditor each year.

The Internal Audit Division has reviewed the Management Reports and Annual Accounts of the Company for 2014, the quarterly reports submitted to the 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

In accordance with MAPFRE's Framework Restructuring Document, on January 1, 2014 the Corporate Business Support Area was created. This is formed by the Digital Business (formerly Direct Business), Operations (new) and Technology and Processes Corporate Divisions.

During 2014 this Area's activities have been aligned with the company's strategy. Some of the most significant activities include:

Digital Business

This Corporate Division's most important activities were:

- Improved client sales and digital management techniques in the United States and kickoff of digital sales in Mexico, Colombia, Brazil and Portugal.
- Support for MAPFRE ASISTENCIA to start travel insurance sales operations in France and to get the partnership with PICC Life underway in China, with the aim of selling travel insurance using MAPFRE's experience and technology.
- Advice on taking over DIRECT LINE GROUP insurance entities in Italy and Germany, both with a high digital profile.
- Commencement of work to implement specific digital sales operations in North America and Asia-Pacific (APAC) regions.

Operations

This new, global Corporate Division is responsible for all customer service processes and shared back-office services. During the year the following key activities were undertaken:

- Kickoff of the "Contact Center Master Plan 2014-2016", with the main objective of boosting efficiency and productivity.
- Implementation of e-Commerce Autos projects in Mexico and Colombia, achieving a high level of standardization and re-use of business model components.
- Coordination and development of the second phase of the 'Providers as Brand Ambassadors' corporate initiative.

Technology and processes

In keeping with the global scope of this Corporate Division, the following milestones were achieved:

- Definition and approval of the Corporate Technological Platform (PTC), representing a set of solutions to be applied to each of MAPFRE's business and IT processes around the world.
- Completed the construction of the Corporate Data Processing Center in Alcalá de Henares, which will improve the availability of the IT services for the business, as well as computer security, a great deal of progress has been made on the migration of the systems to this DPC. This is expected to be complete by the end of the first quarter of 2015.
- Compliance with the global budget, having met the set targets.

The main activities by region are as follows:

IBERIA

Enhancement of major technology system process, including the new Underwriting and Benefits systems and the Evolucion Program for the Life business; start-up of the initiative that will provide a new Complete Management platform for the Salud business; deployment in the Agency Network of the Commercial Cancellation System; and start-up of the tool that provides significant consolidated client information for all contact channels.

Connection and integration of market platforms for brokers and bancassurance operators; adaptation of systems to fulfill MAPFRE's agreements, most notably BANKIA and ARVAL; and integration of the Portugal technology infrastructure with the rest of the region.

LATAM

LATAM NORTH

In this region the following projects are worth mentioning: SAP implementation, SegurViaje, TronWeb (Costa Rica and Guatemala), Management of Regional Health Policies, definition of Management Model by Regional Processes and Regional Document Management Model. In the Dominican Republic the infrastructure was migrated to the Corporate DPC (MAPFRE Space).

Global Technology and Processes Training Program

LATAM SOUTH

Major headway was made in the development of TronWeb in the smaller countries in the region. Optimal use was made of infrastructures. In particular Colombia, Ecuador, Peru and Chile migrated their infrastructures to the Corporate DPC (MAPFRE Space). Three countries in the region use the corporate Contact Center infrastructure.

BRAZIL

Integration and automation of the administration, finance and controller processes for four of the Group's companies, using the SAP tool.

Simplification of the solution for quoting and taking out Home, Business and 'Fianza Locaticia' products, allowing enhancing client experience and strengthening the application's technical architecture.

Implementation of the Workshop Management and automatic Claims Agenda tools, to improve process efficiency.

INTERNATIONAL

EMEA

Collaboration with the definition of the new MAPFRE GENEL SIGORTA / YASAM (Turkey) Commercial Portal; implementation of Corner Stone and Success Factors in Turkey and Malta, and the new version of the MIDDLESEA INSURANCE (Malta) individual Health line in Tronweb; and start of the Newtron implementation project in MAPFRE GENEL SIGORTA, one of the most important solutions in MAPFRE's Corporate Technology Platform.

Throughout 2014, 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.

NORTH AMERICA

Migration of the Autos portfolio in the former Diamond system to TronWeb, and implementation of Automobile insurance in Pennsylvania and Florida and Home insurance in Pennsylvania and Arizona, in TronWeb.

Commercial lines were implemented for California and Puerto Rico in CoverAll-TronWeb, including Automobile, Property, Monoline, Multi-peril package and Third-party Liability.

As regards the Life business, Simplified Term Life was implemented in the states of Massachusetts, Pennsylvania, Ohio and Washington.

The ROAD CANADA and ROAD AMÉRICA infrastructure was also integrated in the Miami Corporate DPC (MAPFRE Space).

APAC

Implementation of a customer relationship management (CRM) solution in China, which allows for automation of processes and improved client knowledge and service quality.

SECURITY

In 2014, work to standardize and optimize the level of protection of our corporate assets continued, helping to ensure more sustainable operations and seeking to build on the trust that stakeholders place in MAPFRE.

In terms of Governance in the Security and Environment Area, and in pursuit of ongoing improvement, the Master Security and Environment Plan (PDSMA), which is the Area's strategic framework, and its implementing policies (Corporate Security, Business Continuity and Environment) were updated. All of these elements were adapted to MAPFRE's strategic approach, its institutional values and principles, the regulatory framework in force and the socio-economic environment.

The process of optimizing operational structures, commenced in 2013, was continued in the different regions. Progress was made in terms of setting up Security and Environment Committees in the centralized Business Units, and in the territories.

In relation to the global protection of the company's tangible and intangible assets, in 2014 progress was made in terms of the global monitoring of CyberSecurity events and incidents recorded in the main corporate Data Processing Centers, based on permanent detection and response service centralized through MAPFRE's CCG-CERT. MAPFRE's CyberSecurity capabilities were put to the test in the

Cyber-Ex 2014 exercises organized by the Spanish Ministry of Industry and Ministry of Interior. They evaluate the capabilities of domestic companies when faced with a cyber attack. MAPFRE received a very positive score.

As regards protection of MAPFRE's facilities and the people inside them, a breakthrough was made in terms of the standardization of criteria and systems. The necessary actions were taken to achieve consistent levels globally in relation to fire protection and emergency management.

In accordance with our people-based security and protection culture, the focus on employee training and awareness continued. Consistent content was drawn up (applicable to all businesses and geographical areas) and work focused on implementing global dissemination tools.

To contribute to the sustainability of operations and demonstrate MAPFRE's community involvement, efforts were renewed in the fight against fraud. These included responding to information requests from security forces and corps and developing early detection and alert scenarios for irregular situations based on technological security solutions (technology fight).

The Business Continuity Plan (BCP) in the MAPFRE IBERIA Benefits and Providers Area was completed. This increases the actions aimed at supporting customer services in this region in the event of serious contingencies. In addition, in 2014 development of the Business Continuity Plans was completed in MAPFRE USA and MAPFRE MÉXICO.

Regarding external recognition, MAPFRE received the first Duque de Ahumada award from the Guardia Civil for Corporate Security Excellence, for "the company's ability to innovate and to be a pioneer in the design and implementation of a comprehensive and global corporate security model (...) that coordinates actions to respond to the increasing threats against the company's security".

Digital edition of the corporate magazine *The World of MAPFRE* in three languages

COMMUNICATION

Throughout 2014, 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.

A corporate platform to measure all communication activities undertaken was also implemented in three countries.

The following actions in 2014 should be noted in this regard:

External communication

- 331 interviews were arranged with the media, 336 press releases were issued, 891 requests from journalists for information about MAPFRE were answered, and 88 events were organized.
- Continuous updating of the Press Room.
- Management of corporate communication through the PrensaMAPFRE Twitter profile, through which MAPFRE communicates with the media and which has more than 4,755 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 17,494 visitors during the year.

Internal Communication

- Dissemination of 1,182 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.

MAPFRE in the Volvo Ocean Race

- Launch of the new design of the EL MUNDO DE MAPFRE corporate magazine, in both its digital and printed versions. Four publications have been 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

In 2014 a new advertising campaign was launched to disseminate and boost the company's position as "The Most Trusted Global Insurance Company". With its consistent and recognizable creative line in successive branding and product mailings (Automobile, Health, Life and Pensions) and the high profile of sports sponsors (Tennis, Sailing and Motorcycle Racing), a permanent presence has been secured for the brand throughout the year in conventional media, especially in television, and in digital media.

The impact of this activity in Spain is once again borne out by the Brand Image Survey (Omnibus survey conducted by ICEA, 2nd wave 2014), which reflects unaided awareness of the MAPFRE Brand in 83 percent of the population, aided awareness of the brand by 99 percent of the population, and campaign recall by more than 84 percent of respondents.

Since October 2014, MAPFRE has pursued a global and corporate program that stands out for its international scope by acting as the main sponsor for the Spanish team in the Volvo Ocean Race. This strategic sponsorship will be renewed in 2015. The benefits include brand awareness and content, and public and corporate relations.

This competition draws interest from all around the globe. The news published in the international digital press during the last quarter of 2014 alone appeared in more than 5,550 articles that represented more than 6,752 million copies in reference to the MAPFRE yacht, transmitting values closely tied to with our brand values: commitment, teamwork, technology, trust and a desire to succeed.

Since the outset and during the first stage, the Volvo Ocean Race has generated almost two thousand TV spots, with more than 500 broadcasting hours and reaching an audience of some 325 million people. Television coverage during the first stage (up to November 19) reached more than 80

countries, notably United States, China, Spain and United Kingdom in terms of hours of coverage and viewers. The MAPFRE brand was the third most viewed during this first stage.

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 financial years 2014 and 2013 amounts to 10,349.40 million euros and 9,344.54 million euros, respectively. These figures exceeded the required minimum (3,996.40 million euros and 3,790.98 million euros, respectively) by 2.59 times in 2014 and by 2.46 times in 2013.

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 own funds: this stood at 10 percent, (10.1 percent in 2013).

This progress includes:

- The increase in net profit, driven by the growth of the business, the stability of the combined ratio and the strength of financial results.
- The growth in shareholders' equity, favored by the earnings for that year, the strong increase in the value of the investment portfolio in Spain, resulting from the fall in the risk premium and the positive effect of conversion differences.

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 2014, this ratio was at 95.7 percent, which was an improvement on the previous year, thanks to a significant decrease of the cost ratio in Brazil and in reinsurance.

The following table shows the main management ratios:

	EXPENSES ⁽¹⁾		CLAIMS RATIO ⁽²⁾		COMBINED ⁽³⁾	
	2014	2013	2014	2013	2014	2013
IBERIA	21.1%	20.6%	74.0%	72.0%	95.1%	92.6%
LATAM NORTH	35.4%	31.1%	59.6%	63.3%	95.0%	94.4%
LATAM SOUTH	33.3%	32.4%	65.5%	67.3%	98.8%	99.7%
BRAZIL	32.9%	39.1%	60.2%	56.7%	93.1%	95.8%
EMEA	27.1%	30.3%	68.4%	69.4%	95.5%	99.7%
NORTH AMERICA	27.6%	27.6%	74.4%	72.8%	102.0%	100.4%
APAC	27.5%	31.0%	65.3%	72.0%	92.8%	103.0%
MAPFRE RE	28.6%	31.4%	64.5%	65.1%	93.1%	96.5%
MAPFRE, S.A.	27.7%	29.1%	68.0%	67.0%	95.7%	96.1%

(1) (Operating expenses net of reinsurance + profit sharing and returned premiums - 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) / Premiums booked net of reinsurance. Figures relating to Non-Life insurance.

(3) Combined ratio = Cost ratio + Claims ratio. Figures relating to Non-Life insurance.

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. In 2014, the Group undertook new pledges by changing and updating its Corporate Environmental Policy, defining new environmental guidelines that had not been considered before, for example, climate change management and biodiversity preservation.

The aforementioned pledges include the recent approval of the corporate Strategic Plan for Climate Change and Energy Efficiency which establishes different areas of action in the short, medium and long-term. These are aimed at reducing greenhouse gas emissions by 20 percent by 2020 (in relation to levels in 2013).

In relation to the environmental dimension, MAPFRE 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 dimension. The strategic environmental and energy management model (SIGMAYE) continued to expand internationally, with new ISO 14001 certificates awarded to companies in Brazil and Mexico, joining the companies in Colombia and Puerto Rico and the 23 HQ buildings with ISO 14001 certificates, and 6 with ISO 50001 certificates for energy management, based in Spain.

Strategic reflection seminars

MAPFRE also contributed to environmental protection through its products and services, by managing environment risks in underwriting and technical assistance processes for its insurance policies, including environmental criteria in corporate procurements processes and by marketing products and services that promote environmental protection and efficient resource usage.

MAPFRE's corporate commitment to the environment and sustainability is apparent in that it is a signatory to the "Climate Disclosure Project" (CDP) and the United Nations "Principles for Sustainable Insurance", and through its membership of the Green Growth Group. This Group was set up recently by the Ministry of Agriculture, Food and Environment with the purpose of driving policies toward a low-carbon economy.

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 2014, compared with the headcount for the previous financial year.

Categories	NUMBER					
	SPAIN		OTHER COUNTRIES		TOTAL	
	2014	2013	2014	2013	2014	2013
EXECUTIVES	491	472	1,009	920	1,500	1,392
SUPERVISORS	1,167	1,153	2,864	3,206	4,031	4,359
TECHNICIANS	6,257	6,094	7,946	8,998	14,203	15,092
ADMIN. ASSISTANTS	2,743	2,784	14,576	12,653	17,319	15,437
TOTAL	10,658	10,503	26,395	25,777	37,053	36,280

MAPFRE promotes a work environment based on trust and mutual commitment, which allows for the professional and personal development of all its employees and which is stable and secure and free of offenses, exploitation of any nature, intimidation, assault and discrimination.

It also has a Code of Ethics and Conduct that must be observed by everyone in the company, irrespective of their activity or geographical location. This code can be viewed on the intranet and the corporate website and establishes a channel for queries and complaints for employees.

The Group has defined selection criteria that are integrated in a globally-applied policy that promotes equal opportunities and guarantees objectivity and non-discriminatory practices in every process. The tools and selection tests that are used throughout the world have been homogenized in order to incorporate to each position a candidate with most appropriate profile for it.

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 commenced in 2014, being implemented in 22 countries.

In Spain, the Group has a protocol to ensure compliance with the number of positions set aside for people with disabilities to ensure and oversee that this legal requirement is met. In addition, in compliance with alternative measures provided for in this legislation, in 2014 MAPFRE made endowments to and executed agreements for the provision of services or goods with special employment centers to the amount of 416,619 euros, and with foundations to the amount of 968,904 euros.

MAPFRE Integration Program

MAPFRE believes that employee training is essential, and it therefore ensures the training necessary for employees to perform their duties is available so as to increase their versatility and employability in different departments of the company. This is why it has career and professional development plans, a global mobility policy, and a global training model, via the Corporate University.

In 2014 the Group invested 15.9 million euros in training, equivalent to 1 percent of compensation paid. Investment in training has increased 21.6 percent over the past three years.

In its Code of Conduct and Ethics, MAPFRE has committed to the provision of safe and healthy workplaces, thereby guaranteeing its workers' right to protect their health and integrity, going beyond its own work environment and involving the family of the employee. In 2014, the healthy company model was defined, based on the guidelines set by international bodies such as the World Health Organization and the European Occupational Health and Safety Network.

To promote employee professional and personal development, MAPFRE has an active and structured policy which promotes a work-life balance for employees and increases employee satisfaction and commitment in relation to the company.

Corporate volunteer work is becoming one of the Corporate programs that is having the greatest impact on society, where the spirit of solidarity of MAPFRE stakeholders is channeled, with employees being the main participants, through social activities coordinated by the company, and where the initiatives proposed by the workers are of great relevance.

MAPFRE has 2,462 volunteers around the world and has a Global Volunteer Work Program, which gives guidelines for carrying out local plans.

In 2014, with a view to evaluating the Group's work climate, surveys were conducted in some of MAPFRE's main countries, for example, the Great Place To Work (GPTW) which measures employee satisfaction and commitment. This took place in 27 countries and 22,324 employees took part in it.

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

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

At year-end 2014, the book value totaled 48,673.1 million euros, up 20.6 percent on the previous year. These are detailed in the following table:

	2014	% of total	2013	% of total
Risk-free investments	3,275.8	6.7%	3,388.1	8.4%
- Cash	1,188.6	2.4%	1,162.8	2.9%
- Investments on account of policyholders	2,087.2	4.2%	2,225.3	5.5%
Property investment	2,392.0	4.9%	2,330.9	5.8%
- Property for own use	1,165.7	2.4%	1,082.0	2.7%
- Other property investment	1,226.3	2.5%	1,248.9	3.1%
Financial investment	41,951.4	86.2%	33,833.1	83.8%
- Shares	1,377.1	2.8%	1,317.3	3.3%
- Fixed income	39,010.4	80.1%	31,200.0	77.3%
- Investment funds	1,057.2	2.2%	848.1	2.1%
- Other financial investments	506.7	1.0%	467.7	1.2%
Other investments	1,053.9	2.2%	822.7	2.0%
- Investments in investee companies	233.6	0.5%	192.0	0.5%
- Deposits established for accepted reinsurance	473.0	1.0%	343.3	0.9%
- Hedging derivatives	0.0	0.0%	0.0	0.0%
- Other	347.3	0.7%	287.4	0.7%
GENERAL TOTAL	48,673.1	100.0%	40,374.8	100.0%

Figures in millions of euros

The real estate investment shown in the above table do not include tacit capital gains, which at year-end stood at 909.1 million euros, based on valuations by independent experts.

MAPFRE believes that employee training is essential, and it therefore ensures the training necessary for employees to perform their duties.

FINANCING OPERATIONS

The main changes in the sources of the Group's finance during 2014 were:

- agreement of a new revolving credit facility syndicated credit for 1,000 million euros, maturing in December 2019.
- cancellation of the existing revolving credit facility syndicated credit of 750 million euros, maturing in June 2018.

Overall, the Group's consolidated financial and subordinated debt increased by 63 million euros net in the year.

As part of the acquisition of 50 percent of the insurance and pension divisions of CATALUNYACAIXA, this entity granted the Group finance of, at year-end 2014, 59.1 million euros.

Interest payments on debt with financial institutions and debentures in circulation increased to 99.1 million euros (100.6 million euros in 2013), down 1.5 percent.

Capital resources

Consolidated net equity stood at 11,469.4 million euros, compared to 9,893.7 million euro in 2013. 2,316.7 million euros of this corresponds to holdings of minority shareholders in subsidiary companies. Consolidated own funds per share stood at 2.97 euros at year-end 2014 (2.54 euros at 12/31/2013).

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

	Shareholders' Equity	Interests Minority	2014	2013
BALANCE AT 31/12 OF THE PREVIOUS YEAR	7,833.5	2,060.2	9,893.7	10,136.3
Income and expenses recognized directly in net equity				
For investments available for sale	2,346.0	497.6	2,843.6	872.1
For conversion differences	143.3	15.1	158.4	(837.5)
For shadow accounting of provisions	(1,684.3)	(451.3)	(2,135.6)	(690.0)
Other	4.3	(0.1)	4.2	2.3
TOTAL	809.3	61.3	870.6	(653.1)
Earnings in the period	845.1	478.3	1,323.4	1,189.8
Distribution of earnings from the previous year	(246.4)	(281.1)	(527.5)	(581.1)
Interim dividend for current year	(184.8)	(78.2)	(263.0)	(217.0)
Other changes in net equity	96.0	76.2	172.2	18.8
CLOSING BALANCE FOR PERIOD	9,152.7	2,316.7	11,469.4	9,893.7
Figures in millions of euros				

Changes to net equity include:

- profit for the year;
- the strong increase in the value of the portfolio in Spain resulting from the fall in the risk premium, largely absorbed by tactical accounting;
- mainly the positive effect of the revaluation of the U.S. Dollar, which enabled offsetting the negative effect of applying the SICAD 1 exchange rate for the Venezuelan bolivar, from June 2014;
- 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 incorporation of ASEVAL, LAIETANA VIDA and LAIETANA SEGUROS GENERALES as of November 1, 2014.

Antonio Huertas and members of the Steering Committee visit the LATAM SOUTH headquarters

Analysis of contractual operations and off-balance sheet operations

At year-end 2013, 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 reworded 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 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 “assurbanking” agreement through which MAPFRE will distribute BANKIA financial products through its sales network.

The Agreement also involves 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.

— 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 euros in cash, plus additional amounts to be paid in 2012 and 2021. In 2012, 4.5 million euros was paid to CAJA DE AHORROS CASTILLA LA MANCHA (currently BANCO DE CASTILLA-LA MANCHA), with a further 14 million euros 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.

— 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” has been fully executed 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.

— Agreement with CATALUNYA BANC, S.A. (as the successor to the banking and para-banking activity of CAIXA CATALUNYA, CAIXA D'ESTAVILS DE TARRAGONA and CAIXA D'ESTAVILS DE MANRESA) for exclusive distribution of Life and Accident and Various insurance and pension schemes for the jointly-owned companies ASCAT VIDA, ASCAT SEGUROS GENERALES, CAIXA TARRAGONA VIDA, and CAIXA MANRESA VIDA (of which MAPFRE owns 50 percent) through the bank's commercial network.

The joint price agreed for this business was 549.6 million euros, to be paid in installments to 2015, together with possible subsequent additional payments conditional on performance of the agreed business plans.

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 has also signed an agreement with BANCO DO BRASIL for development and distribution of insurance products in Brazil for the companies BANCO DO BRASIL-MAPFRE, for Life and Agricultural insurance, and MAPFRE-BANCO DO BRASIL, for Automobile and General Insurance. It has also signed an agreement with EULER HERMES to develop the credit insurance business through joint company SOLUNION, Seguros de Crédito y Reaseguro, S.A. (in which MAPFRE owns 50 percent).

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 2014, 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 129.4 million euros.

MAIN RISKS AND UNCERTAINTIES

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.

Operational Risks

REGULATORY RISK

The legislation on insurance and financial services currently applicable to the Company and its subsidiaries may change and this may have a negative impact on the Company's business or performance. 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.

The International Monetary Fund's world growth forecasts for 2015 of 3.5 percent are slightly up on 2014.

OPERATIONAL RISK

The Company is exposed to an operational risk. This is the risk of suffering losses due to the inadequacy or failure of internal processes, personnel and systems, or due to external events.

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 also the corporate tool used 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.

Most investments are represented by fixed interest securities, which accounted for 93 percent of the total financial investment portfolio in 2014 (92 percent in 2013). 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 5.8 percent of total financial investments in 2014 (6.4 percent in 2013).

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 will affect the value of MAPFRE's assets and liabilities and, therefore, its net equity, its operating results and its cash flow. Conversion differences resulted in earnings in shareholders' equity of 143.3 million euros in 2014 (losses in shareholders' equity of 581.14 million euros in 2013).

While most Governments in the countries in which MAPFRE operates have not imposed bans on repatriating dividends or capital divestment, in the future restrictive exchange control policies might be brought in. No exchange or interest rate hedging instruments have been taken out.

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 risk is mitigated by prudently selecting security issuers and counterparties based on their solvency, keeping the right level of diversification, and securing guarantees, collateral and other risk mitigants.

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, 2014, the cash balance amounted to 1,188.6 million euros (1,162.8 million euros in the preceding year), equivalent to 2.4 percent of total financial investments and cash (2.9 percent in 2013). 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.

INFORMATION ON EXPECTED DEVELOPMENTS

Economic outlook

The International Monetary Fund's world growth forecasts for 2015 of 3.5 percent are slightly up on 2014, which closed at around the 3.3 percent mark. The percentage in 2014 is three tenths less than the forecast twelve months ago, which confirms that the world recovery rate falls short of the initial forecast.

These forecasts for 2015 are based on favorable expectations of growth for advanced economies of 2.4 percent (half a point more than in 2014) and 4.3 percent for emerging and developing economies. The eurozone is expected to grow around 1.2 percent, following a modest 0.8 percent in 2014. The year 2015 is expected to be the first year since the crisis broke out in which the four leading economies in the Euro Area record positive growth. Spain is the country with the best growth forecasts. The fall in oil prices will push down price levels and boost growth due to a reduction in production costs and upturn in the foreign balance.

The greatest risks for the year 2015 are geopolitical ones (Middle East and the international tension from the Ukraine-Russian conflict); deflation episodes in the eurozone combined with near-zero growth; premature tightening of North American monetary policy; or a greater than expected deceleration in China and other economies such as Japan, Brazil and Russia.

The monetary policies of the main economies show diverging situations. The North American Federal Reserve, after ending its monetary expansion policy in 2014, will make its first decisions on normalizing interest 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 will maintain very low interest rates for the eurozone for a prolonged period and will apply the approved quantitative expansion policy in an attempt to bring the inflation rate closer to the target of 2 percent.

In 2015, after coming out of its period of recession in 2014 and growing 1.4 percent, Spain will show acceleration in its growth to 2 percent. Although, probably, the foreign sector will continue to contribute to growth in coming quarters, the improvement in growth is based on the growing weight of internal demand as both private consumption and investment are going to increase their contribution. Greater confidence, employment evolving well and a clear improvement in finance conditions are the causes that explain this positive

performance of internal demand. In spite of improvements, Spain continues to face a fragile scenario characterized by a large volume of debt (public and private), a high rate of unemployment and a weakness in its main commercial partners.

Emerging and developing countries will grow around 4.3 percent in 2015, in line with the estimated rate for the year 2014 (4.4 percent). Growth is forecast to maintain a high level in Asia (with acceleration in India of up to 6.3 percent and a slight deceleration in China) and Mexico. Furthermore, Russia will experience a notable decrease in its economic activity and Brazil will show reduced growth.

The growth of emerging and developing countries will be based both on the expansion of internal demand and the forecast increase in exports. The fall in oil prices, without a doubt beneficial for energy dependent economies, may have damaging effects on the fiscal balance of some emerging countries that are oil producers.

Against this national and international economic background, the governing bodies of MAPFRE consider that the Group has the capacity to continue growing and adequately remunerating its shareholders, as a result of:

- Increasing diversification in its activities.
- Economic recovery in Spain.
- The huge potential for growth of the business and collaboration agreements.
- Its extensive agent and bancassurance networks and the development of alternative distribution channels.
- Prudent risk management.
- Its financial robustness.

Strategic Planning

In 2014, the company continued to successfully execute the strategic plan defined for the 2013-2017 period. There have been significant advances in client guidance with the definition of specific relationship models for each type of client; also in the relationship and management model for providers and in the development of innovative and differentiating products and services; and also improvements in cost control with the implementation of procedures and measures that allow costs to be reduced and synergies to be profited from.

In August 2014, a process was started for reviewing and adapting this strategy for the next period 2015-2020, which ended with the strategic plan for that period being updated.

In this process of strategic reflection, the vision, mission and values approved by the Board of Directors on December 21, 2012 were ratified. The strategic framework was updated by the maximum representatives for the Territorial Areas and Regional Areas, Business Units and Corporate Areas created from the new organizational structure that came into implementation on January 1, 2014.

After this reflection, MAPFRE has defined lines of action centered on continuing with the transformation of the company in its client guidance, on growing in a profitable fashion through excellent operating and appropriate risk management and on developing a basis of committed human talent with the skills required to achieve the challenge of being the Most Trusted Global Insurance Company.

In addition, Strategic Plans for 2015-2017 have been approved for all Regions and Business Units. These Strategic Plans have been prepared to achieve growth, client guidance, efficiency, profitability and financial solvency, in the framework of the Group's Corporate Strategy.

R&D&I ACTIVITIES

One of the Group's goals is to offer its clients a comprehensive range of products and services for the prevention and coverage of their personal and business risks and to meet their personal and family savings and pension needs.

Therefore, MAPFRE has defined an Innovation Model that focuses on developing value propositions targeting our clients and is designed to boost organic growth by deploying projects that yield a tangible economic impact.

When it comes to Innovation Projects, the new MAPFRE model distinguishes three types of initiatives, depending on who are the brains or driving forces behind them:

- On the one hand, Local Projects — those that originate at a country or Business Unit level. These initiatives are designed to be implemented at the local level using their own resources; however, their broader potential is always contemplated, as the idea may export well to other territories.

Innovation seminars

— Global and Regional Projects are those which, while originating at a country or Business Unit level, are clearly identified as likely candidates for implementation in other countries, or even at the global level throughout MAPFRE. The Corporate Innovation Platform (CIP) assists with the development and local implementation of projects of this type.

— Then there are the Corporate Projects, which are those that stem from the corporation and are developed with the help of the CIP.

In this new model, the new “MAPFRE Innovation Community” structure plays a key role. This is a structure which, amongst other functions, will identify the strategic business challenges that must be tackled on the innovation front, and offer methodological support and tools for the development of projects in this action area.

In relation to actions in the area of R+D+I, MAPFRE has launched 51 insurance products and services in 2014. It also has a portfolio of 13 products and services relating to the environment, and 16 products and services relating to groups with limited levels of income

In addition, 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:

Country	Certification
Argentina, Bahrain, Chile, Colombia, China, Ecuador, Spain, Philippines, Italy, Mexico, Turkey and Venezuela	- ISO 9001:2008
Brazil	- PROBRARE ethical seal
- ISO 9001:2008	- ISO 9001:2009
Nicaragua, Tunisia and Venezuela	- ISO 9001:2009
Portugal	- APCC Quality Seal (2014)

MAPFRE also operates the CENTRO DE INVESTIGACIÓN Y SEGURIDAD VIAL MAPFRE (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.

Furthermore, 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.

Through the MAPFRE “Business Analytics and BI Architecture Responsibility Center”, 53 projects took place in 2014 that, mostly, improve internal processes allowing the development of value propositions focused on the client. Because of its importance, it is worth mentioning the Commercial Information Model (INFOCOM), a MAPFRE ASISTENCIA budget solution that provides its service in 46 countries and works as a cloud, and the Manager Plan for MAPFRE VIDA, which has implemented the portfolio model that incorporates two new solutions (technical and services)

integrated into the Vida computer systems, which facilitate portfolio analysis using technical ratios and service indicators, making information available more quickly for fast action and decision-making.

ACQUISITION AND DISPOSAL OF TREASURY STOCK

The Code of Good Governance, through MAPFRE's Internal conduct regulations for public stocks issued by MAPFRE, regulates actions involving the Company's own shares (treasury stock).

In general, transactions involving treasury stock are always carried out under an authorization granted by the annual general meeting, respecting the principles of impartiality and good faith required of issuing entities. Such transactions are not in any way intended to interfere in the process of free price formation in the market, or to favor particular MAPFRE shareholders or investors.

The Company's Board of Directors is responsible for instructions to avoid investment and divestment decisions that could be influenced by privileged information.

Transactions involving treasury stock may be for the following purposes:

a) Ordinary transactions, so as to facilitate the liquidity of the share or reduce fluctuations in the share price.

b) Implementation of plans for the acquisition or disposal of shares, and for one-off transactions of significant size and which do not meet the purpose set out in section a) above, pursuant to the resolutions adopted by the Board of Directors.

The Company has not entered into any transactions with treasury stock over the last two years, and it held no treasury stock at the end of the last two financial years.

OTHER RELEVANT INFORMATION

Stock market information

THE MAPFRE SHARE

The table below shows basic data concerning MAPFRE's shares as at the end of the 2014 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.

STOCK EXCHANGE LISTINGS

- Madrid and Barcelona Stock Exchange (Continuous Market).

MAIN STOCK MARKET INDEX MEMBERSHIP

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

ISIN CODE

- ES0124244E34

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

At the end of the 2014 fiscal year, the Company had a total of 247,975 shareholders, of which 244,623 were resident in Spain and held individual shares of less than 0.10 percent of the capital. The 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 1.1 percent. Foreign shareholders holding over 0.1 percent accounted for 17.8 percent of investors, and others 1.6 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	(9.6%)	14.6%	(3.9%)
DJ STOXX Insurance	9.8%	88.0%	65.5%
IBEX 35	3.7%	20.0%	(13.9%)

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

	2014	2013	2012	2011	2010
EPS (euros)	0.27	0.26	0.22	0.32	0.31
Change	3.8%	18.2%	(31.3%)	3.2%	(6.1%)

During the 2014 fiscal year, MAPFRE, S.A. shares were traded for 255 days on the Continuous Market, with a frequency index of 100 percent. 2,986,558,095 securities were underwritten, compared to 2,480,589,582 in the previous year, reflecting an increase of 20.4 percent. The effective value of this transactions rose to 8,813.8 million euros, compared to 6,695.9 million euros in 2013, an increase of 31.6 percent.

At year-end of 2014, ten Spanish and international investment banks had "Buy" recommendations for the Company's shares, compared to six who held "Hold" recommendations, while four 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, for the 2014 results of 0.06 euros per share, taking the total dividend payout in 2014 to 0.14 euros per share, the same amount as in the previous year.

In 2014, the total dividend payout increased to 431.1 million euros, with a 16.7 percent increase on the previous fiscal year. Another highlight is that, ever since the current 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 2014 profit is increased to 0.14 euros gross per share, which includes the additional share dividend of 0.08 euros gross per share proposed to the Board of Directors. This dividend has a pay out ratio (percentage of the earnings that is shared out as a dividend) of 51 percent.

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

	2014	2013	2012	2011	2010
Dividend (euros)	0.14	0.12	0.12	0.15	0.15
Dividend return	4.7%	4.4%	6.1%	5.9%	6.3%

Credit rating

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. As part of the process of analyzing and reviewing the Group's credit risk profile, annual meetings are held at which each agency receives operating and financial information from the business units and the Group.

The tables below set out the credit ratings given by the main ratings agencies at the end of the last two years:

On February 20, the agency Standard & Poor's announced that, following the review performed for the issuer with the new methodology for classifications over the reference country's rating, it decided to improve the MAPFRE S.A. issuer credit rating to "BBB" with stable outlook, and the MAPFRE RE and MAPFRE GLOBAL RISKS financial strength rating to "A" with stable outlook. Subsequently, on May 30, the agency made public that, as the result of Spain's improved credit rate review, it was increasing MAPFRE S.A.'s issuer credit rating to "BBB+" and MAPFRE RE and MAPFRE GLOBAL RISKS' financial strength classification to "A", with outlook stable in both cases.

STANDARD & POOR'S		
AGENCY	2014	2013
MAPFRE S.A. (Debt issuer rating)	BBB+ Outlook stable	BBB- Under review
MAPFRE S.A. (Subordinated debt €700 million)	BBB- Outlook stable	BB
MAPFRE GLOBAL RISKS (Financial strength rating)	A Outlook stable	BBB+ Under review
MAPFRE RE (Financial strength rating)	A Outlook stable	BBB+ Under review
A.M. BEST		
AGENCY	2014	2013
MAPFRE RE (Financial strength rating)	A Outlook stable	A Outlook negative
MAPFRE GLOBAL RISKS (Financial strength rating)	A Outlook stable	A Outlook negative
MOODY'S		
AGENCY	2014	2013
MAPFRE GLOBAL RISKS (Financial strength rating)	Baa1 Outlook positive	Baa2 Outlook stable
MAPFRE ASISTENCIA (Financial strength rating)	Baa1 Outlook positive	Baa2 Outlook stable

Financial contribution to Society

Insurance activity generates direct economic value through the constant flow of the transactions that are made (premium payments, benefit payments, investment management), which has an affect on the different aspects related to the economic and social development of the environment in which the company operates.

Below is information about MAPFRE's financial contribution to society.

Item	2014	2013	%14/13
Paid-for services ⁽¹⁾	13,885.6	13,293.0	4.5%
Payments to providers ⁽²⁾	4,259.3	4,087.0	4.2%
Activity subtotal	18,144.9	17,380.0	4.4%
Dividends	431.1	369.6	16.7%
Shareholders subtotal	431.1	369.6	16.7%
Direct net payment to the Spanish Tax Authority	556.4	548.8	1.4%
Social Security	230.9	226.7	1.9%
PA Subtotal	787.3	775.5	1.5%
Wages and Salaries	1,089.7	972.1	12.1%
Social benefits ⁽³⁾	196.0	175.4	11.7%
Employees subtotal	1,285.7	1,147.5	12.0%
TOTAL	20,649.0	19,672.6	5.0%

Figures in millions of euros

(1) Paid benefits accepted direct insurance and reinsurance,

(2) Amount invoiced to insurance companies,

(3) Life and health insurance, social benefits systems, insurance discounts, continuity and birth awards, educational aids for children and loans,

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

Below is the information relating to the company as an institutional investor.

Item	2014	2013	%14/13
TOTAL INVESTMENTS	48,673.1	40,374.8	20.6%
Financial investments	41,951.4	33,833.1	24.0%
Fixed income	39,010.4	31,200.0	25.0%
- Issued by governments	27,017.6	21,640.0	24.9%
- Other fixed-income securities	11,992.8	9,560.0	25.4%
Other financial investments	2,941.0	2,633.1	11.7%
Real Estate Investments	1,226.3	1,248.9	(1.8%)
Other investments	5,495.4	5,292.8	3.8%

Figures in millions of euros

Item	2014	2013	%14/13
THIRD PARTY LIFE FUNDS UNDER MANAGEMENT⁽¹⁾	40,817.5	33,614.1	21.4%

Figures in millions of euros

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

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 ☒

Class	Number of shares	Denomination per unit	Unitary number of voting rights	Different rights

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 of registered name of the shareholder	Number of direct voting rights	Number of indirect voting rights	% of total voting rights
FUNDACIÓN MAPFRE	0	2,087,803,659	67.80%

Name of registered name of indirect holder of participation	Via: Name or registered name of direct holder of participation	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	2,244,577

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 business name of the director	Number of direct voting rights	INDIRECT VOTING RIGHTS		% of total voting rights
		Direct holder of the shares	Number of voting rights	
MR. ANTONIO HUERTAS MEJÍAS	253,185	-	0	0.008
MR. ESTEBAN TEJERA MONTALVO	23	-	0	0.000
MR. FRANCISCO VALLEJO VALLEJO	155,000	-	0	0.005
MR. ANTONIO NÚÑEZ TOVAR	305,330	-	0	0.010
MR. IGNACIO BAEZA GÓMEZ	173,875	-	0	0.006
MS. ADRIANA CASADEMONT I RUHÍ	0	-	0	0.000
MR. ALBERTO MANZANO MARTOS	90,154	-	0	0.003
MR. ALFONSO REBUELTA BADIÁS	44,346	-	0	0.001
MR. ANDRÉS JIMÉNEZ HERRADÓN	23,452	-	0	0.001
MR. ANTONIO MIGUEL-ROMERO DE OLANO	30,325	-	2,242	0.001
MS. CATALINA MIÑARO BRUGAROLAS	1,510	-	-	0.000
MR. LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	13,604	-	23	0.000
MR. LUIS ITURBE SANZ DE MADRID	34,816	-	0	0.001
MR. MATÍAS SALVÁ BENNASAR	400,000	-	419,598	0.027
MR. RAFAEL BECA BORREGO	0	-	457,807	0.015
MR. RAFAEL CASAS GUTIÉRREZ	82,231	-	0	0.003
MR. RAFAEL FONTOIRA SURIS	23	-	0	0.000
MR. RAFAEL MÁRQUEZ OSORIO	69,804	-	0	0.002

total % of voting rights held by the Board of Directors 0.083

A.4 Where applicable, list any family, trading, 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:

Name or company name of related person	Type of relationship	Brief description
-	-	-

A.5 Where applicable, list any family, trading, 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:

Name or company name of related person	Type of relationship	Brief description
-	-	-

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 ☒

Parties to the shareholders agreement	% of share capital affected	Brief description of the agreement
-	-	-

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

Yes ☐ No ☒

Participants in concerted action	% of share capital affected	Brief description of the concerted action
-	-	-

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

No modification or breach of agreements, pacts or joint actions has occurred.

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
0	0	0.000

(*) Through:

Name or company name of the direct holder of the shares	Number of direct shares
0	0
Total:	0

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

Communication date	Total of direct shares acquired	Total of indirect shares acquired	total % of share capital
-	-	-	-

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 March 9, 2013.

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 general meeting has approved measures to neutralize a public takeover 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, whether there are any differences from the minimum standards established under the Spanish Corporations Act (LSC) with respect to the quorum and constitution of the general meeting.

Yes ☐ No ☒

B.2 Indicate, and where applicable give details, whether there are any differences from the minimum standards established under the Spanish Corporations 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 of the LSC	Other cases of reinforced majority
% established by the company for the adoption of resolutions	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 25 of the Corporate Bylaws, the amendment of the provisions of Title IV "Protection of the Company's General Interest" (articles 25 to 30) 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 legislation in force for amendment of the company's articles of association, except for amendment of articles 25 to 30 (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.

At the same time, pursuant to the MAPFRE, S.A. Regulation on the Annual General Meeting and the MAPFRE Code of Good Governance, in the event of any amendment of the corporate bylaws, each article or substantially independent set of articles will be voted on separately.

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:

ATTENDANCE DATA					
Date of general meeting	% of shareholders present	% attending by proxy	% VOTING REMOTELY		Total
			E-voting	Other	
03/09/2013	0.17	80.59	0.00	3.09	83.85
03/14/2014	0.14	76.23	0.00	3.48	79.85

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

Yes ☒ No ☐

Number of shares necessary to attend the general meeting 1,500

B.6 Indicate whether has been agreed that certain decisions involving a fundamental corporate change ("subsidiarization", acquisition-sale of key operating assets, operations equivalent to the company's liquidation...) must be subject to approval from the annual general meeting, even when not required under the Company Law.

Yes ☒ No ☐

B.7 Indicate the address and mode of access to the company's website, to the information on corporate governance and other information on general meetings that must be available for shareholders through the Company's website.

Access is as follows: www.mapfre.com

MAPFRE Group/Shareholders and Investors Corporate Information

C. COMPANY'S GOVERNANCE STRUCTURE

C.1 Board of Directors

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

Maximum number of directors	24
Minimum number of directors	5

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

Name or business name of the director	Representative	Post on the Board	Date of first appointment	Date of last appointment	Election procedure
MR. ANTONIO HUERTAS MEJÍAS		Chairman and CEO	12-29-2006	03-14-2014	General meeting
MR. ESTEBAN TEJERA MONTALVO		First Vice Chairman	03-08-2008	03-10-2012	General meeting
MR. FRANCISCO VALLEJO VALLEJO		Second Vice Chairman	12-29-2006	03-14-2014	General meeting
MR. ANTONIO NÚÑEZ TOVAR		Third Vice Chairman	03-05-2011	03-05-2011	General meeting
MR. IGNACIO BAEZA GÓMEZ		Fourth Vice Chairman	03-08-2008	03-10-2012	General meeting
MR. RAFAEL BECA BORREGO		Director	12-29-2006	12-29-2014	General meeting
MS. ADRIANA CASADEMONT I RUHÍ		Director	03-09-2013	03-09-2013	General meeting
MR. RAFAEL CASAS GUTIÉRREZ		Director	03-09-2013	03-09-2013	General meeting
MR. RAFAEL FONTOIRA SURIS		Director	12-29-2006	03-14-2014	General meeting
MR. LUIS HERNANDO DE LARRAMENDI MARTÍNEZ		Director	04-17-1999	03-05-2011	General meeting
MR. LUIS ITURBE SANZ DE MADRID		Director	03-06-2004	03-10-2012	General meeting
MR. ANDRÉS JIMÉNEZ HERRADÓN		Director	12-29-2006	03-14-2014	General meeting
MR. ALBERTO MANZANO MARTOS		Director	05-28-1987	03-05-2011	General meeting
MR. RAFAEL MÁRQUEZ OSORIO		Director	12-29-2006	12-29-2014	General meeting
MR. ANTONIO MIGUEL-ROMERO DE OLANO		Director	04-17-1999	03-05-2011	General meeting
MS. CATALINA MIÑARRO BRUGAROLAS		Director	10-30-2013	03-14-2014	General Meeting
MR. ALFONSO REBUELTA BADÍAS		Director	04-17-1999	03-05-2011	General meeting
MR. MATÍAS SALVÁ BENNASAR		Director	12-29-2006	03-14-2014	General meeting

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 business name of the director	Office held by director upon leaving	Termination date
MS. M.ª FRANCISCA MARTÍN TABERNERO	INDEPENDENT	04/24/2014
MR. ESTEBAN PEDRAYES LARRAURI	EXECUTIVE	06/18/2014

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

EXECUTIVE DIRECTORS

Name or business name of the director	Committee informing his/her appointment	Post within company organization
MR. ANTONIO HUERTAS MEJÍAS	APPOINTMENTS AND REMUNERATION COMMITTEE	Chairman and CEO
MR. ESTEBAN TEJERA MONTALVO	APPOINTMENTS AND REMUNERATION COMMITTEE	First Vice Chairman
MR. ANTONIO NÚÑEZ TOVAR	APPOINTMENTS AND REMUNERATION COMMITTEE	Third Vice Chairman
MR. IGNACIO BAEZA GÓMEZ	APPOINTMENTS AND REMUNERATION COMMITTEE	Fourth Vice Chairman
MR. RAFAEL CASAS GUTIÉRREZ	APPOINTMENTS AND REMUNERATION COMMITTEE	Board Member

Total number of executive directors 5
% of total board 27.78

EXTERNAL NOMINEE DIRECTORS

Name or business name of the director	Committee informing his/her appointment	Name or company name of the substantial shareholder represented or proposing his/her appointment
MR. FRANCISCO VALLEJO VALLEJO	APPOINTMENTS AND REMUNERATION COMMITTEE	CARTERA MAPFRE, S.L. SOLE CORPORATION
MR. LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	APPOINTMENTS AND REMUNERATION COMMITTEE	CARTERA MAPFRE, S.L. SOLE CORPORATION
MR. ANDRÉS JIMÉNEZ HERRADÓN	APPOINTMENTS AND REMUNERATION COMMITTEE	CARTERA MAPFRE, S.L. SOLE CORPORATION
MR. ALBERTO MANZANO MARTOS	APPOINTMENTS AND REMUNERATION COMMITTEE	CARTERA MAPFRE, S.L. SOLE CORPORATION
MR. RAFAEL MÁRQUEZ OSORIO	APPOINTMENTS AND REMUNERATION COMMITTEE	CARTERA MAPFRE, S.L. SOLE CORPORATION
MR. ANTONIO MIGUEL ROMERO DE OLANO	APPOINTMENTS AND REMUNERATION COMMITTEE	CARTERA MAPFRE, S.L. SOLE CORPORATION
MR. ALFONSO REBUERTA BADÍAS	APPOINTMENTS AND REMUNERATION COMMITTEE	CARTERA MAPFRE, S.L. SOLE CORPORATION

Total number of nominee directors	7
% of total board	38.89

INDEPENDENT EXTERNAL DIRECTORS

Name or business name of the director	Profile
MR. RAFAEL BECA BORREGO	Commercial appraiser chairman of different real estate and agricultural development companies.
MS. ADRIANA CASADEMONT I RUHÍ	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.
MR. RAFAEL FONTORIA SURIS	Architect. Head architect of the Galician Regional Government for 30 years. Board member of the historic and artistic heritage committee.
LUIS ITURBE SANZ DE MADRID	Degree in law. Director of the Madrid stock exchange until 2003. Senior executive at BBVA until 2002.
MS. CATALINA MIÑARRO BRUGAROLAS	State attorney before the national court. Degree in law.
MR. MATÍAS SALVÁ BENNASAR	Lawyer. Head of the legal department and delegate of mutua balear (mutual company) and legal counsel of previsión balear (mutual company) and of its foundation until december 2009.

Total number of independent directors	6
% of total board	33.33

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.

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.

Name or business name of the director	Relationship description	Reasoned statement
Ms. Adriana Casademont i Ruhí	Board Member of MAPFRE Cataluña Regional Advisory Committee	The remuneration earned for this concept has no relevance to commit its independence
Mr. Rafael Fontoria Suris	Chairman of MAPFRE Northwest Regional Advisory Committee	The remuneration earned for this concept has no relevance to commit its independence
Mr. Matías Salvá Bennasar	Chairman of MAPFRE Balears Regional Advisory Committee	The remuneration earned for this concept has no relevance to commit its independence

OTHER EXTERNAL DIRECTORS

Name or business name of the director	Committee reporting or proposing his appointment
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Total number of other external directors	
% of total board	

Detail the reasons why they cannot be considered nominated or independent directors and their affiliations with the company or its management or its shareholders:

Name or business name of the director	Reasons	Company, executive or shareholder with whom there is a connection
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Indicate any changes that may have occurred during the period in the type of directorship of each director:

Name or business name of the director	Date of change	Previous directorship	Current directorship
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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 nature of these female directorships:

	NUMBER OF FEMALE DIRECTORS				% OF THE TOTAL DIRECTORS OF EACH TYPE			
	Financial year T 2014	Financial year T-1 2013	Financial year T-2 2012	Financial year T-3 2011	Financial year T 2014	Financial year T-1 2013	Financial year T-2 2012	Financial year T-3 2011
Executive	-	-	-	-	-	-	-	-
Nominee	-	-	-	-	-	-	-	-
Independent	2	3	1	1	33.33%	42.86%	16.6%	16.6%
Other External	-	-	-	-	-	-	-	-
Total:	2	3	1	1	11.11%	15%	4.55%	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 to reach a balanced presence of men and women.

Explanation of the measures

The Code of Good Governance and Regulations of the MAPFRE Board of Directors expressly state that when the Appointments and Remuneration Committee puts forward its proposals, it must ensure that it takes into consideration candidates of both sexes who meet the requirements for the vacancy, and that the selection procedure is not marred by implicit biases that may hinder the selection of people of sex or another.

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 it takes into consideration candidates of both sexes who meet the requirements for the vacancy.

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 2013 financial year, two independent directors (Ms. Adriana Casademont i Ruhi and Ms. Catalina Miñarro Brugarolas) were appointed, both proposed by the Appointments and Remuneration Committee. Likewise, Ms. Miñarro is a member of the Steering Committee and the Audit Committee and Ms. Casademont was appointed a member of the Appointments and Remuneration Committee in 2015.

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 the shareholder whose holding is less than 5 percent of the capital:

Name or company name of the shareholder	Justification
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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 ☒

Name or company name of the shareholder	Explanation
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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:

Nombre del consejero	Motivo del cese
MS. M.ª FRANCISCA MARTÍN TABERNERO	She is resigning from office on the Board in compliance with the MAPFRE Code of Good Governance, because she has reached the maximum age set out in it. She explained verbally the grounds for her resignation to the Board of Directors at a plenary session and in a letter to the Chairman.
MR. ESTEBAN PEDRAYES LARRAURI	He is resigning from office on the Board in compliance with the MAPFRE Code of Good Governance, because he has stopped performing the executive duties he had been performing until now. He explained the grounds for his resignation in a letter to the Chairman.

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

Name or business name of the director	Brief description
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C.1.11 Identify 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 business name of the director	Business name of the Group company	Position
MR. ESTEBAN TEJERA MONTALVO	MAPFRE AMÉRICA, S.A.	DIRECTOR
MR. ESTEBAN TEJERA MONTALVO	MAPFRE FAMILIAR, S.A.	DIRECTOR
MR. ESTEBAN TEJERA MONTALVO	MAPFRE INTERNACIONAL, S.A.	DIRECTOR
MR. ESTEBAN TEJERA MONTALVO	MAPFRE VIDA, S.A.	DIRECTOR
MR. FRANCISCO VALLEJO VALLEJO	MAPFRE FAMILIAR, S.A.	SECOND VICE CHAIRMAN
MR. FRANCISCO VALLEJO VALLEJO	MAPFRE SEGUROS DE EMPRESAS	SECOND VICE CHAIRMAN
MR. FRANCISCO VALLEJO VALLEJO	MAPFRE INTERNACIONAL, S.A.	DIRECTOR
MR. FRANCISCO VALLEJO VALLEJO	MAPFRE VIDA, S.A.	DIRECTOR
MR. ANTONIO NUÑEZ TOVAR	CENTRO INTERNACIONAL DE FORMACIÓN DE DIRECTIVOS	JOINT ADMINISTRATOR
MR. ANTONIO NUÑEZ TOVAR	MAPFRE AMÉRICA, S.A.	FIRST VICE CHAIRMAN

Name or business name of the director	Business name of the Group company	Position
MR. ANTONIO NUÑEZ TOVAR	MAPFRE FAMILIAR, S.A.	DIRECTOR
MR. ANTONIO NUÑEZ TOVAR	MAPFRE INMUEBLES, S.A.	JOINT ADMINISTRATOR
MR. IGNACIO BAEZA GÓMEZ	MAPFRE FAMILIAR, S.A.	CHAIRMAN
MR. IGNACIO BAEZA GÓMEZ	MAPFRE INTERNACIONAL, S.A.	FIRST VICE CHAIRMAN
MR. IGNACIO BAEZA GÓMEZ	MAPFRE SEGUROS DE EMPRESAS, S.A.	CHAIRMAN
MR. IGNACIO BAEZA GÓMEZ	MAPFRE VIDA, S.A.	CHAIRMAN
MR. RAFAEL BECA BORREGO	MAPFRE AMÉRICA, S.A.	SECOND VICE CHAIRMAN
MS. ADRIANA CASADEMONT I RUHÍ	MAPFRE ASISTENCIA	DIRECTOR
MR. RAFAEL CASAS GUTIÉRREZ	MAPFRE AMÉRICA, S.A.	CHAIRMAN
MR. RAFAEL CASAS GUTIÉRREZ	MAPFRE INTERNACIONAL, S.A.	DIRECTOR
MR. RAFAEL CASAS GUTIÉRREZ	MAPFRE INVERSIÓN, S.V., S.A.	DIRECTOR
MR. RAFAEL CASAS GUTIÉRREZ	MAPFRE GLOBAL RISKS, S.A.	DIRECTOR
MR. RAFAEL CASAS GUTIÉRREZ	MAPFRE ASISTENCIA	DIRECTOR
MR. RAFAEL CASAS GUTIÉRREZ	BB MAPFRE SH2 PARTICIPAÇÕES, S.A.	DIRECTOR
MR. RAFAEL CASAS GUTIÉRREZ	MAPFRE BB SH1 PARTICIPAÇÕES, S.A.	DIRECTOR
MR. RAFAEL CASAS GUTIÉRREZ	MAPFRE RE, S.A.	DIRECTOR
MR. RAFAEL FONTOIRA SURIS	MAPFRE VIDA, S.A.	DIRECTOR
MR. RAFAEL FONTOIRA SURIS	MAPFRE SEGUROS DE EMPRESAS	DIRECTOR
MR. LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	MAPFRE VIDA, S.A.	SECOND VICE CHAIRMAN
MR. LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	MAPFRE INTERNACIONAL, S.A.	DIRECTOR
MR. LUIS ITURBE SANZ DE MADRID	MAPFRE INVERSIÓN, S.V., S.A.	DIRECTOR
MR. ANDRÉS JIMÉNEZ HERRADÓN	BB MAPFRE SH2 PARTICIPAÇÕES, S.A.	DIRECTOR
MR. ANDRÉS JIMÉNEZ HERRADÓN	MAPFRE BB SH1 PARTICIPAÇÕES, S.A.	DIRECTOR
MR. ANDRÉS JIMÉNEZ HERRADÓN	MAPFRE FAMILIAR, S.A.	DIRECTOR
MR. ANDRÉS JIMÉNEZ HERRADÓN	MAPFRE VIDA, S.A.	DIRECTOR
MR. ALBERTO MANZANO MARTOS	MAPFRE AMÉRICA, S.A.	DIRECTOR
MR. ALBERTO MANZANO MARTOS	MAPFRE FAMILIAR, S.A.	DIRECTOR
MR. ALBERTO MANZANO MARTOS	MAPFRE INTERNACIONAL, S.A.	DIRECTOR
MR. RAFAEL MÁRQUEZ OSORIO	MAPFRE AMÉRICA, S.A.	DIRECTOR
MR. ANTONIO MIGUEL- ROMERO DE OLANO	MAPFRE ASISTENCIA, S.A.	VICE CHAIRMAN
MR. ANTONIO MIGUEL- ROMERO DE OLANO	MAPFRE GLOBAL RISKS, S.A.	DIRECTOR
MR. ANTONIO MIGUEL-ROMERO DE OLANO	MAPFRE SEGUROS DE EMPRESAS	DIRECTOR
MR. ANTONIO MIGUEL ROMERO DE OLANO	MAPFRE VIDA, S.A.	DIRECTOR
MRS. CATALINA MINARRO BRUGAROLAS	MAPFRE SEGUROS DE EMPRESAS, S.A.	DIRECTOR
MR. ALFONSO REBUELTA BADIÁS	MAPFRE AMÉRICA, S.A.	DIRECTOR
MR. ALFONSO REBUELTA BADIÁS	MAPFRE GLOBAL RISKS, S.A.	VICE CHAIRMAN
MR. ALFONSO REBUELTA BADIÁS	MAPFRE INTERNACIONAL, S.A.	DIRECTOR
MR. MATÍAS SALVÁ BENNASAR	MAPFRE FAMILIAR, S.A.	DIRECTOR
MR. MATÍAS SALVÁ BENNASAR	MAPFRE GLOBAL RISKS, S.A.	DIRECTOR
MR. MATÍAS SALVÁ BENNASAR	MAPFRE RE, S.A.	VICE CHAIRMAN
MR. MATÍAS SALVÁ BENNASAR	MAPFRE SEGUROS GERAIS	DIRECTOR

C.1.12 List, where applicable, any company directors 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 business name of the director	Business name of listed company	Position
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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 the MAPFRE Code of Good Governance, no external director can sit at the same time on more than five Boards of Directors of the Group's Companies.

C.1.14 List the general strategies and policies in the company that the Board reserves for plenary approval:

	Yes	No
The investment and funding policy;	X	
The definition of how the companies Group are structured	X	
The corporate governance policy	X	
The corporate social responsibility policy	X	
The strategic or business plan and the annual management and budgetary targets	X	
Remuneration and performance assessment policy for top executives	X	
The policy for overseeing and managing risk, and the periodic monitoring of the internal information and oversight systems.	X	
The pay-out policy and the treasury-stock policy, especially their limits.	X	

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

Remuneration of the Board of Directors (thousands of euros)	12,313
Amount of the global remuneration corresponding to the rights accumulated by the directors regarding pensions (thousands of euros)	9,740
Global remuneration of the Board of Directors (thousands of euros)	22,053

C.1.16 Identify the members of the senior management that are not in turn executive directors, and indicate total remuneration accruing to them during the financial year:

Name or company name	Position (s)
MR. ÁNGEL LUIS DÁVILA BERMEJO	SECRETARY GENERAL - GENERAL MANAGER OF LEGAL AFFAIRS
MR. JOSÉ MANUEL INCHAUSTI PÉREZ	GENERAL MANAGER OF TECHNOLOGY AND PROCEDURES
MR. JOSÉ MANUEL MURIES NAVARRO	GENERAL MANAGER OF INTERNAL AUDIT
MR. MIGUEL ÁNGEL ALMAZÁN MANZANO	GENERAL MANAGER OF INVESTMENT
MR. ALBERTO BERGES ROJO	DEPUTY GENERAL MANAGER OF BUSINESS AND CLIENTS

Total remuneration of senior management (in thousands of euros) 2,316

C.1.17 Indicate, where applicable, the identity of Board members who also sit on Board of Directors form companies that hold significant shareholders and/or companies in their Group:

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

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:

Name or business name of the affiliated director	Name or company name of the affiliated significant shareholder	Relationship description
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C.1.18 Indicate whether during the financial year there has been any change in the Board regulations.

Yes ☐ No ☒

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.

Anyone who is offered a directorship of MAPFRE, S.A. or of a subsidiary company must make a true and full Prior Declaration about his/her/its pertinent personal, family, professional and business details, relating in particular to any matter that may be a cause of incompatibility in accordance with the laws, corporate bylaws or provisions of the MAPFRE Code of Good Governance, or any situation of conflict of interest. This Declaration must be made on the form provided for such purposes by MAPFRE, and will include an express acceptance of the rules set out in the chapter of the Code that addresses director's rights and duties.

Anyone who holds office as director must have of a renowned prestige in his/her professional and business area, and hold all necessary professional qualifications or experience as provided at law for financial institutions or insurance companies subject to oversight by Public Authorities.

In particular, anyone who has a substantial shareholding in an organization belonging to a financial Group other than that to which the Company or any of its subsidiaries belong cannot be a member of the Board of Directors and whoever is a director, manager or employee of such organization or who renders services to or on behalf of the same cannot be a member of the Board of Directors either, unless they are appointed on a proposal made by the Board of Directors and provided that on the whole such directors do not represent more than twenty percent of the total number of directors.

— Proposals for the appointment or re-election of Independent Directors must be preceded by a proposal from the Appointments and Remuneration Committee.

Proposals for the re-election of independent directors will be subject to a process that will necessarily include a report issued by the Appointments and Remuneration Committee, assessing the quality of the services provided and the dedication to office throughout the prior term of the director/s whose re-election is proposed.

— Proposals for the appointment or re-election of nominee directors must be preceded by an appropriate proposal from the shareholder backing their appointment or re-election, and a report from the Appointments and Remuneration Committee with respect to the suitability of the proposed candidate.

The Appointments and Remuneration Committee may also propose the appointment or of nominee directors at its own initiative when it deems that the Company will benefit from their being members of the Board.

— Proposals for the appointment or re-election of Executive Directors, and for the appointment or the Secretary, must be preceded by a suitable proposal from the Chairman of the Board of Directors - or the senior executive officer - and a report from the Appointments and Remuneration Committee.

— In the case of the re-election of a director who holds office on the Board, the said report will include an assessment of how said office has been discharged to enable the Board to express an opinion about the director continuing in office.

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, it will be deemed that there are grounds for doing so when:

— The director has failed to perform the duties inherent to the post, has failed to comply with one of the requirements set forth for independent directors in the Unified Code of the Spanish National Securities and Exchange Commission (the "CNMV"), or has incurred an insuperable conflict of interest according to the provisions of Title IV of the MAPFRE's Code of Good Governance.

— Changes occur in the Company's shareholding structure that involve reducing the number of independent directors, in accordance with the criteria set forth in the MAPFRE's Code of Good Governance.

C.1.20 Indicate if the Board of Directors has performed an evaluation of its activity during the financial year:

Yes ☒ No ☐

Where applicable, explain how the self-evaluation has led to significant changes in its international organization and in the procedures that apply to its activities:

Description of modifications

The self-evaluation has not led to significant changes.

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

According to the provisions of the corporate Bylaws, and the Board Regulations, and the MAPFRE's Code of Good Governance all members of the Board of Directors must retire on reaching the age of 70. The Chairman and the Vice Chairman who hold executive duties, the Managing Director and the Secretary to the Board must retire from such office on reaching 65 years of age or, on any earlier date according to the terms and conditions of their respective contract, but they may continue as director and member without any executive duties for a maximum of five years in the same conditions as external nominee directors.

All directors must place their directorship and any office held, such as on the Steering Committee and any Delegated Committees, at the disposal of the Board of Directors 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 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.
- f) If the reasons (if any expressly exist) for which they were appointed cease to apply.

The resignation from such offices must be formally tendered in a letter dated directed to the Chairman of the Board of the company in question, and send a copy to the Chairman of the MAPFRE Group.

Executive Directors who resign from their executive duties can continue to be members of the Board of Directors of the company in the same conditions as External Nominee Directors for a maximum of five years following resignation

from those executive duties or following their appointment as director, if made subsequently.

Directors who, at the time of their appointment, do not hold any executive post 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 to the directorship.

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 Indicate whether the duties of chief executive officer in the company is played by the Chairman of the Board. If so, explain the measures taken to limit the risk of accumulating powers in a single person:

Yes ☒ No ☐

Measures to limit risks

It is considered that there is no measure of risk due to any excessive concentration of authority in view of the collegiate nature of decision-making that commences at the delegate body level; and the presence of senior executive officers on the Board of Directors.

Furthermore, the Chairman of the Board does not have permanent delegation of powers in his favor, and this delegation falls to the Steering Committee, the governing body responsible for senior management and permanent oversight of the ordinary management of the company and its subsidiaries (see section C.2.4).

Furthermore, the Board of Directors appointed a Supervising Director in 2015, who is especially authorized to, amongst other items, direct the evaluation of the Chairman of the Board (see next paragraph).

Indicate and, where applicable, explain whether rules have been established to empower one of the independent directors to request a Board meeting be called or new business included on the agenda, to coordinate and give voice to the concerns of external directors and to direct the assessment by the Board of Directors.

Yes ☐ No ☒

C.1.23 Are reinforced majorities required, other than the legal majorities, for any type of resolution?

Yes ☒ No ☐

If so, describe the differences.

Description of differences

The transfer of shares in subsidiary companies, if this involves the loss of status as majority shareholder or direct or indirect control over them, require bylaw the favorable vote of three quarters of the members of the Board of Directors.

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

Yes ☐ No ☒

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

Yes ☒ No ☐

Circumstances requiring a casting vote

In general, the Chairman has a casting vote in the event of a tie. However, as indicated in Section C.1.23, the transfer of shares in subsidiary companies, if this involves the loss of status as majority shareholder or direct or indirect control over them, require bylaw the favorable vote of three quarters of the members of the Board of Directors.

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

Yes ☒ No ☐

Age limit for chairman
Age limit for managing director
Age limit for director

C.1.27 Indicate whether the bylaws or the Board regulations establish any limit for independent directors' term of office, different from that laid down in the regulations:

Yes ☐ No ☒

C.1.28 Indicate whether the bylaws or the Board regulations 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 has been established that it is compulsory to delegate in the same type of director. If so, describe such regulations briefly.

There are no specific regulations in fiscal year 2014 for the delegation of votes in the Board of Directors. Nonetheless, in accordance with what is established in article 529 quater. 2 of Capital Companies Law, non-executive directors may only delegate to another non-executive director.

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	7
Number of Board meetings not attended by the Chairman	0

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

Number of Steering Committee meetings	13
Number of Audit Committee meetings	9
Number of Appointments and Remuneration Committee meetings	4
Number of Compliance Committee meetings	2

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:

Attendance of directors	115
% of number of attendances to total votes during the financial year	100%

C.1.31 Indicate whether the individual and consolidated annual accounts presented to the Board for approval have been certified beforehand:

Yes ☒ No ☐

Where applicable, identify the person(s) who has(have) certified the individual and consolidated annual accounts to be filed 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 files from being presented to the General Meeting with reservations on the audit report.

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

The company has Finance, Legal Affairs and Internal Audit Divisions that oversee all aspects of the annual accounts, and the MAPFRE Audit Committee, which is a delegate body that was delegated by the Board for this purpose and with supervisory powers in the financial year 2000.

According to the MAPFRE Code of Good Governance, the Board of Directors must always try to issue 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, it will publicly explain the content and scope of the discrepancies that have led to these reservations or provisos.

C.1.33 Is the Board Secretary a director?

Yes ☐ No ☒

C.1.34 Explain the appointment and severance procedures for the Secretary of the Board, indicating whether his/her appointment and severance have been reported to the Appointments Committee and approved by the Board in a plenary meeting.

Appointment and termination procedure

In accordance with what is established in article 529 octies of Capital Companies Law, the Board of Directors is responsible for appointing and terminating the Secretary, following a report from the Appointments and Remuneration Committee.

	Yes	No
Does the Appointment Committee report his/her appointment?	x	
Does the Appointment Committee report his/her termination?	x	
Does the Board approve the appointment?	x	
Does the Board approve the termination?	x	

Does the Secretary of the Board have the special duty of ensuring good governance recommendations are followed?

Yes ☒ No ☐

Remarks

There are no comments

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 abiding by statutory provisions, the Company has decided to voluntarily propose compliance with a number of general guidelines that clearly and precisely aim to achieve and uphold the necessary independence of the external auditors in such regard as is advocated by the MAPFRE Code of Good Governance that lays down the following criteria for the Boards of Directors in their relationship with external auditors:

The relationship of the Board of Directors with the Company's External Auditors will be maintained through the Audit Committee.

The Board of Directors will refrain from hiring any auditing firms that are paid or will be paid annual fees by the MAPFRE Group that, for all items, exceed 5 percent of their total revenues.

In the annual public documents, the Board of Directors will report the overall fees paid by the Company and its consolidated Group to the audit firm for any services rendered other than auditing services.

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 the Company which sets out the procedures relating to the publication of relevant information, financial analysts will not be provided with any information that is not available to the public at large.

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

Yes ☐ No ☒

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)	428,270	1,778,345	2,206,615
Amount of work other than audit/total amount billed by the audit firm (in %)	39.20	20.50	22.60

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:

	Company	Group
Number of financial years running	25	25

	Company	Group
Number of financial years audited by current audit firm/number of financial years the company has been audited (in %)	100	100

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 MAPFRE Code of Good Governance, and for the purpose of assisting them in the exercise of their duties, external directors may, at the cost of the company, request the hire of legal, accounting, financial consultants or other experts. 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 decision to engage an expert must be notified to the Chairman of the Company and it may be vetoed by the Board of Directors, provided such the following is shown:

- That it is not necessary for the reasonable exercise of the duties entrusted to the directors.
- That the cost is unreasonable bearing in mind the importance 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.

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

All documents must in general be sent at least three full days in advance.

This aspect is specifically analyzed by the Company Board of Directors at its annual self-assessment session, based on the report received from the Compliance Committee, which is also entrusted with monitoring the effectiveness of the procedure organized.

C.1.42 Indicate and, where applicable give details, whether the company has established rules obliging directors to inform and, where applicable, resign under circumstances that may undermine the company's credit and reputation:

Yes ☒ No ☐

Explain the rules

Directors must place their office/s at the disposal of the Board of Directors, both as director and any office they hold on any Committee or Delegated Committees thereof, and formalize any resignation should the Board deem it necessary, in the following cases:

- When they cease to hold 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 Compliance Committee due to any infringement of their obligations as directors.
- When they are affected by circumstances in which their remaining on any such governing bodies might cause damage to the Company's credit or reputation, or place its interests at risk.
- 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.

Yes ☐ No ☒

C.1.44 List the significant resolutions adopted by the company and that take effect, are amended or concluded 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 concluded 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.

Contracts for Executive Directors establish the termination of all of their relations with MAPFRE, including suspended labor relations, on the first day of January of the year following the one in which the director reaches the age of 60, unless annual extensions are implemented at the request of the company until, as a maximum, the date on which the executive reaches the age of 65.

When the relationship between the director and Company is effectively terminated because the former has reached the age of 60, the Company is bound to pay the director an amount equivalent to the result gained by multiplying the sum of 750 constant euros from the year 2003 by the number of months remaining until the director reaches the age of 65.

There are no clauses relating to signing bonuses, conflicts of interest, exclusivity, permanence, or post-contractual competition.

As regards possible compensation due to termination at the Company's initiative, except when there is a cause to justify lawful dismissal, the Executive Director will be entitled to receive compensation equal to the amount set out in article 56.1.a) of the Workers' Statute. The notice period is three months.

There are no specific provisions in employment or senior management contracts in the event that the relationship comes to an end on the occasion of a public takeover bid.

Dedication to the role must be exclusive and it will be incompatible with any other paid activity. The provision of services to other companies in the MAPFRE Group or collaboration with the same or with other organizations with whom the former have collaborative relationships is considered to form part of their obligations, when required, with no additional payment

Number of beneficiaries	
Type of beneficiary	Description of resolution

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	X	

	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 their nominee and independent directors:

STEERING COMMITTEE

Name	Position	Type
MR. ANTONIO HUERTAS MEJÍAS	CHAIRMAN and CEO	EXECUTIVE
MR. ESTEBAN TEJERA MONTALVO	FIRST VICE CHAIRMAN	EXECUTIVE
MR. FRANCISCO VALLEJO VALLEJO	SECOND VICE CHAIRMAN	NOMINEE
MR. IGNACIO BAEZA GÓMEZ	BOARD MEMBER	EXECUTIVE
MR. RAFAEL CASAS GUTIÉRREZ	BOARD MEMBER	EXECUTIVE
MR. LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	BOARD MEMBER	NOMINEE
MR. RAFAEL MÁRQUEZ OSORIO	BOARD MEMBER	NOMINEE
MS. CATALINA MIÑARRO BRUGAROLAS	BOARD MEMBER	INDEPENDENT
MR. ANTONIO NÚÑEZ TOVAR	BOARD MEMBER	EXECUTIVE

% of Executive Directors	55.56
% of Nominee Directors	33.33
% of Independent Directors	11.11
% of other external directors	-

AUDIT COMMITTEE

Name	Position	Type
MR. LUIS ITURBE SANZ DE MADRID	CHAIRMAN	INDEPENDENT
ANDRÉS JIMÉNEZ HERRADÓN	BOARD MEMBER	NOMINEE
MS. CATALINA MIÑARRO BRUGAROLAS	BOARD MEMBER	INDEPENDENT

% of Executive Directors	-
% of Nominee Directors	33.33
% of Independent Directors	66.67
% of other external directors	-

APPOINTMENTS AND REMUNERATION COMMITTEE

Name	Position	Type
MR. ANTONIO HUERTAS MEJÍAS	CHAIRMAN and CEO	EXECUTIVE
MR. ANTONIO NÚÑEZ TOVAR	FIRST VICE CHAIRMAN	EXECUTIVE
MR. FRANCISCO VALLEJO VALLEJO	SECOND VICE CHAIRMAN	NOMINEE
MR. LUIS HERNANDO DE LARRAMENDI MARTÍNEZ	BOARD MEMBER	NOMINEE
MR. LUIS ITURBE SANZ DE MADRID	BOARD MEMBER	INDEPENDENT
MR. ALFONSO REBUELTA BADIÁS	BOARD MEMBER	NOMINEE
MR. MATÍAS SALVÁ BENASSAR	BOARD MEMBER	INDEPENDENT

% of Executive Directors	28.57
% of Nominee Directors	42.86
% of Independent Directors	28.57
% of other external directors	-

COMPLIANCE COMMITTEE

Name	Position	Type
MR. FRANCISCO VALLEJO VALLEJO	CHAIRMAN	NOMINEE
MR. RAFAEL BECA BORREGO	BOARD MEMBER	INDEPENDENT
MR. RAFAEL FONTOIRA SURIS	BOARD MEMBER	INDEPENDENT
MR. LUIS ITURBE SANZ DE MADRID	BOARD MEMBER	INDEPENDENT
MR. ANTONIO MIGUEL-ROMERO DE OLANO	BOARD MEMBER	NOMINEE

% of Executive Directors	-
% of Nominee Directors	40
% of Independent Directors	60
% of other external directors	-

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							
	FINANCIAL YEAR 2014		FINANCIAL YEAR 2013		FINANCIAL YEAR 2012		FINANCIAL YEAR 2011	
	Nº	%	Nº	%	Nº	%	Nº	%
Steering Committee	1	11.11%	-	-	-	-	-	-
Audit Committee	1	25%	2	40%	1	25%	1	20%
Appointments and remuneration committee	1	20%	-	-	-	-	-	-
Compliance Committee	-	-	-	-	-	-	-	-

C.2.3 Mark with a cross the duties assigned to the Auditing Committee:

	Yes	No
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.	X	
To periodically review the systems of internal control and risk management to ensure the main risks are identified, managed and sufficiently well known.	X	
To ensure the independence and efficacy of the internal audit; to propose the selection, appointment, re-election and severance of the internal audit officer; to propose the budget for the internal audit service; to receive periodic information on its activities; and to check that the senior management takes the conclusions and recommendations of its reports into account.	X	
To establish and supervise a mechanism that enables employees to confidentially and, if this is deemed appropriate, anonymously communicate irregularities they notice within the Company that may be of potential importance, especially financial and accounting irregularities.	X	
To put to the Board the proposals for selection, appointment, re-election and substitution of the external auditor and the terms and conditions of engagement.	X	
To receive regular information from the external auditor on the auditor's office plan and the outcome of its execution, and verifying that the senior management takes due note of its recommendations.	X	
To ensure the independence of the external auditor.	X	

C.2.4 Give a description of the rules governing the organization and running of each of the Board Committees and the responsibilities attributed to each.

Committee name
STEERING COMMITTEE

Brief description
The Steering Committee is the delegate body of the Board of Directors, responsible for the senior management and permanent oversight of the strategic and operational aspects of the Company's and its subsidiaries ordinary business affairs. It also makes any decisions necessary to operate properly. It has a capacity of decision of general scope with express delegation in its favor of all faculties that correspond to the Board of Directors, except for those that are delegated by imperative law or, where applicable, by express establishment in the Corporate Bylaws or in the regulations of the Board.

The Committee will have a maximum of twelve members, all of whom are members of the Board of Directors. Its Chairman, First and Second Vice Chairman and Secretary will automatically be the people who hold such posts on the Board, which will appoint the members, up to a maximum of twelve members. It may also appoint a Vice Secretary, who will not be entitled to vote.

Committee name
AUDIT COMMITTEE

Brief description
The Audit Committee has a minimum of three and a maximum of seven members, who will be appointed by the Board of Directors in view of the knowledge, skills and experience of its directors, especially with regard to accounting, audit and risk management issues. The Chairman will be an independent director, and the majority of the members will be non-executive directors. The Secretary of this Committee will be the Secretary to the Board of Directors. This Committee shall have the following responsibilities:

- To inform the General Meeting of the issues that arise in their area of responsibility.
- 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 accounts auditors and auditing companies.
- To supervise the process of drawing up and presenting the regulated financial information.
- To propose the appointment of accounts auditors and auditing companies to the Board of Directors for their submission to the Annual General Meeting, in accordance with the regulations which apply to the Company.

e) To establish appropriate relationships with the accounts auditors and auditing companies 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. Regardless, they must receive annual written confirmation from the accounts auditors and auditing companies of their independence from the company or companies directly or indirectly linked to it, as well as any information concerning the additional services of any type rendered to these companies by the said auditors or companies, or by the people or companies linked to them in accordance with the provisions of the accounts auditing legislation in force.

f) To emit on an annual basis, prior to the publication of the accounts audit report, a report expressing an opinion concerning the independence of the accounts auditors and auditing companies. This report must in any case, contain an opinion about the provision of the additional services referred to above.

Committee name

APPOINTMENTS AND REMUNERATION COMMITTEE

Brief description

It is the delegate body of the Board of Directors, responsible for the coordinated development of the appointment and remuneration policy to be applied to MAPFRE Senior Representative and Management Executives, without prejudice to the authority that legal and statutorily correspond to the Company's representative and management bodies.

The Appointments and Remuneration Committee has a maximum of seven members, most of whom are non-executive Board members.

Committee name

COMPLIANCE COMMITTEE

Brief description

This is the delegate body of the Board of Directors for overseeing the correct application of the code of good governance that must rule in the Company.

These duties are performed without prejudice to any legal and bylaw powers attributed to the company's representation and management bodies.

The Committee monitors the application of the code of good governance in force from time to time and it may, if pertinent, propose any measures to improve the same and to update them, whenever necessary.

The Compliance Committee has four members, all of whom are non-executive Board members. Its Chairman will automatically be the second Vice Chairman of the Board of Directors.

The Committee may appoint a Minutes Secretary who will be elected from amongst the members of the General Management of the MAPFRE Legal Department.

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.

They are available on the Company's website, www.mapfre.com, in the public records of the Spanish National Securities and Exchange Commission (the "CNMV"), and on the Madrid Company Registry.

Committee name

AUDIT COMMITTEE

Brief description

Regulated in the corporate bylaws and in the Board Regulations.

They are available on the Company's website, www.mapfre.com, in the public records of the Spanish National Securities and Exchange Commission (the "CNMV") and on the Madrid Company Registry.

In 2005 financial year, 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.

They are available on the Company's website, www.mapfre.com, in the public records of the Spanish National Securities and Exchange Commission (the "CNMV") and on the Madrid Company Registry.

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

Committee name

COMPLIANCE COMMITTEE

Brief description

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

They are available on the Company's website, www.mapfre.com, in the public records of the Spanish National Securities and Exchange Commission (the "CNMV") and on the Madrid Company Registry.

C.2.6 Indicate whether the composition of the Executive or Steering Committee reflects the participation on the Board of different directors according to their condition:

Yes ☐ No ☒

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

The Steering Committee, is an executive governing body, and therefore consists mostly of executive and external nominee directors. During the 2014 financial year, an independent director, Ms. Catalina Miñarro Brugarolas, was appointed, proposed by the Appointments and Remuneration Committee.

D. RELATED-PARTY OPERATIONS AND INTRA-GROUP OPERATIONS

D.1 Identify the competent body and explain, where applicable, the procedure for approval of related-party and intra-group operations.

Competent body for approving related-party operations

The Board of Directors

Procedure for approval of related-party operations.

The operations in which the company or its subsidiary companies engage with Directors, significant shareholders or shareholders represented on the Board or persons related to them, must be submitted beforehand for approval of the Board of Directors. In any case, the related-party operations are conducted at arm's length price.

Explain whether the approval of related-party operations has been delegated, indicating, where applicable, the body or persons to whom it has been delegated.

D.2 List those operations between the Company or its Group companies and the Company's significant shareholders which are relevant due to their amount or because of their subject matter:

Name or Company name of the significant shareholder	Name or company name of the Company or Group's company	Nature of the relationship	Type of operation	Amounts (thousands of euros)
CARTERA MAPFRE, S.L.U.	MAPFRE, S.A.	Shareholder	Dividends and other profits distributed	292,025
FUNDACIÓN MAPFRE	MAPFRE FAMILIAR, S.A.	-	Other	2,758
FUNDACIÓN MAPFRE	MAPFRE VIDA, S.A.	-	Other	1,466
FUNDACIÓN MAPFRE	MAPFRE GLOBAL RISKS, S.A.	-	Other	465
FUNDACIÓN MAPFRE	MAPFRE SEGUROS DE EMPRESAS, S.A.	-	Other	898
FUNDACIÓN MAPFRE	MAPFRE RE, S.A.	-	Other	1,127
FUNDACIÓN MAPFRE	MAPFRE ASISTENCIA, S.A.	-	Other	405

D.3 List the operations between the Company or its Group companies and the Company's Directors or executives which are relevant due to their amount or because of their subject matter:

D.4 Report on the significant operations 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 their 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 operations performed 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.

Likewise, MAPFRE's Code of Good Governance and the Internal Code of Conduct regulate the special obligations within the scope of potential conflicts of interest.

The final decision on these matters is reserved to the Board of Directors, subject to examination by the Company's Appointments and Remuneration Committee. 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:

Subsidiary companies listed
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 FAMILIAR, 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.

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: This covers twenty-three types of risks grouped into the following areas: actuarial, legal, technology, staff, collaborators, procedures, reporting, fraud, market and material assets.
- 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.

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.

E.2 Identify the company bodies responsible for the preparation and execution of the Risk Management System.

The Regulations of the Board of Directors of MAPFRE set out the duties and responsibilities of MAPFRE's Governing Bodies and its Committee and Delegate Committees related to the Risk Management System.

In addition, MAPFRE's Solvency II Steering Committee defines, structures and coordinates the key duties of the different companies with regard to risk management.

E.3 List the main risks that might affect the achievement of the business objectives.

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 for interest rate risk is the 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 free- management companies, and by the modified duration of liabilities in the event of long-term commitments existing with the 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 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.

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.

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 claims ratio in the different regions.

In relation to reinsurance risk, MAPFRE's policy is to assign business to reinsurers with proven financial capacity (generally with a minimum 'A' credit rating by Standard & Poor's, 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).

3. 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 also the corporate tool used for handling the control activities (process manuals, inventory of controls associated with risks and evaluation of their effectiveness) and the corrective measures established to mitigate or reduce the risks and/or improve the control environment.

The 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 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.

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. In order to regulate this business culture and update the legal requirements regarding governance and transparent management, in 2008 the Management Bodies of MAPFRE approved a revised version of the Code of Good Governance, in force since 1999. The strict application of the principles of Good Corporate Governance is considered at MAPFRE to be the most effective way to mitigate this kind of risk.

E.4 Identify whether the company has a level of risk tolerance.

The purpose of the 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 reviewed regularly throughout the 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 materialized during the financial year.

The main financial risks that materialized during the financial year were as follows:

- The appreciation of the euro, mainly against the U.S. dollar and the Turkish lira, which has reduced the growth rates of premiums and the consolidated profits.
- The impairment of the value of the stake in SOCIETÀ CATTOLICA DI ASSICURAZIONE, for 64.5 million euros before taxes.

With regard to insurance activity risk, the following should be mentioned in the 2014 financial year:

- The Iquique earthquake in Chile.
- The “Odile” hurricane in Mexico.
- The impact of bad weather in the United States.

E.6 Explain the response and supervision plans for the Company's main risks.

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.

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. With regard to operational risk, it is responsible for defining the strategies, processes and information procedures required to identify, measure, monitor, manage and continuously report on the risks to which the group's companies are or may be exposed either individually or together.

— 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 performance of the key duties set out in the Governance System provided for 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.

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.

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 Company's control environment

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.

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 powers to supervise 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 in 2013, sets out the main Internal Control System supervisory activities conducted by the Audit Committee through the Global Internal Audit Corporate Area, which are listed in section 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 Code of Good Governance establishes the corporate and business structures of the Group, both operational and functional, for supervision and coordination, as well as the senior executive and managerial officers.

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 activity/authority scopes are performed in line with the "Structure and job organizational model" drawn up by the Administration and Organization Division and approved by the Human Resources Division, and which applies to all the Group's companies.

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 Financial 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 the 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 institutional and business principles contained in the Code of Good Governance and is intended to reflect corporate values and the basic principles that should guide the conduct of MAPFRE and its staff.

In 2009 and 2010, communication campaigns were conducted to ensure that all employees were aware of the Code, and since then it is available to them on the intranet or internal portal.

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 who has questions about the application of the Code, or who observes a situation that might involve a breach or violation of any of the principles and rules of ethics or conduct, must report it to the Ethics Committee, which acts within the scope of its advisory duties or resolves any complaints that may arise regarding breaches of the Code.

Every year, the Ethics Committee reports to the Steering Committee on the activities performed during the financial year.

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. Until December 31, 2014, this course has been completed by 14,214 employees around the world and there is a three-year plan for all the other Group's employees to enroll.

— 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.

The Whistle-blower Channel for Financial and Accounting Complaints enables Group employees to report any potentially significant financial and accounting irregularities they observe to the Audit Committee, via an electronic mailbox or written correspondence to a specific address.

The operating rules of the MAPFRE Group Whistle-blower 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 Secretary's Office and the Internal Audit Division.

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's training programs are available in a single space, the Corporate University, whose aim is to share knowledge and train its more 37,000 employees worldwide. This University has been designed to promote a new learning environment at global level. The University is organized into several physical campuses and a single virtual campus, MAPFRE eCampus, enabling local and global implementation of different training initiatives.

The University comprises different Schools of Knowledge.

The School of Finance was launched in 2014 with aim of providing all employees in all the 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 2014, MAPFRE organized several training programs in Spain on financial, risk and internal control issues representing a total of 37,600 hours for 4,486 people.

As regards this training, at global level, the "Operational Risk Conferences" were organized in 2014. They were aimed at heads of risk management and managers of Riskm@p, MAPFRE's operational risk tool, and were attended by 38 employees from 20 countries. The goals of these conferences have been:

- To go more deeply into the basic aspects of the assessment of operational and process risks and the effectiveness of the internal controls performed by the employees of the various entities. These actions were conducted in 2014 after the training sessions.
- To share the practices and tools used by the various MAPFRE entities in the risk management processes.
- To provide information on the methodological changes and functionalities of the Riskm@p tool.

Worth mentioning in e-learning is the course on "Internal control rules" that all Group employees must follow, and which in 2014 was attended by 4,207 people who received 4,207 hours of training. In the last six years, a total of 34,792 employees and brokers have completed this course and received 34,792 hours of training.

The School of Audit was also launched in 2014. It aims to provide all professionals in MAPFRE's audit areas around the world with the necessary knowledge to perform internal audit tasks, and to share the management tools developed and best practices.

"Financial-insurance management for internal auditors" and "Risk management for internal auditors" are two major blocks of training contents offered by the School of Audit.

A training seminar for internal auditors was organized in 2014. 60 MAPFRE employees took part in Spain and Portugal. These sessions addressed issues related to financial information and internal control, among others.

In addition, a specific training seminar was organized in June for the Group's Information Technology (IT) auditors. Twenty-three employees from nine countries (Argentina, Brazil, Colombia, El Salvador, Spain, Mexico, Peru, Puerto Rico and the U.S.) took part. These sessions discussed the internal control of IT and the methodology used in audit work, and improvements to the methodology were proposed.

With regard to the drawing up of financial information, the General Secretary's Office and the Financial Area have issued circulars containing instructions, which include an update of applicable regulations. Moreover, the heads of the financial divisions have specific models and instructions for the drawing up of financial information, provided in the Consolidation Manual (which includes applicable accounting rules and policies) and the Accounting Models that are updated on an annual basis.

F.2 Financial information risk assessment

Report, at least:

F.2.1. The main characteristics of the risk identification process, including error or fraud risks, in relation to:

— Whether the process exists and is documented.

MAPFRE has a Risk Management System (RMS) based on the integrated management of the business and support 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:

Type of Risk	Description	Process	How often updated
Financial Risk	Includes the following risks: <ul style="list-style-type: none"> • Interest rate • Liquidity • Exchange rate • Market • Credit 	Quantification of the risk	Quarterly
Insurance Activity Risk	This groups the following risks separately for Life and Non-Life: <ul style="list-style-type: none"> • Sufficiency of premiums • Sufficiency of technical provisions • Reinsurance 		
Operational and business process risks	Includes the risks arising out of faulty or inadequate systems, people, internal processes or external events. These have been grouped into 10 risk areas (Actuarial, Legal, Technology, Staff, Collaborators, Procedures, Information, Fraud, Market and Material Assets.)	Evaluation and control (encompassing risk assessment, identification of internal controls, assessment of the degree of effectiveness of the controls and establishment of corrective measures).	Identification: continuous Assessment: biennial
Strategic and Corporate Governance Risk	Includes the following risks: <ul style="list-style-type: none"> • Business ethics and good corporate governance • Organizational structure • Alliances, mergers and acquisitions • Derived from the regulatory environment • Competition 	Identification, mitigation and assessment of impact	Continuous

The RMS in place in MAPFRE applies to the Group's entities in accordance with the internal regulations issued for each of the above risk categories.

— 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.

Any risks liable to affect the reliability of the financial information are identified during the assessment and control of the operational and business process risks, as these include the objectives of existence and occurrence, integrity, assessment, presentation, breakdown and comparability, and rights and obligations.

Each risk is linked, where appropriate, to the section of the financial statements that would be impacted if the potential risk materialized, the main sections being: premiums, provisions, financial returns, acquisition expenses, administration expenses and benefit expenses.

All the Group companies, both in Spain and abroad, manage the operational and business process risks through the Riskm@p computer application, developed in-house by MAPFRE. 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 the business and support processes, as well as the key economic figures, by completing risk assessment questionnaires.

— 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 drawn up by the Financial Area describes the process for identifying the consolidation perimeter, and is updated on a monthly basis.

— 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.

As described in section 2.1 above, the MAPFRE Risk Management System takes into account the types of operational, technological, financial, legal, reputational and environmental risk, as well as the risk inherent in the insurance and reinsurance business.

Specifically, for the “Operational and Business Process Risk” category, it states that it includes the risks arising out of faulty or inadequate systems, people, internal processes or external events. These risks have been grouped into the actuarial, legal, technology, staff, collaborators, procedures, information, fraud, market, and material assets areas..

— 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.

F.3 Control activities

Report, indicating its main characteristics, if it at least has:

F.3.1. Procedures for review and authorization of financial information and description of the ICFR, to be published in securities markets, indicating those responsible, 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 close of accounts and the specific review of opinions, estimates, assessments and relevant projections.

The financial reports on the annual accounts and biannual and quarterly information drawn up by the Financial Area are submitted to the Audit Committee, and subsequently to the Board of Directors.

In the case of the individual and consolidated annual accounts, both the Financial Area and the Internal Audit General Manager certify their accuracy and integrity to the Board of Directors.

The closing calendar drawn up by the Directorate-General for Accounting Coordination details the main activities in the process for consolidation and preparation of the annual and biannual accounts and its controls, and sets deadlines for compliance.

The different Group entities report, through the assigned officers, the financial information that the Financial Area consolidates in order to prepare the reports. During the consolidation process, controls are in place to detect any errors liable to materially affect the financial statements.

Moreover, during the risk control process, manuals and other descriptive documents are drawn up that set out the procedures, activities and parties involved in them, identifying the associated risks and the controls for mitigating them, including those related to fraud and the accounting close process.

The Board of Directors bases its opinions and estimates on hypotheses about the future and on uncertainties that basically refer to losses from impairment of certain assets; the calculation of provisions for risks and expenses; 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.

A procedure based on a quarterly questionnaire has been implemented which, through a flexible and simple system, provides written evidence of the controls executed in the process for drawing up the financial information, which all MAPFRE insurance companies perform at the time of the quarterly and annual closes.

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 Directorate-General for Security and the Environment, which reports to the Resources and Institutional Coordination Area, acts directly on the regulations related to information security.

In particular, the measures established are defined in an Information Security Document System (SDSI) or Regulatory Body of 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: keeping control of the information systems through inventory procedures to identify the resources and information contained therein; verification of the identity of the people who use it; and the use of passwords in keeping with the password strength criteria laid down in the regulatory body, that contributes to maintain an appropriate segregation of duties.

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.

Also, every year the Corporate Security and Environment Area draws up a security checks plan aimed at verifying the security controls in place and discovering any vulnerabilities in the 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 are subject to specific contracts, and providers are supervised directly by the contracting Units or Areas.

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.

The Resources and Institutional Coordination Area is currently developing a Global Purchases and Service Procurement plan that includes, among others, those that are identified with a possible financial impact.

In the development of such Plan, the Steering Committee held on June 27, 2013 approved the Purchasing Regulations which contains the principles and basic criteria for the procurement of goods and services of all the Group companies regardless of their geographical location and type of business.

In 2013, the assessment and classification questionnaire for all providers, both new and existing, was launched in Spain in order to have it completed gradually and allow for an assessment of each provider.

Also, throughout 2014, a form was prepared for evaluation of the questionnaire, which makes it possible to evaluate the suitability or not to include the provider in the potential providers database, as well as to assign to which contracting categories that provider is valid.

The incorporation of the assessment and classification questionnaire is being carried out on the technological platform of SAP-SRM and SAP-SLC contracting management within the module enabled for this.

A plan to enable the "Provider Portal" is also under development by the Resources and Institutional Coordination Area, which allows the exchange of documents for the purchasing processes (tenders and orders), as well as to enable the providers themselves to complete the assessment and classification questionnaire electronically through the same platform. Both the evaluation questionnaire and the provider portal will be ready from January 2015.

Furthermore, specific documentation was also prepared so that the providers clearly know the criteria of relationship and have maximum transparency in their operations.

The gradual implementation of this plan in the whole Group is taking place as planned.

F.4 Information and Communication

Report, indicating its main characteristics, if it at least has:

F.4.1. A specific function entrusted with defining, updating accounting policies (accounting policies area or department) and resolving doubts or disputes deriving from their interpretation, keeping a fluid communication with those responsible for operations in the organization, as well as an updated manual of accounting rules that is communicated to the units through which the company operates.

The Accounting Coordination Area, which reports to the Global Finance Corporate Area, is entrusted with updating accounting policies and rules applicable 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 Control and Economic Information Area within the Finance Area defines instructions on 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 MAPFRE Group companies financial information has been managed using the corporate consolidation application, a tool that represents 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 process of preparation of the financial information, to which it transmits instructions to complete this report and from which it requests, at least annually, the update of the support documentation that support 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 an Internal Audit Global Corporate Area composed in 2014 of five Internal Audit Departments located in Spain (Iberia Insurance; LATAM Insurance; International Insurance; Reinsurance, Assistance and Global Risks; and Information Technologies) a Continuous Internal Audit Unit in Spain and 15 Internal Audit Units abroad, which are fully independent and review and evaluate the suitability and correct functioning of all company procedures, as well as the Internal Control System.

The MAPFRE, S.A. Internal Audit Global Corporate Area reports directly to the Board of Directors of MAPFRE, S.A. through the Audit Committee (The Board's Delegate Body) and the Group's Executive Chairman.

The Directors of the Auditing Services and Units report to the General Manager of Internal Audit.

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. Previously, this economic-financial information is reviewed by the Internal Audit Division, which issues a report in which it is emphasized that MAPFRE, S.A.'s intermediate financial statements were prepared applying the same criteria applied to the annual accounts and that these 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.

In addition, the Audit Committee approves the annual Internal Audit Plan and conducts a periodic follow-up thereof.

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.
- > Contribution toward good corporate governance by verification of compliance with the rules established in the MAPFRE Code of Good Governance.

The evaluation and assessment of the MAPFRE Internal Control System conducted by the Internal Audit Division 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.

Additionally, the Internal Audit Division analyzes the work conducted over the year by internal audit and its impact on the consolidated financial statements, obtaining a high level of correlation.

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.

Communication with the external auditor is very frequent and fluid in the MAPFRE GROUP. This is the case at the beginning, during and at completion of work to review the company's annual accounts by the external auditors, planning, follow-up and coordination meetings are held, which are attended by external auditors, internal auditors, the Secretariat General, the Accounting Coordination Area, 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's 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 Unified Code on corporate governance.

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. 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 means of share purchases on the market.

— See sections: A.10, B.1, B.2, C.1.23 and C.1.24.

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 Group companies;

b) The mechanisms in place to resolve possible conflicts of interest.

— See sections: D.4 and D.7

Complies ☒ Complies in part ☐
Explain ☐ Not applicable ☐

3. Even when not expressly required under company law, any operations involving a structural corporate change should be submitted to the annual general meeting for approval or ratification. In particular:

a) The transformation of listed companies into holding companies through the process of subsidiarization, subsidiaries, reallocating core activities to subsidiaries that were previously carried out by the holding company, even though the holding company retains full control of the subsidiaries;

b) Any acquisition or disposal of key operating assets that would effectively alter the company's corporate purpose;

c) Operations that effectively entail the company's liquidation.

— See section: B.6

Complies ☒ Complies in part ☐ Explain ☐

4. Detailed proposals of the resolutions to be adopted at the General Meeting, including the information stated in Recommendation 27, should be made available at the same time as publication of the call to meeting.

Complies ☒ Explain ☐

5. Separate votes should be taken at the General Meeting on materially separate items, so shareholders can express their preferences in each case. This rule shall apply in particular to:

a) The appointment or ratification of Directors, with separate voting on each candidate;

b) Amendments to the bylaws, with votes taken on all articles or groups of articles that are materially different.

Complies ☒ Complies in part ☐ Explain ☐

6. Companies should allow split votes, so financial intermediaries acting as nominees on behalf of different clients can issue their votes according to instructions.

Complies ☒ Explain ☐

7. The Board should perform its duties with unity of purpose and independent judgment, according all shareholders the same treatment. It should be guided at all times by the company's best interests and, as such, strive to maximize its value over time.

It should likewise ensure that the company abides by the laws and regulations in its dealings with stakeholders; fulfills its obligations and contracts in good faith; respects the customs and good practices of the sectors and territories where it does business; and upholds any additional social responsibility principles it has subscribed to voluntarily.

Complies ☒ Complies in part ☐ Explain ☐

8. The Board should see its core mission as approving the company's strategy and authorizing the organizational resources to carry it forward, and ensuring that management meets the objectives set while pursuing the company's interests and corporate purpose. As such, the Board in full should reserve the right to approve:

a) The company's general strategies and policies, and in particular:

- i) The strategic or business plan and the annual management and budgetary targets;
- ii) The investment and funding policy;
- iii) The definition of how the companies Group are structured;
- iv) The corporate governance policy;
- v) The corporate social responsibility policy;
- vi) Remuneration and performance assessment policy for top executives;
- vii) The policy for overseeing and managing risk, and the periodic monitoring of the internal information and oversight systems.
- viii) The pay-out policy and the treasury-stock policy, especially their limits.

— See sections: C.1.14, C.1.16 and E.2

b) The following decisions:

- i) At the proposal of the Chief Executive, the appointment and possible severance of top executives, and their compensation clauses.
- ii) Directors' remuneration and any additional remuneration to executive Directors for executive duties and other terms and conditions that their contracts must include.
- iii) The financial information that the company, as a publicly traded company, must disclose periodically.
- iv) Investments and/or operations of any kind, whose high value or special characteristics make them strategic, unless the General Meeting is charged with approving them;
- v) The creation or acquisition of shares in a special-purpose company or companies domiciled in countries or territories considered tax havens, and any other transactions or operations of an analogous nature whose complexity could undermine the Group's transparency.

c) Operations between the company and its Directors, its significant shareholders and/or shareholders represented on the Board, and/or parties related to them ("related-party operations").

However, Board authorization need not be required for related-party operations that simultaneously meet the following three conditions:

1st They are carried out under arms' length contracts with standard terms and conditions, applicable en masse to a large number of clients;

2nd They go through at market rates set in general by the supplier or provider of the goods or services;

3rd They are worth less than one percent of the company's annual revenues.

Related-party operations should only be approved by the Board on the basis of a favorable prior report from the Auditing Committee or any other Committee entrusted with such a report; and the Directors involved should neither exercise nor delegate their votes, and should withdraw from the meeting room while the Board deliberates and votes.

The above responsibilities should not be delegated with the exception of those mentioned in b) and c), which may be delegated to the Steering Committee in urgent cases and later ratified by the full Board.

— See sections: D.1 and D.6

Complies ☒ Complies in part ☐ Explain ☐

9. In the interests of maximum effectiveness and participation, the Board should ideally comprise no fewer than five and no more than 15 members.

— See section: C.1.2

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 economic and corporate relevance justifies the number of members of the Board, which is appropriate for an effective and participatory operation.

However, in the last four years the size of the Board of Directors has been reduced by 25 percent, from 24 to 18 members.

10. External, shareholder-nominated and independent Directors should occupy an ample majority of Board places, while the number of executive Directors should be the minimum required to deal with the complexity of the corporate Group and reflect the ownership interests they control.

— See sections: A.3 and C.1.3

Complies ☒ Explain ☐

11. Amongst external Directors, the ratio between the number of nominee Directors and independent Directors should reflect the percentage of shares held by the company that the nominee Director represents and the remaining share capital.

This strict proportionality can be relaxed so the percentage of nominee Directors is greater than would strictly correspond to the total percentage of capital they represent:

1st In large cap companies where few or no equity stakes attain the legal threshold for significant shareholdings, despite the considerable sums actually invested in absolute terms.

2nd In companies with a plurality of shareholders represented on the Board but not otherwise related to each other.

— See sections: A.2, A.3 and C.1.3 ,

Complies ☒ Explain ☐

12. Independent Directors should account for at least one third of the total number of seats.

— See section: C.1.3

Complies ☒ Explain ☐

13. The Board should explain the type of each directorship to the annual general meeting that must appoint the Director or ratify their appointment. This should be confirmed or reviewed each year in the Annual Corporate Governance Report, after verification by the Appointments and Remuneration Committee. Said report should also disclose the reasons for the appointment of nominee Directors at the behest of shareholders controlling less than five 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 applying successfully for a nominee directorship.

— See sections: C.1.3 and C.1.8

Complies ☒ Explain ☐

14. If there are few or no female Directors, the Appointment Committee should explain the reasons and the initiatives adopted to correct the situation:

a) The procedure for filling Board vacancies has no implicit bias against women candidates;

b) The company makes a conscious effort to include women with the target profile among the candidates for Board seats.

— See sections: C.1.2, C.1.4, C.1.5, C.1.6, C.2.2 and C.2.4

Complies ☒ Complies in part ☐
Explain ☐ Not applicable ☐

15. The Chairman, who is responsible for the efficient running of the Board, should at all times ensure that the Directors receive sufficient prior information for the meetings; encourage Directors to debate and participate actively in the meetings, safeguarding their freedom to take their own stance and express their own opinion. He/she should organize and coordinate periodic assessment of the Board with the Chairs of the relevant Committees and with the Bank's Managing Director or Chief Executive, when this is not also the Chairman.

— See sections: C.1.19 and C.1.41

Complies ☒ Complies in part ☐ Explain ☐

16. When a company's Chairman is also its Chief Executive, an independent Director should be empowered to request a Board meeting be called or new business included on the agenda; to coordinate and give voice to the concerns of external Directors; and to lead the Board's evaluation of the Chairman.

— See section: C.1.22

Complies ☐ Complies in part ☒
Explain ☐ Not applicable ☐

Pursuant to article 18 of the company by-laws, any Director may request the inclusion of a point on the agenda and so any one of them has the power to make his/her concerns known to the Board of Directors.

A Board meeting may be requested by three Directors, irrespective of their type of directorship.

Pursuant to the MAPFRE Code of Good Governance, every year the Board shall evaluate the performance of the Chairman, and where appropriate, the most senior management representative, should these not be the same person, on the basis of the report drawn up for this purpose by the Appointments and Remuneration Committee. The external Vice Chairman of the company is responsible for overseeing the evaluation of the Chairman by the Board of Directors.

However, the Board of Directors, at its meeting held on January 22, 2015, agreed to appoint the Independent Director Mr. Rafael Beca Borrego Coordinator Director of the Board of Directors, who is particularly empowered to request the Board of Directors be convened or the inclusion of new items on the agenda, coordinate and bring together the Non-executive Directors and direct, as required, the periodical evaluation of the Chairman of the Board.

17. The Board Secretary should take care to ensure that the Board's actions:

a) Adhere to the spirit and letter of laws and their implementing regulations, including those issued by regulators;

b) Comply with the corporate bylaws and the Regulations of the Meeting, of the Board or others that the company has;

c) Are informed by those good governance recommendations of the Unified Code that the company has subscribed to.

In order to safeguard the independence, impartiality and professionalism of the company Secretary, his or her appointment and removal should be proposed by the Appointment Committee and approved by a full Board meeting; the relevant appointment and removal procedures must be spelled out in the Board's regulations.

— See section: C.1.34

Complies ☒ Complies in part ☐ Explain ☐

18. The Board should meet with the necessary frequency to properly perform its duties, in accordance with a calendar and agendas set at the beginning of the financial year, to which each Director may propose the addition of other items.

— See section: C.1.29

Complies ☒ Complies in part ☐ Explain ☐

19. Directors should keep their absences to the bare minimum. Absences should be quantified in the Annual Corporate Governance Report. When Directors have no choice but to delegate their vote, they should do so with instructions.

— See sections: C.1.28, C.1.29 and C.1.30

Complies ☒ Complies in part ☐ Explain ☐

20. When Directors or the company Secretary express concerns about some proposal or, in the case of Directors, about the company's performance, and such concerns are not resolved at the Board meeting, the person expressing them may request they be recorded in the minutes.

Complies ☒ Complies in part ☐
Explain ☐ Not applicable ☐

21. The Board in full should evaluate the following points on a yearly basis:

a) The quality and efficiency of the Board's operation;

b) Based on the report submitted by the Appointments Committee, how well the company Chairman and Chief Executive have carried out their duties;

c) The performance of its Committees on the basis of the reports furnished by such Committees.

— See sections: C.1.19 and C.1.20

Complies ☒ Complies in part ☐ Explain ☐

22. All Directors should be able to exercise their right to receive any additional information they require on matters within the Board's responsibility. Unless the bylaws or Board regulations indicate otherwise, such requests should be addressed to the Board's Chairman or Secretary.

— See section: C.1.41

Complies ☒ Explain ☐

23. All Directors should be entitled to call on the company for the advice and guidance they need to perform their duties. The company should provide suitable channels for the exercise of this right. Under special circumstances it could include external assistance at the company's expense.

— See section: C.1.40

Complies ☒ Explain ☐

24. Companies should organize induction programs for new Directors to acquaint them rapidly with the workings of the company and its corporate governance rules. Directors should also be offered refresher programs when circumstances so advise.

Complies ☒ Explain ☐

25. Companies should require their Directors to devote sufficient time and effort to perform their duties effectively, and, as such:

a) The Directors must inform the Appointments and Remuneration Committee of their other professional obligations, in case these interfere with the dedication required to perform their duties.

b) Companies should lay down rules about the number of directorships their Board members can hold.

— See sections: C.1.12, C.1.13 and C.1.17

Complies ☒ Complies in part ☐ Explain ☐

26. The proposal for the appointment or renewal of Directors which the Board submits to the Annual General Meeting, as well as provisional appointments by co-option, should be approved by the Board:

a) At the proposal of the Appointments Committee for independent Directors;

b) On the basis of a report by the Appointments Committee for all other Directors.

— See section: C.1.3

Complies ☒ Complies in part ☐ Explain ☐

27. Companies should publish the following Director particulars on their website and keep them permanently updated:

a) Professional experience and background;

b) Other Board of Directors held in other companies, listed or otherwise;

c) An indication as to whether the directorship is executive, 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 their first and subsequent appointments as a company Director, and;

e) Shares and/or share options held in the company.

Complies ☒ Complies in part ☐ Explain ☐

28. Nominee Directors must resign when the shareholders they represent dispose of 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.

— See sections: A.2, A.3 and C.1.2

Complies ☒ Complies in part ☐ Explain ☐

29. The Board of Directors must not propose the removal of independent Directors before the expiry of their term in office pursuant to the bylaws, except where due cause is found by the Board, based on a report from the Appointments Committee. In particular, due cause will be presumed when a Director is in breach of his or her fiduciary duties or comes under one of the disqualifying grounds lead to lose his or her independent condition, pursuant to the provisions of the Order ECC/461/2013.

The removal of independent Directors may also be proposed when a public takeover bid, merger or similar corporate operations produces changes in the company's capital structure, in order to meet the proportionality criterion set out in Recommendation 11.

— See sections: C.1.2, C.1.9, C.1.19 and C.1.27

Complies ☒ Explain ☐

30. Companies should establish rules obliging Directors to inform the Board 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.

If a Director is indicted or tried for any of the crimes stated in article 213 of the Spanish Corporations Act, the Board should examine the matter as soon as possible and, in view of the particular circumstances, decide whether or not he or she should be called on to resign. The Board should also disclose all such determinations in the Annual Corporate Governance Report.

— See sections: C.1.42, C.1.43

Complies ☒ Complies in part ☐ Explain ☐

31. The Directors should clearly express their opposition when they consider that a resolution submitted to the Board may not be in the company's best interest. In particular, independents and other Directors unaffected by the conflict of interest should challenge any decision that could go against the interests of shareholders lacking Board representation.

When the Board adopts material or reiterated resolutions on issues about which a Director has expressed serious reservations, said Director must draw the pertinent conclusions. Directors resigning for such causes should set out their reasons in the letter referred to in the next Recommendation.

This Recommendation should also apply to the Board Secretary, even if the Secretary is not a Director.

Complies ☒ Complies in part ☐
Explain ☐ Not applicable ☐

32. If leaving office before the end of its term, the Director should explain the reasons in a letter sent to all Board members. Whether or not such resignation is filed as a significant event, the reasons for leaving must be explained in the Annual Corporate Governance Report.

— See section: C.1.9

Complies ☐ Complies in part ☒
Explain ☐ Not applicable ☐

Ms. Martin Tabernero stepped down as she had reached the age limit set in the MAPFRE Board of Directors Regulations. She explained her reason for stepping down verbally to the plenary Board meeting and subsequently sent her letter of resignation to the Chairman of the Board of Directors.

Mr. Pedrayes Larrauri sent a letter to the Chairman of the Board communicating his resignation as a Director, for having ended his executive duties which he had been performing, in accordance with the provisions of the Regulations of the MAPFRE Board of Directors.

33. Remuneration comprising the delivery of shares in the company or other companies in the Group, share options or other share-indexed instruments, payments indexed to the company's performance or membership of pension schemes should be confined to executive Directors.

The delivery of shares is excluded from this limitation when Directors are obliged to retain them until the end of their term of office.

Complies ☒ Complies in part ☐
Explain ☐ Not applicable ☐

34. External Director's remuneration should sufficiently compensate them for the dedication, qualifications and responsibilities that the post entails; but should not be so high as to compromise their independence.

Complies ☒ Complies in part ☐ Not applicable ☐

35. 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 ☐ Not applicable ☐

36. In the case of variable awards, remuneration policies should include limits and technical safeguards to ensure they 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.

Complies ☒ Complies in part ☐ Not applicable ☐

37. When the company has an Executive or Steering Committee, (hereinafter, "Steering Committee") the breakdown of its members by Director category should be similar to that of the Board itself. The Secretary of the Board should also act as Secretary to the Steering Committee.

— See sections: C.2.1 and C.2.6

Complies ☐ Complies in part ☒
 Explain ☐ Not applicable ☐

The company has its own criterion, configuring it as a delegate body with a pronounced executive nature, with the presence of the senior managers of the main bodies of the Group, as well as the presence of three external nominee Directors and one independent Director.

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. The Board should be kept fully informed of the business transacted and resolutions adopted by the Steering Committee. To this end, all Board members should receive a copy of the Steering Committee's minutes.

Complies ☒ Complies in part ☐ Not applicable ☐

39. In addition to the Audit Committee that is mandatory under the Stock Exchange Act, the Board of Directors should form a Committee, or two separate Committees, for Appointments and remuneration.

The rules governing the composition and operation of the Auditing Committee and the Appointments and Remuneration Committee(s) should be set forth in the Board regulations, and include the following:

a) 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 responsible for overseeing and evaluating their work, which should be reported to the first full Board meeting following each meeting;

b) These Committees should be formed exclusively of external Directors and have a minimum of three members. Executive Directors or top executives may also attend meetings at the Committees' express invitation.

c) The Chairman of these Committees should be an independent Director.

d) External advisors may be used, when it is considered necessary to perform of their duties.

e) Meeting proceedings should be minuted and a copy sent to all Board Members.

— See sections: C.2.1 and C.2.4

Complies ☐ Complies in part ☒ Explain ☐

The whole recommendation is complied with except for sections b) and c) regarding the Appointments and Remuneration Committee. The Committee has two Executive Directors out of a total of seven members and its Chairman is currently the Chairman of the Board of Directors. It is considered that the large majority of external Directors guarantees the independence of the Committee.

It is also considered appropriate that the Committee is chaired by the Group's most senior management representative to ensure proper coordination between the Committee and the management team. However, the MAPFRE Code of Good Governance lays down rules, according to which executive members must refrain from participating in any proceedings and decision-making concerning issues that affect them personally.

Nevertheless, at its meeting held on January 22, 2015, the Board of Directors agreed to designate a new composition of the Appointments and Remuneration Committee consisting exclusively of external Directors, two of whom are independent. The Chairman is one of the independent Directors.

40. The job of supervising compliance with internal codes of conduct and corporate governance rules should be entrusted to the Auditing Committee, the Appointments Committee or, as the case may be, separate compliance or corporate governance Committees.

— See sections: C.2.3 and C.2.4

Complies ☒ Explain ☐

41. 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.

Complies ☒ Explain ☐

42. Listed companies should have an internal audit function, under the supervision of the Audit Committee, to ensure the proper operation of internal reporting and control systems.

— See section: C.2.3

Complies ☒ Explain ☐

43. The head of internal audit should 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 ☐

44. The oversight and risk management policy should specify at least:

- a) The different types of risk (operational, technological, financial, legal, reputational, etc.) the company is exposed to, with the inclusion under financial or economic risks of contingent liabilities and other off-balance-sheet risk;
- 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.

— See section: E

Complies ☒ Complies in part ☐ Explain ☐

45. The Audit Committee's role should be:

1st With respect to internal control and reporting systems:

- a) That the main risks identified as result of the efficacy supervision of the company's and Internal Audit's internal control are managed and sufficiently well known.
- b) To ensure the independence and efficacy of the internal audit; to propose the selection, appointment, re-election and severance of the internal audit officer; to propose the budget for the internal audit service; 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 appropriate, anonymously communicate irregularities

they notice within the company that may be of potential importance, especially financial and accounting irregularities.

2nd With respect to the external auditor:

- a) To receive regular information from the external auditor on the auditor's office plan and the outcome of its execution, and verifying that the senior management takes due note of its recommendations.
- b) To ensure the independence of the external auditor, to which end:
 - i) The company should notify 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 the same.
 - ii) Should the external auditor resign, to examine the circumstances leading to the resignation.

— See sections: C.1.36, C.2.3, C.2.4 and E.2

Complies ☒ Complies in part ☐ Explain ☐

46. The Auditing Committee should be empowered to meet with any company employee or manager, even ordering their appearance without the presence of another senior officer.

Complies ☒ Explain ☐

47 The Audit Committee should prepare information on the following points from Recommendation 8 for input to Board decision-making:

- a) The financial information that the company, as a publicly traded company, must disclose periodically. The Committee should ensure that interim statements are drawn up under the same accounting principles as the annual statements and, to this end, may ask the external auditor to conduct a limited review;
- b) The creation or acquisition of shares in a special-purpose company or companies domiciled in countries or territories considered tax havens, and any other transactions or operations of an analogous nature whose complexity could undermine the Group's transparency.
- c) Related-party operations, except where their scrutiny has been entrusted to some other supervision and control Committee.

— See sections: C.2.3 and C.2.4

Complies ☒ Complies in part ☐ Explain ☐

48. The Board of Directors shall try to avoid the accounts it has filed being presented to the General Meeting with reservations and qualifications in the audit report. When this is not possible, both the Chairman of the Audit Committee and the auditors must clearly explain the content and scope of discrepancies to the markets and shareholders.

— See section: C.1.38

Complies ☒ Complies in part ☐ Explain ☐

49. The majority of Appointments Committee members – or Appointments and Remuneration Committee members as the case may be – should be independent Directors.

— See section: C.2.1

Complies ☐ Explain ☒ Not applicable ☐

The company has its own criterion with regard to the proper make-up of the Appointments and Remuneration Committee (which may be seen in detail in section B.2.1. of this report and recommendation 39). Additionally, the number of independent Directors who are currently Committee members (two out of seven) is directly proportional to the total number of independent Directors on the Board (6 out of 18).

The new composition of the Appointments and Remuneration Committee approved by the Board of Directors at its meeting held on January 22, 2015 meets the requirements of Article 529n of the Spanish Corporations Act which requires this Committee to be made up solely of external directors with at least two of them having to be independent.

50. The Appointments Committee should have the following duties in addition to those stated in earlier recommendations:

a) To evaluate the balance of skills, knowledge and experience required on the Board, define the duties and capabilities required of the candidates to fill each vacancy accordingly, and decide the time and dedication necessary for them to properly perform their duties.

b) To examine or organize, in the manner it deems suitable, the succession of the Chairman and/or Chief Executive and put corresponding proposals to the Board for an orderly, well-planned succession.

c) To report on the top executive Appointments and removals that the Chief Executive proposes to the Board.

d) To report to the Board on the gender diversity issues discussed in Recommendation 14 of this Code.

— See section: C.2.4

Complies ☒ Complies in part ☐
Explain ☐ Not applicable ☐

51. The Appointments and Remuneration Committee shall consult with the company Chairman and the Chief Executive with respect to matters related to executive Directors.

Any Board member may suggest directorship candidates to the Appointment Committee for its consideration.

Complies ☒ Complies in part ☐
Explain ☐ Not applicable ☐

52. The Remuneration Committee should have the following duties in addition to those stated in earlier Recommendations:

a) Propose to the Board of Directors:

i) The policy for Directors' and top executives' remuneration;

ii) The individual remuneration and other contractual conditions of executive Directors.

iii) The core conditions for top executive contracts.

b) Oversee compliance with the remuneration policy set by the company.

— See section: C.2.4

Complies ☒ Complies in part ☐
Explain ☐ Not applicable ☐

53. 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 ☒ Explain ☐ Not applicable ☐

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.

Specifically, it will be indicated whether the company is subject to corporate governance legislation from any country other than Spain and, if so, include the compulsory information to be provided when different from that required by its 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.

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 February 10, 2015.

Indicate whether any Board members voted against the report or abstained.

Yes ☐ No ☒

MAPFRE, S.A.

Auditor's report on information relating to the internal control
system for financial reporting (SCIIF) for 2014

**Translation of Auditor's report on information relating to the internal control system for financial reporting (SCIIF) of MAPFRE, S.A. for 2014, originally issued in Spanish.
In the event of discrepancy, the Spanish-language version prevails**

To the Directors,

At the request of the Board of Directors of MAPFRE, S.A. (hereinafter the Company) in accordance with our proposal dated December 19, 2014, we applied certain procedures to the accompanying "SCIIF-related information" included in section F of 2014 Annual Corporate Governance Report of MAPFRE, S.A., which summarizes the Company's internal control procedures regarding annual financial information.

The Board of Directors is responsible for taking appropriate measures to reasonably ensure the implementation, maintenance, supervision, and improvement of a correct internal control system, as well as preparing and establishing the content of all the related accompanying SCIIF data.

In this sense, it is worth noting that apart from the quality of design and operability of the Company's internal control system as a far as annual financial reporting is concerned, it only provides a reasonable, rather than absolute, degree of security regarding its objectives due to the inherent limitations to the internal control system as a whole.

Throughout the course of our audit work on the financial statements, and in conformity with Technical Auditing Standards, the sole purpose of our evaluation of MAPFRE, S.A. and its subsidiaries' (hereinafter the Group) internal control system was to establish the scope, nature, and timing of the audit procedures performed on the MAPFRE Group's financial statements. Therefore, our internal control assessment performed for the audit of the aforementioned financial statements was not sufficiently extensive to enable us to issue a specific opinion on the effectiveness of the internal control over the regulated annual financial information issued.

For the purpose of issuing this report, we exclusively applied the following specific procedures described in the Guidelines about the audit report regarding the information contained in the internal control system for financial reporting of listed companies, published by Comisión Nacional del Mercado de Valores in its webpage, which indicates the work to be carried out, its scope, and contents. Given that the scope of the abovementioned procedures performed was limited and substantially less than that of an audit or an internal control review, we have not expressed an opinion regarding its efficacy, design, or operational effectiveness regarding the Company's 2014 financial data described in the accompanying SCIIF information. Consequently, had we performed procedures additional to those included in the abovementioned Guidelines, or carried out an audit or review of the internal review system of regulated annual financial information, other matters might have come to our attention which would have been reported to you.

Since this special engagement does not constitute an audit of the financial statements or a review in accordance with Royal Decree 1/2011, dated July 1, enacting the revised Audit Law, we do not express an opinion in the terms established therein.

The following procedures were applied:

1. Read and comprehend the information prepared by the Company regarding the accompanying SCIF related information and evaluate whether it encompasses all information required which follow the minimum content described in section F, with respect to the description of SCIF, of the IAGC model as established in the Circular nº5/2013 of CNMV dated on June 12, 2013.
2. Question personnel in charge of preparing the information described in the above section 1, to: (i) obtain an understanding of its preparation process; (ii) obtain information making it possible to evaluate whether the terminology employed is in line with reference framework definitions (iii) gather information regarding whether the described control procedures are implemented and functioning within the MAPFRE Group.
3. Review the explanatory documentation supporting the information described in section 1 above, which should basically include everything directly provided to those in charge of preparing the descriptive SCIF information. This documentation includes reports prepared by the internal audit function, top management and other internal/external specialists in their role supporting the audit committee.
4. Compare the information contained in section 1 above with the Company's SCIF knowledge obtained as a result of performing the procedures within the framework of auditing the financial statements.
5. Read the minutes of the Board Meetings, Audit Committees, and other Company commissions in order to evaluate the consistency between issues related to the SCIF and information discussed in section 1.
6. Obtain the representation letter related to the work performed, duly signed by those responsible for preparing and authorizing the information discussed in section 1.

As a result of the procedures applied on the SCIF related information, no inconsistencies or incidents have come to our attention which might affect it.

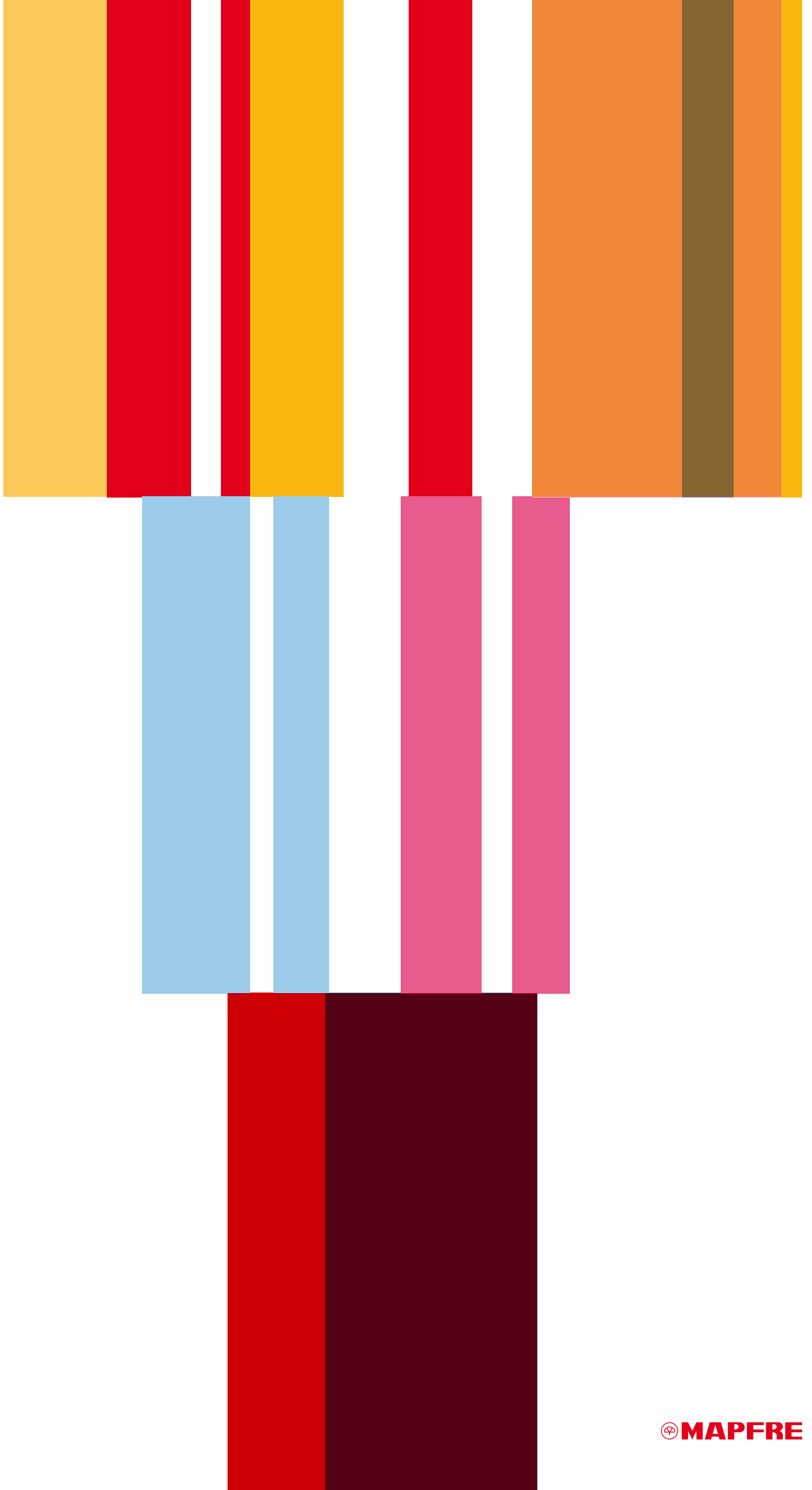
This report was prepared exclusively within the context of the requirements of Securities Market Law 24/1988, amended by Sustainable Economy Act 2/2011, of March 4, 2011, as well as those established in the CNMV's Circular nº 5/2013 dated June 12, 2013, for the purposes of describing the SCIIF in the Annual Corporate Governance Reports.

ERNST & YOUNG, S.L.

(signed in the original issued in Spanish language)

Alfredo Martínez Cabra

February 11, 2015



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Annual Consolidated Financial Statements 2014

A) CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2014 AND 2013

ASSETS	Notes	2014	2013
A) INTANGIBLE ASSETS	6.1	4,076.82	3,897.96
I. Goodwill	6.1	2,030.48	1,928.43
II. Other intangible assets	6.1	2,046.34	1,969.53
B) PROPERTY, PLANT AND EQUIPMENT	6.2	1,469.46	1,408.18
I. Property for own use	6.2	1,165.66	1,081.97
II. Other property, plant and equipment	6.2	303.80	326.21
C) INVESTMENTS		44,231.62	35,904.73
I. Property investments	6.2	1,226.29	1,248.89
II. Financial investments			
1. Held-to-maturity portfolio	6.4	2,358.38	2,118.43
2. Portfolio available for sale	6.4	36,089.47	28,808.11
3. Trading portfolio	6.4	3,503.56	2,906.53
III. Investments recorded by applying the equity method	3.1	233.65	191.98
IV. Deposits established for accepted reinsurance		472.99	343.27
V. Other investments		347.28	287.52
D) INVESTMENTS ON ACCOUNT OF LIFE INSURANCE POLICYHOLDERS BEARING THE INVESTMENT RISK	6.5	2,087.20	2,225.27
E) INVENTORIES	6.6	77.45	77.59
F) PARTICIPATION OF REINSURANCE IN TECHNICAL PROVISIONS	6.14	3,367.17	3,046.53
G) DEFERRED TAX ASSETS	6.21	2,023.33	1,305.07
H) RECEIVABLES	6.7	6,596.56	5,822.39
I. Receivables on direct insurance and co-insurance operations	6.7	4,028.58	3,479.57
II. Receivables on reinsurance operations	6.7	945.32	882.55
III. Tax receivables			
1. Tax on profits receivable	6.21	114.51	182.72
2. Other tax receivables		65.74	83.31
IV. Social security and other receivables	6.7	1,442.41	1,194.24
V. Shareholders, called capital		--	--
I) CASH	6.9	1,188.60	1,162.78
J) ADJUSTMENTS FOR PREPAYMENT	5.11	1,950.47	1,677.41
K) OTHER ASSETS		153.75	297.70
L) NON-CURRENT ASSETS HELD FOR SALE AND FROM DISCONTINUED OPERATIONS	6.10	9.44	0.14
TOTAL ASSETS		67,231.87	56,825.75

Figures in millions of euros

NET EQUITY AND LIABILITIES		Notes	2014	2013
A) NET EQUITY	6.11		11,469.42	9,893.67
I. Paid-up capital	6.11		307.95	307.95
II. Share premium	6.11		1,506.73	1,506.73
III. Reserves			6,423.76	5,937.87
IV. Interim dividend			(184.78)	(153.98)
V. Treasury stock			--	--
VI. Result attributable to controlling company	4.1		845.13	790.47
VII. Other equity instruments			--	--
VIII. Valuation change adjustments	6.11		890.37	224.24
IX. Currency conversion differences	6.23		(636.47)	(779.77)
Equity attributable to controlling company's shareholders			9,152.69	7,833.51
Minority interests			2,316.73	2,060.16
B) SUBORDINATED LIABILITIES	6.12		595.62	596.38
C) TECHNICAL PROVISIONS	6.14		44,357.65	36,517.36
I. Provisions for unexpired premiums and for risks in progress	6.14		7,654.02	7,031.30
II. Provisions for life insurance	6.14		27,384.88	21,018.09
III. Provision for outstanding claims	6.14		8,579.37	7,800.22
IV. Other technical provisions	6.14		739.38	667.75
D) TECHNICAL PROVISIONS FOR LIFE INSURANCE WHERE POLICYHOLDERS BEAR THE INVESTMENT RISK	6.14		2,087.20	2,225.27
E) PROVISIONS FOR RISKS AND EXPENSES	6.15		688.29	646.78
F) DEPOSITS RECEIVED ON ASSIGNED AND RETRO-ASSIGNED REINSURANCE	6.16		58.08	83.93
G) DEFERRED TAX LIABILITIES	6.21		2,662.27	1,740.81
H) DEBT	6.17		5,034.35	4,862.65
I. Issuance of debentures and other negotiable securities	6.13		1,004.88	1,003.31
II. Payables to credit institutions	6.13		187.69	125.50
III. Other financial liabilities	6.13		306.39	67.19
IV. Due on direct insurance and reinsurance operations	6.17		877.60	793.25
V. Due on reinsurance operations	6.17		1,096.09	1,106.79
VI. Tax liabilities				
1. Tax on profits to be paid	6.21		188.14	158.52
2. Other tax liabilities			364.27	357.17
VII. Other debts	6.17		1,009.29	1,250.92
I) ADJUSTMENTS FOR PREPAYMENT	5.11		278.99	258.90
J) LIABILITIES LINKED TO NON-CURRENT ASSETS HELD FOR SALE AND FROM DISCONTINUED OPERATIONS	6.10		--	--
TOTAL NET EQUITY AND LIABILITIES			67,231.87	56,825.75

Datos en millones de euros

COMPREHENSIVE CONSOLIDATED BALANCE SHEET

B.1) Consolidated income statement

ITEM	Notes	2014	2013
I. REVENUE FROM INSURANCE BUSINESS			
1. Premiums allocated to the financial year, net			
a) Direct insurance issued premiums	7.A.2	19,491.16	18,914.91
b) Premiums from accepted reinsurance	7.A.2	2,909.71	2,920.64
c) Premiums from assigned reinsurance	6.20	(2,867.41)	(3,047.06)
d) Variations in provisions for premiums and risks in progress, net			
Direct Insurance	6.14	(931.28)	(860.27)
Accepted reinsurance	6.14	(161.49)	(37.42)
Assigned reinsurance	6.20	17.48	111.21
2. Share of profits from companies recorded by the equity method		5.59	1.88
3. Revenue from investments			
a) From operations	6.18	2,468.10	2,444.63
b) From equity	6.18	261.71	263.48
4. Unrealized gains on investments on account of life insurance policyholders bearing the investment risk	6.5	128.79	123.70
5. Other technical revenue		44.31	70.51
6. Other non-technical revenue		38.11	135.96
7. Positive conversion differences	6.23	461.28	379.49
8. Reversal of the asset impairment provision	6.8	16.42	11.43
TOTAL REVENUE FROM INSURANCE BUSINESS		21,882.48	21,433.09
II. EXPENSES FROM INSURANCE BUSINESS			
1. Claims ratio for the year, net			
a) Claims paid and variation in provision for claims, net			
Direct Insurance	5.14	(12,212.73)	(11,587.19)
Accepted reinsurance	5.14	(1,672.85)	(1,705.77)
Assigned reinsurance	6.20	1,441.84	1,217.64
b) Claims-related expenses	5.14	(775.85)	(735.18)
2. Variation in other technical provisions, net	5.14	(613.41)	(389.15)
3. Profit sharing and returned premiums		(65.96)	(65.85)
4. Net operating expenses	6.19		
a) Acquisition expenses		(4,321.56)	(4,134.61)
b) Administration expenses		(784.88)	(1,020.94)
c) Commissions and participation in the reinsurance	6.20	410.47	400.86
5. Sharing in losses from companies recorded by the equity method		(0.35)	(26.88)
6. Investment expenses			
a) From operations	6.18	(507.45)	(793.63)
b) From equity and financial accounts	6.18	(42.12)	(74.75)
7. Unrealized losses on investments on account of life insurance policyholders bearing the investment risk	6.5	(24.38)	(7.01)
8. Other technical expenses		(107.74)	(125.85)
9. Other non-technical expenses		(102.84)	(84.38)
10. Negative conversion differences	6.23	(417.80)	(343.33)
11. Allowance to the asset impairment provision	6.8	(34.90)	(264.46)
TOTAL EXPENSES FROM INSURANCE BUSINESS		(19,832.51)	(19,740.48)
RESULT FROM THE INSURANCE BUSINESS		2,049.97	1,692.61
III. OTHER ACTIVITIES			
1. Operating revenue		454.97	536.70
2. Operating expenses	6.19	(476.43)	(543.15)
3. Net financial revenue			
a) Financial revenue	6.18	76.69	73.67
b) Financial expenses	6.18	(138.26)	(132.48)
4. Results from minority interests			
a) Share of profits from companies recorded by the equity method		3.27	1.23
b) Sharing in losses of companies recorded by the equity method		(0.01)	(0.01)
5. Reversal of asset impairment provision	6.8	6.60	11.44
6. Allowance to the asset impairment provision	6.8	(79.27)	(32.85)
7. Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations		--	--

FOR YEARS ENDED DECEMBER 31, 2014 AND 2013

ITEM	Notas	2014	2013
RESULT FROM OTHER ACTIVITIES		(152.44)	(85.45)
IV. RESULT ON RESTATEMENT OF FINANCIAL ACCOUNTS	3.2	(73.48)	(43.25)
V. RESULT BEFORE TAXES FROM ONGOING OPERATIONS		1,824.05	1,563.91
VI. TAX ON PROFIT FROM ONGOING OPERATIONS	6.21	(500.11)	(372.44)
VII. RESULT AFTER TAX FROM ONGOING OPERATIONS		1,323.94	1,191.47
VIII. RESULT AFTER TAX FROM DISCONTINUED OPERATIONS	6.10	(0.49)	(1.65)
IX. RESULT FOR THE FINANCIAL YEAR		1,323.45	1,189.82
1. Attributable to minority shareholders		478.32	399.35
2. Attributable to controlling company	4.1	845.13	790.47
Figures in millions of euros			
Profit per share (Euros)			
Basic	4.1	0.27	0.26
Diluted	4.1	0.27	0.26

B.2) Consolidated statement of recognized revenue and expenses

ITEM	NOTES	GROSS AMOUNT		TAX ON PROFITS		ATTRIBUTABLE TO MINORITY SHAREHOLDERS		ATTRIBUTABLE TO CONTROLLING COMPANY	
		2014	2013	2014	2013	2014	2013	2014	2013
A) CONSOLIDATED RESULT IN THE FINANCIAL YEAR		1,823.56	1,562.26	(500.11)	(372.44)	478.32	399.35	845.13	790.47
B) OTHER RECOGNIZED REVENUE (EXPENSES)		1,095.62	(566.79)	(224.90)	(86.42)	61.29	(237.11)	809.43	(416.10)
1. Financial assets available for sale	6.4	3,786.40	1,254.21	(942.75)	(382.10)	497.61	163.23	2,346.04	708.88
a) Valuation gains (losses)		3,941.95	1,324.85	(995.89)	(410.04)				
b) Amounts transferred to the income statement		(178.07)	(97.04)	50.50	30.83				
c) Other reclassifications		22.52	26.40	2.64	(2.89)				
2. Currency conversion differences	6.23	158.56	(837.64)	(0.18)	0.15	15.08	(256.35)	143.30	(581.14)
a) Valuation gains (losses)		161.78	(832.00)	(0.18)	0.15				
b) Amounts transferred to the income statement		(0.49)	(0.68)	--	--				
c) Other reclassifications		(2.73)	(4.96)	--	--				
3. Shadow accounting		(2,853.52)	(985.57)	717.99	295.59	(451.28)	(143.76)	(1,684.25)	(546.22)
a) Valuation gains (losses)	6.14	(2,897.14)	(1,011.41)	728.90	303.42				
b) Amounts transferred to the income statement		43.62	26.10	(10.91)	(7.83)				
c) Other reclassifications		--	(0.26)	--	--				
4. Entities measured by the equity method		4.02	2.14	--	(0.01)	0.10	(0.05)	3.92	2.18
a) Valuation gains (losses)		3.21	1.93	--	(0.01)				
b) Amounts transferred to the income statement		--	--	--	--				
c) Other reclassifications		0.81	0.21	--	--				
5. Other recognized revenue and expenses		0.16	0.07	0.04	(0.05)	(0.22)	(0.18)	0.42	0.20
TOTALS		2,919.18	995.47	(725.01)	(458.86)	539.61	162.24	1,654.56	374.37
Figures in millions of euros									

All the items included in the consolidated statement of recognized revenue and expenses may be reclassified to the consolidated income statement in line with the IFRS.

CONSOLIDATED STATEMENT OF CHANGES IN NET EQUITY AS OF DECEMBER 31, 2014 AND 2013

	NOTES	NET EQUITY ATTRIBUTABLE TO CONTROLLING COMPANY							MINORITY INTERESTS	TOTAL NET EQUITY
		SHAREHOLDER FUNDS								
ITEM		Share capital	share premium	Reserves	Interim dividend	Result attributable to controlling company	Valuation change adjustments	Currency conversion differences		
OPENING BALANCE AS OF JANUARY 1, 2013		307.95	1,506.73	5,592.72	(123.18)	665.69	59.20	(198.63)	2,325.83	10,136.31
1. Changes in accounting policies		--	--	--	--	--	--	--	--	--
2. Correction of errors		--	--	--	--	--	--	--	--	--
RESTATED OPENING BALANCE		307.95	1,506.73	5,592.72	(123.18)	665.69	59.20	(198.63)	2,325.83	10,136.31
I. TOTAL RECOGNIZED REVENUE (EXPENSES)		--	--	--	--	790.47	165.04	(581.14)	162.24	536.61
II. OPERATIONS WITH CONTROLLING COMPANY'S AND MINORITY SHAREHOLDERS		--	--	(230.01)	(153.98)	--	--	--	(428.48)	(812.47)
1. Capital increases (Decreases)		--	--	--	--	--	--	--	--	--
2. Distribution of dividends 4.2		--	--	(215.57)	(153.98)	--	--	--	(428.57)	(798.12)
3. Increases (decreases) from business combinations		--	--	(7.32)	--	--	--	--	--	(7.32)
4. Other operations with controlling company's and minority shareholders		--	--	(7.12)	--	--	--	--	0.09	(7.03)
III. OTHER VARIATIONS IN NET EQUITY		--	--	575.16	123.18	(665.69)	--	--	0.57	33.22
1. Transfers among net equity items		--	--	542.51	123.18	(665.69)	--	--	--	--
2. Other variations 3.2		--	--	32.65	--	--	--	--	0.57	33.22
CLOSING BALANCE AT DECEMBER 31, 2013		307.95	1,506.73	5,937.87	(153.98)	790.47	224.24	(779.77)	2,060.16	9,893.67
OPENING 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		--	--	--	--	--	--	--	--	--
RESTATED OPENING BALANCE		307.95	1,506.73	5,937.87	(153.98)	790.47	224.24	(779.77)	2,060.16	9,893.67
I. TOTAL RECOGNIZED REVENUE (EXPENSES)		--	--	--	--	845.13	666.13	143.30	539.61	2,194.17
II. OPERATIONS WITH CONTROLLING COMPANY'S AND MINORITY SHAREHOLDERS		--	--	(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 controlling company's and minority shareholders		--	--	(15.92)	--	--	--	--	(16.10)	(32.02)
III. OTHER VARIATIONS IN NET 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
CLOSING BALANCE AT 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
Figures in millions of euros										

Figures in millions of euros

D) CONSOLIDATED CASH FLOW STATEMENT FOR YEARS ENDED DECEMBER 31, 2014 AND 2013

ITEM	NOTES	2014	2013
1. Insurance activities:		1,297.85	1,168.89
Cash received from insurance activities		23,902.73	24,241.36
Cash payments for insurance activities		(22,604.88)	(23,072.47)
2. Other operating activities:		(359.37)	57.69
Cash received from other operating activities		592.34	777.52
Cash payments from other operating activities		(951.71)	(719.83)
3. Payment (receipt) of profit tax		(626.08)	(813.58)
NET CASH FLOWS FROM OPERATING ACTIVITIES		312.40	413.00
1. Proceeds from investment activities:		15,552.65	16,043.97
Property, plant and equipment		37.40	49.43
Property investments		39.03	43.91
Intangible fixed assets		6.06	12.40
Financial instruments		13,806.68	14,435.91
Shareholdings		231.18	110.31
Controlled companies and other business units		100.72	1.80
Interest collected		1,191.55	1,147.42
Dividends collected		41.91	109.43
Other receipts related to investment activities		98.12	133.36
2. Payments for investment activities:		(14,622.61)	(14,934.64)
Property, plant and equipment		(49.04)	(97.41)
Property investments		(77.59)	(60.76)
Intangible fixed assets		(167.90)	(131.97)
Financial instruments		(13,889.99)	(14,097.77)
Shareholdings		(286.98)	(338.30)
Controlled companies and other business units	6.9	(113.77)	(140.72)
Other payments related to investment activities		(37.34)	(67.71)
NET CASH FLOWS FROM INVESTMENT ACTIVITIES		930.04	1,109.33
1. Proceeds from financing activities		91.06	389.48
Subordinated liabilities		--	--
Proceeds from issuance of equity instruments and capital increase		--	5.64
Proceeds from sale of treasury stock		--	--
Other proceeds related to financing activities		91.06	383.84
2. Payments from financing activities		(1,222.09)	(1,561.51)
Foreseeable dividends and donations		(807.69)	(911.82)
Interest paid		(119.52)	(117.72)
Subordinated liabilities		--	(8.50)
Payments on return of shareholders' contributions		--	--
Purchase of treasury stock		--	--
Other payments related to financing activities		(294.88)	(523.47)
NET CASH FLOW FROM FINANCING ACTIVITIES		(1,131.03)	(1,172.03)
Conversion differences in cash flow and cash balances		(85.59)	(205.56)
NET INCREASE (DECREASE) IN CASH FLOW		25.82	144.74
OPENING CASH BALANCE		1,162.78	1,018.04
CLOSING CASH BALANCE		1,188.60	1,162.78
Figures in millions of euros			

E) FINANCIAL INFORMATION BY SEGMENT

ASSETS	DIRECT INSURANCE					
	LIFE		AUTOMOBILE		OTHER NON-LIFE	
	2014	2013	2014	2013	2014	2013
A) INTANGIBLE ASSETS	1,956.04	1,855.45	361.02	335.75	460.01	508.48
I. Goodwill	654.06	625.19	64.92	64.16	91.14	146.58
II. Other intangible assets	1,301.98	1,230.26	296.10	271.59	368.87	361.90
B) PROPERTY, PLANT AND EQUIPMENT	83.78	90.08	525.91	557.09	453.78	356.03
I. Property for own use	54.93	62.53	436.56	461.31	361.20	263.22
II. Other property, plant and equipment	28.85	27.55	89.35	95.78	92.58	92.81
C) INVESTMENTS	30,095.13	24,095.44	7,044.85	6,435.65	5,628.51	9,442.27
I. Property investments	322.23	301.99	204.51	220.70	104.88	106.70
II. Financial investments						
1. Held-to-maturity portfolio	1,674.85	1,421.19	222.71	398.38	411.11	299.03
2. Portfolio available for sale	24,917.87	18,945.02	3,819.17	3,952.93	3,504.33	2,862.66
3. Trading portfolio	1,888.52	1,646.85	687.85	367.58	578.11	795.81
III. Investments recorded by applying the equity method	1.44	1.44	--	--	33.49	103.47
IV. Deposits established for accepted reinsurance	--	--	0.04	0.01	3.22	20.49
V. Other investments	1,290.22	1,778.95	2,110.57	1,496.05	993.37	5,254.11
D) INVESTMENTS ON ACCOUNT OF LIFE INSURANCE POLICYHOLDERS BEARING THE INVESTMENT RISK"	2,087.20	2,225.27	--	--	--	--
E) INVENTORIES	--	--	--	--	--	--
F) PARTICIPATION OF REINSURANCE IN TECHNICAL PROVISIONS	234.54	241.01	183.95	199.37	2,770.76	3,020.91
G) DEFERRED TAX ASSETS	1,558.78	733.38	180.90	228.35	223.28	310.22
H) RECEIVABLES	1,526.50	982.56	2,255.87	2,048.10	2,254.70	2,497.01
I. Receivables on direct insurance and co-insurance operations	776.79	463.46	1,712.95	1,413.04	1,538.84	1,603.07
II. Receivables on reinsurance operations.	158.34	43.44	92.76	184.88	353.43	481.52
III. Tax receivables	16.93	30.94	15.80	35.03	27.31	48.37
IV. Social security and other receivables	574.44	444.72	434.36	415.15	335.12	364.05
V. Shareholders, called capital	--	--	--	--	--	--
I) CASH	357.24	270.37	366.54	274.83	410.95	669.82
J) ADJUSTMENTS FOR PREPAYMENT	557.04	360.70	574.46	426.78	615.04	738.84
K) OTHER ASSETS	13.80	177.60	77.67	62.10	89.52	94.46
L) NON-CURRENT ASSETS HELD FOR SALE AND FROM DISCONTINUED OPERATIONS	0.05	0.05	0.07	0.05	0.06	0.04
TOTAL ASSETS BY SEGMENT	38,470.10	31,031.91	11,571.24	10,568.07	12,906.61	17,638.08

Figures in millions of euros

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2014 AND 2013

REINSURANCE		OTHER ACTIVITIES		CONSOLIDATION ADJUSTMENTS		TOTAL	
2014	2013	2014	2013	2014	2013	2014	2013
10.76	8.60	1,306.62	1,189.62	(17.63)	0.06	4,076.82	3,897.96
--	--	1,239.11	1,093.56	(18.75)	(1.06)	2,030.48	1,928.43
10.76	8.60	67.51	96.06	1.12	1.12	2,046.34	1,969.53
37.87	31.71	262.71	284.31	105.41	88.96	1,469.46	1,408.18
23.08	20.85	184.05	185.10	105.84	88.96	1,165.66	1,081.97
14.79	10.86	78.66	99.21	(0.43)	--	303.80	326.21
4,475.07	3,306.51	16,805.31	12,456.72	(19,817.25)	(19,831.86)	44,231.62	35,904.73
5.42	5.69	703.58	722.41	(114.33)	(108.60)	1,226.29	1,248.89
0.54	0.18	49.17	5.15	--	(5.50)	2,358.38	2,118.43
3,610.50	2,699.57	237.69	321.19	(0.09)	26.74	36,089.47	28,808.11
40.06	39.45	304.71	52.81	4.31	4.03	3,503.56	2,906.53
5.20	6.46	102.73	27.80	90.79	52.81	233.65	191.98
552.95	410.50	36.56	3.31	(119.78)	(91.04)	472.99	343.27
260.40	144.66	15,370.87	11,324.05	(19,678.15)	(19,710.30)	347.28	287.52
--	--	--	--	--	--	2,087.20	2,225.27
--	--	77.45	79.26	--	(1.67)	77.45	77.59
1,621.56	840.80	--	--	(1,443.64)	(1,255.56)	3,367.17	3,046.53
31.66	24.20	120.76	135.40	(92.05)	(126.48)	2,023.33	1,305.07
795.71	472.53	472.82	470.66	(709.04)	(648.47)	6,596.56	5,822.39
--	--	--	--	--	--	4,028.58	3,479.57
662.45	381.37	--	--	(321.66)	(208.66)	945.32	882.55
27.67	18.28	92.54	138.95	--	(5.54)	180.25	266.03
105.59	72.88	380.28	331.71	(387.38)	(434.27)	1,442.41	1,194.24
--	--	--	--	--	--	--	--
216.75	197.24	497.11	260.04	(659.99)	(509.52)	1,188.60	1,162.78
195.67	137.86	23.92	25.69	(15.66)	(12.46)	1,950.47	1,677.41
16.52	8.40	98.56	116.50	(142.32)	(161.36)	153.75	297.70
--	--	9.26	--	--	--	9.44	0.14
7,401.57	5,027.85	19,674.52	15,018.20	(22,792.17)	(22,458.36)	67,231.87	56,825.75

E) FINANCIAL INFORMATION BY SEGMENT

	DIRECT INSURANCE					
	LIFE		AUTOMOBILE		OTHER NON-LIFE	
NET EQUITY AND LIABILITIES	2014	2013	2014	2013	2014	2013
A) NET EQUITY	4,492.25	4,504.62	4,494.00	4,220.39	3,898.72	7,437.24
I. Paid-up capital	1,268.93	1,688.80	1,354.97	1,133.85	2,047.46	4,226.18
II. Share premium	279.72	328.58	178.06	182.23	216.96	298.25
III. Reserves	2,087.62	1,976.93	2,742.14	2,966.89	2,061.52	3,775.58
IV. Interim dividend	(168.29)	(193.18)	(78.58)	(87.03)	(124.95)	(200.59)
V. Treasury stock	(0.65)	(0.68)	(0.77)	(0.74)	(2.72)	(2.71)
VI. Result attributable to controlling company	194.69	170.85	174.08	191.26	377.86	334.16
VII. Other equity instruments	--	--	--	--	--	--
VIII. Valuation change adjustments	347.17	109.55	133.15	29.27	329.90	76.48
IX. Currency conversion differences	(337.02)	(363.46)	(29.65)	(203.47)	(1,064.40)	(1,077.88)
Equity attributable to controlling company's shareholders	3,672.17	3,717.39	4,473.40	4,212.26	3,841.63	7,429.47
Minority interests	820.08	787.23	20.60	8.13	57.09	7.77
B) SUBORDINATED LIABILITIES	--	--	--	--	--	--
C) TECHNICAL PROVISIONS	28,292.03	21,939.00	5,612.97	5,056.79	7,086.27	7,487.64
Provisions for unexpired premiums and for risks in progress	68.77	61.01	3,269.23	2,871.60	3,033.37	3,277.84
Provision for life insurance	26,932.43	20,726.72	0.86	0.85	110.14	39.32
Provision for outstanding claims	1,209.21	1,081.19	2,337.55	2,180.41	3,290.33	3,574.77
Other technical provisions	81.62	70.08	5.33	3.93	652.43	595.71
D) TECHNICAL PROVISIONS FOR LIFE INSURANCE WHERE POLICYHOLDERS BEAR THE INVESTMENT RISK	2,087.20	2,225.27	--	--	--	--
E) PROVISIONS FOR RISKS AND EXPENSES	330.70	130.46	206.99	220.21	135.98	302.29
F) DEPOSITS RECEIVED ON ASSIGNED AND RETRO-ASSIGNED REINSURANCE	20.43	32.00	4.66	3.76	51.15	65.04
G) DEFERRED TAX LIABILITIES	1,931.93	1,079.90	299.90	240.18	274.64	323.77
H) DEBT	1,291.89	1,115.99	880.97	769.99	1,344.64	1,880.08
I. Issuance of debentures and other negotiable securities	--	--	--	--	--	--
II. Payables to credit institutions	4.52	1.97	38.35	25.09	16.34	6.37
III. Other financial liabilities	272.15	26.29	1.57	0.17	2.33	5.18
IV. Due on direct insurance and reinsurance operations	342.00	405.22	559.30	358.22	(16.16)	29.81
V. Due on reinsurance operations	122.88	44.54	(31.43)	62.71	836.53	945.07
VI. Tax liabilities	172.51	45.72	60.45	35.07	163.66	384.59
VII. Other debts	377.83	592.25	252.73	288.73	341.94	509.06
I) ADJUSTMENTS FOR PREPAYMENT	23.67	4.67	71.75	56.75	115.21	142.02
J) LIABILITIES LINKED TO NON-CURRENT ASSETS HELD FOR SALE AND FROM DISCONTINUED OPERATIONS	--	--	--	--	--	--
TOTAL NET EQUITY AND LIABILITIES BY SEGMENT	38,470.10	31,031.91	11,571.24	10,568.07	12,906.61	17,638.08

Figures in millions of euros

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2014 AND 2013

REINSURANCE		OTHER ACTIVITIES		CONSOLIDATION ADJUSTMENTS		TOTAL	
2014	2013	2014	2013	2014	2013	2014	2013
1,719.79	1,171.99	16,125.31	11,749.35	(19,260.65)	(19,189.92)	11,469.42	9,893.67
335.95	319.77	6,355.17	3,555.69	(11,054.53)	(10,616.34)	307.95	307.95
245.48	220.63	3,335.92	3,275.31	(2,749.41)	(2,798.26)	1,506.73	1,506.74
855.43	580.44	6,309.06	4,802.67	(7,632.01)	(8,164.66)	6,423.76	5,937.85
(110.57)	(85.95)	(214.75)	(191.78)	512.36	604.56	(184.78)	(153.97)
--	--	--	--	4.14	4.13	--	--
212.42	124.65	396.01	341.45	(509.93)	(371.90)	845.13	790.47
--	--	0.35	0.34	(0.35)	(0.34)	--	--
188.01	49.18	21.50	26.72	(129.36)	(66.96)	890.37	224.24
(18.83)	(43.46)	(68.22)	(79.68)	881.65	988.18	(636.47)	(779.77)
1,707.89	1,165.26	16,135.04	11,730.72	(20,677.44)	(20,421.59)	9,152.69	7,833.51
11.90	6.73	(9.73)	18.63	1,416.79	1,231.67	2,316.73	2,060.16
--	--	595.62	596.38	--	--	595.62	596.38
4,815.48	3,295.11	--	--	(1,449.10)	(1,261.18)	44,357.65	36,517.36
1,807.80	1,283.92	--	--	(525.15)	(463.07)	7,654.02	7,031.30
358.08	267.33	--	--	(16.63)	(16.13)	27,384.88	21,018.09
2,649.60	1,743.86	--	--	(907.32)	(780.01)	8,579.37	7,800.22
--	--	--	--	--	(1.97)	739.38	667.75
--	--	--	--	--	--	2,087.20	2,225.27
9.66	5.24	109.01	97.96	(104.05)	(109.38)	688.29	646.78
52.71	54.50	20.81	16.36	(91.68)	(87.73)	58.08	83.93
96.78	20.71	66.85	63.16	(7.83)	13.09	2,662.27	1,740.81
635.52	420.20	2,744.12	2,487.19	(1,862.79)	(1,810.80)	5,034.35	4,862.65
--	--	1,004.88	1,003.31	--	--	1,004.88	1,003.31
15.24	6.98	113.24	85.09	--	--	187.69	125.50
1.35	--	689.91	536.16	(660.92)	(500.61)	306.39	67.19
(7.54)	--	--	--	--	--	877.60	793.25
481.30	263.13	--	--	(313.19)	(208.66)	1,096.09	1,106.79
20.98	19.13	146.81	44.69	(12.00)	(13.51)	552.41	515.69
124.19	130.96	789.28	817.94	(876.68)	(1,088.02)	1,009.29	1,250.92
71.63	60.10	12.80	7.80	(16.07)	(12.44)	278.99	258.90
--	--	--	--	--	--	--	--
7,401.57	5,027.85	19,674.52	15,018.20	(22,792.17)	(22,458.36)	67,231.87	56,825.75

E) FINANCIAL INFORMATION BY SEGMENT

	DIRECT INSURANCE					
	LIFE		AUTOMOBILE		OTHER NON-LIFE	
NET EQUITY AND LIABILITIES	2014	2013	2014	2013	2014	2013
I. REVENUE FROM INSURANCE BUSINESS						
1. Premiums allocated to the financial year, net						
a) Direct insurance issued premiums	5,465.13	5,129.13	6,731.20	6,498.32	7,294.83	7,287.46
b) Premiums from accepted reinsurance	3.94	2.96	23.72	18.97	30.37	783.25
c) Premiums from assigned reinsurance	(208.93)	(279.19)	(302.75)	(317.80)	(2,480.36)	(2,975.65)
d) Variation in provisions for premiums and risks in progress, net						
Direct Insurance	(393.74)	(427.93)	(283.06)	(204.11)	(222.01)	(228.23)
Accepted reinsurance	0.52	(0.35)	(2.37)	(0.46)	(1.15)	(57.64)
Assigned reinsurance	(1.96)	0.85	8.52	13.18	66.82	103.52
2. Share of profits from companies recorded by the equity method	0.45	0.23	--	--	--	--
3. Revenue from investments						
From operations	1,594.01	1,434.21	332.83	347.63	378.68	528.41
From equity	56.27	50.57	68.58	101.67	75.79	230.67
4. Unrealized gains on investments on account of life insurance policyholders bearing the investment risk	156.83	146.11	--	--	--	--
5. Other technical revenue	15.88	24.57	13.16	19.88	20.65	29.26
6. Other non-technical revenue	1.41	64.24	0.45	79.86	121.37	85.18
7. Positive conversion differences	3.74	3.56	28.60	18.69	43.03	53.97
8. Reversal of the asset impairment provision	0.13	0.25	7.00	4.11	52.44	22.59
TOTAL REVENUE FROM INSURANCE BUSINESS	6,670.80	6,149.21	6,666.25	6,579.94	5,407.63	5,862.79
II. EXPENSES FROM INSURANCE BUSINESS						
1. Claims ratio for the year, net						
a) Claims paid and variation in provision for claims, net						
***Direct insurance	(4,018.54)	(3,863.57)	(4,350.45)	(4,245.64)	(3,843.74)	(3,477.98)
***Accepted reinsurance	(1.34)	(1.22)	(21.50)	(16.16)	(9.38)	(328.68)
***Assigned reinsurance	135.95	185.97	220.05	234.42	1,246.30	1,171.86
b) Claims-related expenses	(46.28)	(22.46)	(364.23)	(357.27)	(245.82)	(253.37)
2. Variation in other technical provisions, net	(552.49)	(330.49)	(0.50)	0.09	(60.42)	(56.20)
3. Profit sharing and returned premiums	(59.15)	(59.04)	(1.96)	(0.27)	(4.65)	(2.24)
4. Net operating expenses						
a) Acquisition expenses	(913.46)	(733.36)	(1,401.16)	(1,226.95)	(1,411.25)	(1,576.34)
b) Administration expenses	(136.32)	(220.46)	(340.81)	(415.56)	(267.64)	(352.75)
c) Commissions and participation in the reinsurance	58.85	66.26	45.54	45.96	353.91	362.40
5. Sharing in losses of companies recorded by the equity method	(0.37)	(1.31)	--	--	--	--
6. Investment expenses						
a) From operations	(290.66)	(432.63)	(76.18)	(125.90)	(112.76)	(180.65)
b) From equity and financial accounts	(17.55)	(32.44)	(9.58)	(14.75)	(17.16)	(28.26)
7. Unrealized losses on investments on account of life insurance policyholders bearing the investment risk	(24.38)	(7.01)	--	--	--	--
8. Other technical expenses	(26.57)	(18.52)	(9.15)	(25.78)	(65.01)	(84.17)
9. Other non-technical expenses	(36.05)	(2.79)	(0.57)	(89.09)	(150.23)	(72.13)
10. Negative conversion differences	(4.81)	(2.07)	(6.26)	(4.35)	(18.01)	(49.45)
11. Allowance to the asset impairment provision	(3.95)	(172.27)	(8.29)	(24.02)	(40.56)	(289.39)
TOTAL EXPENSES FROM INSURANCE BUSINESS	(5,937.12)	(5,647.41)	(6,325.05)	(6,265.27)	(4,646.42)	(5,217.35)
RESULT FROM THE INSURANCE BUSINESS	733.68	501.80	341.20	314.67	761.21	645.44

Figures in millions of euros

CONSOLIDATED INCOME STATEMENT FOR YEARS ENDED DECEMBER 31, 2014 AND 2013

REINSURANCE		OTHER ACTIVITIES		CONSOLIDATION ADJUSTMENTS		TOTAL	
2014	2013	2014	2013	2014	2013	2014	2013
--	--	--	--	--	--	19,491.16	18,914.91
4,722.24	3,840.49	--	--	(1,870.56)	(1,725.03)	2,909.71	2,920.64
(1,745.93)	(1,199.45)	--	--	1,870.56	1,725.03	(2,867.41)	(3,047.06)
--	--	--	--	--	--	(931.28)	(860.27)
(218.88)	19.35	--	--	60.39	1.68	(161.49)	(37.42)
4.49	(4.66)	--	--	(60.39)	(1.68)	17.48	111.21
0.06	--	--	--	5.08	1.65	5.59	1.88
183.42	153.19	--	--	(20.84)	(18.81)	2,468.10	2,444.63
43.14	16.36	--	--	(59.20)	(135.79)	261.71	263.48
--	--	--	--	(28.04)	(22.41)	128.79	123.70
0.04	--	--	--	(5.42)	(3.20)	44.31	70.51
2.22	1.91	--	--	(87.34)	(95.23)	38.11	135.96
385.91	303.27	--	--	--	--	461.28	379.49
--	0.07	--	--	(43.15)	(15.59)	16.42	11.43
3,376.71	3,130.53	--	--	(238.91)	(289.38)	21,882.48	21,433.09
--	--	--	--	--	--	(12,212.73)	(11,587.19)
(2,663.43)	(2,298.81)	--	--	1,022.80	939.10	(1,672.85)	(1,705.77)
862.34	564.49	--	--	(1,022.80)	(939.10)	1,441.84	1,217.64
(85.81)	(76.37)	--	--	(33.71)	(25.71)	(775.85)	(735.18)
--	(2.55)	--	--	--	--	(613.41)	(389.15)
(0.20)	(4.30)	--	--	--	--	(65.96)	(65.85)
(1,016.06)	(958.32)	--	--	420.37	360.36	(4,321.56)	(4,134.61)
(42.42)	(29.86)	--	--	2.31	(2.31)	(784.88)	(1,020.94)
310.04	216.65	--	--	(357.87)	(290.41)	410.47	400.86
--	(0.41)	--	--	0.02	(25.16)	(0.35)	(26.88)
(26.27)	(49.20)	--	--	(1.58)	(5.25)	(507.45)	(793.63)
(1.64)	(7.23)	--	--	3.81	7.93	(42.12)	(74.75)
--	--	--	--	--	--	(24.38)	(7.01)
(15.07)	(2.66)	--	--	8.06	5.28	(107.74)	(125.85)
(4.50)	(3.73)	--	--	88.51	83.36	(102.84)	(84.38)
(388.72)	(287.46)	--	--	--	--	(417.80)	(343.33)
(2.68)	(1.08)	--	--	20.58	222.30	(34.90)	(264.46)
(3,074.42)	(2,940.84)	--	--	150.50	330.39	(19,832.51)	(19,740.48)
302.29	189.69	--	--	(88.41)	41.01	2,049.97	1,692.61

E) FINANCIAL INFORMATION BY SEGMENT

	DIRECT INSURANCE					
	LIFE		AUTOMOBILE		OTHER NON-LIFE	
NET EQUITY AND LIABILITIES	2014	2013	2014	2013	2014	2013
III. OTHER ACTIVITIES						
1. Operating revenue	--	--	--	--	--	--
2. Operating expenses	--	--	--	--	--	--
3. Net financial revenue						
a) Financial revenue	--	--	--	--	--	--
b) Financial expenses	--	--	--	--	--	--
4. Result from minority interests						
a) Profits from companies recorded by the equity method	--	--	--	--	--	--
b) Losses from companies recorded by the equity method	--	--	--	--	--	--
5. Reversal of asset impairment provision	--	--	--	--	--	--
6. Allowance to the asset impairment provision	--	--	--	--	--	--
7. Result from the disposal of non-current assets classified as held for sale, not included in discontinued operations	--	--	--	--	--	--
RESULT FROM OTHER ACTIVITIES	--	--	--	--	--	--
IV. RESULT ON RESTATEMENT OF FINANCIAL ACCOUNTS	(0.68)	(0.58)	(37.42)	(16.99)	(35.14)	(25.41)
V. RESULT BEFORE TAXES FROM ONGOING OPERATIONS	733.00	501.22	303.78	297.68	726.07	620.03
VI. TAX ON PROFIT FROM ONGOING OPERATIONS	(215.07)	(20.70)	(97.55)	(87.93)	(224.81)	(205.49)
VII. RESULT AFTER TAX FROM ONGOING OPERATIONS	517.93	480.52	206.23	209.75	501.26	414.54
VIII. RESULT AFTER TAX FROM DISCONTINUED ACTIVITIES	--	--	--	--	--	--
IX. RESULT FOR THE FINANCIAL YEAR	517.93	480.52	206.23	209.75	501.26	414.54
1. Attributable to minority shareholders	323.24	309.67	32.15	18.49	123.40	80.38
2. Attributable to controlling company	194.69	170.85	174.08	191.26	377.86	334.16

Figures in millions of euros

CONSOLIDATED INCOME STATEMENT FOR YEARS ENDED DECEMBER 31, 2014 AND 2013

REINSURANCE		OTHER ACTIVITIES		CONSOLIDATION ADJUSTMENTS		TOTAL	
2014	2013	2014	2013	2014	2013	2014	2013
--	--	1,138.95	1,170.41	(683.98)	(633.71)	454.97	536.70
--	--	(1,034.89)	(1,037.21)	558.46	494.06	(476.43)	(543.15)
--	--	464.92	414.09	(388.23)	(340.42)	76.69	73.67
--	--	(181.55)	(172.43)	43.29	39.95	(138.26)	(132.48)
--	--	--	--	3.27	1.23	3.27	1.23
--	--	--	--	(0.01)	(0.01)	(0.01)	(0.01)
--	--	162.51	11.44	(155.91)	--	6.60	11.44
--	--	(210.44)	(110.52)	131.17	77.67	(79.27)	(32.85)
--	--	--	--	--	--	--	--
--	--	339.50	275.78	(491.94)	(361.23)	(152.44)	(85.45)
--	--	(0.24)	(0.27)	--	--	(73.48)	(43.25)
302.29	189.69	339.26	275.51	(580.35)	(320.22)	1,824.05	1,563.91
(77.23)	(55.34)	59.81	55.14	54.74	(58.12)	(500.11)	(372.44)
225.06	134.35	399.07	330.65	(525.61)	(378.34)	1,323.94	1,191.47
--	--	(0.49)	(1.65)	--	--	(0.49)	(1.65)
225.06	134.35	398.58	329.00	(525.61)	(378.34)	1,323.45	1,189.82
12.64	9.70	2.57	(12.45)	(15.68)	(6.44)	478.32	399.35
212.42	124.65	396.01	341.45	(509.93)	(371.90)	845.13	790.47

F) FINANCIAL INFORMATION BY GEOGRAPHICAL AREA

1. CONSOLIDATED ORDINARY REVENUES FROM EXTERNAL CLIENTS IN FINANCIAL YEARS ENDED DECEMBER 31, 2014 AND 2013

Geographic area	2014	2013
I. Spain	7,452.01	7,514.25
II. United States of America	1,993.24	1,859.81
III. Brazil	5,672.42	5,362.69
IV. Venezuela	1,063.63	1,056.98
V. Mexico	896.79	821.07
VI. Colombia	673.80	821.94
VII. Argentina	371.77	461.00
VIII. Turkey	639.14	695.03
IX. Chile	393.07	388.12
X. Other countries	3,699.96	3,391.36
TOTAL	22,855.83	22,372.25

Figures in millions of euros

Ordinary revenues are classed direct insurance and accepted reinsurance premiums, as well as operating revenues from non-insurance activities.

2. NON-CURRENT ASSETS AS AT DECEMBER 31, 2014 AND 2013

Geographic area	2014	2013
I. Spain	2,673.58	2,896.13
II. United States of America	351.76	283.92
III. Brazil	1,005.91	922.52
IV. Venezuela	273.53	221.19
V. Mexico	93.18	91.40
VI. Colombia	26.76	27.15
VII. Argentina	46.57	39.23
VIII. Turkey	83.67	65.10
IX. Chile	47.71	39.54
X. Other countries	499.59	400.90
TOTAL	5,102.26	4,987.08

Figures in millions of euros

Non-current assets include other intangible fixed assets, property, plant and equipment, property investments, inventories, tax credits, corporate and other credits, other assets and non-current assets classified as maintained for the sale of discontinued operations.

There is no client contributing, on an individual basis, more than 10 percent of the group's ordinary revenues.

G) CONSOLIDATED ANNUAL REPORT

1. GENERAL INFORMATION ON THE COMPANY AND ITS ACTIVITY

MAPFRE, S.A. (hereinafter the "controlling company") is a listed public limited 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. a single-member private limited liability company (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.

Since January 1, 2014 the MAPFRE GROUP's activities have been 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 service business units in the region.

There are also nine global corporate areas (Finance, Investment, Human Resources, Resources and Institutional Coordination, Business Support, Internal Auditing, 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 financial statements on February 10, 2015 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 financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union, with all companies having carried out the requisite standardization adjustments.

The consolidated financial statements 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 2014 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.

The Board of Directors of the controlling company has identified the following main segments by business activity:

- Life Direct Insurance
- Automobile Direct Insurance
- Other Non-Life Direct Insurance
- Life and Non-Life Accepted Reinsurance
- Other Activities

The revenues and expenses of the first four segments correspond to the Life, Non-Life and Reinsurance activities, while those included under "Other Activities" correspond to the management of securities and property assets, medical services, assistance, funeral services, technology services, etc.

In order to identify the operating segments, the main activities and insurance lines under the group's management have been taken into account, as well as the quantitative thresholds laid down in the regulations. Transactions between segments are performed at fair value and eliminated in the consolidation process.

The Consolidated Management Report provides additional information on the development and characteristics of the business.

2.3 Financial information by geographical area

Section F) of the consolidated annual accounts includes financial information by geographical area.

The geographical areas established are: Spain, United States of America, Brazil, Venezuela, Mexico, Colombia, Argentina, Turkey, Chile and Other Countries.

2.4. Changes in accounting policies, changes in estimates and errors

In the financial years 2014 and 2013 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

There are no reasons preventing the comparison of the consolidated annual accounts of the current financial year with those of the preceding one.

The adoption of the new Rules and Interpretations applicable to financial years beginning after January 1, 2013 (modifications of IFRS 7, IAS 19 and IAS 12) and after January 1, 2014 (revised IAS 28 and modification of IAS 32) have had no effect on the group's financial position and results. Furthermore, IFRS 12 "Disclosure of Interests in Other Entities" and IFRS 13 "Fair Value Measurement", which came into force on January 1, 2014 and 2013 respectively, have not had an impact on the group's financial position and results. However, they have led to additional breakdowns which are provided in accordance with the provisions in the relevant notes of the consolidated annual report. IFRS 10 "Consolidated Financial Statements" and IFRS 11 "Joint Arrangements", which came into force on January 1, 2014 and introduce changes regarding, among other aspects, the definition of control and consolidation methods to be used, respectively, have resulted in four fully consolidated companies in financial year 2013, investees of FUNESPAÑA, S.A., being included by the equity method in the present financial year. This has led to a reduction of assets, liabilities and minority interests to the tune of 43.94, 12.34 and 31.6 million euros, respectively, but has had no effect on the results attributable to the controlling company. Due to the insignificance of these effects, the comparative information for 2013 has not been restated in these annual accounts.

The group will adopt any applicable rules, amendments and interpretations when they come into force. It is estimated that their initial application will not have a significant impact on the group's financial position and results.

2.6. Changes in the scope of consolidation

Appendix 1 identifies the companies that were incorporated into the consolidation scope in 2014 and 2013, 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 2014 and 2013 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, the controlling company's Board of Directors has made judgments and estimates based on assumptions about the future and uncertainties that basically refer to:

- Losses from impairment of certain assets.
- The calculation of provisions for risks and charges.
- The actuarial calculation of liabilities and post-employment remuneration-related commitments.
- The useful life of intangible assets and of tangible fixed asset items.
- The fair value of certain non-listed assets.

The estimates and assumptions used are regularly reviewed and are based on historical experience and other factors that may have been considered as more reasonable from time to 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 integration 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.

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.

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. In these cases, the Board of Directors comprises an even number of members, the chairman of which is always

appointed at the recommendation of MAPFRE and 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.

The financial statements of controlled companies, associated undertakings and joint arrangements used for the consolidation correspond to the financial years closed at December 31, 2014 and 2013.

3.2. Translation of annual accounts of foreign companies included in the consolidation

The functional and presentation 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 at the closing exchange rate.

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 operations, are presented as a separate component in the "Statement of Recognized Revenue and Expenses" and are shown under equity in the "Currency Translation Differences" account, deducting the part of the difference that corresponds to Minority 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 operations. 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 2014 and 2013, only Venezuela has been classified as a country with a hyperinflationary economy.

In the consolidated income statement, the loss arising from the net monetary position is shown under a separate heading and in 2014 and 2013 amounts to 73.48 and 43.25 million euros, respectively. This monetary restatement has resulted in an increase of 142.57 and 104.67 million euros in the group's equity as at December 31, 2014 and 2013, 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	2014	2013
Net profit attributable to controlling company's shareholders (million euros)	845.13	790.47
Weighted average number of ordinary shares in issue (million)	3,079.55	3,079.55
Basic earnings per share (Euros)	0.27	0.26

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)	
	2014	2013	2014	2013
Interim dividend	184.78	153.98	0.06	0.05
Final dividend	246.36	246.36	0.08	0.08
TOTAL	431.14	400.34	0.14	0.13

The total dividend for financial year 2014 has been proposed by the Board of Directors and is pending approval at the Ordinary Annual General Meeting.

The planned dividend pay-out complies with the requirements and limitations that are laid down in the legal regulations and the corporate bylaws.

In 2014 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 04-11-2014
Cash available on the date of the resolution	366.95
Increases in cash forecast within one year	2,113.60
(+) From expected current collection operations	568.60
(+) From financial transactions	1,545.00
Decreases in cash forecast within one year	(1,261.66)
(-) From expected current payment transactions	(49.00)
(-) From expected financial transactions	(1,212.66)
CASH AVAILABLE WITHIN ONE YEAR	1,218.89

Figures in millions of euros

Meanwhile, the total amount of donations paid in 2014 and 2013 was 7.12 million euros each year.

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 minority 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 value of the cash generating unit is lower than its net book value, the corresponding loss in value is immediately recognized in the consolidated income statement, and no loss is recognized for individual assets that have not experienced any impairment.

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 recognized 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 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 recognized 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 financial statements 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%
Facilities	16.6-10	6%-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 all 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.

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 “Valuation adjustment reserves”.

In the case of financial swaps of exchange of flows, the amounts accrued by the main operations are recognized, while the amount resulting from flows is accounted for under “Other financial liabilities” or “Corporate and other credits”, 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 value (Level 1).
- Fixed-income securities: if there is a representative quotation, that 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 income statement, unless the asset has already been revalued against "Valuation adjustment reserves", 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. Credits

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 credits maturing in more than one year without the parties having expressly agreed the applicable interest rate, the credits 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 credits, 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.

Credits 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 that can be easily converted into fixed amounts of cash and have an insignificant risk of change in value.

5.11. Accrual adjustments

The heading "Accrual adjustments" 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 "Accrual adjustments" 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 income tax 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. 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 minority 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.

5.14. Insurance operations

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 operations are recorded under the same criteria as accepted reinsurance and pursuant to the retrocession contracts underwritten.

COINSURANCE

Coinurance operations 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 risks in progress

The provision for risks in progress 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 risks in progress 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, proportionally 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. In the Spanish companies, its calculation includes any additional provisions for deviations in the valuation of claims subject to long handling periods.

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 operations 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 "Accrual adjustments" 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 operations 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, IFRS 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 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) Liabilities arising from the insurance contracts are recorded pursuant to IFRS 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) CLAIMS RATIO

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 Credits is applied.

5.15. 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.

5.16. 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 into account the relevant risk premium.

5.17. 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.

5.18. 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.

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 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.

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.

D) 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 exception is the cost of past services, which is recognized immediately and recorded as a contra entry under the "Provisions for risks and expenses" heading).

Furthermore, 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.

5.19. 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 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.

5.20. 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:

- Expenses attributable to claims
- Expenses attributable to investment
- Other technical expenses
- Other non-technical expenses
- Acquisition expenses
- Administration expenses
- Operating expenses from other activities

Other activities expenses have been allocated to the following segments, according to the business line that generated them:

- Life Direct Insurance
- Automobile Direct Insurance
- Other Non-Life Direct Insurance
- Life and Non-Life Accepted Reinsurance
- Other Activities

5.21. Transactions and balances in foreign currencies

With the exception of reinsurance operations, transactions in foreign currencies are translated into each group company's functional currency at the exchange rate in force on the transaction date.

Reinsurance operations 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 "Valuation adjustment reserves", 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 equity.

5.22. Income tax

Income tax 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, income tax related to items where modifications in their value are directly recognized in equity are not allocated to the consolidated income statement but to 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 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 mainly derived from the acquisition of ASEVAL (Note 6.25) and the inclusion by the equity method of the FUNESPAÑA, S.A. investees, which in the previous year were fully consolidated (Note 2.5).

Year 2013

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Additions or provisions	Disposals, cancellations or reductions	Closing balance
COST						
GOODWILL	2,331.63	(93.92)	4.81	5.81	(0.86)	2,247.47
OTHER INTANGIBLE ASSETS						
Portfolio acquisition expenses	2,183.52	(246.69)	--	--	--	1,936.83
Software	519.07	2.38	0.28	121.33	(23.91)	619.15
Other	241.82	(10.43)	0.34	77.95	(28.17)	281.51
TOTAL COST	5,276.04	(348.66)	5.43	205.09	(52.94)	5,084.96
CUMULATIVE DEPRECIATION						
OTHER INTANGIBLE ASSETS						
Portfolio acquisition expenses	(309.92)	30.08	--	(94.85)	--	(374.69)
Software	(256.40)	(1.05)	(0.27)	(59.59)	13.76	(303.55)
Other	(94.53)	4.02	(0.12)	(12.58)	0.45	(102.76)
TOTAL CUMULATIVE DEPRECIATION	(660.85)	33.05	(0.39)	(167.02)	14.21	(781.00)
IMPAIRMENT						
GOODWILL	(185.48)	1.84	--	(135.40)	--	(319.04)
OTHER INTANGIBLE ASSETS						
Portfolio acquisition expenses	(17.58)	--	--	(69.34)	--	(86.92)
Software	--	--	--	--	--	--
Other	(1.77)	1.73	--	--	--	(0.04)
TOTAL IMPAIRMENT	(204.83)	3.57	--	(204.74)	--	(406.00)
TOTAL GOODWILL	2,146.15	(92.08)	4.81	(129.59)	(0.86)	1,928.43
TOTAL OTHER INTANGIBLE ASSETS	2,264.21	(219.96)	0.23	(37.08)	(37.87)	1,969.53
TOTAL INTANGIBLE ASSETS	4,410.36	(312.04)	5.04	(166.67)	(38.73)	3,897.96

Figures in millions of euros

The amounts shown as changes in scope in the year 2013 are mainly derived from the acquisition by FUNESPAÑA, S.A. of the companies HIJOS DE LUIS SANTOS, S.L. and FUNERARIAS REUNIDAS DEL BIERZO, S.A.

The impairments of goodwill are derived from CATALUNYACAIXA VIDA and CATALUNYACAIXA ASSEGUANCES GENERALS, and the impairments of the portfolio acquisition expenses are derived from CATALUNYACAIXA VIDA and ASEGURADORA MUNDIAL, as described in the sections following this Note.

In 2014 and 2013 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 expenses are amortized over the life of the portfolios, with a maximum term of 30 years, and as long as they are maintained.

• 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	4	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	
	31/12/2014	31/12/2013
Goodwill on consolidation	1,975.32	1,861.05
Goodwill on merger	55.16	67.38

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 31.12.2012	YEAR 2013		INITIAL 31.12.2013	YEAR 2014		INITIAL 31.12.2014
		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	23.74	(1.17)	--	22.57	0.26	--	22.83
BRICKELL FINANCIAL SERVICES	Travel Assistance (USA)	19.58	USD	14.06	(0.61)	--	13.45	1.83	--	15.28
MAPFRE WARRANTY	Extended Warranty	11.40	EUR	11.08	--	--	11.08	--	--	11.08
BB MAPFRE SH1	Life Insurance (Brazil)	220.01	BRL	81.38	(13.84)	--	67.54	0.77	--	68.31
MAPFRE BB SH2	Non-Life insurance (Brazil)	350.29	BRL	129.56	(22.03)	--	107.53	1.23	--	108.76
ABRAXAS	Travel Assistance (UK)	11.26	GBP	13.80	(0.29)	--	13.51	0.95	--	14.46
GENEL SIGORTA	Insurance (Turkey)	156.83	TRY	66.59	(13.62)	--	52.97	2.40	--	55.37
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	--	--	90.51	(9.17)	--	81.34
MAPFRE USA	Non-Life Insurance (USA)	882.40	USD	668.79	(28.95)	--	639.84	86.96	--	726.80
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	6.82	(0.29)	--	6.53	0.89	--	7.42
CATALUNYACAIXA VIDA	Life Insurance (Spain)	364.85	EUR	275.60	--	(96.99)	178.61	--	--	178.61
CATALUNYACAIXA ASSEGUANCES GENERALS	General Insurance (Spain)	97.62	EUR	78.29	--	(38.41)	39.88	--	--	39.88
INSURANCE AND GO	Insurance (UK)	30.72	GBP	37.67	(0.79)	--	36.88	2.59	--	39.47
CENTURY AUTOMOTIVE	Insurance and reinsurance (USA)	30.35	USD	23.01	(0.99)	--	22.02	(1.54)	--	20.48
BANKINTER SEGUROS GENERALES	Non-Life insurance (Spain)	12.72	EUR	12.72	(0.26)	--	12.46	--	--	12.46
ASEVAL - LAIETANA VIDA	Life Insurance (Spain)	18.69	EUR	--	--	--	--	18.69	--	18.69
FUNESPAÑA	Funeral services (Spain)	17.88	EUR	17.88	--	--	17.88	--	--	17.88
Other	--			32.00	(0.90)	--	31.10	8.48	(0.07)	39.51
TOTAL GOODWILL ON CONSOLIDATION				2,080.19	(83.74)	(135.40)	1,861.05	114.34	(0.07)	1,975.32
Goodwill on merger										
ASEICA	Healthcare assistance (Canary Islands)	12.73	EUR	12.73	(2.67)	--	10.06	--	(10.06)	--
FUNESPAÑA GROUP	Funeral services (Spain)	37.00	EUR	37.00	4.09	--	41.09	(2.64)	--	38.45
Other	--			16.23	--	--	16.23	0.48	--	16.71
TOTAL GOODWILL ON MERGER				65.96	1.42	--	67.38	(2.16)	(10.06)	55.16
TOTAL GOODWILL				2,146.15	(82.32)	(135.40)	1,928.43	112.18	(10.13)	2,030.48
Goodwill in associated and multi-group undertakings										
IBERICAR	Services (Spain)	11.55	EUR	5.47	--	(5.47)	--	--	--	--
PT ASURANSI BINA DANA ARTA TBK	Insurance (Indonesia)	391,102.00	IDR	--	23.33	--	23.33	2.61	--	25.94
SOLUNION SEGUROS DE CREDITO, S.A.	Insurance (Spain)	12.87	EUR	--	12.87	--	12.87	--	--	12.87
Other	--			12.56	(0.12)	(0.24)	12.20	(3.76)	0.13	8.57
TOTAL GOODWILL IN ASSOCIATED AND MULTI-GROUP UNDERTAKINGS (EQUITY METHOD) (*)				18.03	36.08	(5.71)	48.40	(1.15)	0.13	47.38

Figures in millions of euros

(*) Goodwill related to acquisitions of associated and multi-group undertakings is stated as a greater value of investments booked by the equity method.

• PORTFOLIO ACQUISITION EXPENSES

CASH GENERATING UNIT	Business and geographic area	GROSS AMOUNT AT SOURCE		INITIAL 31.12.2012	YEAR 2013		INITIAL 31.12.2013	YEAR 2014		INITIAL 31.12.2014
		Millions in original currency	Currency		Entries/ (write-offs)	Net impairment for period		Entries/ (write-offs)	Net impairment for period	
BANKINTER VIDA	Life Insurance (Spain)	131.23	EUR	104.81	--	(5.43)	99.38	--	(5.71)	93.67
CCM VIDA Y PENSIONES	Life Insurance and Pensions (Spain)	82.55	EUR	66.12	--	(4.64)	61.48	--	(4.60)	56.88
MAPFRE USA	Non-Life insurance (USA)	48.26	USD	15.98	(1.58)	(1.71)	12.69	1.73	(2.49)	11.93
DUERO VIDA	Life Insurance (Spain)	44.48	EUR	39.28	--	(2.34)	36.94	--	(2.24)	34.70
DUERO PENSIONES	Pension fund manager (Spain)	13.94	EUR	12.67	--	(0.70)	11.97	--	(0.74)	11.23
CATALUNYACAIXA VIDA	Life Insurance (Spain)	348.84	EUR	236.85	--	(64.87)	171.98	--	(12.69)	159.29
BB MAPFRE SH1	Life Insurance (Brazil)	3,365.29	BRL	1,190.53	(196.84)	(48.77)	944.92	12.17	(42.02)	915.07
MAPFRE BB SH2	Non-Life insurance (Brazil)	236.21	BRL	90.28	(14.45)	(7.78)	68.05	1.03	(5.84)	63.24
GENEL SIGORTA	Insurance (Turkey)	95.40	TRY	24.06	(4.55)	(2.61)	16.90	1.46	(2.92)	15.44
ASEGURADORA MUNDIAL	Insurance (Central America)	44.17	PAB	21.74	(0.17)	(21.57)	--	--	--	--
ASEVAL - LAIETANA VIDA	Life Insurance (Spain)	89.59	EUR	--	--	--	--	91.01	(3.22)	87.79
MAPFRE FINISTERRE	Non-Life insurance (Spain)	87.94	EUR	53.70	--	(2.79)	50.91	--	(2.73)	48.18
Other	--	--	--	--	--	--	--	5.75	(0.05)	5.70
TOTAL PORTFOLIO ACQUISITION EXPENSES				1,866.02	(217.59)	(163.21)	1,475.22	113.15	(85.25)	1,503.12

Figures in millions of euros

The book value, net of any impairment, of each of the goodwill and portfolio acquisition expense items described above 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	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
MAPFRE VIDA	1,726.28	1,537.52	3,509.37	3,879.11
BB MAPFRE SH1	439.71	350.74	3,005.08	1,910.96
MAPFRE BB SH2	336.18	197.20	577.08	251.37
BANKINTER VIDA	214.76	223.22	307.82	272.98
CCM VIDA Y PENSIONES	138.74	138.48	175.02	158.35
MAPFRE USA	1,800.09	1,515.74	2,052.15	1,961.07
CATALUNYA CAIXA VIDA	366.29	367.24	404.74	367.24
DUERO VIDA	119.95	108.87	131.95	113.39
MAPFRE GENEL SIGORTA	282.69	249.28	295.52	263.57

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 1.76 percent and 11.42 percent in 2014, and between 3.02 percent and 13.09 percent in 2013.

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	
	2014	2013
MAPFRE USA	8.40%	8.20%
MAPFRE VIDA, BANKINTER VIDA, CCM VIDA Y PENSIONES, DUERO VIDA, DUERO PENSIONES Y CATALUNYACAIXA VIDA	9.59%	10.36%
MAPFRE GLOBAL RISKS Y CATALUNYACAIXA ASSEURANCES GENERALS	6.76%	8.58%
BB MAPFRE SHI	15.19%	17.40%
MAPFRE BB SH2	16.87%	16.66%
GENEL SIGORTA	13.56%	13.72%

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
Spain	1.121%
United States	2.051%
Turkey	6.171%
Brazil	4.541%

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)
Spain	1.12%
United States	2.05%
Turkey	6.67%
Brazil	5.04%

Meanwhile, at least once 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 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 one percentage point in the discount rate applied to each cash generating unit would imply reductions in the recoverable values of between 7.19 percent and 12.2 percent in the year 2014, and between 7.9 percent and 13 percent in the year 2013. 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 0.97 percent and 2.08 percent in the year 2014, and between 1.1 percent and 2.7 percent in the year 2013. 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. The impairment loss in 2013 was 135.4 million euros, arising from the difference between the book amount and the recoverable value of the cash generating units CATALUNYACAIXA VIDA and CATALUNYACAIXA ASSEURANCES GENERALS as a result of the market conditions and the anticipated flow estimates.

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 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 by the equity method of the FUNESPAÑA, S.A. investees, which in the previous year were fully consolidated (Note 2.5).

Year 2013

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	118.90	(3.65)	--	10.07	(14.89)	110.43	137.47
Buildings and other structures	1,214.67	(21.32)	(1.81)	56.52	(46.52)	1,201.54	1,219.60
OTHER PROPERTY, PLANT AND EQUIPMENT							
Vehicles	57.23	(3.61)	0.43	5.95	(11.07)	48.93	14.24
Furniture and fittings	450.11	(12.63)	0.71	30.85	(25.85)	443.19	172.44
Other property, plant and equipment	242.07	(28.10)	(3.77)	33.87	(17.70)	226.37	75.98
Advances and fixed assets in progress	29.24	(0.05)	0.51	41.32	(3.88)	67.14	65.84
TOTAL COST	2,112.22	(69.36)	(3.93)	178.58	(119.91)	2,097.60	1,685.57
CUMULATIVE DEPRECIATION							
PROPERTY FOR OWN USE	(198.29)	2.81	(0.23)	(26.50)	6.98	(215.23)	--
OTHER PROPERTY, PLANT AND EQUIPMENT	(468.14)	33.45	(1.25)	(65.31)	45.17	(456.08)	--
TOTAL CUMULATIVE DEPRECIATION	(666.43)	36.26	(1.48)	(91.81)	52.15	(671.31)	--
IMPAIRMENT							
PROPERTY FOR OWN USE							
Land and natural resources	--	--	--	--	--	--	--
Buildings and other structures	(7.16)	0.04	--	(7.65)	--	(14.77)	--
OTHER PROPERTY, PLANT AND EQUIPMENT							
Vehicles	(0.05)	(0.01)	--	(0.11)	--	(0.17)	--
Furniture and fittings	(0.10)	(0.14)	--	(0.07)	--	(0.31)	--
Other property, plant and equipment	(3.61)	0.77	--	(0.02)	--	(2.86)	--
TOTAL IMPAIRMENT	(10.92)	0.66	--	(7.85)	--	(18.11)	--
TOTAL PROPERTY FOR OWN USE	1,128.12	(22.12)	(2.04)	32.44	(54.43)	1,081.97	1,357.07
TOTAL OTHER PROPERTY, PLANT & EQUIPMENT	306.75	(10.32)	(3.37)	46.48	(13.33)	326.21	328.50
TOTAL PROPERTY, PLANT & EQUIPMENT	1,434.87	(32.44)	(5.41)	78.92	(67.76)	1,408.18	1,685.57

Figures in millions of euros

The main disposals due to changes in scope are derived from Provitae, a jointly controlled company which has been recognized using the equity method since 2013.

The "Other property, plant and equipment" entries mainly stem from the construction of a new data processing center in Alcalá de Henares.

PROPERTY INVESTMENT

The following tables describe the movements under this heading during the last two financial years:

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	1,024.54	14.43	15.57	25.35	(32.50)	1,047.39	951.94
OTHER PROPERTY INVESTMENTS	81.03	(0.01)	--	3.54	--	84.56	88.34
TOTAL COST	1,761.63	(10.61)	15.60	28.95	(32.50)	1,763.07	1,983.53
CUMULATIVE DEPRECIATION							
INVESTMENT IN PROPERTY	(264.67)	3.59	(2.38)	(22.78)	5.85	(280.39)	--
OTHER PROPERTY INVESTMENTS	3.60	--	--	(0.10)	--	3.50	--
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).

Year 2013

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	655.18	(4.77)	--	4.82	0.83	656.06	588.06
Buildings and other structures	1,028.72	(9.87)	--	23.89	(18.20)	1,024.54	1,364.88
OTHER PROPERTY INVESTMENTS	79.90	(0.05)	--	1.18	--	81.03	84.55
TOTAL COST	1,763.80	(14.69)	--	29.89	(17.37)	1,761.63	2,037.49
CUMULATIVE DEPRECIATION							
INVESTMENT IN PROPERTY	(248.54)	0.78	--	(16.91)	--	(264.67)	--
OTHER PROPERTY INVESTMENTS	(1.48)	5.17	--	(0.09)	--	3.60	--
TOTAL CUMULATIVE DEPRECIATION	(250.02)	5.95	--	(17.00)	--	(261.07)	--
IMPAIRMENT							
INVESTMENT IN PROPERTY							
Land and natural resources	(197.68)	--	--	(2.15)	0.62	(199.21)	--
Buildings and other structures	(29.87)	0.24	--	(34.63)	11.80	(52.46)	--
TOTAL IMPAIRMENT	(227.55)	0.24	--	(36.78)	12.42	(251.67)	--
TOTAL PROPERTY INVESTMENTS	1,286.23	(8.50)	--	(23.89)	(4.95)	1,248.89	2,037.49

Figures in millions of euros

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 appraised value determined by an authorized 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 property 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 2014 and 2013 are shown in the following table:

ITEM	TYPE OF INVESTMENT							
	OPERATING INVESTMENT		EQUITY		OTHER ACTIVITIES		TOTAL	
	2014	2013	2014	2013	2014	2013	2014	2013
Revenue from property investments								
From rentals	47.74	35.81	2.88	2.71	15.09	17.66	65.71	56.18
Other	0.38	0.54	0.28	7.05	1.49	0.15	2.15	7.74
Gains on disposals	18.93	18.03	1.24	9.30	3.11	7.63	23.28	34.96
TOTAL REVENUE FROM PROPERTY INVESTMENTS	67.05	54.38	4.40	19.06	19.69	25.44	91.14	98.88
Expenses from property investments								
Direct operating expenses	23.03	24.70	5.01	5.34	--	--	28.04	30.04
Other expenses	6.89	11.98	--	--	8.35	10.67	15.24	22.65
Losses on disposals	7.03	5.64	0.16	0.77	0.46	0.65	7.65	7.06
TOTAL EXPENSES FROM PROPERTY INVESTMENTS	36.95	42.32	5.17	6.11	8.81	11.32	50.93	59.75

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	
	2014	2013	2014	2013	2014	2013
	2014	2013	2014	2013	2014	2013
Property investments	707.95	707.41	25	25	19	18

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	2014	2013
Less than one year ago	39.84	47.33
More than one year but less than five	124.24	133.60
More than five years	87.63	131.50
TOTAL	251.71	312.43

Figures in millions of euros

There are no contingent payments recorded as revenue in financial years 2014 and 2013.

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	2014	2013
Less than one year ago	20.36	25.05
More than one year but less than five	78.78	109.41
More than five years	109.06	138.64
TOTAL	208.20	273.10

Figures in millions of euros

There are no contingent payments recorded as expenses in financial years 2014 and 2013.

6.4. Financial investments

As at December 31, 2014 and 2013, the financial investment breakdown was as follows:

ITEM	BOOK VALUE	
	2014	2013
HELD-TO-MATURITY PORTFOLIO		
Fixed income	2,341.69	1,997.17
Other investments	16.69	121.26
TOTAL HELD-TO-MATURITY PORTFOLIO	2,358.38	2,118.43
PORTFOLIO AVAILABLE FOR SALE		
Shares	1,192.59	1,132.85
Fixed income	34,072.51	26,936.12
Investment Funds	768.53	637.35
Other	55.84	101.79
TOTAL PORTFOLIO AVAILABLE FOR SALE	36,089.47	28,808.11
TRADING PORTFOLIO		
Derivatives (not for hedging):		
Financial swaps	425.94	235.95
Options	3.25	6.05
Other investments:		
Shares	184.49	184.44
Fixed income	2,596.15	2,266.71
Investment Funds	288.67	210.77
Other	5.06	2.61
TOTAL TRADING PORTFOLIO	3,503.56	2,906.53

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 value: 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, although the financial assets at this level represent 0.16 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:

- 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.
- 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).
- 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 values 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, 2014 and 2013, 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	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Fixed income	2,341.69	1,997.17	2,148.15	1,912.36	179.30	84.50	--	--	229.11	214.29	--	--	--	--
Other investments	16.69	121.26	1.03	116.69	0.59	--	14.83	4.37	5.31	1.85	--	--	--	--
TOTAL	2,358.38	2,118.43	2,149.18	2,029.05	179.89	84.50	14.83	4.37	234.42	216.14	--	--	--	--

Figures in millions of euros

In 2014 the Level 3 financial assets in the held-to-maturity portfolio increased from 4.37 million to 14.83 million euros following the acquisition of "Other investments" to the tune of 10.46 million euros.

AVAILABLE-FOR-SALE PORTFOLIO

The investments allocated to the available-for-sale portfolio, as at December 31, 2014 and 2013, 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	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Shares	1,103.89	941.35	71.73	75.73	16.97	115.77	1,192.59	1,132.85	(64.49)	(4.27)	--	0.12
Fixed income	28,974.14	22,696.30	5,054.32	4,022.57	44.05	217.25	34,072.51	26,936.12	(2.45)	(6.77)	--	0.02
Investment Funds	766.48	635.15	1.72	--	0.33	2.20	768.53	637.35	(0.87)	(7.63)	--	--
Other	26.28	69.00	29.50	15.51	0.06	17.28	55.84	101.79	(0.34)	--	--	--
TOTAL	30,870.79	24,341.80	5,157.27	4,113.81	61.41	352.50	36,089.47	28,808.11	(68.15)	(18.67)	--	0.14

Figures in millions of euros

Valuation adjustments to the portfolio investments amount to 5,056.21 million and 1,269.81 million euros as at December 31, 2014 and 2013 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 2014 and 2013, amount to 178.07 and 97.04 million, respectively.

There have been no asset transfers between Levels 1 and 2 (Quotation value 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:

PORTFOLIO AVAILABLE FOR SALE	EQUITY INSTRUMENTS AND INVESTMENT FUNDS		DEBT SECURITIES		OTHER FINANCIAL ASSETS		TOTAL	
	2014	2013	2014	2013	2014	2013	2014	2013
OPENING BALANCE	117.97	110.46	217.25	68.51	17.28	--	352.50	178.97
Procurement	16.97	--	32.40	2.32	--	17.28	49.37	19.60
Sales	(1.87)	(0.36)	(40.76)	(70.55)	--	--	(42.63)	(70.91)
Transfer from Level 1 or 2	--	2.21	2.13	215.96	--	--	2.13	218.17
Transfer to Level 1 or 2	(115.77)	--	(73.74)	--	--	--	(189.51)	--
Amortization	--	--	(92.74)	(0.88)	(17.30)	--	(110.04)	(0.88)
Gains and losses	--	--	(0.11)	--	--	--	(0.11)	--
Other	--	5.66	(0.38)	1.89	0.08	--	(0.30)	7.55
CLOSING BALANCE	17.30	117.97	44.05	217.25	0.06	17.28	61.41	352.50

Figures in millions of euros

The transfers from Level 3 at the close of the financial year correspond to the investment in shares of SOCIETA' CATTOLICA DI ASSICURAZIONE-SOCIETÀ COOPERATIVA and various fixed-income securities that are now measured at their quotation value.

At the close of 2014 and 2013 the impairment analyses 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 value 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-SOCIETÀ COOPERATIVA, for which an impairment provision of 64.49 million euros has been allocated for the year 2014.

No significant impairment provisions were made in 2014 and 2013 for investments in unquoted assets analyzed individually.

At the close of 2014 the group had guaranteed fixed-income securities with a market value of 290.65 million euros for financial swap operations (2.57 million euros in 2013). These financial assets are classified in the available-for-sale portfolio. At the close of the year the guaranteed assets amounted to 346.04 million euros (167.6 million euros in 2013). 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.

TRADING PORTFOLIO

The investments allocated to the trading portfolio as at December 31, 2014 and 2013 are shown below:

ITEM	BOOK VALUE (FAIR VALUE)							
	LEVEL 1. QUOTATION PRICE		LEVEL 2. OBSERVABLE DATA		LEVEL 3. OTHER MEASUREMENTS		TOTAL	
	2014	2013	2014	2013	2014	2013	2014	2013
Derivatives (not for hedging)								
Financial swaps	1.45	--	424.49	235.95	--	--	425.94	235.95
Options	3.25	6.05	--	--	--	--	3.25	6.05
TOTAL DERIVATIVES (NOT FOR HEDGING)	4.70	6.05	424.49	235.95	--	--	429.19	242.00
Other investments								
Shares	183.19	183.24	--	--	1.30	1.20	184.49	184.44
Fixed income	2,460.33	2,157.96	135.82	108.72	--	0.03	2,596.15	2,266.71
Investment Funds	288.46	210.38	0.21	0.39	--	--	288.67	210.77
Other	5.06	2.61	--	--	--	--	5.06	2.61
TOTAL OTHER INVESTMENTS	2,937.04	2,554.19	136.03	109.11	1.30	1.23	3,074.37	2,664.53
TOTAL TRADING PORTFOLIO	2,941.74	2,560.24	560.52	345.06	1.30	1.23	3,503.56	2,906.53

Figures in millions of euros

The capital gains and losses posted in the balance sheet, and the results recorded for impairments recognized or reversed in financial years 2014 and 2013, are shown below:

CONCEPTO	GAINS (LOSSES) ALLOCATED TO RESULTS			
	UNREALIZED		REALIZED	
	2014	2013	2014	2013
Derivatives (not for hedging)				
Financial swaps	108.64	(56.48)	3.68	(0.22)
Options	--	--	--	--
TOTAL DERIVATIVES (NOT FOR HEDGING)	108.64	(56.48)	3.68	(0.22)
Other investments				
Shares	0.74	20.25	0.66	3.62
Fixed income	52.92	8.23	34.68	5.48
Investment Funds	15.51	19.64	3.68	5.94
Other	(0.04)	(1.12)	(0.79)	0.27
TOTAL OTHER INVESTMENTS	69.13	47.00	38.23	15.31
TOTAL TRADING PORTFOLIO	177.77	(9.48)	41.91	15.09

Figures in millions of euros

A reconciliation of the opening and closing balances for the year for Level 3 financial assets in the trading portfolio is shown below:

Portfolio available for sale	Equity instruments and investment funds	Debt securities	Other financial assets	Total
OPENING BALANCE	1.20	0.03	--	1.23
Procurement	--	--	--	--
Sales	--	--	--	--
Transfer from Level 1 or 2	--	--	--	--
Transfer to Level 1 or 2	--	--	--	--
Amortization	--	(0.03)	--	(0.03)
Gains and losses	0.10	--	--	0.10
Other	--	--	--	--
CLOSING BALANCE	1.30	--	--	1.30

Figures in millions of euros

There were no transfers to/from Level 3 during the year.

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. At the close of 2014, the sum of 425.94 million euros was recorded in the trading portfolio for this item (235.95 million euros in 2013).

Another, albeit less important, type of derivative is the purchased option, which provides hedging for savings insurance operations 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 2014, this item was recorded at 3.25 million euros (6.05 million euros in 2013).

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, 2014 and 2013:

ITEM	BOOK VALUE (FAIR VALUE)								RESULTS			
	LEVEL 1. QUOTATION PRICE		LEVEL 2. OBSERVABLE DATA		LEVEL 3. OTHER MEASUREMENTS		TOTAL		UNREALIZED		REALIZED	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Shares	29.53	23.53	--	--	--	--	29.53	23.53	(0.56)	4.52	1.76	0.22
Fixed income	849.69	628.79	759.14	911.13	--	--	1,608.83	1,539.92	12.21	32.72	61.50	--
Investment fund holdings	391.62	101.44	57.22	560.38	--	--	448.84	661.82	28.86	79.05	0.64	0.18
TOTAL	1,270.84	753.76	816.36	1,471.51	--	--	2,087.20	2,225.27	40.51	116.29	63.90	0.40

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 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

Year 2013

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Entries	Write-offs	Impairment (Allocation)/Reversal	Closing balance
Land	50.03	--	--	--	--	(3.59)	46.44
Developments and works in progress	23.54	--	--	--	--	--	23.54
Finished products	2.36	(0.16)	--	2.22	(1.51)	(0.97)	1.94
Raw materials	5.49	0.06	--	0.79	(0.63)	(0.04)	5.67
TOTAL	81.42	(0.10)	--	3.01	(2.14)	(4.60)	77.59

Figures in millions of euros

No interest costs were capitalized in 2014 and 2013.

6.7. Credits

The following table shows the credits as at December 31, 2014 and 2013, 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			
	2014	2013	2014	2013	2014	2013	RECORDED LOSSES		REVERSAL GAINS	
							2014	2013	2014	2013
Receivables on direct insurance and co-insurance operations	4,107.37	3,549.32	(78.79)	(69.75)	4,028.58	3,479.57	(8.34)	(12.13)	6.61	12.20
Receivables on reinsurance operations	953.04	886.41	(7.72)	(3.86)	945.32	882.55	(2.68)	--	--	0.07
Tax receivables	180.25	266.03	--	--	180.25	266.03	--	--	--	--
Social security and other receivables	1,458.86	1,208.19	(16.45)	(13.95)	1,442.41	1,194.24	(10.88)	(5.99)	9.51	6.83
TOTAL	6,699.52	5,909.95	(102.96)	(87.56)	6,596.56	5,822.39	(21.90)	(18.12)	16.12	19.10

Figures in millions of euros

The “Credits on direct insurance and coinsurance operations” heading includes uncollected premiums relating to insurance policyholders and brokers, while the “Credits on reinsurance operations” heading includes outstanding balances derived from ceded, retroceded and accepted reinsurance operations.

The breakdown of “Corporate and other credits” at the close the last two financial years is shown below:

SOCIAL SECURITY AND OTHER RECEIVABLES	AMOUNT	
	2014	2013
Debtors of sales or provision of services	265.11	156.86
Receivables for claim recovery (including collaboration agreements with other insurance companies)	90.98	99.16
Advance payment of policies (Life Insurance)	22.18	24.62
Legal deposits	433.94	398.10
Receivables with Public Bodies	10.41	12.15
Balance receivables from personnel	29.45	34.69
Derivatives	--	1.61
Other debtors	590.34	467.05
TOTAL	1,442.41	1,194.24

Figures in millions of euros

Impairment is calculated, and where applicable recognized, as indicated in the accounting policy 5.9 “Credits” section of this report.

The balances included under Credits 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 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
Investments	425.10	(30.49)	0.14	79.91	0.07	(5.96)	468.77
I. Property investments	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
Receivables	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	--	--	--	--	--	--	--
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

Year 2013

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	204.83	(3.57)	--	204.74	--	--	406.00
I. Goodwill	185.48	(1.84)	--	135.40	--	--	319.04
II. Other intangible assets	19.35	(1.73)	--	69.34	--	--	86.96
Property, plant and equipment	10.92	(0.66)	--	7.85	--	--	18.11
I. Property for own use	7.16	(0.04)	--	7.65	--	--	14.77
II. Other property, plant and equipment	3.76	(0.62)	--	0.20	--	--	3.34
Investments	426.37	0.95	0.05	60.36	(2.07)	(60.56)	425.10
I. Property investments	227.55	(0.24)	--	36.78	(0.12)	(12.30)	251.67
II. Financial investments							
- Held-to-maturity portfolio	--	--	--	--	--	--	--
- Portfolio available for sale	178.82	9.82	0.05	18.67	(0.14)	(47.53)	159.69
- Trading portfolio	--	--	--	--	--	--	--
III. Investments recorded by applying the equity method	8.12	(0.09)	--	5.71	--	--	13.74
IV. Deposits established for accepted reinsurance	--	--	--	--	--	--	--
V. Other investments	11.88	(8.54)	--	(0.80)	(1.81)	(0.73)	--
Inventories	74.94	5.31	--	6.30	(1.70)	--	84.85
Receivables	93.67	4.19	0.01	18.12	(19.10)	(9.33)	87.56
I. Receivables on direct insurance and co-insurance operations	74.50	4.22	--	12.13	(12.20)	(8.90)	69.75
II. Receivables on reinsurance operations	3.47	0.46	--	--	(0.07)	--	3.86
III. Tax	--	--	--	--	--	--	--
IV. Social security and other receivables	15.70	(0.49)	0.01	5.99	(6.83)	(0.43)	13.95
Other assets	5.18	0.01	(3.63)	(0.06)	--	--	1.50
TOTAL IMPAIRMENT	815.91	6.23	(3.57)	297.31	(22.87)	(69.89)	1.023.12

Figures in millions of euros

6.9. Cash

During financial years 2014 and 2013 expenditure was made in investments in group companies, the most significant acquisitions being as follows:

BUYING COMPANY	DETAILS OF THE ACQUISITION			
	Company	Percentage	Activity	Amount disbursed
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 FAMILIAR	LAIETANA SEGUROS GENERALES	100.00%	Non-Life Insurance	4.50
MAPFRE FAMILIAR	FUNESPAÑA, S.A.	17.20%	Funeral Insurance	23.77
Year 2013				
MAPFRE, S.A.	MAPFRE AMÉRICA	--	Insurance companies holding	122.00
MAPFRE INTERNACIONAL	PT ASURANSI BINA DANA, ARTA TBK	20.00%	Non-Life insurance (Indonesia)	32.11

Figures in millions of euros

The investments described were financed with own funds. The amount disbursed by MAPFRE, S.A. in 2013 corresponds to the deferred amount of the acquisition of shares in MAPFRE AMÉRICA in 2012.

There are no significant monetary transactions related to investment and funding activities excluded from the cash flow statements.

6.10. Non-current assets classified as held for sale, related liabilities and discontinued operations

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, 2014 and 2013, are as follows:

ITEM	NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE		DISCONTINUED OPERATIONS		TOTAL	
	2014	2013	2014	2013	2014	2013
Assets						
Intangible assets	--	--	--	--	--	--
Property, plant and equipment	9.26	--	--	--	9.26	--
Investments	--	--	--	--	--	--
Receivables	--	0.08	--	--	--	0.08
Cash	--	--	--	--	--	--
Other assets	0.18	--	--	0.06	0.18	0.06
TOTAL ASSETS	9.44	0.08	--	0.06	9.44	0.14
Related liabilities						
Technical provisions	--	--	--	--	--	--
Provisions for risks and expenses	--	--	--	--	--	--
Debt	--	--	--	--	--	--
TOTAL LIABILITIES	--	--	--	--	--	--

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 share capital of the controlling company as at December 31, 2014 and 2013 is represented as 3,079,553,273 shares, each with a face value of 0.10 euros, 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 held 67.7 percent of the share capital as at December 31, 2014 and 2013 respectively.

All the shares representing the controlling company's share capital are listed on the Madrid and Barcelona stock exchanges.

As at December 31, 2014 and 2013, no 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	
	2014	2013
Fixed income		
Capital gains	3,826.81	1,240.24
Capital losses	(793.82)	(522.16)
Variable Income and Investment Funds		
Capital gains	161.85	124.94
Capital losses	(25.49)	(19.71)
Shadow accounting	(2,269.71)	(585.46)
Other adjustments	(9.27)	(13.61)
TOTAL	890.37	224.24

Figures in millions of euros

RESTRICTIONS ON THE AVAILABILITY OF RESERVES

- The "Reserves" heading includes the controlling company's legal reserve, amounting to 61.59 million euros as at December 31, 2014 and 2013, 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 2014 and 2013 amounts to 10,349.4 million and 9,344.54 million euros, respectively. These figures exceeded the required minimum (3,996.39 million and 3,790.98 million euros, respectively) by 2.59 times in 2014 and by 2.46 times in 2013.

6.12. Subordinated liabilities

As at December 31, 2014 and 2013 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: AIAP
- Law: Spanish.
- Issue rating: BBB- (Standard & Poor's).

As at December 31, 2014 and 2013, the total number of securities purchased on the market in previous years was 2,431.

The accrued interest outstanding as at December 31, 2014 and 2013 amounted to 15.01 million euros. As at December 31, 2014 and 2013, the securities were listed at 107.77 percent and 102.05 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	
	2014	2013	2014	2013
Issuance of debentures and other negotiable securities	1,004.88	1,003.31	1,039.04	1,062.09
Payables to credit institutions	187.69	125.50	187.70	124.53
Other financial liabilities	306.39	67.19	306.39	67.13
TOTAL	1,498.96	1,196.00	1,533.13	1,253.75

Figures in millions of euros

The fair value of the issue of debentures and other negotiable securities corresponds to the quotation value at the close of the financial year (Level 1).

ISSUE OF DEBENTURES AND OTHER NEGOTIABLE SECURITIES

As at December 31, 2014 and 2013 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: one billion euros.
- Number of securities: 10,000.
- Nominal per security: 100,000 euros.
- Issue date: November 16, 2012.
- Term: three 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 accrued interest outstanding as at December 31, 2014 and 2013 amounted to 6.32 million euros.

DEBTS TO CREDIT INSTITUTIONS

The breakdown of the amounts owed to credit institutions as at December 31, 2014 and 2013 is shown below:

CLASS OF DEBT	BOOK VALUE		AVERAGE INTEREST RATE %		SECURITY GIVEN	
	2014	2013	2014	2013	2014	2013
Financial lease	0.72	2.09	--	7.30	--	--
Receivables	73.93	68.02	5.50	6.31	--	--
Loans	43.69	7.58	0.33	--	--	--
Other	69.35	47.81	0.80	3.00	--	--
TOTAL	187.69	125.50	--	--	--	--

Figures in millions of euros

The credit lines as at December 31, 2014 and 2013 were as follows:

BANK	MATURITY	LIMIT		DRAWN DOWN	
		2014	2013	2014	2013
Santander	11,12,2019	1,000.00	--	--	--
BBVA	28,06,2018	--	750.00	--	--
TOTAL		1,000.00	750.00	--	--

Figures in millions of euros

Banco de Santander and BBVA are the agent banks of the credit lines described, which are syndicated with other entities. The BBVA credit facility was canceled in advance on December 11, 2014. Both facilities accrue a floating market interest rate linked to the Euribor.

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, 2014 and 2013:

OTHER FINANCIAL LIABILITIES	AMOUNT	
		2013
Financial liabilities held for trading		0.04
Other financial liabilities at fair value and changes in P&L		4.87
Hedging Derivatives		--
Derivatives for asset operations (equity swap)		0.99
Other financial liabilities		61.29
TOTAL	306.39	67.19

Figures in millions of euros

The increase in 2014 of financial liabilities held for trading mainly stems from the inclusion of new companies in the consolidation scope.

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	
	2014	2013	2014	2013	2014	2013
Provisions for unexpired premiums and for risks in progress Non-Life						
1.1 Provision for unexpired premiums	6,289.28	5,867.66	1,315.04	1,153.31	1,299.26	1,191.87
1.2 Reserve for risks in progress	49.70	10.04	--	0.29	--	--
Life insurance provisions						
2.1 Provisions for unexpired premiums and for risks in progress						
2.1.1. Provision for unexpired premiums	1,409.00	1,045.65	260.51	190.50	18.85	18.53
2.1.2. Provision for risks in progress	116.38	0.67	--	--	--	--
2.2 Mathematical reserves	25,512.43	19,714.96	86.56	66.31	53.06	48.89
Provisions for claims						
3.1 Pending settlement or payment	5,578.94	5,028.43	1,658.90	1,484.73	1,693.17	1,512.73
3.2 Claims incurred but unreported (IBNR)	1,082.89	1,045.83	130.13	131.64	280.52	251.85
3.3 For claim settlement internal expenses	124.30	106.60	4.21	2.99	11.80	5.19
Other technical provisions						
4.1 Burial	612.84	550.50	--	--	--	--
4.2 Other	126.54	117.25	--	--	10.52	17.47
TOTAL	40,902.30	33,487.59	3,455.35	3,029.77	3,367.17	3,046.53

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

Year 2014

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Provisions	Applications	Closing balance
Provisions for unexpired premiums and for risks in progress Non-Life						
1.1 Provision for unexpired premiums	7,020.97	60.66	0.35	9,962.49	(9,440.15)	7,604.32
1.2 Reserve for risks in progress	10.33	28.94	--	29.60	(19.17)	49.70
Life insurance provisions						
2.1 Provisions for unexpired premiums and for risks in progress						
2.1.1. Provision for unexpired premiums	1,236.15	4.42	17.11	2,115.22	(1,703.39)	1,669.51
2.1.2. Provision for risks in progress	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

Year 2013

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Provisions	Applications	Closing balance
Provisions for unexpired premiums and for risks in progress Non-Life						
1.1 Provision for unexpired premiums	7,264.87	(742.62)	(30.22)	7,406.00	(6,877.06)	7,020.97
1.2 Reserve for risks in progress	10.28	(0.03)	--	10.34	(10.26)	10.33
Life insurance provisions						
2.1 Provisions for unexpired premiums and for risks in progress						
2.1.1. Provision for unexpired premiums	901.70	(33.79)	--	1,246.98	(878.74)	1,236.15
2.1.2. Provision for risks in progress	0.26	(0.02)	--	0.69	(0.26)	0.67
2.2 Mathematical reserves	19,004.39	(127.52)	--	3,713.03	(2,808.63)	19,781.27
Provisions for claims						
3.1 Direct insurance Life	987.79	(52.76)	--	1,081.19	(941.07)	1,075.15
3.2 Direct insurance Non Life	5,472.31	(378.93)	(48.09)	5,120.01	(5,059.59)	5,105.71
3.3 Accepted reinsurance	1,658.89	(4.76)	(0.66)	2,491.92	(2,526.03)	1,619.36
Other technical provisions	630.97	(4.85)	(2.78)	667.75	(623.34)	667.75
TOTAL	35,931.46	(1,345.28)	(81.75)	21,737.91	(19,724.98)	36,517.36

Figures in millions of euros

B) Ceded and retroceded reinsurance

Year 2014

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Provisions	Applications	Closing balance
Provision for unexpired 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)	71.91
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

Year 2013

Item	Opening balance	Adjustments to the opening balance	Changes to the scope	Provisions	Applications	Closing balance
Provision for unexpired premiums	1,179.30	(98.64)	--	1,581.72	(1,470.51)	1,191.87
Provision for life insurance	78.30	(26.12)	--	97.46	(82.22)	67.42
Provision for outstanding claims	1,990.17	(150.49)	--	2,671.21	(2,741.12)	1,769.77
Other technical provisions	28.07	(9.74)	--	12.14	(13.00)	17.47
TOTAL	3,275.84	(284.99)	--	4,362.53	(4,306.85)	3,046.53

Figures in millions of euros

2.2. MATHEMATICAL RESERVES

ITEM	DIRECT INSURANCE AND ACCEPTED REINSURANCE		ASSIGNED AND RETRO-ASSIGNED REINSURANCE	
	2014	2013	2014	2013
Mathematical reserve at beginning of year	19,781.27	19,004.39	48.89	49.10
Adjustments to the opening balance	48.25	(127.52)	(13.54)	(9.52)
Consolidation (balance of provision on consolidation date)	2,439.37	--	1.51	--
Premiums	2,339.63	2,002.17	13.16	9.35
Technical interest	722.33	675.79	--	--
Allocated to profit sharing	25.74	15.54	(0.05)	(0.05)
Claim payments/collections	(2,688.09)	(2,808.63)	(0.75)	(0.51)
Reserve adequacy test	--	--	--	--
Shadow accounting adjustments	2,897.14	1,011.41	--	--
Other	33.35	8.12	3.84	0.52
Deconsolidation (balance of reserve on deconsolidation date)	--	--	--	--
MATHEMATICAL RESERVE AT END OF YEAR	25,598.99	19,781.27	53.06	48.89

Figures in millions of euros

2.3. FUNERAL PROVISION

ITEM	DIRECT INSURANCE AND ACCEPTED REINSURANCE	
	2014	2013
Reserve at beginning of year	550.50	501.77
Adjustments to the opening balance	9.10	(0.33)
Consolidation (balance of reserve on consolidation date)	--	--
Premiums	60.95	52.80
Technical interest	13.12	11.99
Claim payments	(8.17)	(2.52)
Reserve adequacy test	--	--
Other	(12.66)	(13.21)
Deconsolidation (balance of reserve on deconsolidation date)	--	--
Reserve at end of year	612.84	550.50

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	
	2014	2013
Reserve at beginning of year	2,225.27	2,044.53
Adjustments to the opening balance	2.44	(117.54)
Consolidation (balance of provision on consolidation date)	57.78	--
Premiums	444.71	636.93
Payment of claims	(595.72)	(421.75)
Asset valuation changes	135.39	130.15
Other	(182.67)	(47.05)
Deconsolidation (balance of reserve on deconsolidation date)	--	--
RESERVE AT END OF YEAR	2,087.20	2,225.27

Figures in millions of euros

3.2. PROVISION FOR RISKS IN PROGRESS

The provision for risks in progress has been allocated by the group's insurance entities pursuant to the criteria explained in Note 5.14.

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 2014 and 2013 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
Single premium individual annuity contracts:			
. Longevity without profit sharing and with counterinsurance	(1)	GKM/F-95	4.036% (2)
Single premium individual contracts without profit sharing:			
- Single premium life with counterinsurance	(3)	GKM/F-95	4.013% (2)
- Unit link	(4)	PASEM 2010 HOMBRES	(5)
Single premium group annuity contracts:			
. Longevity without profit sharing and without counterinsurance			
- Exteriorization annuity	(1)	PERM/F-2000 P/C	4.71% (2)
- Group annuity contracts	(1)	PERM/F-2000 P/C	3.49% (2)

Figures in millions of euros

(1) Temporary and life annuities, in case of survival

(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) If the insured party survives on maturity of the policy, the sum insured will be paid at that time. If the insured party retires earlier or any of the following contingencies occur:

- Long-term unemployment.
- Serious illness.
- Total permanent disability or higher.
- Severe dependency and serious dependency.

The beneficiary will be paid 100 percent of the mathematical provisions relating to the sum insured, measured by the market value of the pertinent assets in the terms set out in the policy.

In case of death, a capital is guaranteed consisting of the sum of the net premiums paid until the insured person's death, capitalized at the technical interest by full elapsed years.

(4) The following guarantees are included:

- Survival: If the insured person is alive on the maturity date, the beneficiaries of the policy will receive an amount equal to the result of multiplying the number of account units allocated to the policy by their settlement value on the maturity date of the insurance policy.
- Death: If the insured person dies before the maturity date, the beneficiaries of the policy will receive a capital resulting from the addition of:
 - The result of multiplying the number of account units allocated to the policy by their net asset value on the date when the incident is reported.
 - An additional capital amounting to five percent of the single premium, up to 30,000 euros.

(5) Unit-linked schemes where the policyholder bears the risk of the market-linked investment, in terms of the account units allocated to the policy.

Technical conditions at BANKIA MAPFRE VIDA

CATEGORIES	COVERAGE	TABLES	TECHNICAL INTEREST	PROFIT SHARING	
				Amount	distribution
Single premium individual contracts without profit sharing:					
- Combined insurance	(1)	GRM/F-95	3.61%	--	--
- Combined insurance	(2)	GKM/F-95 y 55% PASEM 2010 HOMBRES	3.46%	--	--
Group contracts, multi-year and additional risks with technical profit sharing:					
- Risk insurance	(3)	GKM/F-95 (5)	2.00%	26.39	(6)
- Annuity insurance	(3)	GRM/F-95 y PERM/F2000	3.26%	--	--
Single premium group contracts without profit sharing:					
- Annuity insurance	(4)	GRM/F-95 y PERM/F 2000 P	3.60%	--	--
Figures in millions of euros					

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 three 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) 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.

(4) Group insurance guaranteeing payment of annuities derived from the benefits included in Bankia's pension scheme for employees.

(5) Tables: GKM/F-95 for death cover, rates specified in the Ministerial Order of 1977 for cover of absolute permanent disability and total disability, and own experience rates for major invalidity cover.

(6) Advance technical profit sharing. Calculated jointly for the group of policies that cover identical commitments, and distributed among those that have the same sign as the result. At the end of the financial year the difference between the advanced sum and the amount that finally results is restated.

Technical conditions at CATALUNYACAIXA VIDA

CATEGORIES	COVERAGE	TABLES	TECHNICAL INTEREST	PROFIT SHARING	
				Amount	distribution
Regular premium individual contracts with profit sharing:					
- Combined insurance (Y044+Y047)	(1)	(2)	0.50%	0.32	(3)
Regular/single premium individual contracts without profit sharing:					
- Combined insurance (Y058+Y059)	(4)	(5)	0.70% - 3.45% (6)	--	--
Single premium individual contracts without profit sharing:					
- Longevity with premium counterinsurance (Y069)	(7)	(8)	0.50% - 5.25% (6)	--	--
Figures in millions of euros					

(1) The guaranteed savings plan and the future plan are savings/retirement products, with a sum insured on termination of the contract if the insured person is still alive. If the insured person dies during the term of the contract, a benefit is paid. In addition to revaluation at the technical rate, the mathematical provision will be increased with an additional interest rate that will be reported to the insured person at the start of each calendar half-year. In case of death of the insured person, the policy guarantees a capital in addition to the mathematical provision.

(2) Table GK-80 is applied until December 31, 2008, GK95 until December 20, 2012 and PASEM 2010 unisex from then on.

(3) Distribution of the profit sharing is implemented by increasing the mathematical provision.

(4) The insured retirement plan is a long-term insurance product in which the main guarantee is retirement. Subject to the same tax treatment as pension schemes, which implies the existence of transfers between the aforementioned instruments.

(5) Table GK-95 is applied until December 20, 2012 and PASEM 2010 unisex from then on

(6) The guaranteed yield depends on the date that the premium enters into force.

(7) Life-time survivor annuities, with an insured sum in the case of death for the variable kind.

(8) Table GR-95 is applied until December 20, 2012 and GR-95 unisex from then on.

(1) In case of life, a sum at maturity is guaranteed. In case of death, payment of the capitalized initial premium plus an additional sum is guaranteed.

(2) During the validity of the insurance, for periods with guaranteed return, a fixed technical interest rate for each policy/period or a return indexed to the performance of certain indices or assets.

(3) In case of death, payment of the mathematical reserve is guaranteed plus an additional sum.

(4) In annuity insurance with counter-insurance, on the insured person's death the sum received by the beneficiary is the premium plus an additional percentage.

(5) For the entire life of the policy there are interest rate commitments for three, five or ten year periods. On maturity, it is renewed with a minimum guaranteed interest rate.

(6) Life risk insurance, renewable annually or for a period, with fixed or variable sums and sums in the case of death and/or absolute permanent disability, accidental death and advance of capital in the case of serious illnesses.

(7) There is no guaranteed yield as it is a unit-link product.

Technical conditions at BANKINTER VIDA

Categories	Coverage	Tables	Technical interest
Single premium individual contracts without profit sharing:			
- Insurance with counterinsurance	(4)	GK95/PASEM 2010	2.54% (5)
- Combined insurance	(1)	GR95	3.29% (2)
- Combined insurance	(3)	GRM80/GK95	(7)
- Combined insurance	(3)	GK95/PASEM 2010	(7)
Regular premium individual contracts without profit sharing:			
- Funeral insurance	(6)	GK80/GK95/PASEM 2010	1.92%

Technical conditions at CCM VIDA Y PENSIONES

CATEGORIES	COVERAGE	TABLES	TECHNICAL INTEREST	PROFIT SHARING	
				Amount	distribution
Regular premium contracts with profit sharing:					
- Combined insurance CE04	(1)	GRM/F-95	2.00%	0.11	(2)
- Combined insurance PPA	(3)	GKM/F-95/ PASEM	1.50%	0.55	(2)
- Combined insurance AC02	(4)	GKM/F-80/ PASEM	1.75%	0.40	(2)
- Combined insurance CE05	(1)	PER 2000	2.00%	0.04	(2)
- Combined insurance CE06	(1)	PER 2000	1.00%	--	(2)
Single premium group contracts treated individually without profit sharing:					
- Longevity PV11	(5)	GRM/F-95/ PASEM	3.71%	--	--
- Combined insurance UL11	(6)	PASEM VARONES	(7)	--	--
- Combined insurance UL12	(6)	PASEM VARONES	(7)	--	--
- Longevity RFE1	(8)	GRM/F-95/ PER2000	4.45%	--	--
Figures in millions of euros					

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 CEO6 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) Single premium savings-investment insurance in which the policyholder assumes the risk of the investment. If the insured person is alive on the maturity date, the beneficiaries of the policy receive a sum that is equal to the result of multiplying the number of account units allocated to the policy by their net asset value on the maturity date of the insurance policy. If the insured person dies before the maturity date, the beneficiaries of the policy receive an amount consisting of the sum of:

- The result of multiplying the number of account units allocated to the policy by their net asset value on the date when the incident is reported.
- An additional sum amounting to one percent of the single premium. In any case, this additional sum will not exceed the established ceiling of 10,000 euros.

Additionally, if the insured person dies as a consequence of an accident before maturity, the beneficiaries named in the policy will receive an insured sum equivalent to 49 percent of the single premium. In any case, this may not exceed the established ceiling of 50,000 euros.

(7) Unit-linked life insurance.

(8) 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 ASEGURADORA VALENCIANA DE SEGUROS Y REASEGUROS (ASEVAL)

Categories	Coverage	Tables used	Technical interest	Profit sharing
Risk				
- Caja Vida	(2)	GKMF80/GKMF95/ PASEM	--	NO
- Financing Insurance	(2)	GKMF80/GKMF95/ PASEM	--	NO
Savings				
- Cavalsegur CS	(1)	GKMF80/GKMF95/ PASEM (3)	1% - 4.5%	NO
- Pequeplan	(1)	GKMF80/GKMF95/ PASEM (3)	1% - 4.5%	NO
- PIAS	(1)	GKMF80/GKMF95/ PASEM (3)	1% - 1.75%	NO
Immediate Life Annuities	(1)	GRMF95	3% - 5%	NO
Insured Income	(1)	GRMF80/ PERMF2000P	2% - 6%	SI/NO
Group insurance to process pension commitments	(1)	GR-95/PERMF2000P	2% - 6.03%	NO

(1) Survival and death.

(2) Death.

(3) The tables used correspond to the additional sum in the case of death.

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 2014 and 2013 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, total or partial permanent disability due to accident	AT-83	Bank channel
BB seguro vida mulher	Monthly	Natural or accidental death	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
Life insurance - Banco Popular do Brasil	Half-yearly	Natural or accidental death	AT-83	Bank channel
Other group life insurance products	Monthly, two-monthly, quarterly, six-monthly, annual, single	Natural or accidental death, compensation for accidental death, total or partial permanent disability due to accident	AT-49 AT-83	Bank channel, broker
Lender	Monthly, single	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 2014 and 2013 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 characteristics of the main types sold in 2014 and 2013 are shown below.

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 and death occurring 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

3.4. PERFORMANCE OF THE CLAIMS RATIO

The following table shows the performance of the claims ratio for Non-Life direct insurance from the year of occurrence until the close of 2014 and 2013. 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 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											
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004 y anteriores	Total
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

Year 2013

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	3,592.65	1,750.76	1,143.43	809.79	574.36	403.85	285.86	226.25	193.22	136.00	98.56
	Cumulative payments	15,045.46	16,754.70	17,341.82	17,658.60	17,885.34	18,035.11	18,103.09	18,155.89	18,192.61	18,222.11	18,247.11
	TOTAL COST	18,638.11	18,505.46	18,485.25	18,468.39	18,459.70	18,438.96	18,388.95	18,382.14	18,385.83	18,358.11	18,345.67
2004	Outstanding provision	1,845.72	771.67	491.91	333.92	195.01	122.43	79.72	64.32	36.29	27.39	
	Cumulative payments	2,567.27	3,522.41	3,759.32	3,892.00	3,990.34	4,037.22	4,062.98	4,078.87	4,091.35	4,102.39	
	TOTAL COST	4,412.99	4,294.08	4,251.23	4,225.92	4,185.35	4,159.65	4,142.70	4,143.19	4,127.64	4,129.78	
2005	Outstanding provision	2,181.59	914.09	526.31	344.21	207.30	154.18	110.81	124.81	71.15		
	Cumulative payments	3,026.76	4,131.00	4,406.12	4,596.21	4,707.46	4,797.34	4,828.63	4,846.16	4,857.46		
	TOTAL COST	5,208.35	5,045.09	4,932.43	4,940.42	4,914.76	4,951.52	4,939.44	4,970.97	4,928.61		
2006	Outstanding provision	2,272.96	961.58	546.84	331.56	225.70	148.14	103.65	80.78			
	Cumulative payments	3,258.14	4,424.87	4,767.10	4,945.05	5,077.90	5,140.01	5,173.57	5,197.82			
	TOTAL COST	5,531.10	5,386.45	5,313.94	5,276.61	5,303.60	5,288.15	5,277.22	5,278.60			
2007	Outstanding provision	2,625.40	986.18	628.24	371.99	282.58	201.45	159.33				
	Cumulative payments	3,627.78	5,007.34	5,337.61	5,602.90	5,700.00	5,770.31	5,800.60				
	TOTAL COST	6,253.18	5,993.52	5,965.85	5,974.89	5,982.58	5,971.76	5,959.93				
2008	Outstanding provision	2,585.97	1,020.98	574.05	380.66	285.47	223.50					
	Cumulative payments	4,093.45	5,525.93	5,875.08	6,061.66	6,161.04	6,220.87					
	TOTAL COST	6,679.42	6,546.91	6,449.13	6,442.32	6,446.51	6,444.37					
2009	Outstanding provision	2,421.11	804.77	469.06	289.67	226.65						
	Cumulative payments	4,423.95	5,809.63	6,095.78	6,259.01	6,339.91						
	TOTAL COST	6,845.06	6,614.40	6,564.84	6,548.68	6,566.56						
2010	Outstanding provision	2,752.88	1,011.76	603.01	353.75							
	Cumulative payments	5,137.67	6,774.26	7,138.00	7,418.51							
	TOTAL COST	7,890.55	7,786.02	7,741.01	7,772.26							
2011	Outstanding provision	2,181.17	686.29	435.32								
	Cumulative payments	5,005.38	6,411.80	6,714.09								
	TOTAL COST	7,186.55	7,098.09	7,149.41								
2012	Outstanding provision	2,503.45	792.29									
	Cumulative payments	4,755.52	6,344.77									
	TOTAL COST	7,258.97	7,137.06									
2013	Outstanding provision	2,636.99										
	Cumulative payments	5,346.27										
	TOTAL COST	7,983.26										

Figures in millions of euros

December 31, 2013

ITEM	YEAR OF OCCURRENCE											
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004 y anteriores	Total
Provision for claims Non-Life direct insurance	2,636.99	792.29	435.32	353.75	226.65	223.50	159.33	80.78	71.15	27.39	98.56	5,105.71

Figures in millions of euros

The percentage of the claims ratio shown in the preceding tables that corresponds to ceded reinsurance amounts overall to 17.83 percent and 17.43 percent in financial years 2014 and 2013, respectively.

Details on the performance of the claims ratio 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 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 taxes	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

Year 2013

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 taxes	643.20	(109.34)	--	56.32	50.02	(325.57)	(1.01)	313.62
Reserve for payments of liquidation agreements	11.60	(0.07)	--	21.73	--	(22.48)	--	10.78
Provisions for restructuring	23.04	--	--	43.25	--	(10.78)	--	55.51
Other provisions on staff related commitments	127.17	(22.09)	--	84.43	1.79	(120.63)	(1.25)	69.42
Other provisions	249.01	(14.96)	--	70.53	16.60	(117.96)	(5.77)	197.45
TOTAL	1,054.02	(146.46)	--	276.26	68.41	(597.42)	(8.03)	646.78

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. In determining the value of the provision, it has not been necessary to make assumptions about future events.

PROVISION FOR TAXES

As at December 31, 2014 and 2013, the "Provision for taxes" heading included tax liabilities amounting to 309.05 million and 287.74 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 302.79 million euros (281.73 million euros at December 31, 2013) and the Social Integration Program (PIS) amounting to 6.26 million euros (6.01 million euros at December 31, 2013). 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 companies' turnover.

The amount of the provisions applied during financial year 2013 included, among others, the payment of PIS and COFINS for the amount of 224.86 million euros, made by two of the group's Brazilian insurance entities within the framework of the transactional agreement proposed by the Brazilian government and which meant that these companies therefore settled the full contingency for these taxes until December 31, 2012, with a 100 percent discount on interest, charges and penalties. The applied provision of 273.87 million euros included these items, and the acceptance of the Brazilian government's proposal generated a positive result in 2013 for the difference with the payment made. This acceptance also had a positive fiscal effect (see Note 6.21), amounting to an overall 112.08 million euros in the 2013 results.

OTHER PROVISIONS

Among others, "Other provisions" includes the contingency payments deriving from the business combinations carried out in previous years to the tune of 78.42 million and 76.63 million euros at December 31, 2014 and 2013, respectively, having released contingency payments in 2013 for 73.5 million euros.

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 operations, on reinsurance operations, tax debt 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 2014 and 2013 is shown below:

REVENUES FROM INVESTMENTS

ITEM	REVENUES FROM INVESTMENTS FOR:				FINANCIAL REVENUES FROM OTHER ACTIVITIES		TOTAL	
	OPERATING INVESTMENT		EQUITY					
	2014	2013	2014	2013	2014	2013	2014	2013
REVENUES FROM INTEREST, DIVIDENDS AND SIMILAR								
Property investments								
Rentals	47.74	35.81	2.88	2.71	15.09	17.66	65.71	56.18
Other	0.38	0.54	0.28	7.05	1.49	0.15	2.15	7.74
Revenues from held-to-maturity portfolio								
Fixed income	227.23	214.05	1.03	0.20	0.85	0.04	229.11	214.29
Other investments	4.76	1.26	0.53	0.59	0.02	--	5.31	1.85
Revenues from portfolio available for sale	1,301.02	1,257.58	96.96	146.62	5.76	7.38	1,403.74	1,411.58
Revenues from the trading portfolio	281.66	327.76	0.59	1.46	0.35	3.99	282.60	333.21
Other financial returns	122.33	173.52	85.40	14.26	17.55	20.66	225.28	208.44
TOTAL REVENUE	1,985.12	2,010.52	187.67	172.89	41.11	49.88	2,213.90	2,233.29
REALIZED AND UNREALIZED GAINS								
Net realized gains:								
Property investments	18.93	18.03	1.24	9.30	3.11	7.63	23.28	34.96
Held-to-maturity portfolio financial investments	9.44	4.78	0.03	--	6.27	--	15.74	4.78
Financial investments portfolio available for sale	243.15	353.49	70.81	52.33	0.83	3.14	314.79	408.96
Financial investments trading portfolio	22.41	10.01	0.18	0.46	23.79	13.01	46.38	23.48
Other	3.66	0.57	0.15	25.74	--	--	3.81	26.31
Unrealized gains:								
Increase in fair value of the trading portfolio and earnings from derivatives	176.62	45.39	1.63	2.75	1.51	0.01	179.76	48.15
Other	8.77	1.84	--	0.01	0.07	--	8.84	1.85
TOTAL GAINS	482.98	434.11	74.04	90.59	35.58	23.79	592.60	548.49
TOTAL REVENUES FROM INVESTMENTS	2,468.10	2,444.63	261.71	263.48	76.69	73.67	2,806.50	2,781.78
Figures in millions of euros								

Figures in millions of euros

EXPENSES FROM INVESTMENTS

ITEM	INVESTMENT EXPENSES FOR:				FINANCIAL EXPENSES FROM OTHER ACTIVITIES		TOTAL	
	OPERATING INVESTMENT		EQUITY		2014	2013	2014	2013
	2014	2013	2014	2013				
FINANCIAL EXPENSES								
Property investments								
Direct operating expenses	23.03	24.70	5.01	5.34	--	--	28.04	30.04
Other expenses	6.89	11.98	--	--	8.35	10.67	15.24	22.65
Expenses from held-to-maturity portfolio								
Fixed income	40.26	46.09	0.33	1.01	--	0.11	40.59	47.21
Other investments	1.34	--	--	--	0.01	--	1.35	--
Expenses from the portfolio available for sale	139.65	133.04	26.33	33.63	--	--	165.98	166.67
Expenses from the trading portfolio	151.09	165.15	0.97	1.13	--	0.27	152.06	166.55
Other financial expenses	71.41	91.83	2.10	9.68	114.16	107.75	187.67	209.26
TOTAL EXPENSES	433.67	472.79	34.74	50.79	122.52	118.80	590.93	642.38
REALIZED AND UNREALIZED LOSSES								
Net realized losses								
Property investments	7.03	5.64	0.16	0.77	0.46	0.65	7.65	7.06
Held-to-maturity portfolio financial investments	0.04	--	--	--	--	--	0.04	--
Financial investments portfolio available for sale	37.41	231.23	6.90	23.11	--	2.77	44.31	257.11
Financial investments trading portfolio	1.84	0.55	0.03	--	2.60	7.84	4.47	8.39
Other	26.72	25.19	0.22	0.08	2.81	2.30	29.75	27.57
Unrealized losses								
Decrease in fair value of trading portfolio and losses in derivatives	0.23	57.63	--	--	1.76	--	1.99	57.63
Other	0.51	0.60	0.07	--	8.11	0.12	8.69	0.72
TOTAL LOSSES	73.78	320.84	7.38	23.96	15.74	13.68	96.90	358.48
TOTAL INVESTMENT EXPENSES	507.45	793.63	42.12	74.75	138.26	132.48	687.83	1,000.86
Figures in millions of euros								

Figures in millions of euros

The expenses arising from the investment portfolio mainly stem from financial swaps related to insurance operations.

6.19. Operating expenses

A breakdown of net operating expenses by destination for the last two financial years is shown below.

ITEM	DIRECT INSURANCE				REINSURANCE		OTHER		ADJUSTMENTS FOR		TOTAL	
	LIFE		NON-LIFE		2014	2013	2014	2013	2014	2013	2014	2013
	2014	2013	2014	2013								
I. Acquisition expenses	(913.46)	(733.36)	(2,812.41)	(2,803.29)	(1,016.06)	(958.32)	--	--	420.37	360.36	(4,321.56)	(4,134.61)
II. Administration expenses	(136.32)	(220.46)	(608.45)	(768.31)	(42.42)	(29.86)	--	--	2.31	(2.31)	(784.88)	(1,020.94)
III. Commissions and shares in assigned and retro-assigned reinsurance	58.85	66.26	399.45	408.36	310.04	216.65	--	--	(357.87)	(290.41)	410.47	400.86
IV. Operating expenses from other activities	--	--	--	--	--	--	(1,034.89)	(1,037.21)	558.46	494.06	(476.43)	(543.15)
TOTAL	(990.93)	(887.56)	(3,021.41)	(3,163.24)	(748.44)	(771.53)	(1,034.89)	(1,037.21)	623.27	561.70	(5,172.40)	(5,297.84)

Figures in millions of euros

In accordance with their nature, all staff expenses and allocations for amortization charges in the last two financial years are shown below.

ITEM	AMOUNT	
	2014	2013
Personnel expenses	1,601.23	1,513.28
Depreciation charges	274.57	275.83
TOTAL	1,875.80	1,789.11

Figures in millions of euros

The following table offers a breakdown of amortization charges per activity segment:

ITEM	AMOUNT	
	2014	2013
Direct Insurance		
a) Life	73.58	80.09
b) Automobile	69.10	64.47
c) Other Non-Life	92.38	88.29
Reinsurance	6.94	6.35
Other activities	32.57	36.63
TOTAL	274.57	275.83

Figures in millions of euros

6.20. Results of ceded and retroceded reinsurance

The results of ceded and retroceded reinsurance operations in the financial years 2014 and 2013 are shown below:

ITEM	NON-LIFE		LIFE		TOTAL	
	2014	2013	2014	2013	2014	2013
Premiums	(2,599.18)	(2,713.04)	(268.23)	(334.02)	(2,867.41)	(3,047.06)
Change in the provision for unexpired premiums and for risks in progress	22.00	117.49	(4.52)	(6.28)	17.48	111.21
Claims paid and change in the provision for claims	1,281.24	995.28	160.60	222.36	1,441.84	1,217.64
Change in mathematical reserve and other technical provisions	4.67	--	7.74	8.84	12.41	8.84
Participation of reinsurance in commissions and expenses	322.09	315.25	88.38	85.61	410.47	400.86
RESULT OF ASSIGNED AND RETRO-ASSIGNED REINSURANCE	(969.18)	(1,285.02)	(16.03)	(23.49)	(985.21)	(1,308.51)

Figures in millions of euros

6.21. Tax position

FISCAL CONSOLIDATION REGIME

INCOME TAX

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 2014 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 2014 is provided Appendix 1 of this report.

Components of income tax expenses and reconciliation of the book result with the tax cost of ongoing operations

Shown below for the financial years ending December 31, 2014 and 2013, are the main components of the income tax expenses from ongoing operations and the reconciliation between the income tax 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.

ITEM	AMOUNT	
	Year 2014	Year 2013
Tax expense		
Result before taxes from ongoing operations	1,824.05	1,563.91
30 percent of result before taxes from ongoing operations	547.22	469.17
Tax effect of the permanent differences	(50.43)	(83.46)
Tax incentive for the financial year	(18.59)	(14.76)
Tax effect of tax rates other than 30 percent	3.80	4.02
Total expense from current tax originating in the financial year	482.00	374.97
Expense from current tax originating in previous years	14.96	(2.53)
Receivables from negative tax bases not recognized from previous periods, deductions pending application or temporary differences	3.15	--
TOTAL TAX EXPENSE OF ONGOING OPERATIONS	500.11	372.44
Tax on profits to be paid		
Withholdings and payments on account	(480.23)	(407.43)
Temporary differences	60.42	18.54
Tax receivables and incentives applied, registered in previous years	(6.67)	(7.78)
Tax on earnings for discontinued operations	--	0.03
NET TOTAL TAX ON EARNINGS (RECEIVABLE)	73.63	(24.20)

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.

The permanent negative differences in 2013 mainly derive from the tax benefits from the transactional agreement proposed by the Brazilian government with regard to the settlement of PIS and COFINS tax, as explained in Note 6.15 Provisions for risks and expenses.

With regard to Spanish companies, the general tax rate (30 percent) has been reduced by five percentage points for the next two years under the current regulations. In 2014 this change in taxation affected the measurement of future tax assets and liabilities, which were calculated according to the anticipated tax rates at the time. The deferred taxes recorded in previous years have been recalculated taking into account the new tax rates and recorded in the balance sheet or equity depending on the item from which they derive.

Deferred tax assets

The following tables show the movements in deferred tax assets in the financial years 2014 and 2013, with a breakdown of the amounts for items directly debited or credited to equity accounts in each financial year.

Year 2014

ITEM	OPENING BALANCE	ADJUSTMENTS TO THE OPENING BALANCE	CHANGES TO THE SCOPE	FROM		DERECOG- NIZED	CLOSING BALANCE
				Results	Equity		
Measurement difference in financial investments	244.12	1.78	0.22	--	33.49	(2.99)	276.62
Measurement difference in mathematical provisions by shadow accounting	415.77	--	95.26	--	705.79	(75.24)	1,141.58
Measurement difference in the provision for funeral insurance	5.10	--	--	0.29	--	(2.98)	2.41
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
Technical provisions	72.72	9.89	--	(0.58)	--	(15.92)	66.11
Tax receivables derived from PIS, COFINS and REFIS (Note 6.15)	223.99	2.62	--	(1.36)	--	--	225.25
Other items	74.21	0.99	0.04	31.50	--	(49.10)	57.64
TOTAL	1,305.07	12.34	98.21	77.75	739.28	(209.32)	2,023.33

Figures in millions of euros

Year 2013

ITEM	OPENING BALANCE	ADJUSTMENTS TO THE OPENING BALANCE	CHANGES TO THE SCOPE	FROM		DERECOG- NIZED	CLOSING BALANCE
				Results	Equity		
Measurement difference in financial investments	478.47	(1.14)	--	(7.69)	(161.87)	(63.65)	244.12
Measurement difference in mathematical provisions by shadow accounting	190.31	--	--	(0.44)	255.33	(29.43)	415.77
Measurement difference in the provision for funeral insurance	5.12	--	--	--	--	(0.02)	5.10
Tax receivables on negative tax bases	25.38	(4.06)	--	6.84	--	(7.73)	20.43
Receivables on tax incentives	0.05	--	--	14.76	--	(12.88)	1.93
Pension complements and other staff related commitments	102.15	(1.28)	--	4.37	--	(0.93)	104.31
Reserves for uncollected premiums	11.51	(0.16)	--	7.30	--	(7.31)	11.34
Provisions for liabilities and others	106.46	(2.20)	--	62.77	--	(35.88)	131.15
Technical provisions	76.11	(3.29)	--	(0.10)	--	--	72.72
Tax receivables derived from PIS, COFINS and REFIS (Note 6.15)	95.77	(16.28)	--	80.17	--	--	159.66
Other items	144.94	(16.94)	--	16.41	--	(5.87)	138.54
TOTAL	1,236.27	(45.35)	--	184.39	93.46	(163.70)	1,305.07

Figures in millions of euros

Deferred tax assets of the fully consolidated companies, as a consequence of negative tax bases pending application and of the deductible temporary differences accumulated as at December 31, 2014 and 2013, amount to 2,033.7 million and 1,316.33 million euros, respectively.

Of the total amount of deferred tax assets, the balance sheet and the equity or profit and loss accounts include 2,023.33 million euros as at December 31, 2014 and 1,305.07 million euros as at December 31, 2013.

The remaining deferred tax assets accumulated as at December 31, 2014 and 2013, which amount to 10.37 million and 11.26 million euros, respectively, have not been recorded pursuant to IFRS criteria.

Deferred tax liabilities

The following tables show the movements in deferred tax liabilities for the financial years 2014 and 2013:

Year 2014

ITEM	OPENING BALANCE	ADJUSTMENTS TO THE OPENING BALANCE	CHANGES TO THE SCOPE	FROM		DERECOG- NIZED	CLOSING BALANCE
				Results	Equity		
Measurement difference in financial investments	793.98	(0.10)	115.52	(50.50)	1,026.74	(85.62)	1,800.02
Measurement difference in mathematical provisions by shadow accounting.	17.50	--	7.63	10.91	(23.11)	(0.60)	12.33
Stabilization and catastrophe provision	265.89	0.81	--	19.77	--	(29.45)	257.02
Portfolio acquisition expenses and other acquisition expenses	630.95	4.51	27.30	(20.22)	--	(114.90)	527.64
Other recognized revenue and expenses	25.44	--	--	--	0.04	(6.20)	19.28
Other	7.05	0.44	--	38.49	--	--	45.98
TOTAL	1,740.81	5.66	150.45	(1.55)	1,003.67	(236.77)	2,662.27

Figures in millions of euros

Year 2013

ITEM	OPENING BALANCE	ADJUSTMENTS TO THE OPENING BALANCE	CHANGES TO THE SCOPE	FROM		DERECOG- NIZED	CLOSING BALANCE
				Results	Equity		
Measurement difference in financial investments	614.53	(1.30)	--	(38.52)	251.06	(31.79)	793.98
Measurement difference in mathematical provisions by shadow accounting.	67.85	--	--	7.39	(48.09)	(9.65)	17.50
Stabilization and catastrophe provision	280.13	(4.22)	--	17.18	--	(27.20)	265.89
Portfolio acquisition expenses and other acquisition expenses	757.61	(71.51)	--	(24.53)	--	(30.62)	630.95
Other recognized revenue and expenses	26.32	(0.05)	--	2.14	(0.05)	(2.92)	25.44
Other	26.63	(9.76)	--	20.93	--	(30.75)	7.05
TOTAL	1,773.07	(86.84)	--	(15.41)	202.92	(132.93)	1,740.81

Figures in millions of euros

The full amount of the deferred tax liabilities of fully consolidated companies as a result of the temporary differences accumulated as at December 31, 2014 and 2013 has been recorded in the balance sheets at the said dates.

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	
	2014	2013	2014	2013	2014	2013	2014	2013
2005	0.36	5.38	11.04	11.40	0.94	2.93	2.74	0.49
2006	--	2.00	0.07	0.07	0.02	0.02	--	--
2007	--	--	0.22	0.22	0.02	0.02	0.03	0.05
2008	7.76	12.88	16.38	24.14	1.78	6.20	1.45	1.04
2009	--	--	1.81	1.81	0.16	0.16	0.28	0.38
2010	--	--	1.78	1.78	0.31	0.10	0.14	0.43
2011	--	2.39	9.15	9.15	0.64	1.52	1.92	1.23
2012	3.97	3.10	22.36	26.33	3.53	6.70	1.36	1.20
2013	3.70	--	24.15	27.85	5.14	2.78	1.13	6.44
2014	--	--	17.95	--	3.07	--	1.32	--
TOTAL	15.79	25.75	104.91	102.75	15.61	20.43	10.37	11.26

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 (28 percent in 2015 and 25 percent in the following years).

Tax incentives

A breakdown of tax incentives in fully consolidated companies for the financial years 2014 and 2013 is shown below:

MODULE	AMOUNT APPLIED IN THE FINANCIAL YEAR		AMOUNT PENDING APPLICATION		AMOUNT NOT RECORDED	
	2014	2013	2014	2013	2014	2013
Double taxation deduction	72.52	60.68	--	--	--	--
Job creation and others	18.38	12.88	2.14	1.93	--	--
TOTAL	90.90	73.56	2.14	1.93	--	--

Figures in millions of euros

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 FAMILIAR COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A., a notice of disagreement has been 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.

Additionally, notices of disagreement have been signed for "Withholdings on earnings" for 2008 and 2009 for the total amount of 0.49 million euros, and for "Withholdings on investment income" for 2008 and 2009 for the amount of 5.38 million euros, which affects MAPFRE VIDA and MAPFRE FAMILIAR, and appeals have been filed with the Central Economic Administrative Court.

Furthermore, notices of disagreement have been signed for "Value added tax" for 2008 and 2009 for the total amount of 0.14 million euros, mainly affecting MAPFRE VIDA, and for "Withholdings on earnings" for 2008 and 2009 for a total amount of 1.19 million euros, which affects MAPFRE, S.A., MAPFRE VIDA and MAPFRE FAMILIAR, which were both settled at the financial year closing date. A notice of disagreement has also been signed in connection with the value added tax of MAPFRE ASISTENCIA for 2008 and 2009, resulting in a refund of 1.35 million euros.

In 2014 limited inspections were initiated at MAPFRE FAMILIAR and MAPFRE VIDA affecting withholdings on income investment for the years 2010 to 2013, in relation to certain risk and savings insurance products, and said inspections were ongoing at the close of the year.

Consequently, at December 31, 2014 all taxes relating to years 2011 to 2014 of the consolidated companies are open to inspection, as are the corporation tax and withholdings on investment income for 2010 of MAPFRE FAMILIAR and MAPFRE VIDA.

The most significant amounts relating to MAPFRE GROUP tax inspections initiated in previous years correspond to the corporation tax for 1999, 2000 and 2001 of MAPFRE FAMILIAR (2.7 million euros) and MAPFRE VIDA (2 million euros). The group has filed an appeal against these payments with the National Court and the High Court respectively, which have yet to hand down rulings.

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, 2014.

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	
	2014	2013
Short-term remuneration		
Wages and salaries	1,089.69	972.11
Social Security	230.85	226.68
Other remuneration	217.14	232.81
Post-employment benefits		
Defined contribution commitments	19.65	10.91
Defined benefit commitments	4.07	2.96
Other long-term remuneration	20.82	18.64
Termination payments	20.37	48.28
Share-based payments	(1.36)	0.89
TOTAL	1,601.23	1,513.28

Figures in millions of euros

MAIN POST-EMPLOYMENT AND OTHER 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 53.28 million and 60.37 million euros, respectively, as at December 31, 2014 and 2013, 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 13.8 million and 14.22 million euros as at December 31, 2014 and 2013 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	2014	2013
PRESENT VALUE OF OBLIGATION AS OF 1ST JANUARY	74.59	74.96
Cost of services in the current year	--	--
Interest cost	2.78	3.08
Contributions made by plan members	--	--
Actuarial gains and losses	0.84	0.98
Modifications due to exchange rate changes	--	--
Benefits paid	(4.10)	(4.36)
Cost of past services	--	--
Business combinations	--	--
Reductions	--	--
Settlements	--	--
Other items	(7.03)	(0.07)
PRESENT VALUE AS OF 31ST DECEMBER	67.08	74.59

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	2014	2013
VALUE OF ASSETS ALLOCATED TO THE PLAN AND REIMBURSEMENT RIGHTS AS OF 1ST JANUARY	74,59	74,96
Expected return from assets allocated to the plan	2,78	3,08
Actuarial gains and losses	0,84	0,98
Modifications due to exchange rate changes	--	--
Contributions made by the employer	--	--
Contributions made by plan members	--	--
Benefits paid	(4,10)	(4,36)
Other items	(7,03)	(0,07)
VALUE OF ASSETS ALLOCATED TO THE PLAN AND REIMBURSEMENT RIGHTS AS OF DECEMBER 31ST	67,08	74,59

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 2014 and 2013.

Item	2014	2013
Cost of services in the current year	--	--
Interest cost	2,78	3,08
Expected return from assets allocated to the plan	(2,78)	(3,08)
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 2.78 million and 3.08 million euros in 2014 and 2013, 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 2015 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

(6,871,346 in 2013), with a strike price of the aforementioned 3.42 euros per share.

During the financial year 2014 there were two cancellations, compared with three in 2013.

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 (2013) and the quotation at the close of the 2014 was considered.
- The volatility of the underlying asset was that resulting from the performance of the MAPFRE share quotation during 2014.

In line with these parameters, this remuneration system is measured and recognized in the income statement pursuant to the rules explained in Note 5.18 of the annual report. Personnel expenses recorded in the income statement for this item amount to 1.36 million and 0.89 million euros in 2014 and 2013, respectively, with a liability being recognized for the same amount.

At the close of 2014 and 2013 the total book value of the liabilities recorded in relation to share-linked incentive plan was 0.81 million and 2.17 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 2014 and 2013, the net market value of these equity swaps, amounting to 3.65 million and 0.99 million euros respectively, was recorded under "Other financial liabilities" and the variation in the year was included in the consolidated income statement.

NUMBER OF EMPLOYEES

The following table shows the number of employees for the last two financial years, classified by category and gender, and distributed by geographical area.

GEO-GRAPHIC AREA	EXECUTIVES				ADMIN. ASSISTANTS				SALES STAFF				OTHER				TOTAL			
	MEN		WOMEN		MEN		WOMEN		MEN		WOMEN		MEN		WOMEN		MEN		WOMEN	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Spain	779	806	321	307	469	509	1,479	1,492	948	1,614	727	904	3,222	2,532	2,666	2,443	5,418	5,460	5,193	5,146
United States of America	235	243	231	260	451	724	1,395	1,647	124	46	171	75	545	368	728	490	1,355	1,380	2,525	2,471
Brazil	366	356	317	288	1,645	1,276	3,946	2,764	444	462	536	591	299	526	156	966	2,754	2,620	4,955	4,608
Mexico	157	178	119	131	183	170	145	111	231	248	291	323	521	524	327	345	1,091	1,120	883	909
Venezuela	55	73	52	64	261	265	367	397	103	105	218	237	158	121	142	84	577	564	779	781
Colombia	64	72	44	58	122	94	177	93	192	169	312	271	222	228	238	251	601	562	770	671
Argentina	80	129	48	66	151	231	225	402	205	286	138	209	295	256	197	83	731	901	608	760
Turkey	55	36	29	28	199	79	237	110	88	72	121	97	129	109	149	141	470	296	535	375
Chile	44	46	24	28	69	77	106	112	50	54	114	106	104	88	81	71	267	264	324	317
Other countries	374	446	234	273	1,029	979	1,361	1,338	720	729	798	757	1,125	1,038	1,087	932	3,248	3,192	3,479	3,300
AVERAGE TOTAL NUMBER OF EMPLOYEES	2,209	2,384	1,418	1,500	4,579	4,403	9,438	8,465	3,105	3,783	3,425	3,567	6,620	5,789	5,771	5,805	16,512	16,359	20,051	19,337

6.23. Earnings on exchange differences

Exchange gains other than those arising from financial instruments measured at fair value, allocated to the consolidated income statement, amount to 461.28 million and 379.49 million euros in financial years 2014 and 2013, respectively.

Exchange losses other than those arising from financial instruments measured at fair value, allocated to the consolidated income statement, amount to 417.8 million and 343.33 million euros in financial years 2014 and 2013, respectively.

The reconciliation of the translation differences recognized in equity at the beginning and end of 2014 and 2013 is shown below.

DESCRIPTION	AMOUNT	
	2014	2013
EXCHANGE DIFFERENCES AT THE BEGINNING OF THE YEAR	(779.77)	(198.63)
Net exchange differences on valuation of non-monetary items	3.82	(4.59)
Net exchange differences on conversion of financial statements	139.48	(576.55)
EXCHANGE DIFFERENCES AT THE END OF THE YEAR	(636.47)	(779.77)

Figures in millions of euros

As at December 31, 2014 and 2013, the net 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	CURRENCY CONVERSION DIFFERENCES					
		GAINS		LOSSES		NET	
		2014	2013	2014	2013	2014	2013
Fully consolidated companies:							
MAPFRE RE	Europe, America and rest of the world	23.89	47.80	(10.60)	(34.75)	13.29	13.05
MAPFRE AMÉRICA	America	39.00	15.71	(810.22)	(686.29)	(771.22)	(670.58)
MAPFRE INTERNACIONAL	Europe, America and rest of the world	312.75	99.20	(156.66)	(174.73)	156.09	(75.53)
OTHER	--	14.39	3.91	(46.97)	(48.86)	(32.58)	(44.95)
Associated companies	--	--	--	--	--	--	--
TOTAL		390.03	166.62	(1.024.45)	(944.63)	(634.42)	(778.01)
Figures in millions of euros							

6.24. Contingent assets and liabilities

At the end of the financial years 2014 and 2013, 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.

6.25. Business combinations

EXECUTED IN THE FINANCIAL YEARS 2014 AND 2013

Several shareholding interests were acquired in 2014, the most significant of which were the stakes in ASEGURADORA VALENCIANA DE SEGUROS Y REASEGUROS (ASEVAL), LAIETANA VIDA and LAIETANA SEGUROS GENERALES, with ASEVAL and LAIETANA VIDA forming a single cash generating unit. No business combinations were executed for significant amounts in 2013. The fair value of the identifiable assets and liabilities of the interests acquired in 2014 is shown below:

ITEM	YEAR 2014	
	ASEVAL - LAIETANA VIDA	LAIETANA SEGUROS GENERALES
ASSETS		
Portfolio acquisition expenses	91.01	--
Investments	2,960.48	4.00
Deferred tax assets	98.19	0.02
Receivables	11.26	0.05
Cash	85.23	0.69
Other assets	17.84	0.03
TOTAL ASSETS	3,264.01	4.79
LIABILITIES		
Technical provisions	2,574.13	0.02
Deferred tax liabilities	150.45	--
Debt	284.74	0.04
Other Liabilities	2.70	0.02
TOTAL LIABILITIES	3,012.02	0.08
Fair value of the net assets	251.99	4.71
Interest purchased	51%	100%
Fair value of the percentage of purchased net assets	128.51	4.71
First consolidation difference	18.69	(0.21)
NET ACQUISITION COSTS	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. These fair values have been assigned provisionally as the appropriate method for identifying and determining this value is currently being analyzed.

When applicable, the combination acquisition cost includes the amount of deferred payments.

The costs directly attributable to the combinations as independent professional, legal and financial advisory fees, for a total amount of 1.52 million euros, have been recorded as expenses in the consolidated income statement.

The aforementioned interests were included in the consolidated group on November 1, 2014 and have contributed 17.97 million euros to the group's premiums and 1.29 million euros to the controlling company's earnings. If these combinations had been executed at the beginning of the year, they would have contributed 130.55 million euros to the group's premiums and 15.28 million euros to the controlling company's earnings.

The business combinations with no significant cost that were executed in the financial years 2014 and 2013 are listed in Appendix 1.

BUSINESS COMBINATIONS IN THE PROCESS OF EXECUTION

On September 24, 2014 MAPFRE INTERNACIONAL, S.A. reached an agreement to acquire 100 percent of the shares of DIRECT LINE VERSICHERUNG AKTIENGESELLSCHAFT (Direct Line Germany) and DIRECT LINE INSURANCE S.p.A. (Direct Line Italy), for the sum of 550 million euros.

The sale is expected to be finalized in the coming months once the relevant administrative authorizations have been obtained.

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	2014	2013
Received/provided services and other expenses/revenues	617.67	599.37
Expenses/revenues from property investments	24.28	12.47
Expenses/revenues from investments and financial accounts	48.13	45.24
Dividends distributed	1,637.30	1,491.44

Figures in millions of euros

REINSURANCE AND COINSURANCE OPERATIONS

Reinsurance and coinsurance operations conducted between group companies, which have been eliminated in the consolidation process, are shown below:

Item	2014	2013
Assigned/accepted premiums	1,870.56	1,739.88
Benefits	902.91	1,032.59
Changes in technical provisions	55.70	(2.28)
Commissions	361.52	296.61

Figures in millions of euros

The following tables show the balances with reinsurers and ceding companies, deposits given, and technical provisions on reinsurance operations with group companies, all of which have been eliminated in the consolidation process:

Item	2014	2013
Receivables and payables	308.24	202.71
Deposits	83.22	87.73
Technical provisions	1,428.71	1,249.03

Figures in millions of euros

INFORMATION ON CONTROLLED COMPANIES

The following table shows the dividends distributed by controlled companies with significant non-controlling interests:

DEPENDENT INSTITUTION	DIVIDENDS DISTRIBUTED				RESULT ATTRIBUTABLE TO THE NON-CONTROLLING COMPANY	
	CONTROLLING COMPANY		NON-CONTROLLING COMPANY			
	2014	2013	2014	2013	2014	2013
BB MAPFRE SHI PARTICIPAÇÕES, S.A.	67.90	110.91	203.60	332.56	262.84	166.94
BANKIA MAPFRE VIDA, S.A. DE SEGUROS Y REASEGUROS	53.67	25.86	51.57	24.85	34.27	29.28
CATALUNYACAIXA VIDA S.A. D' ASSEGURANCES I	30.69	16.97	30.69	16.97	25.72	20.64
BANKINTER SEGUROS DE VIDA, S.A.	26.54	16.07	26.54	16.07	17.38	16.22
CAJA CASTILLA LA MANCHA VIDA Y PENSIONES, S.A.	15.38	7.28	15.38	7.28	9.21	8.74
UNIÓN DEL DUERO COMPAÑÍA DE SEGUROS DE VIDA, S.A.	11.05	5.60	11.05	5.60	7.81	7.77
MAPFRE RE COMPAÑÍA DE REASEGUROS, S.A.	73.38	78.67	6.79	7.28	11.57	8.91
Figures in millions of euros						

The main figures for significant controlled companies and joint ventures related to insurance activity are shown below:

BALANCE SHEET

ENTITY	INVESTMENTS		CREDITS		TOTAL ASSETS		SHAREHOLDERS' EQUITY		TECHNICAL PROVISIONS	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Dependent										
MAPFRE VIDA SOCIEDAD ANÓNIMA DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	13,062.70	11,251.36	254.89	253.38	15,139.68	12,970.31	1,247.58	998.13	11,802.02	10,273.21
BANKIA MAPFRE VIDA, S.A. DE SEGUROS Y REASEGUROS	5,773.76	4,899.53	15.70	8.33	6,352.77	5,390.70	301.71	311.15	5,487.67	4,614.67
MAPFRE FAMILIAR COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.	4,030.35	3,749.84	752.69	680.13	5,788.75	5,536.82	2,092.77	1,765.91	3,080.20	3,083.45
MAPFRE RE COMPAÑÍA DE REASEGUROS, S.A.	3,556.07	3,066.55	275.66	205.35	4,717.11	4,198.36	1,137.62	975.51	3,147.05	2,871.58
COMPANHIA DE SEGUROS ALIANÇA DO BRASIL, S.A.	1,426.05	1,083.90	1,095.31	817.90	3,225.37	2,489.40	439.71	346.77	1,973.80	1,470.01
MAPFRE GLOBAL RISKS	970.22	866.16	318.76	307.46	2,848.40	2,588.15	559.99	493.65	1,927.22	1,729.52
MAPFRE SEGUROS GERAIS S.A.	722.83	690.97	778.40	603.00	2,643.39	2,136.13	646.90	561.71	1,565.59	1,176.37
SUBTOTAL DEPENDENTS	29,541.98	25,608.31	3,491.41	2,875.55	40,715.47	35,309.87	6,426.28	5,452.83	28,983.55	25,218.81
Joint Business										
SOLUNION SEGUROS DE CREDITO S.A.	98.07	84.18	55.14	81.26	396.18	427.41	115.05	112.38	181.92	191.13
SUBTOTAL JOINT BUSINESS	98.07	84.18	55.14	81.26	396.18	427.41	115.05	112.38	181.92	191.13

Figures in millions of euros

INCOME STATEMENT

ENTITY	REVENUE				RESULTS					
	OF INSURANCE BUSINESS		TOTALS		OF INSURANCE BUSINESS		OF OPERATIONS		OF GLOBAL ACCOUNT	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Dependent										
MAPFRE VIDA SOCIEDAD ANÓNIMA DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	2,104.13	2,222.76	2,139.45	2,247.10	174.76	91.27	167.42	94.59	178.92	116.78
BANKIA MAPFRE VIDA, S.A. DE SEGUROS Y REASEGUROS	676.35	626.73	709.65	670.37	99.70	85.20	69.86	59.69	95.84	84.67
MAPFRE FAMILIAR COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.	3,608.06	3,688.48	3,866.85	3,898.53	355.56	283.13	241.00	204.08	516.87	323.62
MAPFRE RE COMPAÑÍA DE REASEGUROS, S.A.	2,490.32	2,568.99	3,762.73	3,597.12	192.33	147.48	136.62	105.23	246.11	125.55
COMPANHIA DE SEGUROS ALIANÇA DO BRASIL, S.A.	1,583.39	1,237.84	2,309.42	2,000.55	620.70	425.07	411.99	294.80	410.66	292.54
MAPFRE GLOBAL RISKS	390.05	406.01	1,138.29	1,231.45	102.22	105.88	87.91	93.35	111.69	100.46
MAPFRE SEGUROS GERAIS S.A.	1,598.22	1,332.10	2,084.13	1,728.80	32.75	31.92	21.09	81.07	22.23	79.01
SUBTOTAL DEPENDENTS	12,450.52	12,082.91	16,010.52	15,373.92	1,578.02	1,169.95	1,135.89	932.81	1,582.32	1,122.63
Joint Business										
SOLUNION SEGUROS DE CREDITO S.A.	22.50	29.53	150.61	154.07	9.44	(19.10)	3.48	(14.27)	4.06	(15.58)
SUBTOTAL JOINT BUSINESS	22.50	29.53	150.61	154.07	9.44	(19.10)	3.48	(14.27)	4.06	(15.58)

Figures in millions of euros

The main figures for significant controlled companies and joint ventures related to non-insurance activity are shown below:

BALANCE SHEET

ENTITY	CURRENT ASSETS		TOTAL ASSETS		SHAREHOLDERS' EQUITY		CURRENT LIABILITIES	
	2014	2013	2014	2013	2014	2013	2014	2013
Dependiente								
BRICKELL FINANCIAL SERVICES MOTOR CLUB INC.	25.53	20.98	28.24	23.75	9.85	8.59	8.69	6.51
CENTURY AUTOMOTIVE SERVICES COMPANY	11.57	8.28	169.74	130.00	3.86	3.22	16.27	12.74
FUNESPAÑA, S.A.	35.62	49.81	192.82	232.73	98.41	93.67	85.03	95.91
MAPFRE INVERSIÓN SOCIEDAD DE VALORES S.A.	54.32	89.13	209.67	221.69	176.40	165.32	22.71	45.50
TOTAL DEPENDIENTES	127.04	168.20	600.47	608.17	288.52	270.80	132.70	160.66

Datos en millones de euros

INCOME STATEMENT

ENTITY	INCOME		RESULTS			
			FROM OPERATIONS		FROM GLOBAL ACCOUNT	
	2014	2013	2014	2013	2014	2013
Dependiente						
BRICKELL FINANCIAL SERVICES MOTOR CLUB INC.	107.58	86.58	0.08	1.05	0.08	1.05
CENTURY AUTOMOTIVE SERVICES COMPANY	99.85	90.95	1.22	1.79	0.80	2.86
FUNESPAÑA, S.A.	88.64	149.11	3.73	(0.30)	3.68	(0.23)
MAPFRE INVERSIÓN SOCIEDAD DE VALORES S.A.	87.16	86.03	33.49	31.78	36.64	35.96
TOTAL DEPENDIENTES	383.23	412.67	38.52	34.32	41.20	39.64

Datos en millones de euros

INFORMATION ON JOINT ARRANGEMENTS

In the financial years 2014 and 2013 MAPFRE GLOBAL RISKS did not receive any dividends from SOLUNION.

The cost and fair value of the stake in the SOLUNION joint venture at the close of the year were 46.12 million and 56.19 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	
							REVENUE		EXPENSES			
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
SOLUNION SEGUROS DE CREDITO S.A.	15.69	33.54	--	--	2.69	1.92	2.03	3.83	1.30	0.94	(4.23)	8.69
TOTAL	15.69	33.54	--	--	2.69	1.92	2.03	3.83	1.30	0.94	(4.23)	8.69
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	
	2014	2013
Short-term remuneration		
Wages	5.84	4.66
Fixed allowances	1.73	1.99
Per diems	0.74	1.02
Life insurance	0.12	0.10
Other items	0.04	0.05
Post-employment remuneration		
Defined contribution	2.11	2.30
Long service bonuses	0.01	0.01
Share-based payments	(0.41)	0.29
TOTAL	10.18	10.42

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 47,003 euros in 2014 and 2013. This amount is increased by 50 percent for directors who hold a position on the board or who chair a steering committee or delegated committee, though this increase is not accumulative for directors who hold several positions.

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.

External directors serving on steering committees or delegated committees also received an attendance allowance, which amounted to 4,700 euros in 2014 and 2013 for attending the steering committee, and 4,113 euros in 2014 and 2013 for attending other committees. These attendance allowances have been abolished for 2015 and replaced by a fixed amount for membership of the aforementioned delegate bodies.

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 entity'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. Executive directors do not receive the remuneration assigned to the external directors, with the exception of a fixed remuneration as chairmen of the Regional Advisory Committee and until the month of February an allowance for attending the Steering Committee, which amounted to 4,700 euros in 2014 and 2013. Furthermore, other remuneration consisting

in non-recurrent items amounting to 4.29 million euros also accrued in the financial year 2014.

Additionally this year, in line with the remuneration policy for executives, expenses have been accrued for medium-term incentives for the amount of 2.08 million euros (2.37 million in 2013).

The estimated amounts pending payment to key managerial staff at December 31, 2014 and 2013 are shown below:

ITEM	AMOUNT	
	2014	2013
Share-based payments	0.21	0.62
Long service bonuses	0.02	0.01
Medium-term incentives	4.17	2.37
TOTAL	4.40	3.00

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 contract remuneration of executive directors, attendance allowances of the external members of Steering Committees and Delegated Committees, and the fixed allowance for chairing the Regional Advisory Committees are approved by the Board of Directors, pursuant to the report issued by the aforementioned committee, within the statutory framework and the remuneration policy approved by the Annual General Meeting.

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 Committee and Delegated Committees related to the Risk Management System.

There is also a Solvency II Steering Committee which defines, organizes and coordinates the key duties of the different companies with regard to risk management.

With regard to risk management, MAPFRE has adopted a three-lines-of-defense model whereby:

- The managers of the first line of defense accept the risks and exercise the controls.
- 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.
- 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. With regard to operational risk, it is responsible for defining the strategies, processes and information procedures required to identify, measure, monitor, manage and continuously report on the risks to which the group's companies are or may be exposed either individually or together.
- 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

The MAPFRE 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 different types of risks have been grouped under four areas, or categories, as detailed below:

Financial and Credit Risks	Includes interest rates, liquidity, exchange rates, market and credit risks.
Insurance Activity Risks	This groups together, separately for Life and Non-Life, the risks of premium shortfalls, the sufficiency of technical provisions, and re-insurance risk.
Operational Risks	This covers 23 types of risks grouped into the following risk areas: actuarial, legal, technology, staff, collaborators, procedures, reporting, fraud, market, and tangible assets.
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 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.

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.

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 kinds 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 regard, 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 catastrophe 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.

In relation to reinsurance risk, MAPFRE's policy is to assign business to reinsurers with proven financial capacity (generally with a minimum 'A' credit rating by Standard & Poor's, 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 also the corporate tool used for handling the control activities (process manuals, inventory of controls associated with risks and evaluation of their effectiveness) and the corrective measures established to mitigate or reduce the risks and/or improve the control environment.

The 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 affecting the following business and support processes: Product Development, Underwriting, Claims / Benefits, Administrative Management, Commercial Activities, Human Resources, Committees, Coinsurance / Reinsurance, Technical Provisions, Investment, 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 standardize this business culture and fulfill the legal requirements regarding

governance and transparency, in 2008 the governing bodies of MAPFRE approved a revised version of the Code of Good Governance, in force since 1999. MAPFRE believes that strict adherence to good corporate governance principles is the most efficient way to mitigate these kinds of 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 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
	2014	2013	
Seguros			
• Iberia			
- Empresas	3.96	3.88	3.20%
- Familiar	24.99	22.95	2.40%
• América Latina	31.55	37.21	2.00%
• Internacional	17.30	13.93	1.90%
Reaseguro	11.56	12.85	2.40%
Asistencia	5.77	5.66	1.50%
Global Risks	2.34	2.01	6.40%
CONSOLIDATED	96.01	100.78	0.50%
Figures in millions of euros			

Figures in millions of euros

For the Life business, the sensitivity level is measured according to the implicit value (also known as embedded value), which has been calculated in line with the principles and methodology established in the "European Embedded Value". The embedded value is obtained by adding to the adjusted 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 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, 2013 was calculated by applying a fixed rate of four 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, switches 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 2013 and 2012 for the MAPFRE VIDA business and its controlled companies (figures for 2014 were not available at the time of preparing these consolidated annual accounts).

Item	2013	2012	% change
Net adjusted equity	1,135.60	870.10	30.51%
Present value of future profits	1,955.40	2,098.20	-6.81%
Present value of options and guarantees granted to policyholders	(54.60)	(105.80)	-48.39%
Cost of regulatory required capital	(244.90)	(257.60)	-4.93%
TOTAL EMBEDDED VALUE	2,791.50	2,604.90	7.16%
Figures in millions of euros			

The variables to which embedded value was most sensitive in 2013 were as follows:

- A 25 basis-point rise in the default probability of the fixed-income portfolio, which would reduce the embedded value by 164.8 million euros.
- A 100 basis-point rise in interest rates, which would reduce the embedded value by 104.2 million euros in the existing portfolio and by 10.1 million euros in new business.
- A 10 percent reduction in the decline in the portfolio, which would increase the embedded value by 139.1 million euros in the existing portfolio and by 23.3 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 2014

ITEM	ACCEPTED REINSURANCE				DIRECT INSURANCE				
	LIFE	NON-LIFE		TOTAL	CATASTROPHE RISK	OTHER RISKS			TOTAL
		CATASTROPHE RISK	OTHER RISKS			LIFE	NON-LIFE		
							Automobile	Other	
Direct insurance issued premiums	--	--	--	--	186.75	5,469.06	6,727.28	7,108.07	19,491.16
Premiums from accepted reinsurance	522.44	709.63	1,677.64	2,909.71	--	--	--	--	--

Figures in millions of euros

Year 2013

ITEM	ACCEPTED REINSURANCE				DIRECT INSURANCE				
	LIFE	NON-LIFE		TOTAL	CATASTROPHE RISK	OTHER RISKS			TOTAL
		CATASTROPHE RISK	OTHER RISKS			LIFE	NON-LIFE		
							Automobile	Other	
Direct insurance issued premiums	--	--	--	--	131.57	5,129.14	6,498.32	7,155.88	18,914.91
Premiums from accepted reinsurance	425.71	390.72	2,104.21	2,920.64	--	--	--	--	--

Figures in millions of euros

2.b) Premium income per operating segment and geographical area

The following tables show premiums issued for direct insurance and accepted reinsurance per segment of activity and geographical area in the last two years:

Year 2014

GEOGRAPHIC AREA	DIRECT INSURANCE			REINSURANCE	TOTAL
	Life	Automobile	Other Non-Life		
Spain	2,621.01	2,032.13	2,474.25	100.26	7,227.65
United States of America	4.84	1,301.98	608.31	311.72	2,226.85
Brazil	1,972.25	1,775.19	1,657.21	236.04	5,640.69
Mexico	132.47	264.93	371.23	113.10	881.73
Venezuela	9.34	498.33	466.37	84.62	1,058.66
Colombia	288.04	56.99	242.94	81.70	669.67
Argentina	23.84	129.77	99.53	107.01	360.15
Turkey	4.38	261.68	252.05	110.49	628.60
Chile	2.95	42.65	268.13	76.98	390.71
Other countries	409.94	382.56	893.90	1,629.76	3,316.16
TOTAL	5,469.06	6,746.21	7,333.92	2,851.68	22,400.87

Figures in millions of euros

Year 2013

GEOGRAPHIC AREA	DIRECT INSURANCE			REINSURANCE	TOTAL
	Life	Automobile	Other Non-Life		
Spain	2,510.78	2,056.26	2,464.92	183.68	7,215.64
United States of America	3.85	1,249.48	560.11	346.38	2,159.82
Brazil	1,699.80	1,695.85	1,640.44	284.07	5,320.16
Mexico	110.75	255.75	327.10	111.72	805.32
Venezuela	9.86	432.89	520.55	91.10	1,054.40
Colombia	401.47	51.80	260.66	101.31	815.24
Argentina	35.46	149.23	137.85	125.44	447.98
Turkey	4.46	280.24	246.46	111.09	642.25
Chile	2.96	42.01	272.22	67.44	384.63
Other countries	349.75	284.82	857.13	1,498.41	2,990.11
TOTAL	5,129.14	6,498.33	7,287.44	2,920.64	21,835.55

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	YEAR	
	2014	2013
Euros	7,583.46	7,313.74
U.S. Dollar	2,547.06	2,626.12
Brazilian real	5,404.65	5,036.08
Mexican peso	600.80	520.73
Argentine peso	253.13	322.54
Venezuelan Bolivar	957.94	942.56
Turkish lira	436.52	464.31
Colombian peso	587.38	703.68
Chilean peso	313.73	317.18
Pound sterling	200.13	256.02
Other currencies	606.36	411.96
TOTAL	19,491.16	18,914.92

Figures in millions of euros

3. CLAIMS RATIO

Section 3.4 of Note 6.14 of the “Technical Provisions” report provides information on the performance of the claims ratio.

B) CREDIT RISK

1. CREDIT RISK ARISING FROM REINSURANCE CONTRACTS

The following table breaks down credits to reinsurers in the last two years:

ASSIGNED AND RETRO-ASSIGNED REINSURANCE	BOOK VALUE	
	2014	2013
Provision for life insurance	71.91	67.42
Provision for outstanding claims	1,985.49	1,769.77
Other technical provisions	10.52	17.46
Receivables on assigned and retro-assigned reinsurance transactions	488.01	389.82
Debts on assigned and retro-assigned reinsurance transactions	(695.81)	(631.18)
TOTAL POSICIÓN NETA	1,860.12	1,613.29

Figures in millions of euros

The following table breaks down credits to reinsurers based on their financial solvency margin:

RATING	BOOK VALUE	
	2014	2013
AAA	2.49	6.41
AA	459.10	521.77
A	801.33	710.42
BBB	414.77	217.63
BB or lower	41.83	33.95
No credit rating	140.60	123.11
TOTAL NET POSITION	1,860.12	1,613.29

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	
	2014	2013
Letters of credit	1.02	2.19
Guarantees	--	--
Pledging of assets	--	--
Other guarantees	256.63	210.77
TOTAL	257.65	212.96

Figures in millions of euros

The balances corresponding to credits from direct insurance and coinsurance operations amount to 4,028.58 million and 3,479.57 million euros as at December 31, 2014 and 2013, 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		PORTFOLIO AVAILABLE FOR SALE		TRADING PORTFOLIO		CASH	
	2014	2013	2014	2013	2014	2013	2014	2013
AAA	1,801.52	1,691.02	2,266.97	1,959.54	1,717.05	1,288.76	82.76	70.87
AA	167.66	157.68	3,461.48	2,705.57	100.67	151.46	98.04	104.59
A	35.78	34.98	3,761.97	3,817.62	197.85	130.71	106.11	201.60
BBB	231.39	80.67	22,927.53	17,559.33	505.53	450.65	266.63	237.10
BB or lower	21.89	23.31	1,408.45	724.26	13.75	51.36	497.10	367.33
No credit rating	83.45	9.51	246.11	169.80	61.30	193.77	137.96	181.29
TOTAL	2,341.69	1,997.17	34,072.51	26,936.12	2,596.15	2,266.71	1,188.60	1,162.78

Figures in millions of euros

3. FIXED-INCOME SECURITIES IN DEFAULT

As at December 31, 2014 and 2013, there were no fixed-income securities in default for significant amounts..

4. CREDITS

The following table breaks down the credits as at December 31, 2014 and 2013, 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	
	2014	2013	RECORDED LOSSES		REVERSAL GAINS		2014	2013
			2014	2013	2014	2013		
Receivables on direct insurance and co-insurance operations	4,028.58	3,479.57	(8.34)	(12.13)	6.61	12.20	19.71	19.55
Receivable on reinsurance transactions	945.32	882.55	(2.68)	--	--	0.07	--	--
Tax receivables	180.25	266.03	--	--	--	--	--	--
Social security and other receivables	1,442.41	1,194.24	(10.88)	(5.99)	9.51	6.83	--	--
TOTAL	6,596.56	5,822.39	(21.90)	(18.12)	16.12	19.10	19.71	19.55

Figures in millions of euros

C) LIQUIDITY RISK

With regard to liquidity risk, the group's policy 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, 2014 the cash and other equivalent liquid assets balance amounted to 1,188.6 million euros (1,162.78 million euros in the preceding year), equivalent to 2.76 percent of the total financial investments and cash. For Life and Savings insurance, the investment policy 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. The controlling company also has a syndicated credit, not drawn down in full, which may be used at the group's discretion. 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, 2014 and 2013 are shown below (the amounts relating to Life insurance provisions have not been updated).

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

Year 2013

ITEM	ESTIMATED CASH OUTFLOWS							CLOSING BALANCE
	2015	2016	2017	2018	2019	2020 to 2024	Subsequent	
Provisions for Life insurance	3,315.12	1,971.37	1,799.21	1,677.52	1,608.18	5,874.88	10,214.58	26,460.86
Provision for outstanding claims	4,690.88	1,205.61	508.50	378.27	266.34	528.43	222.19	7,800.22
Other technical provisions	110.43	26.01	24.94	24.78	25.15	122.29	334.13	667.73
Due on direct insurance and reinsurance operations	755.52	12.11	6.67	5.14	3.70	8.07	2.03	793.24
Due on reinsurance operations	1,096.61	3.01	2.23	1.34	1.01	2.36	0.23	1,106.79
TOTAL	9,968.56	3,218.11	2,341.55	2,087.05	1,904.38	6,536.03	10,773.16	36,828.84

Figures in millions of euros

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 2014

ITEM	MATURITY IN:						TOTAL
	2015	2016	2017	2018	2019	Subsequent	
Subordinated liabilities	34.25	34.25	612.70	--	--	--	681.20
Issuance of debentures and other negotiable securities	1,051.25	--	--	--	--	0.03	1,051.28
Payables to credit institutions	98.10	29.37	27.32	13.94	12.31	7.13	188.17
Other financial liabilities	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

Year 2013

ITEM	MATURITY IN:						TOTAL
	2015	2016	2017	2018	2019	Subsequent	
Subordinated liabilities	34.25	34.25	34.25	612.70	--	--	715.45
Issuance of debentures and other negotiable securities	51.25	1,051.25	--	--	--	--	1,102.50
Payables to credit institutions	80.95	10.61	8.34	7.51	6.86	14.50	128.77
Other financial liabilities	39.83	5.10	5.18	9.98	11.26	7.04	78.39
TOTAL	206.28	1,101.21	47.77	630.19	18.12	21.54	2,025.11

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. The indicators commonly used include, among others, modified duration for fixed-income securities and VaR, or value at risk, for variable annuities.

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:

ITEM	AMOUNT OF LIABILITIES EXPOSED TO INTEREST RATE RISK IN FAIR VALUE					
	FIXED INTEREST RATE		NOT EXPOSED TO RISK		TOTAL	
	2014	2013	2014	2013	2014	2013
To expiration	2,106.66	1,971.01	251.72	147.42	2,358.38	2,118.43
Available for sale	32,803.15	25,862.43	3,286.32	2,945.68	36,089.47	28,808.11
Trading	3,278.71	2,220.77	224.85	685.76	3,503.56	2,906.53
TOTAL	38,188.52	30,054.21	3,762.89	3,778.86	41,951.41	33,833.07

Figures in millions of euros

The fixed-interest-rate assets include the immunized portfolios, which amounted to 15,361.6 million and 12,750.7 million euros as at December 31, 2014 and 2013 respectively, which reduce the interest rate risk.

PORTFOLIO	AMOUNT OF ASSETS EXPOSED TO INTEREST RATE RISK AT FAIR VALUE					
	FIXED INTEREST RATE		FIXED INTEREST RATE		TOTAL	
	2014	2013	2014	2013	2014	2013
Subordinated liabilities	595.62	596.38	--	--	595.62	596.38
Issuance of debentures and other negotiable securities	1,004.88	1,003.31	--	--	1,004.88	1,003.31
Payables to credit institutions	57.61	66.15	130.08	59.35	187.69	125.50
Other financial liabilities	43.13	61.70	263.26	5.49	306.39	67.19
TOTAL	1,701.24	1,727.54	393.34	64.84	2,094.58	1,792.38

Figures in millions of euros

The following tables break down financial investments by maturity, average interest rate and modified duration for the financial years 2014 and 2013:

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									

Figures in millions of euros

December 31, 2013

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	1,997.17	315.71	144.51	123.83	176.98	186.93	1,049.21	7.84	--
Other investments	121.26	50.51	56.63	3.71	4.16	--	6.25	1.94	1.12
TOTAL HELD-TO-MATURITY PORTFOLIO	2,118.43	366.22	201.14	127.54	181.14	186.93	1,055.46	--	--
PORTFOLIO AVAILABLE FOR SALE									
Fixed income	26,936.12	1,454.53	2,208.95	2,466.50	1,793.33	2,576.35	16,436.47	5.19	7.39
Other investments	101.79	67.86	0.04	--	0.02	--	33.87	--	--
TOTAL PORTFOLIO AVAILABLE FOR SALE	27,037.91	1,522.39	2,208.99	2,466.50	1,793.35	2,576.35	16,470.34	--	--
TRADING PORTFOLIO									
Financial swaps	235.62	(238.96)	(224.73)	(223.43)	(215.69)	(57.09)	1,195.52	1.09	9.32
Options	6.05	5.36	--	--	--	0.69	--	--	--
Fixed income	2,269.65	723.89	344.73	324.17	141.84	182.06	552.95	0.08	--
TOTAL TRADING PORTFOLIO	2,511.32	490.29	120.00	100.74	(73.85)	125.66	1,748.47	--	--
Figures in millions of euros									

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 "Credits" heading of the balance sheet assets and under "Due on direct insurance and coinsurance operations", "Due on reinsurance operations", "Tax payable" 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 in the "Liquidity risk arising from subordinated and financial liabilities" section.

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	ASSETS		LIABILITIES		NET TOTAL	
	2014	2013	2014	2013	2014	2013
Euros	44,369.26	37,527.22	37,438.97	31,406.29	6,930.29	6,120.93
U.S. Dollar	6,479.54	5,387.89	4,195.81	3,377.11	2,283.73	2,010.78
Mexican peso	954.76	825.70	875.74	747.66	79.02	78.04
Brazilian real	9,375.61	7,922.83	7,724.60	6,499.18	1,651.01	1,423.65
Turkish lira	871.49	750.88	612.22	517.87	259.27	233.01
Chilean peso	702.67	627.03	707.14	641.06	(4.47)	(14.03)
Venezuelan Bolivar	829.05	837.39	539.17	573.43	289.88	263.96
Argentine peso	276.45	212.01	361.96	314.38	(85.51)	(102.37)
Colombian peso	1,245.05	1,152.87	1,308.06	1,224.64	(63.01)	(71.77)
Pound sterling	383.95	107.52	309.55	67.37	74.40	40.15
Canadian Dollar	45.04	44.86	18.23	26.43	26.81	18.43
Philippine Peso	115.54	94.59	98.79	80.80	16.75	13.79
Peruvian Sol	671.23	513.70	605.60	478.20	65.63	35.51
Other currencies	912.23	821.26	966.61	977.66	(54.38)	(156.41)
TOTAL	67,231.87	56,825.75	55,762.45	46,932.08	11,469.42	9,893.67

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 332.39 million and 392.7 million euros as at December 31, 2014 and 2013, respectively.

4. PROPERTY RISK

The group has property assets representing approximately 4.91 percent of total investments and cash, of which approximately 48.73 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	
	2014	2013	2014	2013
Property investments	1,226.29	1,248.89	1,983.53	2,037.49
Property for own use	1,165.66	1,081.97	1,317.54	1,357.07
TOTAL	2,391.95	2,330.86	3,301.07	3,394.56

Figures in millions of euros

Unrealized gains would offset a fall in the price of properties equivalent to approximately 27.54 percent of their market value.

8. OTHER INFORMATION

8.1. Information regarding the board of directors

In 2014 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.

The following table shows the shares in MAPFRE, S.A. that the controlling company's directors in office at year-end held as at December 31, 2014.

ADMINISTRATOR	Number of shares in MAPFRE S.A.
Antonio Huertas Mejías	253,185
Esteban Tejera Montalvo	23
Francisco Vallejo Vallejo	155,000
Antonio Núñez Tovar	305,330
Ignacio Baeza Gómez	173,875
Rafael Beca Borrego	457,807
Rafael Casas Gutiérrez	82,231
Rafael Fontoira Suris	23
Luis Hernando de Larrañendi Martínez	13,627
Luis Iturbe Sanz de Madrid	34,816
Andrés Jiménez Herradón	23,452
Alberto Manzano Martos	90,154
Rafael Márquez Osorio	69,804
Antonio Miguel-Romero de Olano	32,567
Ms. Catalina Miñarro Brugarolas	1,510
Alfonso Rebuella Badías	44,346
Matías Salvá Benassar	819,598

At the close of the year there had not been any conflicts of interest, either director or indirect, between the directors and the group.

8.2. External auditors' fees

The annual accounts of the controlling company and of the main group entities for the financial year 2014 have been audited by the firm Ernst & Young, with the main exception of the subsidiaries belonging to the subgroup BB-MAPFRE (Brazil), whose auditor is KPMG.

The fees paid to the external auditors in this financial year for auditing the annual accounts and for conducting a limited review of the consolidated interim statements as at June 30 amount to 9,228,593 euros (8,420,338 euros in 2013), of which 7,985,258 euros (8,310,484 euros in 2013) correspond to the main auditor. Furthermore, the main auditor was paid 557,879 euros (264,787 euros in 2013) for services related to the audit of the annual accounts, and 1,220,466 euros (528,563 euros in 2013) for other complementary services. Neither of these payments is deemed to compromise the independence of the auditors.

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 deferred payments to providers

Details of the payments made by the group's fully consolidated Spanish companies to providers in the financial years 2014 and 2013 are shown below.

ITEM	AMOUNT		%	
	2014	2013	2014	2013
Payments made within the statutory minimum term	1,212.08	1,330.67	96.72	95.89
Other payments made	41.08	57.06	3.28	4.11
Total payments for the financial year	1,253.16	1,387.73	100.00	100.00
Exceeded weighted average term for payments (days)	49.18	38.34	--	--
Deferments that on the closing date had exceeded the maximum statutory term	0.80	2.24	--	--

Figures in millions of euros

In 2014 the average payment period for providers was 8.42 days.

9. ADDITIONAL NOTE FOR THE ENGLISH TRANSLATION

These financial statements are presented by applying the International Reporting Standards adopted by the European Union (IFRS-EU). Consequently, certain accounting principles applied by the Company may not conform to generally accepted accounting principles in other countries.

In addition, this document is a free translation of the consolidated accounts originally issued in Spanish. In the event of any discrepancy, the Spanish language version prevails.

Table of controlled companies, associated undertakings and joint ventures (appendix 1)

Name	Registered address	Effective tax rate	Activity	Equity interest		
				Holder	Percentage 20142013	
INSURANCE SPAIN						
FAMILIAR						
MAPFRE FAMILIAR COMPAÑÍA DE SEGUROS Y REASEGUROS S.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) España	30.00% (1)(2)	Insurance and reinsurance	• MAPFRE SA	99.9993	99.9993
MAPFRE GESTIÓN DE FLOTAS, S.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) España	30.00% (1)	Finance	• MAPFRE FAMILIAR • MAPFRE SA	99.9833 0.0167	99.9833 0.0167
CLUB MAPFRE, S.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) España	30.00% (1)	Services	• MAPFRE FAMILIAR • MAPFRE GESTIÓN DE FLOTAS, S.A.	99.9875 0.0125	99.9875 0.0125
CENTRO DE EXPERIMENTACIÓN Y SEGURIDAD VIAL MAPFRE, S.A.	Ctra.Valladolid, km 1 (Ávila) España	30.00% (1)	Research, training and advisory services	• MAPFRE FAMILIAR • MAPFRE SA	99.9982 0.0018	99.9982 0.0018
MAPFRE MULTICENTRO DEL AUTOMÓVIL, S.A.	Crta. De Pamplona a Zaragoza Polígono Ind. Cordovilla (Navarra) España	30.00% (1)	Advisory and assistance services	• MAPFRE FAMILIAR	99.9900	99.9900
CATALUNYA CAIXA ASSEGURANCES GENERALS S.A D'ASSEGURANCES I REASSEGURANCES	C/ Roure nº6y8 Pol.Ind.Más Mateu El Prat de Llobregat (Barcelona) España	30.00% (2)	Insurance and reinsurance	• MAPFRE FAMILIAR	50.0100	50.0100
IBERICAR, SOCIEDAD IBÉRICA DEL AUTOMÓVIL, S.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) España	30.00%	Services	• MAPFRE FAMILIAR	50.0000	50.0000
AUTOMOCIÓN PENINSULAR INMUEBLES, S.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) España	30.00%	Property	• MAPFRE FAMILIAR	---	50.0000
VERTI ASEGURADORA, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A	Ctra. Pozuelo, 52. Majadahonda. (Madrid) España	30.00% (1)(2)	Insurance and reinsurance	• MAPFRE FAMILIAR • CLUB MAPFRE	99.9991 0.0009	99.9991 0.0009
BUSINESS LAB VENTURES, S.A.	C/ Manuel Silvela, 15 (Madrid) España	30.00% (1)	Advisory services	• MAPFRE FAMILIAR	---	100.0000
DISEÑO URBANO, S.L.	Avda. Juan XXIII 64 (Valencia) España	--	Development agent	• MAPFRE FAMILIAR	50.0000	50.0000
ESPACIOS AVANZADOS DEL MEDITERRANEO, S.L.	C/Siete s/nº, Alboraya (Valencia) España	30.00%	Property building and development	• MAPFRE FAMILIAR	22.4992	22.4992
SERVICIOS COMERCIALES Y ENERGÉTICOS DE BENIDORM, S.L.	Avda. Juan XXIII 64 (Valencia) España	30.00%	Development and exploitation of wind farms	• MAPFRE FAMILIAR	50.0000	50.0000
RASTREATOR.COM LTD	C/ Juan Hurtado de Mendoza,17 28036 (Madrid) España	--	Online insurance	• MAPFRE FAMILIAR	25.0000	25.0000
MAPFRE CONSULTORES DE SEGUROS Y REASEGUROS, S.A.	Paseo de Recoletos, 25 (Madrid) España	30.00% (1)	Advisory and management services	• MAPFRE FAMILIAR • MAPFRE SA	50.0000 50.0000	50.0000 50.0000
MULTISERVICIOS MAPFRE MULTIMAP, S.A.	Ctra. Pozuelo, 50. Majadahonda (Madrid) España	30.00% (1)	Advisory and subcontracting services for property renovations and improvements	• MAPFRE FAMILIAR • POLICLINICO SALUD 4, S.A.	97.5000 2.5000	97.5000 2.5000
FINLOG-ALUGUER E COMERCIO DE AUTOMOVEIS, S.A.	Rua Oscar da Silva 2243-2263 - Leça da Palmeira, Matosinhos (Portugal)	20.00%	Automobile rental	• MAPFRE FAMILIAR	50.0000	50.0000
FUNESPAÑA, S.A.	C/ Sufli, 4 (Almería) España	30.00%	Funeral services	• MAPFRE FAMILIAR	81.0027	63.7998
EMPRESA MIXTA SERVICIOS FUNERARIOS MADRID, S.A.	C/ Salvador de Madariaga, 11 Edif. B - 3ª Plla Madrid	30.00%	Funeral services	• FUNESPAÑA, S.A.	49.0000	49.0000
POMPAS FUNEBRES DOMINGO, S.L.	C/ Mercaderes, 5 Bajo Tortosa (Tarragona)	30.00%	Funeral services	• FUNESPAÑA, S.A.	75.0000	75.0000
SERVICIOS FUNERARIOS FUNEMADRID, S.A (In 2013 EUROPEA DE FINANZAS Y C.S.E., S.A.)	C/ Castelló, 66 1ª Plla Madrid	30.00%	Funeral services	• FUNESPAÑA, S.A.	100.0000	100.0000
CEMENTERIO JARDÍN DE ALCALA DE HENARES, S.A.	Carretera de Pastrana,Km 3. Alcala de Henares (Madrid)	30.00%	Funeral services	• SERVICIOS FUNERARIOS FUNEMADRID, S.A.	49.0000	49.0000
SERVICIOS FUNERARIOS ALCALA-TORREJON, S.A.	C/ Mayor 83. Alcala de Henares (Madrid)	30.00%	Funeral services	• SERVICIOS FUNERARIOS FUNEMADRID, S.A.	100.0000	65.2100
EMPRESA MIXTA SERVEIS MUNICIPALS DE TARRAGONA, S.L.	Carretera Villa de Valencia, 2 Tarragona	30.00%	Funeral services	• FUNESPAÑA, S.A.	49.0000	49.0000

Year end figures (thousands of euros)										
Assets		Equity		Revenue		Annual earnings		Method or procedure		
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	
5,788,748	5,536,817	2,092,771	1,765,914	3,866,854	3,898,531	241,003	204,081	(A)	(A)	
4,072	7,278	3,468	3,663	5,579	9,880	(188)	15	(A)	(A)	
6,060	6,120	3,797	3,400	13,615	16,159	173	84	(A)	(A)	
18,053	17,755	16,402	16,193	12,431	13,210	106	646	(A)	(A)	
14,815	13,160	14,513	12,902	3,122	4,832	1,364	(45)	(A)	(A)	
48,781	49,425	16,956	19,316	45,907	44,176	6,088	4,865	(A)	(A)	
246,816	260,946	61,227	60,373	472,722	308,292	(187)	(38,026)	(C)	(C)	
---	12	---	11	---	---	---	---	(H)	(C)	
218,336	148,710	111,779	78,051	78,454	48,411	(24,712)	(24,735)	(A)	(A)	
---	564	---	(89)	---	3	---	(193)	(H)	(A)	
1,670	1,669	(232)	(228)	---	---	---	---	(C)	(C)	
2,647	2,682	873	761	67	---	38	(2)	(C)	(C)	
217	217	216	216	---	---	---	---	(C)	(C)	
---	---	---	---	---	---	---	---	(C)	(C)	
255	231	201	197	184	140	4	(4)	(A)	(A)	
7,922	7,998	7,135	7,053	39,647	36,851	1,210	1,178	(A)	(A)	
14,301	84,577	18,987	14,015	70,472	68,203	4,139	1,143	(C)	(C)	
135,942	131,872	75,915	74,852	13,253	12,100	1,825	1,300	(A)	(A)	
61,207	60,381	51,921	50,879	45,310	44,654	762	(1,246)	(C)	(A)	
1,854	1,687	991	818	1,096	1,020	80	11	(A)	(A)	
17,164	17,054	9,715	8,847	5,175	4,754	747	380	(A)	(A)	
10,028	9,695	8,486	8,225	2,524	2,073	530	269	(C)	(A)	
1,922	1,801	1,280	1,322	1,958	1,785	371	(21)	(A)	(A)	
3,213	3,503	2,251	2,493	3,176	3,371	796	1,037	(C)	(A)	

Name	Registered address	Effective tax rate	Activity	Equity interest		
				Holder	Percentage	
					2014	2013
GESTIÓN DE CEMENTERIS DE TARRAGONA, S.L.	Carretera del Cementerio, S/N Tarragona	30.00%	Funeral services	• EMPRESA MIXTA SERVEIS MUNICIPALS DE TARRAGONA, S.L.	50.0000	50.0000
FUNERARIA PEDROLA, S.L.	C/ Castelló, 66 1º Pita Madrid	30.00%	Funeral services	• FUNESPAÑA, S.A.	100.0000	100.0000
FUNEBALEAR, S.L.	C/ Castelló, 66 1º Pita Madrid	30.00%	Funeral services	• FUNESPAÑA, S.A.	100.0000	100.0000
FUNEMALAGA, S.L.	Alameda del Patrocinio, 12 Málaga	30.00%	Funeral services	• FUNESPAÑA, S.A.	100.0000	100.0000
CEMENTERIO PARQUE ANDUJAR, S.L.	Camino del Cementerio, 4 Andujar (Jaén)	30.00%	Funeral services	• FUNESPAÑA, S.A.	60.0000	60.0000
SERVICIOS EMPRESAS MORTUORIAS PONTEVEDRAS, S.A. (In 2014 merged with FUNESPAÑA, S.A.)	C/ A Estrada, 11 Bajo Pontevedra	30.00%	Funeral services	• FUNESPAÑA, S.A.	---	100.0000
FUNBIERZO, S.L.	Camino de Pedralba (P. Ind. Camponaraya) Camponaraya (León)	30.00%	Funeral services	• FUNESPAÑA, S.A.	67.4600	67.4600
FUNETXEA, S.L.	Avda Cervantes, 51 Basauri (Vizcaya)	30.00%	Funeral services	• FUNESPAÑA, S.A.	100.0000	100.0000
FUNERARIA SARRIA, S.A. (In 2014 merged with FUNETXEA, S.L.)	Algortako Etorbidea, 69 Getxo (Vizcaya)	30.00%	Funeral services	• FUNETXEA, S.L.	0.0000	100.0000
SERVICIOS FUNERARIOS DE ZARAGOZA, S.L.	C/ Castelló, 66 1º Pita Madrid	30.00%	Funeral services	• FUNESPAÑA, S.A.	70.0000	70.0000
FUNERARIA ZETA ORBITAL, S.L. (In 2014 merged with SERVICIOS FUNERARIOS DE ZARAGOZA, S.L.)	C/ Bacones, S/N (Alagón) Zaragoza	30.00%	Funeral services	• SERVICIOS FUNERARIOS DE ZARAGOZA, S.L.	---	100.0000
FUNERARIA VALLE DEL EBRO, S.L. (In 2014 merged with SERVICIOS FUNERARIOS DE ZARAGOZA, S.L.)	Avenida de Goya, 56 (Torres de Berellen) Zaragoza	30.00%	Funeral services	• SERVICIOS FUNERARIOS DE ZARAGOZA, S.L.	---	100.0000
GAB MANAGEMENT & CONSULTING, S.R.L.	C/ Coso, 66 2º Zaragoza	30.00%	Holding company	• FUNESPAÑA, S.A.	77.6000	77.6000
KEGYELET TEMETKEZESI SZOLGALAT	Joseph Krt, 49 Budapest (Hungria)	30.00%	Funeral services	• FUNESPAÑA, S.A.	100.0000	100.0000
TANATORIUM ZRT	Joseph Krt, 49 Budapest (Hungria)	30.00%	Funeral services	• FUNESPAÑA, S.A.	100.0000	100.0000
SERVICIOS Y GESTIÓN FUNERARIA, S.A.	C/ Castelló, 66 1º Pita Madrid	30.00%	Funeral services	• FUNESPAÑA, S.A.	100.0000	100.0000
SERVICIOS FUNERARIOS EL CARMEN, S.A. (In 2014 merged with SERVICIOS Y GESTIÓN FUNERARIA, S.A.)	C/ Castelló, 66 1º Pita Madrid	30.00%	Funeral services	• SERVICIOS Y GESTIÓN FUNERARIA, S.A.	---	100.0000
FUNERARIA GIMENO, S.A.	C/ Cadiz, 65 Valencia	30.00%	Funeral services	• SERVICIOS Y GESTIÓN FUNERARIA, S.A.	100.0000	100.0000
FUNERARIA SANTO ROSTRO, S.A. (In 2014 merged with SERVICIOS Y GESTIÓN FUNERARIA, S.A.)	C/ Castelló, 66 1º Pita Madrid	30.00%	Funeral services	• SERVICIOS Y GESTIÓN FUNERARIA, S.A.	---	100.0000
TANATORI ALACANT, S.A. (In 2014 merged with SERVICIOS Y GESTIÓN FUNERARIA, S.A.)	C/ Castelló, 66 1º Pita Madrid	30.00%	Funeral services	• SERVICIOS Y GESTIÓN FUNERARIA, S.A.	---	100.0000
TANATORI BENIDORM, S.L.	C/ Castelló, 66 1º Pita Madrid	30.00%	Funeral services	• SERVICIOS Y GESTIÓN FUNERARIA, S.A.	100.0000	100.0000
TANATORIO DE ARANJUEZ, S.L. (In 2014 merged with SERVICIOS Y GESTIÓN FUNERARIA, S.A.)	C/ Castelló, 66 1º Pita Madrid	30.00%	Funeral services	• SERVICIOS Y GESTIÓN FUNERARIA, S.A.	---	100.0000
TANATORI LA DAMA D'ELX, S.L.	C/ Apareguda, 2 El Campello (Alicante)	30.00%	Funeral services	• SERVICIOS Y GESTIÓN FUNERARIA, S.A.	97	97.1400
ZACARIAS NUÑO, S.L.	Avenida de los martires, 3 Sta. Cruz de Mudela (C.Real)	30.00%	Funeral services	• SERVICIOS Y GESTIÓN FUNERARIA, S.A.	50.0000	50.0000
INICIATIVAS ALCAESAR, S.L.	C / Viena, 2 1º A Cáceres	30.00%	Funeral services	• FUNESPAÑA, S.A.	64.9200	64.9200
ALCAESAR FUNERHERVAS, S.L.	C / Viena, 2 1º A Cáceres	30.00%	Funeral services	• INICIATIVAS ALCAESAR, S.L.	100.0000	100.0000
ALCAESAR FUNERCORIA, S.L.	C / Viena, 2 1º A Cáceres	30.00%	Funeral services	• INICIATIVAS ALCAESAR, S.L.	100.0000	100.0000
ALCAESAR FUNERPLASENCIA, S.L.	C/ Trujillo, S/N Nave 4 Plasencia (Cáceres)	30.00%	Funeral services	• INICIATIVAS ALCAESAR, S.L.	50.0000	50.0000

Year end figures (thousands of euros)											
Assets		Equity		Revenue		Annual earnings		Method or procedure			
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
592	626	210	262	538	544	(38)	29	(C)		(A)	
468	466	258	236	433	446	26	5	(A)		(A)	
5,828	5,884	61	28	893	780	27	(171)	(A)		(A)	
198	167	(408)	(374)	1	249	(37)	(376)	(A)		(A)	
1,534	366	399	185	221	178	23	29	(A)		(A)	
---	704	---	(55)	---	100	---	(125)	(H)		(A)	
2,703	2,686	2,586	2,561	375	347	56	(25)	(A)		(A)	
5,571	7,247	48	1,984	2,346	376	(29)	700	(A)		(A)	
---	1,442	---	1,031	---	1,560	---	(22)	(H)		(A)	
3,691	3,750	1,241	1,567	2,028	1,649	(12)	(48)	(A)		(A)	
---	216	---	(20)	---	36	---	(7)	(H)		(A)	
---	463	---	370	---	6	---	(50)	(H)		(A)	
1,165	1,392	1,161	1,375	---	2	2	33	(A)		(A)	
195	121	(3)	(390)	642	625	(61)	(22)	(A)		(A)	
1,077	1,108	669	835	1	4	(87)	(153)	(A)		(A)	
8,593	8,769	4,435	847	3,519	2,372	669	838	(A)		(A)	
---	4,339	---	2,882	---	1,413	---	594	(H)		(A)	
28	195	(290)	(277)	246	253	(12)	237	(A)		(A)	
---	296	---	139	---	98	---	(25)	(H)		(A)	
---	1	---	(2,758)	---	145	---	334	(H)		(A)	
11	1	1	(3)	---	---	---	---	(A)		(A)	
---	19	---	18	---	---	---	(1)	(H)		(A)	
97	195	(97)	(3)	---	---	(97)	---	(A)		(A)	
198	193	168	169	9	16	1	4	(C)		(C)	
5,337	3,900	1,900	2,044	3,368	2,986	478	638	(A)		(A)	
463	449	102	67	234	229	28	18	(A)		(A)	
1,018	750	320	229	515	480	90	73	(A)		(A)	
316	304	263	235	443	540	15	39	(C)		(C)	

Name	Registered address	Effective tax rate	Activity	Equity interest		
				Holder	Percentage	
					2014	2013
FUNERTRUJILLO, S.L.	C / Viena, 2 1º A Cáceres	30.00%	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)	30.00%	Funeral services	• INICIATIVAS ALCAESAR, S.L.	30.0000	30.0000
SALZILLO SERVICIOS FUNERARIOS, S.L.	C / Historiador Juan Torres Fontes, S/N Murcia	30.00%	Holding company	• FUNESPAÑA, S.A.	76.0000	76.0000
FUNERARIA CRESPO, S.L. (In 2014 merged with FUNESPAÑA, S.A.)	C/ Bautista Riera, 19 Bajo Burjassot (Valencia)	30.00%	Funeral services	• FUNESPAÑA, S.A.	---	100.0000
DE MENA SERVICIOS FUNERARIOS, S.L.	Carretera de Pozuelo , 50 Majadahonda (Madrid)	30.00%	Funeral services	• FUNESPAÑA, S.A.	70.0000	70.0000
TANATORIO SAN ALBERTO, S.A.	C/ Ermitagaña 2 Pamplona (Navarra)	30.00%	Funeral services	• FUNESPAÑA, S.A.	100.0000	100.0000
FUNEGRUP, S.L. (In 2014 merged with FUNESPAÑA, S.A.)	C/ Amparo Iturbi, 32 Valencia	30.00%	Funeral services	• FUNESPAÑA, S.A.	---	100.0000
FUNERARIA HISPALENSE, S.L.	Avenida de Ramon y Cajal, S/N Dos Hermanas (Sevilla)	30.00%	Funeral services	• FUNESPAÑA, S.A.	50.0000	50.0000
ISABELO ALVAREZ MAYORGA, S.A.	Carretera Avila - Valladiolid Km 08 Ávila	30.00%	Funeral services	• FUNESPAÑA, S.A.	50.0000	50.0000
SERVICIOS FUNERARIOS DEL NERVIÓN, S.L.	Alameda de Recalde 10 Bilbao	30.00%	Funeral services	• FUNESPAÑA, S.A.	50.0000	50.0000
NUEVO TANATORIO, S.L.	Avenida Hermanos Bou, 251 Castellón	30.00%	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)	30.00%	Funeral services	• FUNESPAÑA, S.A.	50.0000	50.0000
TANATORIO DE ECÍJA, S.L.	C / Camino del Valle Écija (Sevilla)	30.00%	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)	30.00%	Funeral services	• SERVICIOS FUNERARIOS LA CARIDAD, S.L.	75.0000	75.0000
TANATORIO SE-30 SEVILLA, S.L.	C/ San Juan Bosco, 58 Zaragoza	30.00%	Funeral services	• FUNESPAÑA, S.A.	10.0000	10.0000
NUEVOS SERVICIOS FUNERARIOS, S.L.	Avenida Hermanos Bou, 251 Castellón	30.00%	Funeral services	• NUEVO TANATORIO, S.L.	50.0000	50.0000
ALL FUNERAL SERVICES, S.L.	C/ Castelló, 66 1º Pita Madrid	30.00%	Funeral services	• FUNESPAÑA, S.A.	100.0000	100.0000
FUNESPAÑA CHILE, S.A.	Santiago de Chile (Chile)	30.00%	Funeral services	• FUNESPAÑA, S.A.	50.0000	50.0000
FUNEUROPEA CHILE, S.A.	Santiago de Chile (Chile)	30.00%	Family assistance	• FUNESPAÑA, S.A.	50.0000	50.0000
HIJOS DE LUIS SANTOS, S.L. (In 2014 merged with FUNESPAÑA, S.A.)	Plaza Julio Lazúrtegui, 8, 1º Ponferrada (León)	30.00%	Holding company	• FUNESPAÑA, S.A.	---	100.0000
FUNERARIAS REUNIDAS EL BIERZO, S.A.	Avda de Astorga, s/n, Edificio Tanatorio "La Encina" Ponferrada (León)	30.00%	Funeral services	• FUNESPAÑA, S.A.	91.3000	66.0000
				• HIJOS DE SAN LUIS	---	34.0000
MULTISERVICAR	Ctra. Pozuelo, 50 Majadahonda (Madrid)	30.00% (1)	Automobile technology and innovation services	• MAPFRE FAMILIAR	100.0000	100.0000
MEDISEMAP, AGENCIA DE SEGUROS, S.L.	Ctra. Pozuelo, 52 Majadahonda (Madrid)	30.00% (1)	Insurance agents	• MAPFRE FAMILIAR	33.3334	33.3334
				• MAPFRE SEGUROS DE EMPRESAS	33.3333	33.3333
				• MAPFRE VIDA	33.3333	33.3333
POLICLINICO SALUD 4, S.A.	C/ Castello 56 (Madrid) España	30.00% (1)	Medical services	• MAPFRE FAMILIAR	100.0000	100.0000
MAPFRE VIDEO Y COMUNICACIÓN S.A.	Ctra. Pozuelo, 50. Majadahonda (Madrid) España	30.00% (1)	Asset management	• MAPFRE VIDA	25.0000	25.0000
				• MAPFRE SEGUROS DE EMPRESAS	25.0000	25.0000
				• MAPFRE FAMILIAR	50.0000	50.0000
BANKINTER SEGUROS GENERALES, S.A.	Paseo de la Castellana, 29 Madrid	30.00% (2)	Insurance and reinsurance	• MAPFRE FAMILIAR	25.1000	25.1000
				• MAPFRE SEGUROS DE EMPRESAS	25.0000	25.0000
AUDATEX ESPAÑA, S.A.	Av de Barajas, 34 Parque Empresarial Omega 28108 Alcobendas (Madrid)	30.00%	Automobile loss adjustment	• MAPFRE FAMILIAR	12.5000	12.5000

Year end figures (thousands of euros)										
Assets		Equity		Revenue		Annual earnings		Method or procedure		
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	
820	796	348	322	336	290	27	(20)	(A)	(A)	
744	684	344	261	185	121	70	22	(C)	(C)	
2,034	2,106	424	513	913	933	(66)	(76)	(A)	(A)	
---	245	---	227	---	212	---	(7)	(H)	(A)	
811	626	599	496	929	640	179	76	(A)	(A)	
4,584	4,395	4,232	3,803	3,567	2,722	837	408	(A)	(A)	
---	159	---	152	---	48	---	(12)	(H)	(A)	
122	117	99	97	195	206	5	10	(C)	(C)	
2,364	2,323	1,167	1,053	952	964	97	32	(C)	(C)	
82	153	71	90	301	502	64	82	(C)	(C)	
2,626	1,810	1,183	1,239	1,849	1,834	90	147	(C)	(C)	
1,305	1,362	1,246	1,246	411	473	66	93	(C)	(C)	
3,108	3,109	1,460	1,388	524	489	69	17	(C)	(C)	
6,363	6,552	967	844	667	695	109	87	(C)	(C)	
14,208	13,949	6,585	5,857	2,050	2,204	898	609	(C)	(C)	
175	139	63	38	83	57	11	12	(C)	(C)	
10,075	8,802	1,238	1,151	64,221	61,205	1,166	1,079	(A)	(A)	
---	---	---	---	---	---	---	---	(B)	(B)	
---	---	---	---	---	---	---	---	(B)	(B)	
---	130	---	130	---	---	---	85	(H)	(F)(A)	
3,673	3,758	2,239	2,070	2,646	2,752	394	475	(A)	(F)(A)	
7,138	6,228	6,246	5,196	6,886	6,790	654	461	(A)	(A)	
833	794	364	269	4,475	3,835	95	112	(A)	(A)	
42,685	31,010	24,366	8,842	20,464	15,912	5,425	(4,177)	(A)	(A)	
116,054	106,545	68,741	67,125	5,478	2,789	1,615	748	(A)	(A)	
13,216	10,628	10,346	10,601	3,559	197	(437)	76	(A)	(A)	
6,108	5,392	6,108	5,392	19,174	19,926	5,240	6,124	(C)	(C)	

Name	Registered address	Effective tax rate	Activity	Equity interest		
				Holder	Percentage	
					2014	2013
ONLINE SHOPPING CLUB EUROPE, S.L.	Adolfo Pérez Esquivel, 3 28232 Parque empresarial Las Rozas	30.00%	Online and telephone sales and marketing	• MAPFRE FAMILIAR	49.9000	49.9000
TECNOLOGÍAS DE LA INFORMACION Y REDES PARA LAS ENTIDADES ASEGURADORAS, S.A.	C/ García Paredes, 55 Madrid	29.19%	Telematic and internet-related data processing services	• MAPFRE FAMILIAR	16.3618	16.3618
MAPFRE SEGUROS GERAIS S.A.	Rua Castilho, 52 Lisboa (Portugal)	25.00%	Insurance and reinsurance	• MAPFRE FAMILIAR • MAPFRE GLOBAL RISKS	99.9994 0.0006	99.9994 0.0006
MAPFRE PORTUGAL SEGUROS DE VIDA S.A.	Rua Castilho, 52 Lisboa (Portugal)	25.00%	Insurance	• MAPFRE SEGUROS GERAIS	100.0000	100.0000
LALETANA SEGUROS GENERALES	Avenida Lluís Companys, 44-60 08302 Mataró (Barcelona)	--	Insurance	• MAPFRE FAMILIAR	100.0000	- -
VIDA						
MAPFRE VIDA SOCIEDAD ANÓNIMA DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	Carretera de Pozuelo, 50. 28222 (Majadahonda) Madrid	30.00% (1)(2)	Insurance and reinsurance	• MAPFRE SA	99.9087	99.9073
CONSULTORA ACTUARIAL Y DE PENSIONES MAPFRE VIDA S.A.	Carretera de Pozuelo, 50 28222 (Majadahonda) Madrid	30.00% (1)	Consulting	• MAPFRE VIDA • MAPFRE SA	99.9339 0.0661	99.9339 0.0661
GESTION MODA SHOPPING S.A.	Avda.General Perón,40 (Madrid) España	30.00% (1)	Shopping center management	• MAPFRE VIDA • MAPFRE SA	99.8215 0.1785	99.8215 0.1785
MAPFRE INVERSIÓN SOCIEDAD DE VALORES S.A.	Carretera de Pozuelo, 50-1, M-4. 2ª Planta Módulo Sur. (28222) Majadahonda	30.00% (1)(2)	Securities broker-dealer	• MAPFRE VIDA • MAPFRE SA	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. 2ª Planta Módulo Norte. (28222) Majadahonda	30.00% (1)	Management of mutual fund institutions	• MAPFRE INVERSIÓN • MAPFRE SA	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. 2ª Planta Módulo Norte. (28222) Majadahonda	30.00% (1)	Pension fund administration	• MAPFRE INVERSIÓN • MAPFRE SA	99.9971 0.0029	99.9971 0.0029
UNIÓN DEL DUERO COMPAÑÍA DE SEGUROS DE VIDA, S.A.	Pº de la Castellana, 167 (Madrid) España	30.00% (2)	Insurance	• MAPFRE VIDA	50.0000	50.0000
DUERO PENSIONES ENTIDAD GESTORA DE FONDOS DE PENSIONES, S.A.	Pº de la Castellana, 167 (Madrid) España	30.00% (2)	Pension fund administration	• MAPFRE VIDA	50.0000	50.0000
BANKIA MAPFRE VIDA, S.A. DE SEGUROS Y REASEGUROS (En 2013 MAPFRE CAJA MADRID VIDA, S.A.)	Ctra. Pozuelo, 50 28222 (Majadahonda) Madrid	30.00% (2)	Insurance	• MAPFRE VIDA	51.0000	51.0000
CATALUNYACAIXA VIDA S.A. D' ASSEGUANCES I REASSEGURANCES	Calle Roure, 6 - 8; Polígono Mas Mateu Prat del Llobregat (Barcelona) España	30.00% (2)	Insurance	• MAPFRE VIDA	50.0000	50.0000
MIRACETI S.A.	Carretera de Pozuelo, 50 (28222) Majadahonda	30.00% (1)	Property	• MAPFRE VIDA • MAPFRE SA	99.9991 0.0009	99.9991 0.0009
BANKINTER SEGUROS DE VIDA, S.A.	Avda. Bruselas, 12 (Alcobendas) España	30.00% (2)	Insurance	• MAPFRE VIDA	50.0000	50.0000
CAJA CASTILLA LA MANCHA VIDA Y PENSIONES, S.A.	C/ Carretería, 5 (Cuenca) España	30.00% (2)	Insurance	• MAPFRE VIDA	50.0000	50.0000
LALETANA VIDA	Avda.Lluís Companys, 44-60 08302 Mataró (Barcelona)	--	Insurance	• MAPFRE VIDA	51.0000	- -
ASEGURADORA VALENCIANA DE SEGUROS Y REASEGUROS (ASEVAL)	Plaza de la Legión Española, 8 48010 Valencia	--	Insurance	• MAPFRE VIDA	51.0000	- -
EMPRESAS						
MAPFRE SEGUROS DE EMPRESA	Ctra. Pozuelo, 52. Majadahonda. (Madrid) España	30.00% (1)(2)	Insurance and reinsurance	• MAPFRE GLOBAL RISKS • MAPFRE SA	99.9970 0.0030	99.9970 0.0030
SERVICIOS DE PERITACIÓN MAPFRE S.A.	C/ Manuel Silvela, 15 (Madrid) España	30.00% (1)	Research, training and advisory services	• MAPFRE SEGUROS DE EMPRESAS • MAPFRE GLOBAL RISKS	96.0000 4.0000	96.0000 4.0000
AGROSEGURO	C/ Gobelás, 23 Madrid (España)	35.68%	Activities of insurance agents and brokers	• MAPFRE SEGUROS DE EMPRESAS	20.2600	20.0700
SEGURO INTERNACIONAL						
MAPFRE AMÉRICA						
MAPFRE AMÉRICA S.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) España	30.00% (1)(2)	Holding	• MAPFRE SA • MAPFRE FAMILIAR	99.2172 0.0001	99.2172 0.0001

Year end figures (thousands of euros)										
Assets		Equity		Revenue		Annual earnings		Method or procedure		
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	
469	469	135	135	---	---	---	---	(C)	(C)	
49,934	46,428	25,526	23,636	---	---	---	---	(C)	(F)(C)	
230,542	209,574	79,135	70,276	103,624	94,584	(3,166)	98	(A)	(A)	
300,358	241,363	33,923	22,710	86,409	61,192	1,469	600	(A)	(A)	
268,799	--	33,552	--	1,676	--	(176)	--	(G)(A)	--	
15,139,682	12,970,312	1,247,583	998,134	2,139,445	2,247,096	167,423	94,590	(A)	(A)	
800	697	748	646	298	218	102	55	(A)	(A)	
1,100	1,193	773	794	1,263	1,345	(22)	33	(A)	(A)	
209,674	221,686	176,401	165,323	87,163	86,025	33,488	31,781	(A)	(A)	
50,382	47,712	42,108	39,425	31,717	27,590	1,954	969	(A)	(A)	
77,026	75,443	73,767	71,612	28,366	29,494	4,156	3,570	(A)	(A)	
770,945	659,110	63,169	50,721	117,522	120,125	15,607	15,534	(A)	(A)	
9,763	9,092	8,651	8,147	8,352	7,855	1,175	1,055	(A)	(A)	
6,352,770	5,390,699	301,710	311,154	709,648	670,374	69,864	59,689	(A)	(A)	
2,354,141	2,171,867	257,911	263,801	668,736	519,360	51,402	41,233	(A)	(A)	
40,865	39,525	39,919	38,721	1,159	1,575	333	561	(A)	(A)	
313,638	414,417	35,006	48,027	195,500	252,877	34,732	32,408	(A)	(A)	
1,112,597	1,041,063	43,753	54,493	290,736	192,746	18,405	17,457	(A)	(A)	
268,799	--	33,552	--	3,013	--	(176)	--	(G)(A)	--	
2,964,715	--	165,358	--	52,914	--	(2,348)	--	(G)(A)	--	
1,791,706	1,780,304	464,922	390,693	725,497	740,340	67,892	69,425	(A)	(A)	
908	1,522	(425)	467	3,670	4,224	(894)	189	(A)	(A)	
428,172	442,057	12,574	12,052	---	---	---	---	(C)	(F)(C)	
1,541,088	1,545,882	1,505,799	1,437,400	240,470	131,375	104,650	(8,358)	(A)	(A)	

Name	Registered address	Effective tax rate	Activity	Equity interest		
				Holder	Percentage	
					2014	2013
ARGENTINA						
MAPFRE ARGENTINA HOLDING S.A.	Avda. Juana Manso, 205 C 1107CBE Puerto Madero Buenos Aires (Argentina)	30.90%	Holding	• MAPFRE AMÉRICA	99.9999	100.0000
MAPFRE ARGENTINA SEGUROS S.A.	Avda. Juana Manso, 205 C 1107CBE Puerto Madero Buenos Aires (Argentina)	32.55%	Insurance	• MAPFRE ARGENTINA HOLDING	99.9988	99.9988
CLUB MAPFRE ARGENTINA	Avda. Juana Manso, 205 C 1107CBE Puerto Madero Buenos Aires (Argentina)	--	Provision of assistance	• MAPFRE ARGENTINA HOLDING • MAPFRE ARGENTINA VIDA	97.0000 3.0000	96.0747 3.9253
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.	Calle 9 y 17. Parque Ind.Pilar- Buenos Aires (Argentina)	43.16%	Research, training and advisory services	• MAPFRE ARGENTINA SEGUROS	60.6400	65.0167
BRASIL						
MAPFRE SEGUROS GERAIS S.A.	Avd.Nações Unidas, 11711 16. Andar Brooklin Sao Paulo. (Brasil)	40.00%	Insurance	• MAPFRE BB SH2 PARTICIPAÇÕES, S.A.	100.0000	100.0000
MAPFRE VERA CRUZ CONSULTORIA TECNICA E ADMINISTRAÇÃO DE FUNDOS LTDA.	Avd.Nações Unidas, 11711 16. Andar Brooklin Sao Paulo (Brasil)	40.00%	Fund administration	• MAPFRE HOLDING DO BRASIL LTDA	100.0000	100.0000
BB MAPFRE SH1 PARTICIPAÇÕES, S.A.	Avd.Nações Unidas, 11711 16. Andar Brooklin Sao Paulo (Brasil)	1.66%	Holding	• MAPFRE BRASIL PARTICIPAÇÕES, S.A.	25.0100(*)	25.0100(*)
MAPFRE CAPITALIZAÇÃO	Avd.Nações Unidas, 11711 16. Andar Brooklin Sao Paulo (Brasil)	40.22%	Capitalization	• MAPFRE BRASIL PARTICIPAÇÕES, S.A.	100.0000	100.0000
VIDA SEGURADORA (In 2014 merged with MAPFRE VIDA, S.A.)	Rua Araujo Porto Alegre, 36 3 Andar, Rio de Janeiro (Brasil)	40.00%	Life insurance	• BB MAPFRE SH1 PARTICIPAÇÕES	---	100.0000
MAPFRE ASSISTENCIA, S.A.	Avd.Mamoré 989, 3º Andar Allphaville Centro Industrial e Empresarial Barueri, Sao Paulo (Brasil)	33.82%	Assistance services	• MAPFRE SEGUROS GERAIS, S.A.	100.0000	100.0000
MAPFRE BB SH2 PARTICIPAÇÕES, S.A.	Avd.Nações Unidas, 11711 16. Andar Brooklin Sao Paulo (Brasil)	40.00%	Holding	• MAPFRE BRASIL PARTICIPAÇÕES, S.A.	50.0000(*)	50.0000(*)
MAPFRE BRASIL PARTICIPAÇÕES, S.A.	Avd.Nações Unidas, 11711 16. Andar Brooklin Sao Paulo (Brasil)	0.15%	Holding	• MAPFRE HOLDING DO BRASIL LTDA • MAPFRE AMERICA • FANCY INVESTMENT, S.A.	7.2653 91.6570 1.0777	7.2653 91.6570 1.0777
MAPFRE AFFINITY SEGURADORA (In 2014 merged with MAPFRE SEGUROS GERAIS S.A.)	Avd.Nações Unidas, 11711 16. Andar Brooklin Sao Paulo (Brasil)	29.30%	Insurance	• MAPFRE SEGUROS GERAIS, S.A.	---	100.0000
CESVI BRASIL S.A. CENTRO DE EXPERIMENTAÇÃO E SEGURANÇA VIARIA	Rua Amador Aguiar, 700-City Empresarial – Sao Paulo (Brasil)	33.03%	Research, training and advisory services	• 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(Brasil)	3.57%	Holding	• MAPFRE AMÉRICA • MAPFRE SA • FANCY INVESTMENT, S.A.	98.7993 0.3314 0.8693	98.7993 0.3314 0.8693
DETECTAR DESENVOLVIMENTO DE TÉCNICAS PARA TRANSFERÊNCIAS ES ADMINISTRAÇÃO DE RISCOS LTDA. (In 2014 merged with MAPFRE VERA CRUZ CONSULTORIA TECNICA E ADMINISTRAÇÃO DE FUNDOS LTDA.)	Avd.Nações Unidas, 11711 16. Andar Brooklin Sao Paulo (Brasil)	40.00%	Risk administration	• MAPFRE HOLDING DO BRASIL LTDA	---	100.0000
MAPFRE VIDA S.A.	Avd.Nações Unidas, 11711 16. Andar Brooklin Sao Paulo (Brasil)	40.00%	Insurance	• BB MAPFRE SH1 PARTICIPAÇÕES S.A.	100.0000	100.0000
MAPFRE DISTRIBUIDORA DE TÍTULOS E VALORES MOBILIARIOS, S.A.	Avd.Nações Unidas, 11711 16. Andar Brooklin Sao Paulo (Brasil)	39.28%	Distributor of negotiable securities	• MAPFRE INVESTIMENTOS E PARTICIPAÇÕES, S.A. • MAPFRE HOLDING DO BRASIL LTDA	99.9900 0.0100	99.9900 0.0100
MAPFRE PREVIDENCIA S.A.	Avda.Mª Coelho Aguiar 215	40.42%	Insurance	• MAPFRE BRASIL PARTICIPAÇÕES, S.A.	100.0000	100.0000

Year end figures (thousands of euros)										
Assets		Equity		Revenue		Annual earnings		Method or procedure		
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	
77,374	66,699	37,060	47,975	(507)	3,323	(4,767)	(8,289)	(A)	(A)	
307,881	262,568	53,135	36,538	244,912	295,960	2,190	(27,355)	(A)	(A)	
871	1,254	31	37	3,999	5,911	183	(149)	(A)	(A)	
31,935	33,801	1,246	718	35,700	53,141	581	(2,477)	(A)	(A)	
8,809	7,448	4,492	3,336	11,612	12,937	1,478	1,481	(A)	(A)	
2,643,392	2,136,125	646,898	561,706	2,084,129	1,728,799	21,086	81,074	(A)	(A)	
15,657	13,876	12,320	11,265	2,972	3,060	117	(1,539)	(A)	(A)	
584,141	505,180	583,211	501,997	351,680	226,817	349,585	222,034	(A)	(A)	
23,873	16,503	4,693	4,769	6,733	5,099	1,152	538	(A)	(A)	
---	133,010	---	39,161	---	114,674	---	28,375	(H)	(A)	
2,608	1,985	683	761	42	51	(89)	(383)	(A)	(A)	
709,740	619,738	709,257	619,723	86,804	28,076	85,467	27,589	(A)	(A)	
1,175,830	1,161,758	1,073,356	1,070,811	87,893	125,272	70,398	111,602	(A)	(A)	
---	339,835	---	135,452	---	274,186	---	12,249	(H)	(A)	
6,745	6,101	5,113	4,352	8,527	8,378	737	443	(A)	(A)	
117,504	110,428	114,471	107,645	6,333	5,438	5,798	4,947	(A)	(A)	
---	1,539	---	804	---	262	---	(604)	(H)	(A)	
363,349	241,783	133,550	110,718	268,664	204,416	13,462	19,558	(A)	(A)	
15,351	14,012	9,526	9,089	17,987	18,398	4,234	4,118	(A)	(A)	
771,471	731,030	24,074	22,824	235,948	193,260	102	1,626	(A)	(A)	

Name	Registered address	Effective tax rate	Activity	Equity interest		
				Holder	Percentage	
					2014	2013
MAPFRE SEGURODORA DE CRÉDITO A LA EXPORTACIÓN S.A.	Avda. M ^o Coelho Aguiar 215 Sao Paulo (Brasil)	37.77%	Insurance	• MAPFRE BRASIL PARTICIPACOES, S.A.	100.0000	100.0000
MAPFRE INVESTIMENTOS E PARTICIPAÇÕES, S.A.	Avd.Nações Unidas, 11711 17. Andar Brooklin Sao Paulo (Brasil)	2.75%	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 (Brasil) Sao Paulo (Brasil)	38.33%	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	31.04%	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	30.65%	Insurance	• BB MAPFRE SH1 PARTICIPAÇÕES S.A.	100.0000	100.0000
MAPFRE ADMINISTRAÇÕES DE CONSORCIO S.A.	Avenida das Nações Unidas, 12.495 11º andar - São Paulo-SP	34.45%	Consortia management	• MAPFRE INVESTIMENTOS E PARTICIPAÇÕES, S.A.	100.0000	100.0000
MAPFRE SAUDE LTDA	Avenida das Nações Unidas, 12.495 São Paulo-SP	24.24%	Healthcare services	• MAPFRE HOLDING DO BRASIL LTDA • DETECTAR DESENVOLVIMIENTO DE TECNICAS PARA TRANSFERENCIAS ES ADMINISTRACIÓN DE RISCOS LTDA.	100.0000 ---	99.9900 0.0100
PROTENEG CORRETORA DE SEGUROS LTDA	Avenida da Nações Unidas, 12.495 11º Andares Sao Paulo (Brasil)	--	Insurance brokerage in all lines	• MAPFRE VERA CRUZ CONSULTORIA TECNICA E ADMINIST. • MAPFRE HOLDING DO BRASIL LTDA • DETECTAR DESENVOLVIMIENTO DE TECNICAS PARA TRANSFERENCIAS ES ADMINISTRACIÓN DE RISCOS LTDA.	100.0000 --- ---	--- 10.0000 90.0000
CENTROAMÉRICA						
MAPFRE TENEDORA DE ACC, S.A.	Costa del Este, diagonal al Business Park Panamá (Panamá)	--	Insurance	• MAPFRE AMERICA CENTRAL, S.A.	100.0000	100.0000
MAPFRE AMERICA CENTRAL S.A	Costa del Este, diagonal al Business Park Panamá (Panamá)	--	Holding	• MAPFRE AMÉRICA	100.0000	100.0000
MAPFRE HONDURAS	Avenida Berlín y Calle Viena, piso 7 Lomas del Guijarro Sur Edificio Plaza Azul Tegucigalpa, M.D.C. (Honduras)	10.23%	Insurance	• MAPFRE TENEDORA DE ACC, S.A. • MAPFRE AMERICA CENTRAL, S.A.	73.0000 25.0780	73.0000 25.0780
MAPFRE PANAMÁ	Costa del Este, diagonal al Business Park Panamá (Panamá)	5.18%	Insurance	• MAPFRE AMERICA CENTRAL, S.A.	99.2800	99.2800
MAPFRE LA CENTRO AMERICANA S.A.	Alameda Roosevelt, 31-07 San Salvador (El Salvador)	25.12%	Insurance	• MAPFRE AMERICA CENTRAL, S.A.	72.9201	72.9201
INMOBILIARIA AMERICANA S.A.	Alameda Roosevelt, 31-07 San Salvador (El Salvador)	48.63%	Property	• MAPFRE AMERICA CENTRAL, S.A.	78.8960	78.8960
MAPFRE COSTA RICA	Barrio Tournón, Edificio Alvasa, 2do. Piso 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 GUATEMALA	5a Avenida 5-55 Zona 14 Europlaza Europlaza Torre 4 Nivel 16 y PH. Ciudad de Guatemala (Guatemala)	37.42%	Insurance	• MAPFRE TENEDORA DE ACC, S.A.	100.0000	100.0000
MAPFRE NICARAGUA	Edificio Invercasa, 1er. Piso Managua (Nicaragua)	16.35%	Insurance	• MAPFRE TENEDORA DE ACC, S.A.	100.0000	100.0000
CHILE						
MAPFRE CHILE SEGUROS S.A.	Isidoro Goyenechea 3520 p 16 Las Condes Santiago de Chile (Chile)	3.60%	Holding	• MAPFRE AMÉRICA • INVERSIONES MAPFRE CHILE	99.9954 0.0046	99.9954 0.0046
MAPFRE CHILE ASESORIAS, S.A (In 2013 EUROAMÉRICA ASESORÍAS GENERALES S.A.)	Isidoro Goyenechea 3520 p 16 Las Condes Santiago de Chile (Chile)	--	Investment company	• MAPFRE CHILE SEGUROS	100.0000	100.0000
MAPFRE COMPAÑÍA DE SEGUROS GENERALES DE CHILE S.A.	Isidoro Goyenechea 3520 p 16 Las Condes Santiago de Chile (Chile)	18.08%	Insurance	• MAPFRE CHILE SEGUROS • MAPFRE CHILE ASESORIAS, S.A	81.4200 18.5800	81.4200 18.5800
MAPFRE CHILE VIDA, S.A.	Isidoro Goyenechea 3520 p 16 Las Condes Santiago de Chile (Chile)	--	Holding	• MAPFRE AMÉRICA	100.0000	100.0000

Year end figures (thousands of euros)										
Assets		Equity		Revenue		Annual earnings		Method or procedure		
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	
5,657	5,535	5,463	5,105	520	806	311	402	(A)	(A)	
30,683	26,077	30,302	25,865	4,516	7,788	4,304	7,560	(A)	(A)	
391,043	337,751	52,592	57,803	249,697	261,967	20,409	29,434	(A)	(A)	
832,152	745,863	125,816	134,626	719,170	663,184	47,677	32,639	(A)	(A)	
3,225,368	2,489,404	439,710	346,766	2,309,425	2,000,546	411,989	294,800	(A)	(A)	
11,515	5,718	11,054	5,306	2,918	500	(3,761)	(1,645)	(A)	(A)	
5,011	2,226	4,855	2,206	210	145	(660)	65	(A)	(F)(A)	
138	---	69	---	544	---	46	---	(A)	(F)(A)	
47,205	38,561	31,497	27,103	1,540	2,280	655	345	(A)	(A)	
190,890	168,461	186,718	166,238	2,612	4,531	2,612	4,531	(A)	(A)	
58,372	48,522	13,277	9,874	52,571	40,639	2,661	1,993	(A)	(A)	
246,238	194,428	68,985	58,762	142,226	130,813	9,574	9,344	(A)	(A)	
59,346	53,022	13,992	11,792	48,334	46,761	311	116	(A)	(A)	
6,434	5,446	6,331	5,383	639	491	200	56	(A)	(A)	
29,016	19,858	9,187	8,441	20,422	13,835	(258)	(191)	(A)	(A)	
43,952	37,116	12,449	9,775	38,724	35,423	1,888	2,199	(A)	(A)	
14,326	12,065	7,284	6,146	10,925	9,784	749	678	(A)	(A)	
47,674	42,588	47,674	42,588	2	(874)	16	(983)	(A)	(A)	
8,599	7,661	8,599	7,661	---	24	---	---	(A)	(A)	
511,555	479,202	49,584	50,049	317,112	318,178	1,907	8,340	(A)	(A)	
5,301	4,737	5,259	4,695	---	---	1	(29)	(A)	(A)	

Name	Registered address	Effective tax rate	Activity	Equity interest		
				Holder	Percentage	
					2014	2013
MAPFRE COMPAÑÍA DE SEGUROS DE VIDA DE CHILE	Isidoro Goyenechea 3520 p 16 Las Condes Santiago de Chile (Chile)	11.04%	Insurance	• MAPFRE CHILE VIDA	100.0000	100.0000
INVERSIONES MAPFRE CHILE LIMITADA	C/ Teatinos 280 Santiago de Chile (Chile)	15.37%	Property	• MAPFRE AMERICA	100.0000	100.0000
COLOMBIA						
MAPFRE SEGUROS GENERALES DE COLOMBIA S.A.	Carrera, 14, n° 96-34 Santa Fé de Bogotá (Colombia)	24.10%	Insurance	• MAPFRE AMÉRICA • APOINT	94.2731 5.7209	94.2731 5.7209
CREDIMAPFRE	Carrera, 14, n° 96-34 Santa Fé de Bogotá (Colombia)	34.30%	Financial and property	• GESTIMAP • MAPFRE SEGUROS GENERALES DE COLOMBIA	5.0854 94.9144	5.0854 94.9144
GESTIMAP S.A.	Carrera, 14, n° 96-34 Santa Fé de Bogotá (Colombia)	--	Information on vehicle parts	• MAPFRE SEGUROS GENERALES DE COLOMBIA • CREDIMAPFRE • SOLUNION COLOMBIA SEGUROS DE CREDITO, S.A. • 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, n° 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, n° 96-34 Santa Fé de Bogotá (Colombia)	13.15%	Insurance	• MAPFRE AMÉRICA • APOINT	94.3541 5.6459	94.3541 5.6459
CESVI COLOMBIA, S.A.	Carrera 87, Num.15-87 Santa Fé de Bogotá (Colombia)	33.00%	Research, training and advisory services	• MAPFRE SEGUROS GENERALES DE COLOMBIA • MAPFRE COLOMBIA VIDA	3.5500 62.3309	3.5500 62.3309
MAPFRE SERVICIOS EXEQUIALES SAS	Carrera, 14, n° 96-34 Santa Fé de Bogotá (Colombia)	33.00%	Provision of assistance services	• CREDIMAPFRE	100.0000	100.0000
ECUADOR						
MAPFRE ATLAS COMPAÑÍA DE SEGUROS, S.A.	Kennedy e Norte, Justino Cornejo y Avda, Luis Orrantia. Edificio Torres Atlas Guayaquil (Ecuador)	15.40%	Insurance	• MAPFRE AMÉRICA	60.0000	60.0000
MÉXICO						
MAPFRE TEPEYAC S.A.	Avenida Paseo de la Reforma 243 Colonia Cuauhtémoc Delegación Cuauhtémoc México, Distrito Federal C.P. 06500	30.32%	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 México, Distrito Federal C.P. 06500	30.00%	Holding	• MAPFRE AMÉRICA	100.0000	100.0000
UNIDAD MÓVIL DE DIAGNÓSTICO S.A.	Colonia Cuauhtémoc Delegación Cuauhtémoc México, Distrito Federal C.P. 06500	20.63%	Medical services	• MAPFRE TEPEYAC	99.9982	99.9982
ASSET DEFENSA LEGAL MEXICANA S.A. DE C.V.	Avenida Paseo de la Reforma 243 Colonia Cuauhtémoc Delegación Cuauhtémoc México, Distrito Federal C.P. 06500	44.46%	Legal advice	• MAPFRE TEPEYAC	78.8145	78.8145
TEPEYAC INC.	109 Este San Ysidro Blvd No. 65 San Isidro California, EEUU	30.00%	Tourist automobile insurance	• MAPFRE TEPEYAC	100.0000	100.0000
TEPEYAC ASESORES	Avenida Paseo de la Reforma 243 Colonia Cuauhtémoc Delegación Cuauhtémoc México, Distrito Federal C.P. 06500	30.00%	Fund 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 México, Distrito Federal C.P. 06500	2.04%	Agent services with provisional certificate	• MAPFRE TEPEYAC	99.9900	99.9900
CESVI MÉXICO, S.A.	Calle 1 Sur No. 101 Parque Industrial Toluca 2000 Toluca México, Estado de México	30.00%	Research institute	• MAPFRE TEPEYAC	13.9500	13.9500

Year end figures (thousands of euros)											
Assets		Equity		Revenue		Annual earnings		Method or procedure			
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
52,702	50,676	5,747	5,275	8,047	7,600	463	618	(A)		(A)	
28,201	27,680	27,419	26,994	2,786	2,826	1,948	1,805	(A)		(A)	
376,699	348,616	57,100	54,849	248,300	265,235	6,479	7,985	(A)		(A)	
9,143	8,358	4,250	4,748	1,236	1,815	(81)	510	(A)		(A)	
---	---	---	---	---	---	---	---	(A)		(A)	
---	---	---	---	---	---	---	---	(B)		(B)	
917,085	845,157	59,034	55,125	397,494	494,553	4,941	25,291	(A)		(A)	
4,451	4,657	3,803	4,114	3,755	4,299	---	13	(A)		(A)	
1,809	93	1,021	70	7,900	---	1,036	(125)	(A)		(F)(A)	
55,690	42,959	10,071	8,922	47,961	45,367	427	1,246	(A)		(A)	
999,926	869,190	204,115	194,952	791,736	728,843	18,160	24,238	(A)		(A)	
29,302	28,978	29,302	28,978	4	11,015	(9)	11,412	(A)		(A)	
3,501	2,664	1,422	1,898	32	43	235	385	(A)		(A)	
1,059	1,022	663	591	11	6	66	88	(A)		(A)	
65	42	65	42	---	---	17	1	(A)		(A)	
415	411	415	411	9	53	(1)	39	(A)		(A)	
22	22	19	17	---	---	1	1	(A)		(A)	
5,928	7,774	5,151	6,988	6,121	8,507	(447)	2,302	(D)		(D)	

Name	Registered address	Effective tax rate	Activity	Equity interest		
				Holder	Percentage	
					2014	2013
MAPFRE FIANZAS S.A.	Avenida Paseo de la Reforma 243 Colonia Cuauhtémoc Delegación Cuauhtémoc México, Distrito Federal C.P. 06500	24.29%	Insurance	• MAPFRE TEPEYAC	100.0000	100.0000
PARAGUAY						
MAPFRE PARAGUAY COMPAÑÍA DE SEGUROS S.A.	Av.Mariscal López, 910 Asunción (Paraguay)	12.51%	Insurance	• MAPFRE AMÉRICA	89.5400	89.5400
PERÚ						
MAPFRE PERÚ COMPAÑÍA DE SEGUROS Y REASEGUROS	Av.Veintiocho de Julio, 873 Miraflores- Lima 18 (Perú)	30.08%	Insurance and reinsurance	• MAPFRE AMÉRICA	99.2900	99.2900
MAPFRE PERÚ ENTIDAD PRESTADORA DE SALUD	Av.Veintiocho de Julio, 873 Miraflores- Lima 18 (Perú)	33.78%	Medical care	• 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 (Perú)	30.00%	Insurance	• MAPFRE AMÉRICA	67.2725	67.2725
CORPORACIÓN FINISTERRE, S.A.	Av.Veintiocho de Julio, 873 Miraflores- Lima 18 (Perú)	30.00%	Funeral services	• MAPFRE PERÚ VIDA	100.0000	100.0000
PUERTO RICO						
MAPFRE PRAICO CORPORATION	Urb. Tres Monjitas Industrial 297 Avda.Carlos Chardón Hato Rey San Juan (Puerto Rico)	0.01%	Holding	• MAPFRE AMÉRICA	100.0000	100.0000
MAPFRE PRAICO INSURANCE COMPANY	Urb. Tres Monjitas Industrial 297 Avda.Carlos Chardón Hato Rey San Juan (Puerto Rico)	36.49%	Insurance	• MAPFRE PRAICO CORPORATION	100.0000	100.0000
MAPFRE PREFERRED RISK INSURANCE COMPANY	Urb. Tres Monjitas Industrial 297 Avda.Carlos Chardón Hato Rey San Juan (Puerto Rico)	44.99%	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)	5.69%	Insurance	• MAPFRE PRAICO CORPORATION	100.0000	100.0000
MAPFRE INSURANCE AGENCY OF PUERTO RICO, INC.	Urb. Tres Monjitas Industrial 297 Avda.Carlos Chardón Hato Rey San Juan (Puerto Rico)	35.62%	Insurance brokerage	• 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)	32.81%	Finance	• MAPFRE PRAICO CORPORATION	100.0000	100.0000
MAPFRE LIFE INSURANCE COMPANY	Urb. Tres Monjitas Industrial 297 Avda.Carlos Chardón Hato Rey San Juan (Puerto Rico)	-0.35%	Insurance and reinsurance	• MAPFRE PRAICO CORPORATION	100.0000	100.0000
AUTO GUARD INC.	Urb. Tres Monjitas Industrial 297 Avda.Carlos Chardón Hato Rey San Juan (Puerto Rico)	5.88%	Extended warranty contracts and theft protection	• MAPFRE PRAICO CORPORATION	100.0000	100.0000
MULTISERVICAR INC	Calle Celestial Esq. Joaquina Bo. Cangrejo Arriba Carolina (Puerto Rico)	0.00%	Repair 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 (República Dominicana)	--	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 (República Dominicana)	20.02%	Insurance	• MAPFRE DOMINICANA	51.0000	51.0000
CREDI PRIMAS, S.A.	Ave Abraham Lincoln, 952 esq. José Amado Soler Ensanche Piantini, Santo Domingo (República Dominicana)	--	Policy financing	• MAPFRE BHD COMPAÑÍA DE SEGUROS S.A.	100.0000	100.0000
URUGUAY						
APOINT S.A.	Col. 993 Piso 3 Montevideo (Uruguay)	--	Holding	• MAPFRE AMÉRICA	100.0000	100.0000
MAPFRE LA URUGUAYA S.A.	Avda. 18 de Julio, 988 Montevideo (Uruguay)	29.92%	Insurance	• MAPFRE AMÉRICA	100.0000	100.0000

Year end figures (thousands of euros)										
Assets		Equity		Revenue		Annual earnings		Method or procedure		
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2013
15,433	13,092	5,601	4,776	9,888	7,433	759	714	(A)	(A)	
92,920	78,120	40,763	32,467	68,640	62,471	7,472	6,689	(A)	(A)	
400,342	336,089	68,905	53,263	225,878	236,880	12,780	9,486	(A)	(A)	
7,549	7,767	2,212	2,739	24,884	22,913	783	1,361	(A)	(A)	
322,440	227,877	54,063	38,093	120,158	122,870	16,098	10,320	(A)	(A)	
5,192	5,503	1,674	4,649	10,077	8,480	639	412	(A)	(A)	
206,112	178,549	208,492	175,644	12,820	14,295	6,538	9,488	(A)	(A)	
373,029	325,696	148,854	122,881	195,187	222,918	13,675	13,888	(A)	(A)	
85,809	71,520	26,288	21,545	39,189	34,150	1,356	1,910	(A)	(A)	
13,474	12,844	8,670	7,800	2,378	2,789	246	123	(A)	(A)	
1,958	1,739	763	561	---	---	116	74	(A)	(A)	
4,861	3,827	3,167	2,672	433	426	121	133	(A)	(A)	
71,445	57,575	28,320	25,081	90,342	69,800	(1,769)	477	(A)	(A)	
16,561	14,953	627	(193)	1,585	2,521	601	320	(A)	(A)	
8,884	8,478	1,001	1,273	1,190	702	(410)	(971)	(A)	(A)	
27,114	18,112	27,105	18,108	4,921	7	4,910	---	(A)	(A)	
161,758	96,744	40,531	30,992	96,863	91,284	9,762	8,137	(A)	(A)	
1,526	1,522	150	177	135	144	(41)	(37)	(A)	(A)	
5,892	5,203	5,713	5,045	---	---	(16)	(14)	(A)	(A)	
121,332	85,510	14,787	12,328	92,250	82,999	1,235	1,331	(A)	(A)	

Name	Registered address	Effective tax rate	Activity	Equity interest		
				Holder	Percentage	
					2014	2013
VENEZUELA						
MAPFRE LA SEGURIDAD S.A.	Avenida Francisco de Miranda, Torre Financiera Caracas, piso 14, Urbanización La Castellana, Chacao, Estado Miranda	12.97%	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, Estado Miranda	--	Education	• MAPFRE LA SEGURIDAD	100.0000	100.0000
INVERSORA SEGURIDAD C.A.	Avenida Francisco de Miranda, Torre Financiera Caracas, piso 14, Urbanización La Castellana, Chacao, Estado Miranda	34.00%	Policy financing	• MAPFRE LA SEGURIDAD	100.0000	100.0000
CLUB MAPFRE S.A.	Avenida Francisco de Miranda, Torre Financiera Caracas, piso 14, Urbanización La Castellana, Chacao, Estado Miranda	--	Provision of assistance	• MAPFRE LA SEGURIDAD	100.0000	100.0000
AUTOMOTRIZ MULTISERVICAR, C.A.	Avenida Francisco de Miranda, Torre Financiera Caracas, piso 14, Urbanización La Castellana, Chacao, Estado Miranda	--	Vehicle repair workshop	• MAPFRE LA SEGURIDAD	100.0000	99.7000
AMA-ASISTENCIA MEDICA ADMINISTRADA, C.A.	Avenida Francisco de Miranda, Torre Financiera Caracas, piso 14, Urbanización La Castellana, Chacao, Estado Miranda	--	Healthcare services	• MAPFRE AMÉRICA	99.7000	99.7000
INTERNACIONAL						
MAPFRE INTERNACIONAL S.A	Carretera de Pozuelo, 52 Majadahonda (Madrid)	30.00% (1)(2)	Holding	• MAPFRE SA	100.0000	100.0000
TÜRKİYE GENEL SİGORTA, S.A.	YeniDehir Mah. Irmak Cad. No:11 34435 Salıpazarı Istanbul (Tuquía)	20.00%	Insurance	• MAPFRE INTERNACIONAL	99.7450	99.7450
GENEL YASAM SİGORTA, A.S.	YeniDehir Mah. Irmak Cad. No:11 K.3 34435 Salıpazarı Istanbul (Tuquía)	20.00%	Insurance	• GENEL SİGORTA	100.0000	100.0000
GENEL SERVİS YEDEK PARÇA DAGITIM TİCARET ANONİM SİRKET	Çevreyolu Caddesi No.2 34020 Bayrampaşa – İstanbul (Turquía)	20.00%	Vehicle repair workshop	• GENEL SİGORTA	51.0000	51.0000
MIDDLESEA INSURANCE P.L.C.	Middle Sea House Floriana JTL, 16 (Malta)	35.00%	Insurance	• MAPFRE INTERNACIONAL	54.5627	54.5627
MAPFRE INSULAR INSURANCE CORPORATION	Acacia Ave Mandrigal Business Park Ayala Alabarg, MuntinlupaCity (Filipinas)	30.00%	Insurance	• MAPFRE INTERNACIONAL	74.9384	74.9384
MAPFRE INSURANCE COMPANY OF FLORIDA	5959 Blue Lagoon Drive, Suite 400, Miami (E.E.U.U.)	40.00%	Insurance	• COMMERCE INSURANCE	100.0000	100.0000
MAPFRE INSURANCE COMPANY	100 Campus Drive New Jersey 07932-2007 (E.E.U.U.)	40.00%	Insurance and reinsurance	• COMMERCE INSURANCE	100.0000	100.0000
MAPFRE INTERMEDIARIES	5959 Blue Lagoon Drive, Suite 400, Miami (E.E.U.U.)	40.00%	Services	• COMMERCE INSURANCE	100.0000	100.0000
MAPFRE USA CORPORATION INC	211 Main Street, Webster, MA 01570 (EE.UU.)	40.00%	Holding	• MAPFRE INTERNACIONAL	100.0000	100.0000
THE COMMERCE INSURANCE COMPANY	211 Main Street, Webster, MA 01570 (EE.UU.)	40.00%	Insurance	• MAPFRE USA CORPORATION	100.0000	100.0000
THE CITATION INSURANCE COMPANY	211 Main Street, Webster, MA 01570 (EE.UU.)	40.00%	Insurance	• MAPFRE USA CORPORATION	100.0000	100.0000
ACIC HOLDINGS COMPANY, INC.	215 Main Street, Webster, MA 01570 (EE.UU.)	40.00%	Holding	• MAPFRE USA CORPORATION	95.0000	95.0000
AMERICAN COMMERCE INSURANCE COMPANY	3590 Twin Creeks Drive, Columbus, OH 43204 (EE.UU.)	40.00%	Insurance	• ACIC HOLDINGS	100.0000	100.0000
MM REAL ESTATE, LLC	Blue Lagoon, Drive Suite, 200 Miami (E.E.U.U.)	40.00%	Property	• COMMERCE INSURANCE	100.0000	100.0000
THE COMMERCE WEST INSURANCE COMPANY	4301 Hacienda Drive, Suite 200, Pleasanton, CA 94588 (EE.UU.)	40.00%	Insurance	• ACIC HOLDINGS	100.0000	100.0000
MAPFRE INSURANCE COMPANY OF NEW YORK	20 Main Street Hempstead, NY 11550 (EE.UU.)	40.00%	Insurance	• ACIC HOLDINGS	100.0000	100.0000
BIGELOW & OLD WORCESTER, LLC	211 Main Street, Webster, MA 01570 (EE.UU.)	40.00%	Property	• COMMERCE INSURANCE	100.0000	100.0000

	Year end figures (thousands of euros)									
	Assets		Equity		Revenue		Annual earnings		Method or procedure	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	948,838	1,003,008	474,662	462,946	1,062,900	1,063,455	69,437	80,651	(A)	(A)
	58	88	10	20	123	120	(12)	(6)	(A)	(A)
	150,259	145,596	100,060	123,021	61,637	52,953	(25,134)	(27,874)	(A)	(A)
	115	167	102	154	26	31	(62)	(63)	(A)	(A)
	867	977	582	850	2,234	1,855	(313)	(541)	(A)	(A)
	170	29	87	29	348	---	71	---	(A)	(F)(A)
	2,057,435	2,085,621	2,019,225	2,035,440	156,174	131,327	95,170	79,003	(A)	(A)
	714,621	605,013	213,960	186,661	542,640	590,385	18,931	33,240	(A)	(A)
	18,004	23,740	8,449	14,058	6,225	6,981	1,305	1,308	(A)	(A)
	1,812	1,637	711	661	1,954	2,585	378	494	(A)	(A)
	83,789	84,890	22,961	22,250	39,005	36,661	4,068	5,236	(A)	(A)
	109,991	89,545	29,332	25,580	40,820	38,648	1,623	387	(A)	(A)
	67,448	56,586	32,882	28,055	32,728	31,119	497	2,227	(A)	(A)
	51,122	38,851	23,097	15,327	26,582	24,962	469	(193)	(A)	(A)
	419	289	375	264	---	---	69	49	(A)	(A)
	1,166,664	1,159,260	1,161,877	1,146,095	167,680	181,982	166,482	175,332	(A)	(A)
	2,204,546	1,938,082	736,397	726,387	1,316,059	1,257,566	44,548	69,904	(A)	(A)
	199,596	175,369	81,371	72,806	117,327	111,492	3,723	5,359	(A)	(A)
	206,047	192,973	205,967	189,319	15,545	16,144	15,541	16,142	(A)	(A)
	257,772	220,927	99,270	90,727	142,263	135,769	3,141	3,189	(A)	(A)
	9,317	8,060	9,237	8,205	647	759	(77)	(22)	(A)	(A)
	128,941	108,292	52,944	46,714	74,591	70,585	2,978	2,729	(A)	(A)
	112,973	94,190	48,779	42,272	61,905	58,765	1,921	1,914	(A)	(A)
	1,552	1,403	1,529	1,383	---	---	(39)	(26)	(A)	(A)

Name	Registered address	Effective tax rate	Activity	Equity interest		
				Holder	Percentage	
					2014	2013
BFC HOLDING CORPORATION (In 2013 BAY FINANCE HOLDING COMPANY)	211 Main Street, Webster, MA 01570 (EE.UU.)	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	11.0000	10.0000
MAPFRE LIFE INSURANCE CO.	211 Main Street, Webster, MA 01570 (EE.UU.)	--	Insurance	• MAPFRE USA CORPORATION	100.0000	--
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%	Advisory and management services	• MIDDLESEA INSURANCE P.L.C.	100.0000	100.0000
GROWTH INVESTMENTS LIMITED	Piazza Papa Giovanni XXIII, Floriana, FRN 1420, Malta	--	Provision of investment services	• M.S.V. LIFE 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

NEGOCIOS GLOBALES

GLOBAL RISKS

MAPFRE GLOBAL RISKS	Ctra. Pozuelo, 52. Majadahonda. (Madrid) España	30.00% (1)(2)	Insurance and reinsurance	• MAPFRE SA • MAPFRE FAMILIAR	99.9994 0.0006	99.9994 0.0006
ITSEMAP SERVICIOS TECNOLÓGICOS MAPFRE, S.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) España	30.00% (1)	Technology services	• MAPFRE GLOBAL RISKS • MAPFRE RE • MAPFRE SA	60.0000 39.9752 0.0248	60.0000 39.9752 0.0248
ITSEMAP MÉXICO, S.A.	Porfirio Diaz, 102 Col.Nochebuena México D.F. (México)	28.00%	Technology services	• ITSEMAP SERVICIOS TECNOLÓGICOS	---	99.9998
ITSEMAP PORTUGAL, LTDA	Rua Castillo, 52 Lisboa (Portugal)	31.50%	Technology services	• ITSEMAP SERVICIOS TECNOLÓGICOS	---	99.9857
ITSEMAP CHILE, S.A.	Apoquindo, 4499 Santiago (Chile)	--	Technology services	• ITSEMAP SERVICIOS TECNOLÓGICOS • MAPFRE CHILE REASEGUROS	75.0000 25.0000	75.0000 25.0000
ITSEMAP BRASIL, LTDA	Rua Sao Carlos do Pinhal, 696 Sao Paulo (Brasil)	31.00%	Technology services	• ITSEMAP SERVICIOS TECNOLÓGICOS • MAPFRE RE DO BRASIL	---	99.9792 0.0208
SERVIFINANZAS, S.A. SOCIEDAD UNIPERSONAL	Ctra. Pozuelo, 52. Majadahonda. (Madrid) España	30.00% (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) España	30.00% (2)	Insurance and reinsurance	• MAPFRE GLOBAL RISKS	50.0000	50.0000
SOLUNION SERVICIOS DE CREDITO S.L.U.	Avda.General Perón 40, 3ª Planta (Madrid) España	30.00% (2)	Services	• SOLUNION SEGUROS DE CREDITO S.A.	100.0000	100.0000
SOLUNION SERVICIOS DE CREDITO ARGENTINA, S.A.	Corrientes 299, 2º piso (C1043AAC) Buenos Aires (Argentina)	35.00%	Services	• SOLUNION SEGUROS DE CREDITO S.A. • SOLUNION SERVICIOS DE CREDITO S.L.U.	95.0000 5.0000	95.0000 5.0000
MAPFRE AMÉRICA CAUCIÓN S.A.	Avda.General Perón,40 (Madrid) España	30.00%	Holding	• SOLUNION SEGUROS DE CREDITO S.A. • EULER HERMES ACI HOLDING LLC	81.3100 18.6900	100.0000 ---
SOLUNION CHILE SEGUROS DE CREDITO, S.A (In 2013 MAPFRE GARANTÍAS Y CRÉDITO,S.A.)	Isidora Goyenechea,3520 piso 17 Los condes, 7550071 Santiago, Chile	18.00%	Insurance	• MAPFRE AMÉRICA CAUCIÓN Y CRÉDITO • SOLUNION COLOMBIA SEGUROS DE CREDITO, S.A. • EULER HERMES ACI HOLDING LLC • SOLUNION CHILE SERVICIOS DE CREDITO, LTDA.	51.8310 0.0040 36.3200 11.8450	99.9923 0.0077 --- ---

Year end figures (thousands of euros)										
	Assets		Equity		Revenue		Annual earnings		Method or procedure	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	269	141	215	100	143	121	93	79	(A)	(A)
	68,408	32,325	68,408	32,325	---	---	(2,220)	(4,075)	(C)	(C)
	25,445	--	24,914	--	--	--	(412)	--	(G)(A)	--
	1,561,737	1,372,114	149,515	134,962	278,282	208,993	10,530	9,925	(A)	(A)
	2,589	2,538	2,542	2,501	587	537	86	58	(A)	(A)
	856	736	597	630	559	626	67	122	(A)	(F)(A)
	175,359	130,850	72,387	46,647	91,464	86,951	10,583	11,644	(C)	(F)(C)
	2,848,404	2,588,151	559,989	493,646	1,138,290	1,231,451	87,910	93,346	(A)	(A)
	2,200	3,479	2,054	2,843	2,146	1,997	991	(3)	(A)	(A)
	---	976	---	635	370	1,326	(11)	70	(H)	(A)
	---	754	---	403	308	630	---	28	(H)	(A)
	39	39	39	39	1	1	---	---	(A)	(A)
	---	1,260	---	1,081	923	1,979	11	48	(H)	(A)
	628	626	628	625	5	11	3	5	(A)	(A)
	40,344	37,033	25,893	24,462	3,434	3,026	277	1,882	(A)	(A)
	350,052	382,391	113,232	110,059	125,093	134,999	2,010	(11,791)	(E)	(E)
	9,271	9,239	2,842	1,451	17,588	11,637	1,349	(2,719)	(E)	(F)(E)
	699	514	385	360	609	400	78	8	(E)	(F)(E)
	16,038	12,784	15,510	12,731	2,778	130	1,216	(582)	(E)	(E)
	21,491	16,329	6,003	3,773	4,677	4,073	(1,146)	(861)	(E)	(E)

Name	Registered address	Effective tax rate	Activity	Equity interest		
				Holder	Percentage	
					2014	2013
SOLUNION COLOMBIA SEGUROS DE CREDITO, S.A. (In 2013 COMPAÑÍA DE SEGUROS DE CRÉDITOS COMERCIALES)	Calle 7 sur 42-70 Medellín (Colombia)	33.00%	Insurance	• MAPFRE AMÉRICA CAUCIÓN Y CRÉDITO	94.8936	94.8936
				• SOLUNION SEGUROS DE CREDITO, S.A.	4.7872	4.7872
				• SOLUNION MEXICO SEGUROS DE CREDITO, S.A.	0.1064	0.1064
				• SOLUNION CHILE SEGUROS DE CREDITO S.A.	0.1064	0.1064
				• SOLUNION SERVICIOS DE CREDITO S.L.U.	0.1064	0.1064
SOLUNION MEXICO SEGUROS DE CREDITO, S.A. (In 2013 MAPFRE SEGUROS DE CRÉDITO S.A.)	Torre Planco, Mariano Escobedo 476 piso 15. Colonia Nueva Anzures C.P. 11590 Mexico D.F., Mexico	30.00%	Insurance	• MAPFRE AMÉRICA CAUCIÓN Y CRÉDITO	100.0000	99.9800
				• MAPFRE TEPEYAC	---	0.0200
EULER HERMES ACI HOLDING LLC (In 2013 ACI HOLDING USA)	800 Red Brook Boulevard Owings Mills Maryland 21117, USA	--	Holding	• SOLUNION SEGUROS DE CREDITO S.A.	100.0000	100.0000
EULER HERMES SEGUROS CHILE (In 2014 merged with SOLUNION CHILE SEGUROS DE CREDITO S.A.)	Isidora Goyenechea,3520 piso 17 Los condes, 7550071 Santiago, Chile	--	Insurance	• EULER HERMES ACI HOLDING LLC	---	75.4100
				• SOLUNION CHILE SERVICIOS	---	24.5900
SOLUNION CHILE SERVICIOS DE CREDITO, LTDA. (In 2013 SOLUNION CHILE SERVICIOS)	Isidora Goyenechea,3520 piso 17 Los condes, 7550071 Santiago, Chile	--	Services	• EULER HERMES ACI HOLDING LLC	99.3300	99.3300
				• SOLUNION SERVICIOS DE CREDITO S.L.U.	0.6700	0.6700
SOLUNION SERVICIOS DE CREDITO DE COLOMBIA, LTDA (In 2013 SOLUNION COLOMBIA SERVICIOS)	Calle 7 sur 42-70 Medellín (Colombia)	--	Services	• EULER HERMES ACI HOLDING LLC	98.3333	98.3333
				• SOLUNION SERVICIOS DE CREDITO S.L.U.	1.6667	1.6667
EULER HERMES SEGURO DE CREDITO, S.A. (In 2013 EULER HERMES SEGUROS MEJICO) (In 2014 merged with SOLUNION MEXICO SEGUROS DE CREDITO S.A.)	Torre Planco, Mariano Escobedo 476 piso 15. Colonia Nueva Anzures C.P. 11590 Mexico D.F., Mexico	--	Insurance	• EULER HERMES ACI HOLDING LLC	---	100.0000
SOLUNION MEXICO SERVICIOS, S.A. DE C.V. (In 2013 SOLUNION MEJICO SERVICIOS)	Torre Planco, Mariano Escobedo 476 piso 15. Colonia Nueva Anzures C.P. 11590 Mexico D.F., Mexico	--	Services	• EULER HERMES ACI HOLDING LLC	100.0000	99.9980
				• SOLUNION SERVICIOS DE CREDITO S.L.U.	---	0.0020
REASEGURO						
MAPFRE RE COMPAÑÍA DE REASEGUROS, S.A.	Paseo de Recoletos, 25 (Madrid) España	30.00% (1)(2)	Reinsurance	• MAPFRE SA	91.5288	91.5288
				• MAPFRE FAMILIAR	0.0003	0.0003
CIAR INVESTMENT	45, Rue de Trèves Bruselas (Bélgica)	34.00%	Property management	• MAPFRE RE	99.9900	99.9900
				• MAPFRE INTERNACIONAL	0.0100	0.0100
MAPFRE CHILE REASEGUROS, S.A.	Avda.Apoquindo, 4499 Santiago de Chile (Chile)	20.00%	Holding	• MAPFRE RE	100.0000	99.9932
				• INVERSIONES IBÉRICAS	---	0.0068
INVERSIONES IBÉRICAS, L.T.D.A. (Liquidada en 2014)	Avda.Apoquindo, 4499 Santiago de Chile (Chile)	20.00%	Finance and property	• MAPFRE RE	---	99.9899
				• MAPFRE CHILE REASEGUROS	---	0.0101
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%	Property	• MAPFRE CHILE REASEGUROS	31.4400	31.4400
C R ARGENTINA, S.A.	Bouchar 547 piso 14 Buenos Aires (Argentina)	35.00%	Advisory services	• MAPFRE CHILE REASEGUROS	99.9960	99.9960
MAPFRE RE DO BRASIL COMPAÑÍA DE REASEGUROS	Rua Olimpíadas ,242,5º andar,conjunto 52 Vila Olimpia; Sao Paulo (Brasil)	15.00%	Insurance and reinsurance	• MAPFRE RE	99.9999	99.9999
				• BRASIL ASISTENCIA	0.0001	0.0001
MAPFRE RE ESCRITORIO DE REPRESENTACION COMPAÑÍA DE REASEGUROS	Rua Olimpíadas ,242,5º andar,conjunto 52 Vila Olimpia; Sao Paulo (Brasil)	15.00%	Representational activities	• MAPFRE RE	99.9999	99.9999
				• MAPFRE RE DO BRASIL	0.0001	0.0001
ADMINISTRADORA DE PROPIEDADES S.A. COMERCIAL Y TURISMO S.A.	Napoleón 3096 Santiago (Chile)	20.00%	Property	• MAPFRE CHILE REASEGIROS	---	31.2900
	Napoleón 3096 Santiago (Chile)	20.00%	Property	• MAPFRE CHILE REASEGIROS	---	31.2000
INMOBILIARIA PRESIDENTE FIGUEROA ALCORTA, S.A.	Bouchar 547 piso 14 B. Aires (Argentina)	35.00%	Property	• MAPFRE RE	99.9985	99.9985
INMOBILIARIA TIRILLUCA S.A.	Avda. Apoquindo, 4499 Santiago de Chile (Chile)	20.00%	Property	• MAPFRE CHILE REASEGUROS	43.7500	43.7500
MAPFRE MANDATOS Y SERVICIOS, S.A.	Bouchar 547 piso 14 B. Aires (Argentina)	35.00%	Services	• MAPFRE RE	95.0000	95.0000
				• MAPFRE ARGENTINA HOLDING	5.0000	5.0000

Year end figures (thousands of euros)										
Assets		Equity		Revenue		Annual earnings		Method or procedure		
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	
34,517	36,228	9,643	9,480	12,793	11,461	1,337	831	(E)	(E)	
40,416	5,647	9,592	2,726	15,409	886	134	255	(E)	(E)	
5,751	5,751	5,751	5,751	---	---	---	---	(E)	(F)(E)	
---	6,036	---	3,336	---	---	---	---	(H)	(F)(E)	
1,411	1,490	1,223	1,153	1,042	---	217	---	(E)	(F)(E)	
1,158	1,315	789	853	1,052	---	190	---	(E)	(F)(E)	
---	29,187	---	7,366	---	---	---	---	(H)	(F)(E)	
1,393	744	320	139	3,805	---	153	---	(E)	(F)(E)	
4,717,110	4,198,358	1,137,623	975,514	3,762,730	3,597,123	136,623	105,231	(A)	(A)	
9,713	9,952	8,617	8,876	493	797	74	399	(A)	(A)	
139,877	126,726	44,849	41,047	21,194	8,343	1,191	1,067	(A)	(A)	
---	14,859	---	14,859	---	325	---	325	(H)	(A)	
100,596	79,971	13,598	13,670	17,896	3,609	786	563	(A)	(A)	
20,043	20,043	20,021	20,021	---	88	---	(835)	(B)	(C)	
71	125	54	95	---	---	---	---	(A)	(A)	
202,255	208,539	40,997	36,380	121,008	118,922	6,228	3,590	(A)	(A)	
47	53	47	53	---	---	---	---	(B)	(B)	
---	710	---	(117)	---	1,698	---	54	(H)	(C)	
---	670	---	150	---	755	---	(156)	(H)	(C)	
---	---	---	---	---	---	---	---	(B)	(B)	
---	1,194	---	1,166	---	806	---	(193)	(C)	(C)	
36	54	36	50	---	---	---	(4)	(B)	(B)	

Name	Registered address	Effective tax rate	Activity	Equity interest		
				Holder	Percentage	
					2014	2013
REINSURANCE MANAGAMENT INC.	100 Campus Drive 07932 New Jersey (E.E.U.U.)	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) España	30.00% (1)(2)	Insurance and reinsurance	• MAPFRE SA • MAPFRE FAMILIAR	99.9970 0.0030	99.9970 0.0030
IBERO ASISTENCIA, S.A.	Avda. Liberdade, 40 Lisboa (Portugal)	27.50%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	100.0000
BRASIL ASISTENCIA S/A	Ed.Crystal Tower, Alameda Mamore 989. Alphaville Sao Paulo (Brasil)	34.00%	Travel assistance	• MAPFRE ASISTENCIA	99.9990	99.9990
MAPFRE WARRANTY BRASIL LTDA	Ed.Crystal Tower, Alameda Mamore 989. Alphaville Sao Paulo (Brasil)	34.00%	Travel assistance	• BRASIL ASISTENCIA	99.9900	99.9900
AFRIQUE ASSISTANCE, S.A.	16, Rue Dr.Alphonse Laverning, 1002 (Tunes)	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 (E.E.U.U.)	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) España	30.00% (1)	Travel assistance	• MAPFRE ASISTENCIA • MAPFRE FAMILIAR	99.9300 0.0700	99.9300 0.0700
IRELAND ASSIST, LTD	22-26 Prospect Hill Galway (Irlanda)	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 SS1 2JY, (Reino Unido)	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 SS1 2JY, (Reino Unido)	28.00%	Travel assistance	• INSURANCE AND GO	100.0000	100.0000
INSURE AND GO AUSTRALASIA	Maitland House, Warrior Square, Southend-on-Sea, Essex SS1 2JY, (Reino Unido)	28.00%	Travel assistance	• INSURANCE AND GO	100.0000	100.0000
CIG SERVICES LIMITES	Maitland House, Warrior Square, Southend-on-Sea, Essex SS1 2JY, (Reino Unido)	28.00%	Travel assistance	• INSURANCE AND GO	100.0000	100.0000
FRANCE ASSIST	55, Rue Raspail Levallois Perret (Francia)	34.33%	Travel assistance	• MAPFRE WARRANTY	100.0000	100.0000
EUROSOS ASSISTANCE, S.A.	282 Messogion Avenue 155,62 Neo Psichico. Atenas (Grecia)	35.00%	Travel assistance	• IBEROASISTENCIA • MAPFRE ASISTENCIA	0.5000 99.5000	0.5000 99.5000
CARIBE ASISTENCIA, S.A.	Avda. Tiradentes Esq.Pres. Gonzalez. Edif.La Cumbre. Ens. Naco.Domingo (República Dominicana)	25.00%	Travel assistance	• MAPFRE ASISTENCIA	75.5100	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) España	30.00% (1)	Consulting	• MAPFRE ASISTENCIA • IBEROASISTENCIA	99.9259 0.0741	99.9259 0.0741

Year end figures (thousands of euros)										
Assets		Equity		Revenue		Annual earnings		Method or procedure		
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	
888	750	17	15	---	2,389	---	---	(A)	(A)	
674,774	619,775	241,901	215,200	608,775	603,470	25,109	26,487	(A)	(A)	
1,566	907	483	379	1,708	1,638	183	86	(A)	(A)	
24,375	16,614	4,993	8,229	43,351	44,482	(2,685)	3,064	(A)	(A)	
2,361	2,005	538	(323)	514	702	(310)	(504)	(A)	(A)	
3,937	4,022	2,235	2,128	2,458	2,563	413	646	(A)	(A)	
12,869	14,420	3,938	3,283	5,676	3,174	1,634	(116)	(A)	(A)	
10,808	11,163	329	2,661	19,523	20,207	(2,008)	1,036	(A)	(A)	
24,842	15,392	7,542	4,571	21,570	25,345	2,194	2,120	(A)	(A)	
10,660	7,629	1,973	1,295	19,495	22,015	(1,725)	(973)	(A)	(A)	
6,853	6,567	914	2,387	9,427	10,684	(1,287)	185	(A)	(A)	
13,332	10,646	2,323	1,958	5,335	5,994	543	29	(A)	(A)	
2,612	1,899	1,915	1,655	1,338	1,260	260	294	(A)	(A)	
4,534	4,690	2,977	2,893	4,434	4,267	(130)	637	(A)	(A)	
13,278	14,950	8,223	6,975	38,645	39,994	939	3,963	(A)	(A)	
1,039	3,202	(3,632)	(2,189)	5,000	2,895	(1,370)	(1,585)	(A)	(A)	
1,039	1,823	1,098	925	2,655	3,301	60	180	(A)	(A)	
---	---	---	---	---	---	---	---	(A)	(A)	
---	---	---	---	---	---	---	---	(A)	(A)	
365	369	308	229	328	313	92	97	(A)	(A)	
2,562	3,582	380	8	2,069	3,051	372	374	(A)	(A)	
2,692	2,064	1,332	1,176	2,422	2,244	303	307	(A)	(A)	
5,179	3,189	1,347	793	12,191	10,477	(59)	447	(A)	(A)	
28,143	22,885	7,858	7,238	6,470	5,565	639	794	(A)	(A)	

Name	Registered address	Effective tax rate	Activity	Equity interest		
				Holder	Percentage	
					2014	2013
PERÚ ASISTENCIA, S.A.	Tarata 160-9ª -Miraflores Lima (Perú)	30.00%	Travel assistance	• MAPFRE ASISTENCIA • IBEROASISTENCIA	99.8639 0.1361	99.8639 0.1361
IBEROASISTECIA INTERNACIONAL	Ctra, Pozuelo, 52 Majadahonda (Madrid) España	30.00% (1)	Travel Agency	• MAPFRE ASISTENCIA • IBEROASISTENCIA	99.7600 0.2400	99.7600 0.2400
VIAJES MAPFRE CCI, S.L.	Ctra, Pozuelo, 52 Majadahonda (Madrid) España	30.00%	Travel wholesaler	• MAPFRE ASISTENCIA	100.0000	100.0000
MÉXICO ASISTENCIA, S.A.	Porfidio Díaz, 100 Col.Nochebuena México D.F. (México)	30.00%	Travel assistance	• MAPFRE ASISTENCIA	99.9998	99.9998
ALLMAP ASSIST GESELLSCHAFT FÜR BEISTANDSLEISTUNGEN MBH	Im Rosengarten, 256 61118 Bal Vilbel (Alemania)	30.00%	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)	30.00%	Travel assistance	• MAPFRE ASISTENCIA	76.0000	78.7800
TUR ASSIST, LTD.	Hakki Yeten Caddesi Dogu is Merkezi 17/2 (Turquía)	30.00%	Travel assistance	• MAPFRE ASISTENCIA • IBEROASISTENCIA	91.6667 8.3333	91.6667 8.3333
URUGUAY ASISTENCIA, S.A.	Rincón, 487 of.610 Montevideo (Uruguay)	30.00%	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)	30.00%	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 (Rusia)	20.00%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	100.0000
NICASSIT, S.A.	Colonial Los Robles, Managua, (Nicaragua)	30.00%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	100.0000
BENELUX ASSIST, S.A.	Rue de Treves, 45 Bruxelles, (Bélgica)	34.00%	Travel assistance	• MAPFRE ASISTENCIA	51.0000	51.0000
MAPFRE WARRANTY S.P.A.	Strada Trossi 10/A 13030 Verone (Italia)	37.25%	Extended warranty coverage	• MAPFRE ASISTENCIA • IBEROASISTENCIA	99.9900 0.0100	99.9900 0.0100
ALLIANCE OPTIMALE, S.L.R.	Zac de la Donniere, 8 69970 Marennnes (Francia)	33.00%	Vehicle warranty	• MAPFRE WARRANTY	100.0000	100.0000
MAPFRE WARRANTIES	Route des Trois Cantons 11 I- 18399 Windhoj (Luxemburgo)	--	Vehicle warranty	• MAPFRE WARRANTY	100.0000	100.0000
NORASIST, INC D/B/A ROAD CANADA	1930 Yonge S.T. Suite 1028 Toronto, Ontario M4S 1Z4 (Canadá)	30.00%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	100.0000
BRICKELL FINANCIAL SERVICES MOTOR CLUB INC.	7300 Corporate Center Drive, Suite 601 Miami Florida 33126 (E.E.U.U.)	37.30%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	100.0000
ROAD CHINA ASSISTANCE Co, LTD	Jianguolu Chaoyang District, Beijing, PR (China)	30.00%	Travel assistance	• MAPFRE ASISTENCIA	100.0000	100.0000
MAPFRE ABRAXAS SOFTWARE, LTD	9, Blenheim Court Beaufort Park Almondsbury, Bristol BS32 4NE (Reino Unido)	28.00%	Pecuniary losses	• MAPFRE ASISTENCIA	100.0000	100.0000
ABRAXAS INSURANCE	9, Blenheim Court Beaufort Park Almondsbury, Bristol BS32 4NE (Reino Unido)	28.00%	Pecuniary losses	• MAPFRE ABRAXAS	100.0000	100.0000
MAPFRE WARRANTY UK LIMITED	9, Blenheim Court Beaufort Park Almondsbury, Bristol BS32 4NE (Reino Unido)	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)	30.00%	Call center	• MAPFRE ASISTENCIA	100.0000	100.0000

Year end figures (thousands of euros)										
Assets		Equity		Revenue		Annual earnings		Method or procedure		
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	
1,874	1,814	(22)	666	1,475	1,521	(591)	151	(A)	(A)	
4,683	4,681	4,668	4,665	---	5	3	17	(A)	(A)	
14	15	(228)	(227)	---	---	(1)	(1)	(A)	(A)	
22,066	16,219	7,957	6,500	45,071	41,228	4,112	3,349	(A)	(A)	
150	254	48	48	---	---	---	---	(A)	(A)	
2,824	1,911	823	541	4,795	5,229	(18)	70	(A)	(A)	
8,248	7,139	936	1,408	24,685	50,574	(285)	674	(A)	(A)	
7,468	5,993	2,004	1,417	15,077	11,395	773	850	(A)	(A)	
---	---	(151)	(133)	---	---	---	---	(A)	(A)	
---	---	---	---	---	---	---	---	(A)	(A)	
1,003	770	447	350	2,293	2,217	201	171	(A)	(A)	
754	420	(10)	(146)	561	459	(188)	(144)	(A)	(A)	
1,846	1,126	(334)	(275)	1,725	596	(225)	(515)	(A)	(A)	
357	167	100	(13)	588	452	101	(30)	(A)	(A)	
5,262	2,898	2,888	2,686	13,019	8,734	204	32	(A)	(A)	
28,951	24,867	1,998	5,245	34,065	17,662	(1,063)	1,967	(A)	(A)	
429	544	214	93	787	706	136	16	(A)	(A)	
14	17	(39)	(29)	5	10	(10)	(4)	(A)	(A)	
1,060	1,288	173	538	4,525	4,783	(79)	91	(A)	(A)	
28,239	23,754	9,849	8,595	107,582	86,585	84	1,054	(A)	(A)	
39,304	24,489	1,087	117	43,007	34,819	888	409	(A)	(A)	
6,577	6,016	5,013	1,410	162	214	129	185	(A)	(A)	
5,590	10,170	2,004	1,149	11,045	12,658	628	352	(A)	(A)	
628	477	155	91	159	134	27	34	(A)	(A)	
1,492	715	(2,278)	(3,235)	266	2,584	(565)	(1,317)	(C)	(C)	
593	151	(16)	170	1,061	1,218	(297)	22	(A)	(A)	

Name	Registered address	Effective tax rate	Activity	Equity interest		
				Holder	Percentage	
					2014	2013
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-Otoun 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 ASSIT	19713 26 July St. Mohandseen 2 nd 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. (Libia)	35.00%	Travel assistance	• MAPFRE ASISTENCIA	51.0000	51.0000
MAPFRE ASISTENCIA LIMITED	RM 1101-02 8 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	18 ^a , 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%	Specialty risks	• MAPFRE ASSISTANCE USA INC	100.0000	100.0000

OTRAS ACTIVIDADES

INMOBILIARIA

MAPFRE INMUEBLES, S.G.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) España	30.00% (1)	Property	• MAPFRE FAMILIAR • MAPFRE SEGUROS DE EMPRESAS • MAPFRE SA • MAPFRE VIDA • MAPFRE GLOBAL RISKS	50.1551 26.6876 9.9977 7.0279 6.1302	50.1544 26.6876 9.9977 7.0279 6.1302
INMO ALEMANIA GESTIÓN DE ACTIVOS INMOBILIARIOS, S.L.	Pso. De la Castellana, 24 (Madrid) España	--	Property	• MAPFRE FAMILIAR • MAPFRE GLOBAL RISKS	10.0000 10.0000	10.0000 10.0000
DESARROLLOS URBANOS CIC. S.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) España	30.00% (1)	Property development	• MAPFRE INMUEBLES • MAPFRE SA	99.9216 0.0784	99.9216 0.0784
SERVICIOS INMOBILIARIOS MAPFRE S.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) España	30.00% (1)	Property services	• MAPFRE INMUEBLES • DESARROLLOS URBANOS	99.9000 0.1000	99.9000 0.1000
INMOBILIARIA MAPINVER S.A.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) España	30.00% (1)	Property development	• MAPFRE INMUEBLES	100.0000	100.0000
MAQUAVIT INMUEBLES, S.L.	Ctra. Pozuelo, 52. Majadahonda. (Madrid) España	--	Property	• MAPFRE SA	56.8432	56.8400

OTRAS

PROVITAE CENTROS ASISTENCIALES S.L.	C/ Fuencarral, 123 (Madrid) España	30.00%	Senior citizens' services	• MAQUAVIT INMUEBLES, S.L.	50.0000	50.0000
BIOINGENIERIA ARAGONESA, S.L.	C/ Monasterio de las Huelgas, n° 2 Nave 6 P.I. Alcalde Caballero 50014 Zaragoza (ESPAÑA)	30.00%	Technology for senior citizens	• MAPFRE FAMILIAR • MAQUAVIT INMUEBLES, S.L.	40.0000 60.0000	40.0000 60.0000
FANCY INVESTMENT S.A..	Avda. 18 de Julio, 841 Montevideo (Uruguay)	--	Holding	• MAPFRE SA	100.0000	100.0000

	Year end figures (thousands of euros)									
	Assets		Equity		Revenue		Annual earnings		Method or procedure	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	3,657	3,183	674	786	2,907	2,072	(313)	(100)	(A)	(A)
	2,090	1,019	849	230	1,654	433	59	96	(A)	(A)
	6,292	5,291	2,636	2,566	4,693	3,772	1,124	1,148	(A)	(A)
	1,958	1,360	712	513	2,010	3,220	147	376	(A)	(A)
	95	81	(63)	(54)	---	---	---	---	(A)	(A)
	2,448	1,425	1,439	859	1,211	1,105	422	215	(A)	(A)
	336	499	(264)	49	64	45	---	---	(A)	(A)
	800	673	599	523	1,101	999	86	30	(A)	(A)
	2,107	1,752	(626)	(117)	---	---	(526)	(1,008)	(A)	(A)
	1,598	466	(664)	(40)	235	235	(572)	(325)	(A)	(A)
	28,104	24,788	27,221	24,240	---	---	(288)	(131)	(A)	(A)
	169,742	130,002	3,861	3,221	13,837	13,837	1,218	1,788	(A)	(A)
	758,780	820,374	490,735	498,176	23,413	29,634	(7,444)	(16,715)	(A)	(A)
	75,590	81,337	57,131	74,591	9	16	(30)	(24)	(C)	(C)
	75,477	86,112	(40,189)	(37,475)	---	(6)	(2,714)	(3,019)	(A)	(A)
	793	645	378	382	1,223	1,482	54	62	(A)	(A)
	5,087	8,588	(9,759)	(10,738)	3,688	---	980	(3,036)	(A)	(A)
	55,091	57,228	45,902	45,303	2,941	2,628	599	(298)	(A)	(A)
	8,308	8,266	6,466	6,484	---	---	(17)	(15)	(C)	(C)
	102	135	(2,955)	(2,908)	13	177	(47)	(184)	(A)	(A)
	14,556	14,440	14,554	14,437	1,027	903	1,017	889	(A)	(A)

Name	Registered address	Effective tax rate	Activity	Equity interest		
				Holder	Percentage	
					2014	2013
CENTRO INTERNACIONAL DE FORMACIÓN DE DIRECTIVOS S.A.	Ctra. Nacional I, km 32,500 (San Agustín de Guadalix) España	30.00% (1)	Training	• MAPFRE SA	100.0000	100.0000
MAPFRE TECH	Ctra. Pozuelo, 52. Majadahonda. (Madrid) España	30.00% (1)(2)	IT	• MAPFRE FAMILIAR • MAPFRE GLOBAL RISKS • MAPFRE SEGUROS DE EMPRESAS • MAPFRE VIDA • MAPFRE RE • MAPFRE ASISTENCIA • MAPFRE AMÉRICA • MAPFRE INVERSIÓN • MAPFRE SA	78.5064 2.0626 0.7727 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) España	30.00% (1)	IT	• MAPFRE AMÉRICA • MAPFRE FAMILIAR	99.9991 0.0009	99.9991 0.0009

CONSOLIDATION METHOD OR PROCEDURE

- (A) Fully consolidated controlled companies
- (B) Controlled companies excluded from consolidation
- (C) Associated and investee companies recorded by the equity method
- (D) Associated and investee companies excluded from consolidation
- (E) Joint ventures consolidated under the proportional method
- (F) Companies added to the scope of consolidation in 2013
- (G) Companies added to the scope of consolidation in 2014
- (H) Companies removed from the scope of consolidation in 2014

TAX GROUP

- (1) Company belonging to Tax Group 9/85
- (2) Company belonging to that forms part of VAT Group 87/10

Year end figures (thousands of euros)											
Assets		Equity		Revenue		Annual earnings		Method or procedure			
2014	2013	2014	2013	2014	2013	2014	2013	2014	2013		
137	140	137	140	---	---	(3)	(1)	(A)	(A)		
68,190	54,808	2,266	4,522	239,880	230,062	---	18	(A)	(A)		
8,894	5,260	1,757	2,759	13,581	8,686	8	4	(A)	(A)		

(*) MAPFRE holds the majority of the voting rights at the Annual General Meeting

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Audit Report for the Annual Consolidated Financial Statements 2014

Translation of a report and consolidated financial statements originally issued in Spanish.
In the event of discrepancy, the Spanish-language version prevails (See Note 9)

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 at December 31, 2014, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement, and the notes thereto for the year then ended.

Directors' 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 (IFRS), as adopted by the European Union, and other provisions in the regulatory 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 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 at December 31, 2014, and its consolidated results and consolidated cash flow for the year then ended, in accordance with IFRS, as adopted by the EU, and other provisions in the regulatory framework for financial information applicable in Spain.

Report on other legal and regulatory requirements

The accompanying consolidated 2014 management report contains such explanations as the directors of the parent company consider appropriate concerning the situation of the Group, the evolution of its business and other matters; however, it is not an integral part of the consolidated financial statements. We have checked that the accounting information included in the aforementioned consolidated management report agrees with the 2014 consolidated financial statements. 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 that obtained from the accounting records of MAPFRE, S.A. and its subsidiaries.

ERNST & YOUNG, S.L.

(Signed in the original, issued in Spanish language)

Alfredo Martínez Cabra

February 11, 2015



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Businesses Units, Territorial Areas and Regional Areas

Since January 1, 2014 the business activities of MAPFRE have been 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, LATAM NORTH, LATAM SOUTH, BRAZIL, NORTH AMERICA, EMEA and APAC, as per the organization chart included in this report.

With the exception of the Reinsurance Unit, all the Business Units are organized according to the regional areas of MAPFRE that make up the geographical planning, support and supervision units for all the Business Units in the region.

The key figures for the business are presented below:

ITEM	TOTAL REVENUE			TOTAL EXPENSES		
			% Variation	2014	2013	% Variation
IBERIA	9,444.0	9,475.0	-0.3%	-8,732.6	-8,895.5	-1.8%
LATAM	10,588.4	10,189.8	3.9%	-9,618.8	-9,414.2	2.2%
INTERNATIONAL	3,955.9	3,847.9	2.8%	-3,764.1	-3,630.8	3.7%
MAPFRE RE	3,903.0	3,726.1	4.7%	-3,702.8	-3,570.8	3.7%
TOTAL	27,891.3	27,238.8	2.4%	-25,818.3	-25,511.3	1.2%

Millions of euros

ITEM	EARNINGS					
	BEFORE TAX AND MINORITY INTERESTS			AFTER TAX AND MINORITY INTERESTS		
	2014	2013	% Variation	2014	2013	% Variation
IBERIA	711.4	579.5	22.7%	431.8	350.0	23.4%
LATAM	969.6	775.6	25.0%	296.2	321.9	-8.0%
INTERNATIONAL	191.8	217.1	-11.7%	133.6	150.1	-11.0%
MAPFRE RE	200.3	155.3	29.0%	141.5	108.8	30.1%
TOTAL	2,073.1	1,727.5	20.0%	1,003.1	930.8	7.7%

Millions of euros

ITEM	COMBINED RATIO GROSS REINSURANCE (*)	
	2014	2013
IBERIA	95.1%	92.6%
LATAM	95.2%	96.9%
INTERNATIONAL	99.6%	100.2%
MAPFRE RE	93.1%	96.5%

(*) Over earned premiums

ITEM	AVERAGE NUMBER OF EMPLOYEES	
	2014	2013
IBERIA	9,243	9,289
LATAM	17,860	17,427
INTERNATIONAL	7,551	7,121
MAPFRE RE	319	309

The following pages provide a summary of the activities undertaken and the results obtained in 2014, broken down by territorial and regional areas, and the Reinsurance Business Unit.

The year 2014 saw a positive business performance in the still-difficult economic, financial and social environment in this area, although signs of recovery have begun to be observed along with a greater inclination to purchase insurance by the end user. Of particular note is the changing trend seen in the Automobile business, which is improving general market behavior after a period of worse performance than all the other competitors, and as a result of the increasing orientation of commercial activity toward the Business segment, the satisfactory figures reached in this niche derived from the contribution of both the Non-Life business as well as the business linked to Social Protection.

The satisfactory performance by this Area has allowed it to maintain its leadership position in the Iberian Peninsula, with a market share of 13.1 percent in Spain (10.6 percent in Life and 15.2 percent in Non-Life) and 1.2 percent in Portugal.

Within this context, IBERIA closed the year with total premiums of 7,455.7 million euros, which represents a 1.5 percent increase with regard to the previous year. Revenue before tax and minority interests increased to 711.4 million euros, and the combined ratio for earned premiums was 95.1 percent.

These numbers are the product of the strength of the commercial network, the development of alternative distribution channels, the brand image and consistent cost control.

KEY ACTIVITIES

The most important actions and achievements of 2014 were:

- Implementation of the new commercial structure model with new commercial positions geared toward the client types and the simplification of the network and the efficiency plan for delegates.
- Development of the Health business by PLAB “500 IN 6”.
- Customer loyalty through the simplification of “We take care of you” and the use of VERTI for client retention.
- Development of the Portuguese Business Plan.
- Construction of a BI information system in Spain.
- Tasks were completed for the final implementation of the new Solvency II model.

- Development of the training plan for global capabilities and corporate values and the talent development plan.
- Transformation of Appraisal Centers into Automobile Service Centers.
- Creation of a list of ethical rules related to minimum profitability for clients, limits in the remuneration of brokers, precise and objective advice for clients, mainly aimed at savings and investment.
- Compliance with the Evolucionaria Plan to increase the degree of process automation, the integration of channels, and technology development in LIFE.
- Analysis of bancassurance agreements to optimize the interests of MAPFRE in the face of the structural changes that may affect our partners.

New products and coverage

During the financial year, the portfolio of products and their coverage was completed, incorporating increasing specialization toward both private and business clients. This consisted of the following in particular:

- Design and launch of specific and grouped products for strategic sectors within the economy of the regional area, such as the hotel, winery and agro-food industries.
- Development of the SME LIFE product to facilitate greater proximity between the agency network and the Social Protection business through a product tailored to their typical commercial practices.
- Creation of a new type of Automobile policy in line with the strategy of customizing policies by segments of similar clients.
- Launch of GLOBAL EXPAT, a Health product targeted at expatriate professionals.
- Complete reorganization and modular configuration of the coverage for Home Assistance.
- Renewal of the range of Mechanical Warranty policies to strengthen the group's position in the used vehicle market.

La estrategia formulada por IBERIA para el periodo 2015-2017 contempla la resolución de los retos específicos de la región y su contribución a la consecución del Mapa Estratégico 2015-2017 del Grupo.

- Development and launch of a new Temporary Disability insurance solution based on a scale of compensable periods according to reported suffering levels.

Commercial initiatives

The main initiatives carried out during the course of the year were:

- Creation of the Commercial Technician and Commercial Manager positions, aimed at creating a more powerful organization from a business point of view.
- Design and launch of the Commercial Street Plan to intensify the presence of the commercial network.
- Rollout and execution of the Simply Red project, the benchmark for a group of initiatives that aspire to improve relational processes with clients.
- Creation of a new Multichannel Direct Business Division, which is driving the execution of the business plan designed to reinforce online presence distribution within the framework of an interaction strategy along with the usual forms of relating with clients.
- Implementation of new measures to reinforce the role of the agency network in distribution in this regional area through new incentive programs, better subsidies for exclusive brokerage activities, and initiatives in the MAPFRE Delegates project.
- Rollout of the new Client Commercial Management System as a business support tool.
- Introduction of new improvements to the Empresas 360° method, such as an innovative way to approach this market segment and the launch of the 360° Project defined as a comprehensive commercial offer for businesses.
- Development of a new specific network of exclusive agents for the Health business in order to improve the group's ranking in this business.
- Design and implementation of the new Broker Portal to facilitate proximity to brokers and improve the relational process with this channel.
- Signature and implementation of the shareholder agreement to create a new company, BANKIA MAPFRE VIDA, and re-launch the Non-Life activity through this partner in the financial sector.

Technical management and customer service

The main activities conducted in this area were as follows:

SERVICES AND PROVIDERS:

- Creation of seven new Automobile Service Centers to increase customer loyalty levels and optimize costs and processes (currently there are 19 centers, which have handled more than 18,000 repair services).
- Implementation of a new rate structure for the Asset Providers (repair experts) for 30 activities, equipped with great flexibility for updating new items and adjustments.
- Implementation of a new document manager for physical documentation and manual processes, guaranteeing the security of signatures and the custody of contracts between MAPFRE and providers.
- Implementation of an innovative management system for online health authorizations, allowing for immediate printing.
- Award of the AENOR Certification (UNE-EN ISO 9001:2008) for the Quality Management System in the provision of the Health and Businesses lines.

BILL PAYMENTS

- Rollout of new ways to facilitate the payment of bills by our clients, such as PayPal and online card payments.
- Launch of an analysis of using electronic billing to make payments to public institutions through, starting in January 2015.

TECHNICAL MANAGEMENT

- The technical structure for issuing and underwriting Non-Life business in Spain was improved to achieve a greater orientation to the end client and greater affinity with distribution channel.
- Developments to simplify Business Multi-Peril insurance by activity were initiated.
- The document management solution for issuing policies and contracts in the Automobile, Home, Individual Health and Funeral businesses was implemented in the Territorial Area.

CUSTOMER SERVICE

— SI24, a customer service contact center for MAPFRE FAMILIAR, MAPFRE EMPRESAS and MAPFRE VIDA handled 10.5 million incoming calls and made 5.5 million outgoing calls, more than 400,000 Internet communications, 1 million non-telephone multichannel contacts (emails, video, text messages, call me back, etc.). More than 4 million operations were carried out in total.

During the year, SI24 won the Best Quality Development Project prize, shared with Callware, for its Speech Analytics project at the Platinum Contact Center Awards 2014.

— The ISO 9001:2008 Quality Management System certification was renewed.

— Customer service was consolidated through social networks, with nearly 6,000 communications received through the @MAPFRE Atiende Twitter account and nearly 1,000 interactions on the Facebook wall.

Information and technology systems

Throughout 2014 the IT area worked towards the objective of accompanying the different regional areas in their achievement of strategic objectives. The main activities conducted were as follows:

— Broadening of processes of large technology systems (new issuing system, new claims system, progress on the implementation of issuing for individual risk products and the Client Vision commercial management system).

— Rollout of the initiative that will provide a new platform for comprehensive Health management, in a first phase for Spain.

— Deployment of the Commercial Cancellation System in the agency network.

— Connection and integration with market platforms for brokers and bancassurance operators.

— Adaptation of the necessary systems to fulfill on MAPFRE's major agreements, especially those made with BANKIA and ARVAL.

— Deployment of the business tool to provide consolidated client information to all contact channels (expanded client file).

— Deployment in technical centers and direct offices of the procedure for the digitization at source of the contractual documentation in the Non-Life field.

Convention on the river Danube for the commercial network and bancassurance collaborators

— Transfer of equipment from the Data Processing Center (DPC) in Lisbon, Portugal to Alcalá de Henares (Madrid), with the result that all the information systems are now located in the new DPC.

COMPANIES

The most important companies located in the IBERIA region are:

— MAPFRE FAMILIAR, with consolidated premiums of 3,594.3 million euros

— MAPFRE VIDA, with premiums growing to 2,618.4 million euros

— MAPFRE SEGUROS DE EMPRESAS, with premiums totaling 640.7 million euros

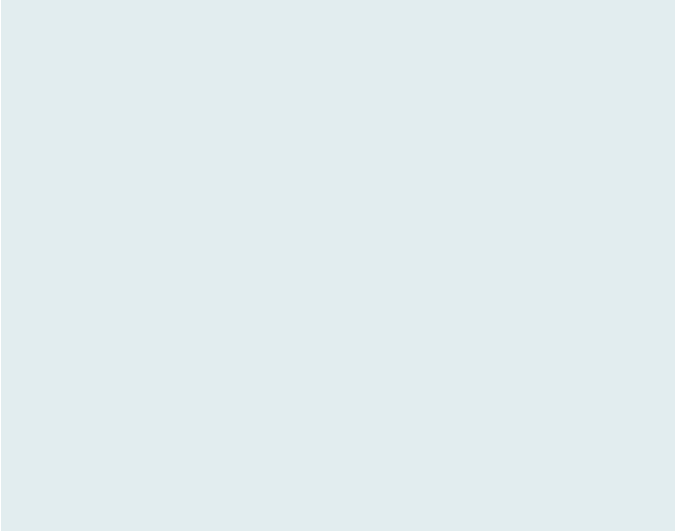
— MAPFRE ASISTENCIA, with premium volume of 39.9 million euros

— MAPFRE GLOBAL RISKS, with premiums of 413.2 million euros.


MAPFRE FAMILIAR in Portugal holds 166 million premiums in the Life and Non-Life businesses.

The year 2014 also saw the launch of BANKINTER SEGUROS GENERALES, with premium volume of 3.2 million euros.

Of the fully consolidated non-insurance companies, the most important are MAPFRE INVERSIÓN, FUNESPAÑA and POLICLÍNICOS SALUD 4. The latter entity opened one general clinic and three dental clinics during the year.



Annual meeting of MAPFRE SPAIN

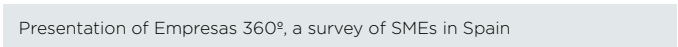


New automobile service centers

OUTLOOK

The strategy formulated by IBERIA for the 2015-2017 period includes the resolution of specific goals for the region and its contribution to the Group's 2015-2017 Strategy Roadmap, based on the following strategic lines:

- Client orientation through loyalty, development of segments, portfolio renewal and structural adaptation.
- Operational excellence through the automation and simplification of processes and the reduction of expenses.
- Development of innovative products and services to achieve growth, especially in the Health and Life businesses.
- Reinforcement of people's commitment to MAPFRE values and the development of people with global skills and abilities.
- Turning technology into a strategic asset.



Presentation of Empresas 360º, a survey of SMEs in Spain

Presentation of Global Expat, MAPFRE's first global product

Annual meeting of MAPFRE SPAIN

IBERIA FINANCIAL INFORMATION

REVENUE	2014	2013	Var. % 14/13
WRITTEN AND ACCEPTED PREMIUMS	7,455.7	7,346.2	1.5%
REVENUE FROM INVESTMENTS AND OTHER	1,988.3	2,128.8	-6.6%
TOTAL REVENUE	9,444.0	9,475.0	-0.3%

Millions of euros

EXPENSES	2014	2013	Var. % 14/13
CLAIMS RATIO	(6,135.2)	(5,786.0)	6.0%
OTHER TECHNICAL EXPENSES	(1,104.6)	(1,120.8)	(1.4%)
FINANCIAL EXPENSES AND OTHER	(1,492.8)	(1,988.7)	(24.9%)
TOTAL EXPENSES	(8,732.6)	(8,895.5)	(1.8%)

Millions of euros

EARNINGS	2014	2013	Var. % 14/13
BEFORE TAX AND MINORITY INTERESTS	711.4	579.5	22.7%
AFTER TAX AND MINORITY INTERESTS	431.8	350.0	23.4%

Millions of euros

NON-LIFE INSURANCE RATIOS (over earned premiums)	2014	2013
Claims ratio net of reinsurance	74.0%	72.0%
Cost ratio net of reinsurance	21.1%	20.6%
COMBINED RATIO NET OF REINSURANCE	95.1%	92.6%

EMPLOYEES	2014	2013
Average number of employees	9,243	9,289

LATAM

LATAM is formed by the regional areas of:

— **BRAZIL:** This country constitutes a single region, with its headquarters in Sao 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 2014 for the regional areas in Latin America are shown below.

ITEM	TOTAL REVENUE			TOTAL EXPENSES		
			% Variation	2014	2013	% Variation
BRAZIL	6,093.4	5,661.2	7.6%	(5,344.7)	(5,101.6)	4.8%
LATAM NORTH	1,293.3	1,182.6	9.4%	(1,209.7)	(1,123.2)	7.7%
LATAM SOUTH	3,201.7	3,346.0	(4.3%)	(3,064.4)	(3,189.4)	(3.9%)
LATAM TOTAL	10,588.4	10,189.8	3.9%	(9,618.8)	(9,414.2)	2.2%

Millions of euros

ITEM	EARNINGS					
	BEFORE TAX AND MINORITY INTERESTS			AFTER TAX AND MINORITY INTERESTS		
	2014	2013	% Variation	2014	2013	% Variation
BRAZIL	748.7	55.6	33.8%	143.5	154.6	(7.2%)
LATAM NORTH	83.6	59.4	40.7%	59.1	43.6	35.3%
LATAM SOUTH	137.3	156.6	(12.3%)	93.6	123.7	(24.4%)
LATAM TOTAL	969.6	775.6	25.0%	296.2	321.9	(8.0%)

Millions of euros

ITEM	COMBINED RATIO GROSS REINSURANCE (*)	
	2014	2013
BRAZIL	93.1%	95.8%
LATAM NORTH	95.0%	94.4%
LATAM SOUTH	98.8%	99.7%
LATAM TOTAL	95.2%	96.9%

(*) Over earned premiums

ITEM	NUMBER AVERAGE EMPLOYEES	
	2014	2013
BRAZIL	7,691	7,214
LATAM NORTH	3,414	3,436
LATAM SOUTH	6,745	6,753
Central Services	10	24
LATAM TOTAL	17,860	17,427

BRAZIL

The Brazil Regional Area is the main MAPFRE operation outside Spain (representing 21.8 percent of revenues) and includes all the activities of the MAPFRE GROUP in the country.

With the creation of the BRAZIL Regional Area, a new organizational structure was established, comprising:

- GRUPO SEGUADOR BANCO DO BRASIL E MAPFRE, the product of the strategic alliance between the GRUPO BANCO DO BRASIL and GRUPO MAPFRE in 2011. This is the largest insurance company in Latin America in its areas of operation, in terms of people, basic lines of business (including residential), agriculture and vehicles.

- MAPFRE SERVIÇOS FINANCEIROS, which comprises the direct and independent services in the private pension market (retirement), management of financial resources (investments), capitalization, consortia administration, health plans, and provision of technical services in the area of insurance and real estate investment.

- BRASIL ASSISTÊNCIA, a company dedicated to the provision of assistance to people, homes and vehicles targeted at the insurance, automobile, finance, travel and tourism segments.

With distribution through different channels in throughout Brazil, the BRAZIL Regional Area employs more than 7,000 people and uses a vast distribution network.

As in the previous year, 2014 was marked in the financial field by low economic growth, high volatility and fluctuation in interest rates, devaluation of the currency, and isolated events with a major impact on the national stage (the football World Cup and presidential elections).

The insurance industry, like other sectors of the economy, was affected by this scenario, which caused a deceleration of growth but led to a result greater than the expected growth in Gross Domestic Product.

To address this unfavorable macroeconomic environment, the regional area maintained a strategic operation based on operational efficiency, tight cost control and the reinforcement of its competitive edge in every business segment.

The company reorganization process was also launched and will lead to a reduction in costs, an improvement in productivity, more efficient and agile management and accounting procedures, as well as optimizing capital needs and taxation.

The regional area obtained an average premium growth of 6.9 percent, total revenues of 6,093.4 million euros (a 7.6 percent increase compared to the previous year), and a pre-tax and minority interest profit of 748.7 million euros, 33.8% greater than 2013.

KEY ACTIVITIES

The main activities carried out during the year were as follows:

- Advances in the creation of the regional structure, with the assignment of support responsibilities and duties in the areas of Strategic Planning, Administration and Resources, and Compliance.

- Simplification of the structure of GRUPO BB MAPFRE to maximize efficiency and reduction of costs.

- Creation of the requisite conditions for the distribution of ceded reinsurance by GRUPO BB MAPFRE to the partners' investee reinsurance companies.

- Implementation of mechanisms to comply with FATCA (Foreign Account Tax Compliance Act) regulation.

- Adaptation of companies in Brazil to the new solvency regulations, which raises liquidity demands.

- Implementation of SAP for distribution businesses in the banking channel, ensuring greater efficiency, simplification, standardization and quality in processes.

- Optimization of the call center infrastructure by reducing the number of sites, reviewing service models, managing and renewing customer service platforms, and increasing the efficiency and efficacy of call centers.

New products and coverage

The most significant operations in products and coverage were:

- Launch of SEGUROS SAÚDE, with actions focused on the corporate segment.
- Consortium start-up (commercial activity regarding scheduled purchases): three groups were created for the purchase of houses and three for cars.
- Launch of investment funds linked to the dollar and euro exchange rates, which is proving to be a safe and affordable alternative for those who want to keep capital linked to foreign currencies.
- Growth of sales of the PREVISION BIEN VIVIR product in partnership with MAPFRE RE, with improvements in the underwriting process.
- Launch of the corporate insurance lender for the banking network (life and accidents for financing), with a focus on small and medium-sized businesses.
- Launch of three products in the Large Risks segment: Oil Risks, Occupational Legal Warranty and Satellite Risks.
- For Automobile insurance, coverage options increased with the launch of CONDUCTOR MAIS, a transport service for passengers in cases where the driver is unfit to drive, and auto glass coverage increased.

Commercial initiatives

The most important commercial activities undertaken were as follows:

- Inauguration of nine Urgent and Specialized Auto Assistance Posts, guaranteeing assistance to 40 percent of clients.
- Opening of two direct offices in Legal Amazonia, in the cities of Sinop and Ji Paraná.
- Launch of activities by new Delegates (MAIS Brokers), now in excess of 730.

- Extension of the broker network to 1,200, with a total of more than 21,000 active brokers.
- Launch of online sales for the AUTO TO THE CONSUMER product, on the MAPFRE website shared with the Delegates.
- Capture of new clients in the insurance market by CESVI BRASIL, which has been providing services for 20 years, thanks to new relationships with automobile manufacturers and the development of new lines of business.
- Implementation of a set of actions (Proyecto Liderazgo) aimed at increasing sales in the BANCO DO BRASIL channel.

Technical management and customer service

The main activities carried out during the year were as follows:

- Review of educational insurance, with changes to the process of distribution and process control.
- Launch of Online Appraisal, a tool offered jointly by GRUPO SEGURADOR and CESVIBRASIL, which represents a revolutionary type of customer service in case of accident through which clients themselves can take photos of their vehicle, upload them to the website and speed up the entire compensation and repair process.
- Launch of Claims Online, whereby clients can report details of the incident and track every stage of the claim, thus providing security and convenience for clients and reducing costs for GRUPO BB MAPFRE.
- Reconstruction of facilities based on an infrastructure and communications model that guarantees the security of all operations in the region.
- Renewal of Automobile insurance by text message in order to facilitate the operation for clients and help to increase the portfolio retention rate.

The Brazil Regional Area is the main MAPFRE operation outside Spain (representing 21.8 percent of revenues) and includes all the activities of the MAPFRE GROUP in the country.

OUTLOOK

Faced with the prospect of a macroeconomic scenario of low economic growth, an increase in interest rates and volatility of the exchange rate, the BRAZIL Regional Area will continue to focus on complying with the strategic plan, maintaining growth above the market average in all the segments it operates in, with significant participation both in the banking channel and with insurance brokers.

The new MAPFRE global structure will help to strengthen MAPFRE's participation in the country through the introduction of global risk and assistance operations, increased business through the exchange of best practices between the different regions, and profitable management with a reduction in costs.

Call center in Franca (São Paulo)

BRAZIL FINANCIAL INFORMATION

REVENUE	2014	2013	Var. % 14/13
WRITTEN AND ACCEPTED PREMIUMS	5,553.1	5,195.1	6.9%
REVENUE FROM INVESTMENTS AND OTHER	540.3	466.1	15.9%
TOTAL REVENUE	6,093.4	5,661.2	7.6%

Millions of euros

EXPENSES	2014	2013	Var. % 14/13
CLAIMS RATIO	(2,243.7)	(2,057.0)	9.1%
OTHER TECHNICAL EXPENSES	(1,486.6)	(1,517.2)	(2.0%)
FINANCIAL EXPENSES AND OTHER	(1,614.3)	(1,527.4)	5.7%
TOTAL EXPENSES	(5,344.7)	(5,101.6)	4.8%

Millions of euros

EARNINGS	2014	2013	Var. % 14/13
BEFORE TAX AND MINORITY INTERESTS	748.7	559.6	33.8%
AFTER TAX AND MINORITY INTERESTS	143.5	154.6	(7.2%)

Millions of euros

NON-LIFE INSURANCE RATIOS (over earned premiums)	2014	2013
Claims ratio net of reinsurance	60.2%	56.7%
Cost ratio net of reinsurance	32.9%	39.1%
COMBINED RATIO NET OF REINSURANCE	93.1%	95.8%

EMPLOYEES	2014	2013
Average number of employees	7,691	7,214

LATAM NORTH

In a context of continued deceleration of growth for 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 2014 the premiums issued by LATAM NORTH reached a value of 1,211.1 million euros, with a growth of 11 percent over the previous year. By unit, Assistance stands out with 13.4 percent, and also the growth of 10.9 percent recorded by Insurance, which reached an issuing volume of 1,154.4 million euros and contributed 95.3 percent of the total issue by the regional area. With reference to countries, Honduras and Costa Rica performed well with growth of 29.3 percent and 42.1 percent respectively.

Gross earnings recorded were also very favorable, up by 40.7 percent on 2013 to reach 83.6 million euros. The contribution of the Insurance Unit to this growth is the most relevant, amounting to 54.8 million euros and growth of 37 percent, although the Global Risks Unit also experienced a significant growth of 78.2 percent, reaching 20.9 million euros.

The positive performance of these premiums and results is still greater when we eliminate the effect of the variation in the exchange rate of the different currencies against the euro, due to the generalized depreciation observed for the majority of them. The growth in the original currency of the premiums issued exceeded that of the insurance industry as a whole, which according to the latest information available led to a market share of 5.4 percent, improving the 4.8 percent obtained at the end of 2013 by 0.6 percentage points.

KEY ACTIVITIES

New products and coverage

In 2014 there was a wide range of new products, coverage and customer services, of which the following are the most noteworthy:

- Launch of the new travel insurance, a unique product on the market.
- Development of the regional group health insurance for countries in Central America, which will start in 2015.
- Launch of coverage for protection against breakdowns in partnership with MAPFRE ASISTENCIA and its MAPFRE WARRANTY brand.

- Launch of products that include insurance for protection of lifestyle in alliance with GENWORTH.

- Extension of the agreement with INTERNATIONAL GROUP PROGRAM (IGP) for providing health and life insurance to multinationals in Central America and the Caribbean.

Commercial initiatives

The year 2014 marked the start of the deployment of MAPFRE's new corporate structure in the countries in this regional area, with the creation of the business and clients areas which group commercial activity with the development of client strategy.

The main initiatives carried out in 2014 were:

- Strengthening the distribution strategy through different channels using an extension of business activities both in our own network and through alternative channels, including: automobile distributors, travel agencies, microfinance companies, public service companies such as gas and telephone, finance institutions that are not banks, banks and digital media.
- Rollout of the regional e-commerce trade strategy, with sales operations for a new online automobile insurance in Mexico, Costa Rica and the Dominican Republic; and telephone sales operations from Mexico for MAPFRE ASISTENCIA.
- Initial deployment of global segmentation of private clients, including the development of the unique client database.
- Increased presence of the MAPFRE brand through local advertising campaigns at country/product level in the countries in the region relating to the Brazil Football World Cup 2014 and new advertising campaigns in Mexico and Panama.
- 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.

In 2014 the premiums issued by LATAM NORTH reached a value of 1,211.1 million euros, with a growth of 11 percent over the previous year.

Technical management and customer service

Amongst the main actions carried out in 2014 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.
- Launch of automobile insurance rates using the EMBLEM pricing system in Mexico and Panama.
- Launch of the Client Area portal in Mexico, which allows clients to check their policies, claims and payments online, and to update their contact details.
- Launch of assistance mobile apps for clients in the event of an incident in Honduras and Costa Rica.

Information and technology systems

The importance of developing and implementing IT systems adapted to management needs and fully client-oriented remains a top priority for MAPFRE. The following work was carried out in this respect during 2014:

- The e-commerce project was implemented in Mexico and the process for its implementation in the Dominican Republic and Costa Rica was started.
- The solution for regional health insurance management was implemented.
- The corporate meta-modeling process was used to define the regional model, which will allow the implementation of the automation solution during 2015 and, with it, the standardization of products and work methods, facilitating operational efficiency and making the regionalization of products and services possible.
- There was further deployment of the corporate technology outsourcing agreement with TELEFÓNICA to manage the Data Processing Centers (DPCs) of the subsidiary companies, centralizing operations in the Miami and Sao Paulo DPCs. Specifically, the migration of companies in the Dominican Republic was completed and the migration of some of the countries in Central America was planned.

— The countries in Central America were incorporated into the unified communications network, which permitted the migration of email services to corporate systems.

— The implementation of SAP, a corporate tool for accounts management, was completed in Panama and is underway in Mexico, Costa Rica and El Salvador.

— The implementation of Tronweb, a corporate application for managing the insurance business, continues in the countries of Central America.

COMPANIES

In the distribution of business in LATAM NORTH, MAPFRE MEXICO plays a significant role due to the 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 805 million euros at the end of 2014, which represents 66.5 percent of the total issued. As regards earnings before tax at the end of the same year, this was 46.9 million euros, representing 56 percent of that obtained at regional level.

OUTLOOK

The outlook for the growth of Gross Domestic Product in the regional area, even though recently revised downwards by the majority of analysts, exceeds the growth experienced in the majority of the countries in 2014. Consequently, the growth forecast for Mexico in 2015 is 3.2 percent, compared with 2.1 percent in 2014, which is sure to strengthen development in the placement of insurance products.

Meanwhile, the new MAPFRE organizational structure launched in 2014, with the creation of the regional areas, means that we are obliged to establish estimates for growth in the insurance business in all of the countries in LATAM NORTH, above the market estimates. The pillars of the MAPFRE strategy, executed from a global perspective and with a clear client orientation, will not only permit this growth to be achieved but for it to be achieved in a profitable manner. 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:

- Develop commercial management and relationship models that allow for differentiated treatment of clients to be established.

— Continue to implement the Corporate Technology Platform and implement the Management by Processes Model in all the countries in the region.

— Develop risk, actuarial and compliance management duties in accordance with the new Solvency II regulations.

— Implement a Purchase Management Model at regional level.

MAPFRE Tower Mérida (México)

LATAM NORTH FINANCIAL INFORMATION

REVENUE	2014	2013	Var. % 14/13
WRITTEN AND ACCEPTED PREMIUMS	1,211.1	1,091.2	11.0%
REVENUE FROM INVESTMENTS AND OTHER	82.2	91.4	(10.2%)
TOTAL REVENUE	1,293.3	1,182.6	9.4%

Millions of euros

EXPENSES	2014	2013	Var. % 14/13
CLAIMS RATIO	(485.0)	(478.7)	1.3%
OTHER TECHNICAL EXPENSES	(294.5)	(240.3)	22.5%
FINANCIAL EXPENSES AND OTHER	(430.2)	(404.2)	6.4%
TOTAL EXPENSES	(1,209.7)	(1,123.2)	7.7%

Millions of euros

EARNINGS	2014	2013	Var. % 14/13
BEFORE TAX AND MINORITY INTERESTS	83.6	59.4	40.7%
AFTER TAX AND MINORITY INTERESTS	59.1	43.6	35.6%

Millions of euros

NON-LIFE INSURANCE RATIOS (over earned premiums)	2014	2013
Claims ratio net of reinsurance	59.6%	63.3%
Cost ratio net of reinsurance	35.4%	31.1%
COMBINED RATIO NET OF REINSURANCE	95.0%	94.4%

EMPLOYEES	2014	2013
Average number of employees	3,414	3,436

LATAM SOUTH

In 2014 the economies in this area performed favorably in almost every country, although political risk increased in several areas, increasing the risk premium. There were significant devaluations, which affected growth measured in euros. The regulation of the financial and insurance industries was consolidated, leading to stricter legislation.

The social-political uncertainty in the region, with elections in several countries, was another significant factor.

The LATAM SOUTH Regional Area began its activity in 2014 by integrating the management of the Insurance, Assistance and Global Risks businesses. During the year the structure, teams and governing bodies were consolidated, integrating the joint perspective of MAPFRE with the regional one.

Within this context, the regional area ended the year with premiums of 2,863.4 million euros, a decrease of 4.1 percent over the previous year, affected by the devaluations in Venezuela and Argentina. Gross profit reached 137.3 million euros. The earthquake in Chile also had a significant impact on earnings. Meanwhile, the combined ratio, net of reinsurance, improved substantially, reaching 98.8 percent compared with 99.7 percent the previous year.

According to the latest data available, the MAPFRE Group was the top insurance group in the region, with a market share of 6 percent of the premiums. In the Non-Life lines of business it has an approximate penetration of 7.8 percent, and it has a predominant position in Non-Automobile Damages, approximately 11 percent of the share.

KEY ACTIVITIES

During 2014 Automobiles and Damages increased their business volume, there was a boost in mass service lines like Funerals, and progress was achieved in the B2B2C ("business to business" and "business to consumer") business model and in client segmenting.

Distribution was boosted through different channels in the region, most notably the launch of Automobile insurance through e-commerce in Colombia, the development of specific networks in Peru, and the opening of new delegate offices in Chile and Ecuador.

The year also saw progress in the integration of structures by country, and in the transfer of services from the insurance companies to the assistance companies, eliminating repeated work and standardizing processes, fundamentally in processing claims, mass issue and collection of payment.

Additionally, an innovation office was opened in Peru, telemarketing actions were strengthened, and the central purchasing office was launched in Argentina.

New products and coverage

The design of new products with differential coverage continued during the year, with the following actions being worthy of note:

- Argentina launched a new Full Third Party Policy (POLICY W) as an exclusive product for the Savings Plans channel with VOLKSWAGEN, consolidating the distribution agreement with the German assembly company that started nine years ago and that allows almost 35,000 vehicles to be insured.
- Launch of HOME MULTI-PERIL in Ecuador and the new HOME SUPER 7 product in Chile, which combines MAPFRE insurance protection with the installation of an anti-theft alarm in special conditions and significant discounts on the price of insurance.
- In Venezuela, considering the constant cost increase in the health sector and oscillations in the price of insurance, companies were more interested in taking over the management of their employees' benefit plans. Considering the know-how in the sector, MAPFRE strengthened its action in the Management of Administrated Funds through AMA (Asistencia Médica Administrada) which is expected to generate revenues of nearly 10 million euros.

Commercial initiatives

Commercial actions during the year centered on the following activities:

- Reinforcement of the own distribution network, reviewing the geographical presence to establish an expansion plan for the 2015-2017 period.
- Training for agents and reinforcement of the training model in Chile and Peru.
- Review of the commercial structure in all countries in the region, with important changes in Argentina, Colombia and Chile that will allow improved positioning in the market thanks to distribution through different channels.
- Implementation of the direct sales model in Colombia through e-commerce, which will allow a new consumer audience to be reached and will also contribute to the rapid progress of the model in other countries.

- “I MAPFRE Regional Workshop – Mass Insurance” held in Lima and attended by more than one hundred participants from eight countries, with representatives from the banking and microfinance sectors, retail, telecommunications and public services (most notably, FALABELLA, RIPLEY, SCOTIA BANK, BANCO ITAÚ, ENDESA and TELEFÓNICA).

- Distribution agreement with SOLUNION for Credit insurance in Chile and Colombia, which will allow the sales network to extend its insurance and services portfolio to company clients.

- Promotional campaigns in LATAM SOUTH for boosting the sale of insurance to individuals and SMEs.

- In Peru, the already strong presence on social networks was further reinforced by holding the game “The MAPFRE Challenge” on Facebook with 500,000 fans (which consisted in answering questions from three categories: being Peruvian, sports, miscellaneous).

Technical management and customer service

Customer service in this area of activity was targeted at:

- Creation of the Regional Operations Division and the divisions for each of the businesses in the region.
- Diagnosis and knowledge of existing operating structures.
- Design of the implementation plan for the operating structure in each insurance business.
- Identification of the synergies between assistance and insurance companies, plus pilot actions in Argentina and Venezuela.
- Coordination of corporate projects in the region (e-commerce, providers as brand ambassadors, Contact Center, etc.).

Information and technology systems

In 2014 the Data Center migrated from the countries to the MAPFRE space (PECPD), satisfactorily completing migration from Chile to complement the migrations already completed from Colombia, Ecuador and Peru. Likewise, the implementation of Clarity for Colombia, Chile and Peru was completed.

Visit to LATAM SOUTH

The IT areas of MAPFRE ARGENTINA and MAPFRE ASISTENCIA ARGENTINA were integrated, and the Contact Center and year-end programs were migrated to the corporate ACD and the administrative headquarters of Argentina, Chile and Colombia.

In Colombia the e-commerce project and the telemarketing campaign management were added to the corporate Contact Center solution. Furthermore, three modules developed with BPM (Business Process Management) tools for claim management in the health line (agreement and rates administration with providers, present medical audits, and rehab and medical case follow-up) were delivered to the health authorities for testing. These will soon be deployed to production.

Great accomplishments were also been achieved in Ecuador. Twenty-two new products were set up on Tronweb for the general company, and the cancellation and massive collection of policies processes were implemented. The use of PECPD (MAPFRE Space) infrastructure capacity was reduced to a minimum, leading to a 50 percent cost reduction for this country over the budget.

In Venezuela, the systems of MAPFRE ASISTENCIA were integrated with those of MAPFRE SEGUROS, which makes assistance service provision through VENEASISTENCIA and the automated recording of these transactions in the insurance company much easier. The integration services of CESVO ORIÓN with COMPAÑÍA DE SEGUROS (appraisals) were improved, making the integration and quality of the information that companies exchange easier.

Finally, Tronweb was implemented in Uruguay and initially deployed in the Automobile line of business. This also required the implementation of the incident, cash (collections and payments) and claim (claim processing, cases and bill settlement) modules.

COMPANIES

Advances were made toward the consistency of operational structures in each country subsidiary, adapting them to the group scheme. Furthermore, the strategy maps of all the companies were unified, and common tracking and analysis indicators were defined.

The LATAM SOUTH Regional Area began its activity in 2014 by integrating the management of the Insurance, Assistance and Global Risks businesses.

OUTLOOK

The regional area expects to set the strategic line of action based on growth above the market, focused on massive and simple risks, by placing the emphasis on client segmentation and promoting distribution through various means.

Growth is expected in almost every country, except for Venezuela, which is affected by the effects of devaluation.

Earnings are expected to improve in almost every country and company, both in the Insurance business as well as Assistance and Global Risk.

LATAM SOUTH FINANCIAL INFORMATION

REVENUE	2014	2013	Var. % 14/13
WRITTEN AND ACCEPTED PREMIUMS	2,863.4	2,985.8	(4.1%)
REVENUE FROM INVESTMENTS AND OTHER	338.3	360.2	(6.1%)
TOTAL REVENUE	3,201.7	3,346.0	(4.3%)

Millions of euros

EXPENSES	2014	2013	Var. % 14/13
CLAIMS RATIO	(1,347.8)	(1,383.6)	(2.6%)
OTHER TECHNICAL EXPENSES	(620.6)	(600.5)	3.3%
FINANCIAL EXPENSES AND OTHER	(1,096.0)	(1,205.3)	(9.1%)
TOTAL EXPENSES	(3,064.4)	(3,189.4)	(3.9%)

Millions of euros

EARNINGS	2014	2013	Var. % 14/13
BEFORE TAX AND MINORITY INTERESTS	137.3	156.6	(12.3%)
AFTER TAX AND MINORITY INTERESTS	93.6	123.7	(24.3%)

Millions of euros

NON-LIFE INSURANCE RATIOS (over earned premiums)	2014	2013
Claims ratio net of reinsurance	65.5%	67.3%
Cost ratio net of reinsurance	33.3%	32.4%
COMBINED RATIO NET OF REINSURANCE	98.8%	99.7%

EMPLOYEES	2014	2013
Average number of employees	6,745	6,753

INTERNATIONAL

Formed by the regional areas of:

- **NORTH AMERICA:** This area includes the United States, Puerto Rico and Canada, and it is based in Webster, MA (USA).
- **EMEA:** This area includes the operations in Europe, the Middle East and Africa, (particularly those in Turkey, United Kingdom and Malta), and it 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 it is based in Shanghai (China).

The key figures for 2014 of the International Regional Areas are shown below.

ITEM	TOTAL REVENUE			TOTAL EXPENSES		
			% Variation	2014	2013	% Variation
NORTH AMERICA	2,331.6	2,240.4	4.1%	(2,233.1)	(2,088.3)	6.9%
EMEA	1,503.9	1,509.7	(0.4%)	(1,418.6)	(1,444.4)	(1.8%)
APAC	120.4	97.8	23.0%	(112.4)	(98.1)	14.6%
INTERNATIONAL TOTAL	3,955.9	3,847.9	2.8%	(3,764.1)	(3,630.8)	3.7%

Millions of euros

ITEM	EARNINGS					
	BEFORE TAX AND MINORITY INTERESTS			AFTER TAX AND MINORITY INTERESTS		
	2014	2013	% Variation	2014	2013	% Variation
NORTH AMERICA	98.5	152.1	(35.2%)	70.2	108.0	(35.0%)
EMEA	85.3	65.3	30.7%	56.5	41.4	36.3%
APAC	8.0	(0.2)	-	6.9	0.7	-
INTERNATIONAL TOTAL	191.8	217.2	(11.7%)	133.6	150.1	(11.0%)

Millions of euros

ITEM	COMBINED RATIO GROSS REINSURANCE (*)	
	2014	2013
NORTH AMERICA	102.0%	100.4%
EMEA	95.5%	99.7%
APAC	92.8%	103.0%
INTERNATIONAL TOTAL	99.6%	100.2%

(*) Over earned premiums

ITEM	NUMBER AVERAGE EMPLOYEES	
	2014	2013
NORTH AMERICA	3,933	4,030
EMEA	2,672	2,273
APAC	932	805
Central Services	14	13
INTERNATIONAL TOTAL	7,551	7,121

NORTH AMERICA

In 2014 the insurance industry of the region was positively affected by the improvement in economic conditions. According to the latest market estimates in September, the growth in NORTH AMERICA of Non-Life insurance accelerated in comparison to the previous financial period, reaching 4.4 percent, mainly due to higher prices of products for individuals as well as for businesses.

Life insurance premiums grew by 2.4 percent, mainly due to an increase in the sale of life annuities. The Health segment grew by 15.5 percent, caused by an increase in the demand and prices to cover higher medical costs.

In this context, the regional area closed the year with a written and accepted premium volume of 2,105.1 million euros, up by 4.5 percent on the previous year. Earnings before taxes and minority interests reached 98.5 million euros, and the combined ratio was 102 percent.

KEY ACTIVITIES

MAPFRE USA

Premium volume grew 4.4 percent with respect to the previous financial year, with marked increases of 8.6 percent for personal insurance and 18 percent for cars.

In Massachusetts premiums increased 1.7 percent due to growing competition, whereas in the other states premiums increased by 12.1 percent. In general the number of policies grew 4.1 percent overall, in spite of the 1.1 percent decrease produced in Massachusetts.

Furthermore, premiums in the personal automobiles business line, which have a stronger influence on the business, increased 1.5 percent.

The improvements in products, rates, systems and activity management will lead to an increase in overall profitability.

MAPFRE PUERTO RICO

Business volume increased 3.7 percent over the year, especially in the Health insurance line, with growth of 37 percent against 2013. This business line represents 29 percent of the total premiums, exceeding the 22 percent it accounted for in the previous financial year.

Other business lines, especially those related to automobile insurance, experienced a slight decrease, attributable to the local economic situation.

MAPFRE ASSISTANCE NORTH AMERICA

In 2014, revenue increased 11.9 percent, with a marked growth of 15 percent by the United States Assistance business unit.

New products and coverage

MAPFRE USA

The products and coverage portfolio was completed during the year with the introduction of MAPFRE life insurance in the United States.

In Pennsylvania life, home and personal automobile insurances were launched, and home insurance is expected to be launched soon in Arizona.

Furthermore, the private passenger automobile insurance, GEAR 2.0, was launched in Rhode Island, Oregon, Washington, Arizona and Florida, adapting the pricing model in every state.

In California, a platform was implemented for the management of the product portfolio and commercial lines.

MAPFRE PUERTO RICO

The following actions were carried out:

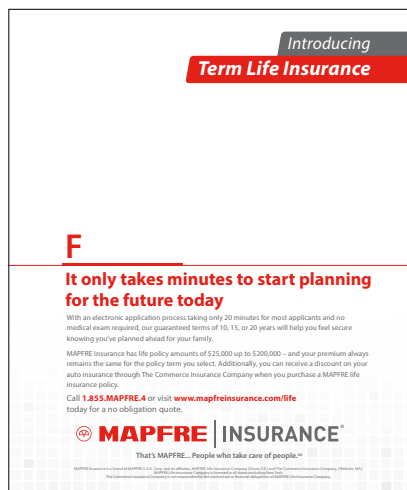
Health

- Plans based on the Affordable Healthcare Act for small groups, new designs and rates.
- Additional benefits guarantee in the American Virgin Islands to comply with new healthcare legislation.

Life

- Level Term Life Insurance, a product that provides stable and unchanged protection during the term established.
- Unilife, a life insurance savings solution that guarantees a sum of money chosen by the insured party.
- Additional compensation coverage for monthly profits in the insurance policy of protection against cancer, which provides compensation in case of convalescence at home due to illness or accident and with or without hospital admission.

Launch of the first life insurance product in the United States



- Life insurance policy loan, with full coverage for disability and dismissal.

- Insurance policy for protection against cancer in the American Virgin Islands.

Personal Chattel and Accidents

PERSONAL LINES

- Available on the automobile insurance in every company and policy, with coverage without depreciation for partial losses and gradual deductible reduction.
- The underwriting rules for household insurance were amended to adjust the deduction for earthquake without additional cost for the insured party.
- Coverage for equipment damage and for service lines.
- Sale of prepaid cards for road assistance coverage in Walmart and Sam's Club.
- SegurViaje Premium, a travel insurance product with fixed additional limits and increased coverage for cancelled or interrupted travel.

COMMERCIAL LINES

- Insurance policies for floods for personal chattel and residential blocks.
- Commercial automobile insurance available in the American Virgin Islands.
- Coverage for data leak service.

MAPFRE ASSISTANCE NORTH AMERICA

The portfolio of products and coverages was completed during the year with the expansion of road assistance products and programs for the industry of salvage transportation, for which the United States Assistance business unit identified a great potential for growth.

The Specialty Risk Division continues to add new agents to the portfolio and to involve the existing ones even more. A new GAP product was launched in 2014, as well as a product

for the motor sports industry, and it entered the credit cooperative industry thanks to an agreement signed with a new agent.

Commercial initiatives

MAPFRE USA

The main initiatives implemented during the year continued to focus on the knowledge of the brand in the insurance community and among the general public. The commercial development and corporate communication teams actively participated in events of associations and independent agencies as well as in numerous events of the local community.

These activities included, among others, sponsorship of assistance vehicles on all the main highways in Massachusetts, participation in agency/broker association events in all the states in which it operates, and the organization of several meetings of agencies and brokers to exchange views on product features and guarantee service levels. These efforts were satisfactory as the commercial development team reached almost 400 additional independent agencies/brokers in the states where MAPFRE is present.

Additionally, programs aimed at cancellations for non-payment and the use of predictive analysis to identify clients at risk of abandoning the company strengthened the retention of the portfolio.

MAPFRE PUERTO RICO

The following key activities were conducted during the year:

- Incentives of an additional 1 percent to the seller for using web tools for quoting, issuing and collecting premiums.
- Vehicle evaluation by the Technical Unit for selected customers and affinity groups.
- Seminars for producers to introduce new technological tools designed to facilitate them in doing business with MAPFRE.
- Partnership with the SANTANDER Group to include a life product in their loans.

— Customer loyalty customer programs such as the MAPFRE Fit and Diabetes education system, which helps participants to improve their quality of life, and the Telephone Helpline for patients with high blood pressure and diabetes.

— Acquisition of new business in new and used automobile concessionaires through external consultants.

— Use of automotive spare parts shops as a new distribution channel.

MAPFRE ASSISTANCE NORTH AMERICA

— Reinforcement of the Specialty Risk sales structure to launch a direct sales network in 2015.

— Analysis of the credit cooperative and of high-risk loan sectors for the future introduction of the business.

Launch of the online travel insurance by InsureandGo with the main agents in the sector.

Technical management and customer service

MAPFRE USA

The introduction of Car EZ and e-Pics was completed in the 17 states. These programs improve the claims procedure and make it easier for insured parties to file claims, increasing the efficiency of the settlement process. A service center for agents was also created, diverting part of the work and therefore enabling the centers to focus on business development.

MAPFRE PUERTO RICO

The activities related to customer services focused on the use of technology based on the interaction of agents with the company to facilitate their efforts and provide a better customer experience.

The quoting systems were improved; new portals were developed and the existing ones were improved as well as Internet safety; new software and new communications technology were installed; training courses for producers in the use of technology tools were conducted; and the incentive system was reviewed.

With regard to technical management, efforts within the BPM were focused on renewing the commercial business. Additionally, the discounts on the prices of automobile personal insurance and health insurance were reviewed following changes in legislation.

MAPFRE ASSISTANCE NORTH AMERICA

The Remote Workforce Project was expanded in the assistance response centers and the Canadian assistance operation was reorganized by centralizing certain business processes in Miami.

Information technology systems

MAPFRE USA

The migration of the Auto Book from the old Diamond system to the Tronweb system was carried out in California; Tronweb automobile insurance for Pennsylvania and Florida was implemented as well as household insurance for Pennsylvania and Arizona; the new automobile product was introduced in Tennessee in the system AP/V12; and commercial lines were all installed in California in a CoverAll-Tronweb system.

In the states of Massachusetts, Pennsylvania, Ohio and Washington a simplified life product was introduced; improvements were made to Massachusetts Legacy to improve efficiency and productivity with payments via credit cards and the integration of the claim systems; collaborative models with BI and the Customer and CRM Competency Centers were established.

MAPFRE PUERTO RICO

Processes to increase retention of clients and improve renewals, collection and issues were introduced to gain efficiency in the sales process; a new system was set up for web quotes in the production of life insurance; and general responsibility, quotes for commercial automobiles and mono lines were migrated from Tronador to Tronoweb.

MAPFRE ASSISTANCE NORTH AMERICA

The ROAD CANADA infrastructure was updated and the ROAD AMERICA IT infrastructure migrated to the corporate data center in Miami (MAPFRE Space).

COMPANIES

The integration of MAPFRE ASSISTANCE and MAPFRE Puerto Rico continues under the umbrella of MAPFRE North America. The teams are working together to improve efficiency and take advantage of the offering of unique products and services that confer competitive advantages. These include the introduction of a high quality roadside assistance product and travel insurance benefits in household products.

NORTH AMERICA closed the year with a written and accepted premium volume of 2,105.1 million euros, up by 4.5 percent on the previous year.

OUTLOOK

MAPFRE USA

During 2015 MAPFRE USA is expected to continue its growth strategy focused on a multichannel distribution approach with a great emphasis on the appointment of independent agents/brokers in the key growth states.

Arizona, California, Connecticut, Ohio, Florida and Pennsylvania are expected to generate growth in the premiums of private passenger automobiles.

MAPFRE PUERTO RICO

The gross domestic product in Puerto Rico decreased steadily from 2009 to 2011 and grew moderately in 2012 and 2013. The outlook for 2015 is for slight economic growth.

Sales of new houses and automobiles are expected to be lower than in 2014 and consequently a reduction in the sale of insurance for these two elements is expected for 2015.

MAPFRE ASSISTANCE NORTH AMERICA

In 2015, the two main divisions, United States Assistance and Specialty Risk, will continue to pursue growth opportunities, mainly through a commercial plan approved for Specialty Risk.

Margins in the B2B Assistance division will also be improved.

NORTH AMERICA FINANCIAL INFORMATION

REVENUE	2014	2013	Var. % 14/13
WRITTEN AND ACCEPTED PREMIUMS	2,105.1	2,014.0	4.5%
REVENUE FROM INVESTMENTS AND OTHER	226.5	226.4	0.1%
TOTAL REVENUE	2,331.6	2,240.4	4.1%

Millions of euros

EXPENSES	2014	2013	Var. % 14/13
CLAIMS RATIO	(1,293.8)	(1,193.2)	8.4%
OTHER TECHNICAL EXPENSES	(483.5)	(455.0)	6.3%
FINANCIAL EXPENSES AND OTHER	(455.8)	(440.1)	3.6%
TOTAL EXPENSES	(2,233.1)	(2,088.3)	6.9%

Millions of euros

EARNINGS	2014	2013	Var. % 14/13
BEFORE TAX AND MINORITY INTERESTS	98.5	152.1	(35.2%)
AFTER TAX AND MINORITY INTERESTS	70.2	108.0	(35.0%)

Millions of euros

NON-LIFE INSURANCE RATIOS (over earned premiums)	2014	2013
Claims ratio net of reinsurance	74.4%	72.8%
Cost ratio net of reinsurance	27.6%	27.6%
COMBINED RATIO NET OF REINSURANCE	102.0%	100.4%

EMPLOYEES	2014	2013
Average number of employees	3,933	4,030

In 2014 the Spanish insurance industry in the area remained significantly impacted by the macro-financial volatility and the currency depreciation in emerging markets, particularly with regard to the Turkish lira in MAPFRE's case.

Within this environment of uncertainties, the regional area managed to conduct its activities satisfactorily and safely, maintaining leadership positions in the markets in which it operates, particularly in Insurance, Assistance and Specialty Risk, and continuing to grow in the insurance of Global Risks through MAPFRE GLOBAL RISKS.

Within this context, the regional area has closed the year with total premiums of 1,285.3 million euros, which represents a 4.4 percent increase with regard to the previous year. Earnings before tax and minority interests increased to 85.3 million euros, with growth of a 30.7 percent, while the combined ratio for earned premiums was 95.5 percent.

These figures are the product of a strong commitment to distribution through different channels and product diversification, as well as fewer major incidents.

KEY ACTIVITIES

Excluding the effect of the currency depreciation, business volume increased by 5 percent during the year, with particular growth in the Global Risks activity.

New products and coverage

The portfolio of products and coverage was completed during the year. In this respect, the following were key:

MAPFRE GLOBAL RISKS:

- Successful cross-selling actions with MAPFRE ASSISTANCE were carried out.
- There was an increase of approximately 10 percent in premiums thanks to the growth seen in Western Europe.

MAPFRE ASSISTANCE:

- Launch of new products related to appliances guarantee, GAP insurances and extended warranty for vehicles in France, Ireland, Russia and Germany with well-known trademarks (such as Mediamarkt, VW Financial Services, Mitsubishi, ERGO, MetLife and AEC (Dodge)).

TURKEY:

- An automobile insurance solution called KASKO was launched in alliance with three car manufacturers (with use of their network of garages) and was met with great approval.

MIDDLESEA INSURANCE:

- Launch of MOTORMAX (telematics-based policy for youngsters).
- Launch of a private insurance customer loyalty program that now has 56,000 loyalty cards.

MSV LIFE:

- A whole review of Life plans was undertaken.
- Conditions and coverage of Life Risk products were changed.
- Two acquisition campaigns were carried out for single premium Life-Savings insurances.

Commercial initiatives

The main initiatives carried out during the course of the year were:

- MAPFRE GLOBAL RISKS developed a special plan to increase penetration in Europe.
- In France, online travel insurance activity was launched via InsureandGo.
- In Turkey cross-selling campaigns were launched, and the number of agents and the number of dealerships and distributors increased 21 percent and 53 percent respectively, compared with the previous year.
- MIDDLESEA INSURANCE opened two regional offices and a corporate office, appointed 30 new agents, and introduced a new incentive program for selected brokers and agents.
- In Malta, cross-selling and client retention via telemarketing was executed by MIDDLESEA INSURANCE.

Next year growth will be mainly concentrated in Italy, Germany and the United Kingdom as a result of the integration of the operations acquired from DIRECT LINE and the development of MAPFRE GLOBAL RISKS.

Technical management and customer service

The following are the salient projects and highlights of the Regional Operations Area during 2014:

— MAPFRE ASISTENCIA centralized the provision of assistance services and customer service for clients in Jordan, Bahrain, United Arab Emirates and Egypt into a single center with all the corporate solutions in Amman (Jordan). It also launched the GLOBAL EXPAT product from its specialized center in Lisbon (Portugal).

The new offices in Lyon (France) launched with the sale of online travel insurance through InsureandGo France.

— Operational synergies were generated in Turkey by transferring the Automobiles Contact Center activity from MAPFRE GENEL SIGORTA to TUR ASSIST in order to maximize the latter's capacity, experience and technology. The remaining activities will be transferred during 2015.

— In Malta, MIDDLESEA INSURANCE carried out many important initiatives to improve the service and the management of incidents, such as opening the first appraisal center, which was warmly welcomed by our clients. It also established agreements to buy and offer spare parts in the country through local specialized companies and MAPFRE's CESVIRECAMBIOS in Ávila (Spain).

— Important corporate projects were launched, including:

- > Electronic Service Activation (Digital Dispatch)
- > "Gamification" in Contact Centers
- > "Providers as Brand Ambassadors"

Information and technology systems

The following key activities were conducted during the year:

— Strengthening of the corporate technology platform, especially in Turkey, with the launch of the Newtron implementation project (one of the most important solutions on this platform).

— The Clarity tool was implemented, and the implementation of the project and management development methodology commenced at MAPFRE GENEL SIGORTA and MIDDLESEA INSURANCE.

— Within the Global Internet Framework project, the definition and development of the new commercial portal for MAPFRE GENEL SIGORTA was established.

— A new version of the MIDDLESEA INSURANCE individual health line was implemented in Tronweb.

— Human Resources projects, such as Corner Stone (e-learning) and Success Factors (human resource management), were carried out in Turkey and Malta.

— A new document management pilot test and the DMS (Dealer Management System) solution were implemented in MAPFRE ASISTENCIA Italy.

— "MAPFREjet" was implemented in Turkey. This is a new platform that simplifies the issue process for agents via the connection with Tronweb through web services.

COMPANIES

In September 2014 MAPFRE announced an agreement with the British insurance company DIRECT LINE GROUP to acquire its Automobile insurance subsidiaries in Italy and Germany for 550 million euros, a transaction that forms part of group's firm commitment to online direct insurance. Once approved by the mandatory regulatory bodies, this acquisition will strengthen MAPFRE's presence in the region, diversifying its geographic presence and its distribution channels.

MAPFRE GENEL SIGORTA maintained its competitive position in Turkey, especially in Automobile, Health and Company insurances, with a Non-Life market share of 6.6 percent.

MAPFRE MIDDLESEA reinforced its leadership in Malta, as regards Life and Non-Life insurances, with market shares of 58.4 percent and 21.5 percent, respectively.

Lastly, InsureandGo was launched in France. This MAPFRE ASISTENCIA company specializes in the online distribution of travel insurance, which involves expanding the business into non-English-speaking countries.

Acquisition of Direct Line in Germany and Italy

MAPFRE GLOBAL RISKS meets with clients in Germany

OUTLOOK

The regional area's plans for 2015 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 due to a high business volume and cost containment.

Next year growth will be mainly concentrated in Italy, Germany and the United Kingdom as a result of the integration of the operations acquired from DIRECT LINE and the development of MAPFRE GLOBAL RISKS.

International CEO meeting held at the headquarters of MAPFRE GENEL SIGORTA

EMEA FINANCIAL SITUATION

REVENUE	2014	2013	Var. % 14/13
WRITTEN AND ACCEPTED PREMIUMS	1,285.3	1,230.6	4.4%
REVENUE FROM INVESTMENTS AND OTHER	218,6	279.1	(21.6%)
TOTAL REVENUE	1,503.9	1,509.7	(0.4%)

Millions of euros

EXPENSES	2014	2013	Var. % 14/13
CLAIMS RATIO	(867.3)	(760.3)	14.1%
OTHER TECHNICAL EXPENSES	(256.8)	(262.3)	(2.1%)
FINANCIAL EXPENSES AND OTHER	(294.5)	(421.8)	(30.2%)
TOTAL EXPENSES	(1,418.6)	(1,444.4)	(1.8%)

Millions of euros

EARNINGS	2014	2013	Var. % 14/13
BEFORE TAX AND MINORITY INTERESTS	85.3	65.3	30.7%
AFTER TAX AND MINORITY INTERESTS	56.5	41.4	36.5%

Millions of euros

NON-LIFE INSURANCE RATIOS (over earned premiums)	2014	2013
Claims ratio net of reinsurance	68.4%	69.4%
Cost ratio net of reinsurance	27.1%	30.3%
COMBINED RATIO NET OF REINSURANCE	95.5%	99.7%

EMPLOYEES	2014	2013
Average number of employees	2,672	2,273

The Asia-Pacific Regional Area is characterized mainly by the macroeconomic, regulatory and sectorial insurance disparity among member countries, adding complexity to business development.

This region comprises emerging countries with rapid economic growth and low insurance penetration, such as Vietnam, Indonesia and China, city-states like Singapore and Hong Kong which are emerging as 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 countries.

APAC is also a high-growth region, both as regards economic indicators with 29 percent of global GDP and 9 percent annual increases forecast for the next five years, and demographic indicators with almost half of the world's population and world share among middle-class members estimated to grow from 28 percent in 2009 to 54 percent in 2020.

In addition to this opportunity-rich environment, there is a progressive tendency toward the liberalization of regulatory and commercial barriers, such as the establishment of the "Shanghai Free-Trade Zone" in China supported by the "China Insurance Regulatory Commission".

Today, the APAC Regional Area has a direct presence in six countries: Australia, the Philippines, Greater China (including Hong Kong and Taiwan), India, Indonesia and Japan. Sixty percent of the business comes from Assistance and Specialty Risks, about 30 percent from Insurance and the rest from Global Risks.

Within this context, APAC closed 2014 with premiums of 100.7 million euros, resulting in a 16.7 percent increase compared to the previous financial year, and total revenues of 120.4 million euros with a 23 percent increase. Earnings before tax and minority interests were 8 million euros, up on the 2013 figure. The combined ratio over earned premiums amounts was 92.8 percent.

This positive result is largely due to the growth of the Assistance and Specialty Risks business in Greater China, the increased travel insurance business volume in Australia, and the profitable corporate shareholding stake in the ASURANSI BINA DANA ARTA (ABDA) insurance company in Indonesia.

KEY ACTIVITIES

There was an increase in the Assistance and Specialty Risks business line in Greater China amounting to 39.2 percent of the region's revenues and an increase in the Travel assistance insurance business line in Australia with a total of 11.7 percent of the revenues.

Insurance premium volume grew 4.9 percent during this financial year in spite of the fall in premiums of MAPFRE INSULAR in the Philippines due to the loss of an important contract with the local government, the Government Service Insurance System (GSIS). The 2014 earnings grew by 190 percent compared to the previous year. This is due to the 147 percent increase from the corporate stake of 20 percent in ABDA, representing 64 percent of the earnings.

Premium issue by the Global Risks Business Unit increased 95.5 percent compared to 2013, with a loss of 0.2 million euros due to a major incident in an open mine in Australia.

New products and coverage

During the financial year, work on the development of new products and services was carried out, such as:

- FUNERAL INSURANCE, funeral product in partnership with MAPFRE INSULAR and IBEROASISTENCIA in the Philippines.
- ATM CARDS INSURANCE, debit card insurance in the Philippines.
- SECOND MEDICAL OPINION, health insurance in China.

Commercial initiatives

The main initiatives carried out were:

- Launch of travel insurance in China in partnership with PICC LIFE, an online sales platform (which underwrites risks in China).
- Marketing of the GLOBAL EXPAT product in the region.
- Customer attraction and loyalty using active business-to-customer marketing campaigns in MAPFRE INSULAR, with a special focus on products targeted at OFW (Overseas Filipino Workers).

- Agreement with SKY FREIGHT (Saudi Arabia) as a new distributor of OFW products.
- Launch of the HOME ASSISTANCE product in Australia, of the Road Assistance product in Taiwan complementing the current Warranty Extension business, and of the MEDIPHONE and SECOND MEDICAL OPINION products in China.
- Agreement with PING AN in China for the launch of the HOME ASSISTANCE product.
- Warranty extensions in Japan.

Technical management and customer service

Customer service in this area of activity was centered mainly on the following aspects:

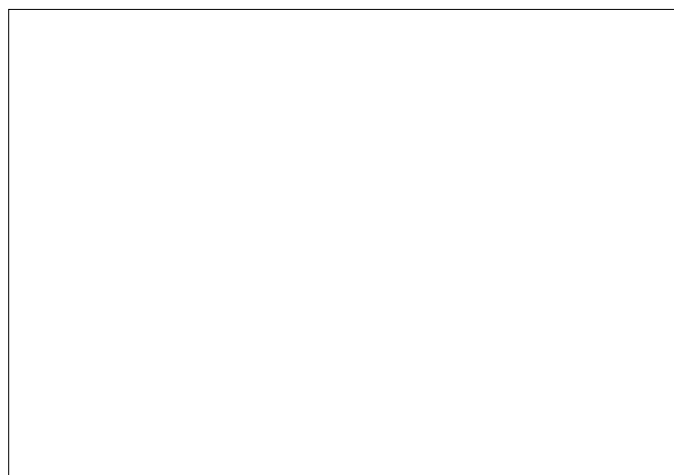
- Review of technical protocols and conditions with road assistance service providers in China to review fees and verify that central service guidelines are followed.
- Assessment and improvement of the IBEROASISTENCIA call center in the Philippines, shared with the Australian unit to offer weekend and 24-hour travel assistance in order to improve service quality and increase business volume.

Information and technology systems

The following key activities were conducted during the year:

- Implementation of the SAP tool for accounting control was completed in Australia, Japan and Hong Kong, and we are now working actively toward its implementation in MAPFRE INSULAR with its next launch in mind.
- Work on the implementation of the Tronweb tool in MAPFRE INSULAR began.
- Implementation of the Phoenix issuing tool was completed in India, the Philippines and Australia.
- Implementation of the AMA/Futura service provision tool was completed in the Philippines.
- Implementation of the “Salesforce” commercial CRM tool was completed in China.
- Implementation of the “Altitude” telemarketing tool was completed in Australia.

10th anniversary of MAPFRE ASISTENCIA in China



COMPANIES

Approximately 85 percent of this regional area's total revenues are provided by three entities: 39.2 percent from ROAD CHINA ASSISTANCE, an Assistance and Specialty Risks company; 33.9 percent from MAPFRE INSULAR, a Non-Life insurance company in the Philippines; and 11.7 percent from MAPFRE INSURANCE SERVICES, an Australian Assistance company.

OUTLOOK

The strategy of this regional area for 2015 will continue to be focused on the diversification of products and business models adapted to clients' changing needs, the expansion into new countries either through acquisitions or agreements, developing digital distribution platforms, and continuing to identify cost-reduction areas through group synergies in the region.

Special follow-up of new Automobile insurance projects in China, the online sale of Travel insurance in China and Road assistance will be carried out in partnership with ABDA in Indonesia.

The Asia-Pacific Regional Area is characterized mainly by the macroeconomic, regulatory and sectorial insurance disparity among member countries, adding complexity to business development.

Another pending task is reinforcing the acknowledgement of the MAPFRE brand in the region, either through marketing or through active participation in conferences, seminars and discussion panels in the region.

APAC FINANCIAL SITUATION

REVENUE	2014	2013	Var. % 14/13
WRITTEN AND ACCEPTED PREMIUMS	100.7	86.3	16.7%
REVENUE FROM INVESTMENTS AND OTHER	19.7	11.5	71.3%
TOTAL REVENUE	120.4	97.8	23.0%

Millions of euros

EXPENSES	2014	2013	Var. % 14/13
CLAIMS RATIO	(50.1)	(47.2)	6.2%
OTHER TECHNICAL EXPENSES	(21.0)	(20.3)	3.7%
FINANCIAL EXPENSES AND OTHER	(41.3)	(30.6)	34.9%
TOTAL EXPENSES	(112.4)	(98.1)	14.6%

Millions of euros

EARNINGS	2014	2013	Var. % 14/13
BEFORE TAX AND MINORITY INTERESTS	8.0	(0.2)	-
AFTER TAX AND MINORITY INTERESTS	6.9	0.7	-

Millions of euros

NON-LIFE INSURANCE RATIOS (over earned premiums)	2014	2013
Claims ratio net of reinsurance	65.3%	72.0%
Cost ratio net of reinsurance	27.5%	31.0%
COMBINED RATIO NET OF REINSURANCE	92,8%	103,0%

EMPLOYEES	2014	2013
Average number of employees	932	805

MAPFRE RE

The reinsurance market was characterized by obtaining excellent results for three straight years due to the absence of significant disasters, and an increase in shareholders' equity driven by the good results retained and the appreciation of its financial assets. All of this occurred in an environment that continues to be volatile, with limited growth in most developed economies, which leads to a contained progression in the insurance industry.

The absence of major disasters and the strong increase in shareholders' equity benefited the competition in rates and conditions among traditional reinsurance companies and a larger withholding by insurance companies, which caused limited growth of the business volume, a part of which was also channeled toward the non-traditional reinsurance market.

On February 20, 2014 the Standard & Poor's ratings agency increased MAPFRE RE's rating to A- / stable, applying a new criterion that permitted a three-notch increase with respect to the country rating. Then on May 25, 2014 the same agency increased the rating of the Kingdom of Spain, which remained to BBB / stable. Consistent with the initial criterion, Standard & Poor's increased MAPFRE RE's rating to A / stable, three notch above that of the Kingdom of Spain.

The ratings agency AM Best confirmed the A / stable rating that it had previously issued on April 9, 2014 and which was ratified on October 17. This agency does not impose maximums related to the country rating and assesses each entity's risk management and business diversification, carrying out demanding individual impairment tests that were successfully passed.

MAPFRE RE recorded a growing positive result over the year, a restrained growth in premiums, and significant growth in shareholders' equity, all within an increasingly complex and competitive market.

KEY ACTIVITIES

MAPFRE RE reported 3,903 million euros in revenues with earnings pre-tax and minority interests of 200.3 million euros. There was no significant impairment of its investments, and the company has no financial debt.

No major disasters resulting in significant claims occurred during the year, placing them in the normal recurring claims ratio. However, there were significant individual claims.

Commercial initiatives

Throughout the year, enhanced activity was maintained in all the markets in which the company operates, multiplying contacts and commercial actions with clients and brokers, both from the headquarters and from overseas offices.

In order to bring business management centers closer to clients situated in the best growth areas, in 2014 we took steps to open two new branches, one in Labuan (Malaysia), for which we received authorization on December 31, and another in Singapore, which will begin operations in 2015.

We participated in and delivered various training programs, including courses on risk selection, tele-subscription and genetics, associated with the Life insurance business, held in Prague, Brazil, Malta and Colombia, as well as the Life course within the FUNDACIÓN MAPFRE training program. Courses on agricultural business were also held to coincide with the Latin American Association for the Development of Agricultural Insurance (ALASA) celebration in France, in conjunction with the International Association of Farming Insurers (AIAG), and in Poland. Additionally, the fifth International Reinsurance Forum was held with participants from 12 countries.

Technical management and customer service

Human capital at headquarters and in the overseas offices was strengthened with highly qualified staff to address clients' needs and the growing complexity of the business. The strong investment in the professional training and development of the company's team was maintained.

The requisite internal efforts continued to be successfully deployed for the application of the Solvency II regulation, and the contacts and participation in the European Insurance Chief Financial Officers Forum continued.

Information and technology systems

MAPFRE RE continued to improve its own portfolio analysis and quotation systems, which also required continuous internal training.

Efforts were made to accomplish greater integration within the Group's central systems through the fulfillment of corporate agreements as well as the intensive use of processing centers. The information systems that support the business were updated and improved with new management modules, specifically those related to the ceded business, estimates associated with Solvency II and the automated input of the Group's business data.

COMPANIES

MAPFRE RE DO BRASIL continued its positive expansion in a very competitive market, reporting 76.7 million euros in revenues and pre-tax earnings of 9.1 million of euros, with shareholders' equity of 41 million of euros at the end of the year.

INVERSIONES IBÉRICAS and MAPFRE CHILE REASEGUROS produced revenues of 20.9 million of euros and pre-tax earnings of 1.3 million euros, with shareholders' equity of 44.8 million euros at the end of the year.

MAPFRE RE FINANCIAL INFORMATION

REVENUE	2014	2013	Var. % 14/13
WRITTEN AND ACCEPTED PREMIUMS	3,343.3	3,253.7	2.8%
REVENUE FROM INVESTMENTS AND OTHER	559.7	472.4	18.5%
TOTAL REVENUE	3,903.0	3,726.1	4.7%

Millions of euros

EXPENSES	2014	2013	Var. % 14/13
CLAIMS RATIO	(1,410.9)	(1,493.2)	(5.5%)
OTHER TECHNICAL EXPENSES	(562.6)	(660.6)	(14.8%)
FINANCIAL EXPENSES AND OTHER	(1,729.3)	(1,417.0)	22.0%
TOTAL EXPENSES	(3,702.8)	(3,570.8)	3.7%

Millions of euros

Presentation of the Reinsurance Program

OUTLOOK

In an environment in which liquidity is supplied by central banks, it is hoped that interest rates will be kept low in order to stimulate the economy and enable the main markets to maintain their slight recovery.

Within a volatile environment with low financial results, reinsurance companies will need to look for positive technical result, which is difficult because non-traditional investors offer reinsurance capacity through various instruments, although mainly in modeled zones and in coverage of disasters, aiming for a higher yield and diversification of their investment portfolios.

In this context, except for the occurrence of major disaster claims or a significant change in the financial sector, the best-positioned entities among the traditional reinsurance companies will be those with diversified portfolios that allow them to generate sufficient and balanced results.

EARNINGS	2014	2013	Var. % 14/13
BEFORE TAX AND MINORITY INTERESTS	200.3	155.3	29.0%
AFTER TAX AND MINORITY INTERESTS	141.5	108.8	30.1%

Millions of euros

NON-LIFE INSURANCE RATIOS (over earned premiums)	2014	2013
Claims ratio of accepted reinsurance	64.5%	65.1%
Cost ratio of accepted reinsurance	28.6%	31.4%
COMBINED RATIO, NET OF RETROCEDED REINSURANCE	93.1%	96.5%

EMPLOYEES	2014	2013
Average number of employees	319	309

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Proposed resolutions

Resolutions proposed for the General and Extraordinary Annual Meeting of MAPFRE, S.A. to be held on March 13 2015.

1. To approve the individual, consolidated, and Annual Accounts for the financial year 2014.
2. To approve the distribution of 2014 results proposed by the Board of Directors, and thus to distribute a total dividend of €0.14 gross per share to shares number 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 4, 2014 and the rest, up to the agreed total of €0.08 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, 2015.
3. To approve the Board of Directors' management during 2014.
4. To reelect for a further four years the director Antonio Núñez Tovar, as executive director.
5. To reelect for a further four years the director Luis Hernando de Larramendi Martínez, as nominee director.
6. To reelect for a further four years the director Alberto Manzano Martos, as nominee director.
7. To reelect for a further four years the director Antonio Miguel-Romero de Olano, as nominee director.
8. To reelect for a further four years the director Alfonso Rebuelta Badías, as nominee director.

These reelection proposals were approved in a report from the Appointments and Remuneration Committee and shall be deemed approved, if applicable, notwithstanding compliance with by-laws and standards of good governance.

9. To ratify the appointment of board member Georg Daschner, appointed by the Board of Directors on February 10, 2015, via the co-option procedure, and reelect him for a period of four years, as an independent board member.

Said proposal has 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.

10. To modify article 3 of the Corporate Bylaws, which shall read as follows:

The Company has been established for an indeterminate amount of time.

11. To modify article 4 of the Corporate Bylaws, for the purpose of deleting the second paragraph, which shall read as follows:

Its registered address shall be Majadahonda (Madrid), Carretera de Pozuelo, number 52. The Board of Directors has the authority to change this address within the city. A change to an address outside the city is subject to agreement at a General Meeting.

12. To modify article 7 of the Corporate Bylaws, for the purpose of including a second paragraph, which shall read as follows:

The shares shall be represented via annotations in the account, which shall be governed by the regulatory rules of the stock market and other applicable provisions. The transfer of the shares, which shall be free, shall take place via balance sheet transfer. The registration of the transfer in the Accounting Registry in favor of the receiving party will be valid for the same effects as the tradition of titles. The Company shall recognize as shareholder the person that legally appears in the documentation of the Accounting Registry, in which the successive transfers of shares and the constitution of real rights for the same shall be recorded.

13. To modify article 9 of the Corporate Bylaws, which shall read as follows:

It is the highest governing body of the Company, and operates according to Law, Corporate Bylaws and Rules of the General Assembly. Resolutions adopted according to the provisions indicated above are binding upon all shareholders, including those absent and not in agreement.

14. To amend the second paragraph of the article 11 of the Corporate Bylaws, which shall read as follows:

Those shareholders with a minimum of 1,000 shares who have registered their shares in the Stock Ledger at least five days prior to the holding of the meeting. The agreements shall be adopted by a simple majority of votes of shareholders present or represented at the meeting, understanding the agreement as having been adopted when it receives more votes in favor than against, except in those cases when the Law or the Articles demand a qualified favorable vote. Each share confers a right to one vote.

15. To modify article 13 of the Corporate Bylaws, which shall read as follows:

The Board of Directors is the body charged with directing, administering, and representing the Company, and operates according to Law, Corporate Bylaws and its internal Rules. It has full powers of representation, disposition and management, and its acts are binding on the company, with no further limitation than the express powers of the Annual General Meeting according to the Law and with these Articles. In particular, it has the power to decide the participation of the Company in the promotion and constitution of other trading companies, in Spain or overseas, whatever the business purpose and participation that they are going to have within the Company.

It can create Steering Committees and Sub-Steering Committees within itself to better carry out its duties, as well as delegate all or some of its powers on its members, and grant powers to any person it deems appropriate to appoint, subject to any exceptions and limits indicated by Law.

It sets the rules for the Committees and Sub-Committees and the Executive Committee, defines their powers and appoints and divides their members freely, except for the members whose positions inherently place them in the Committees.

16. To modify article 14 of the Corporate Bylaws, which shall read as follows:

It comprises no less than five and no more than 20 members. The General Meeting determines the number of Board Members, either directly or indirectly.

Anyone who holds office as Director must be a person of renowned prestige in his/her professional and business area, and hold all necessary professional qualifications or experience as provided for by law for financial institutions or insurance companies subject to supervision by Public Authorities.

They cannot be members of the Board of Directors, who have meaningful stock options or provide professional services to competing businesses for the Company or of any entity within the Group, or that work as employees, directors, or administrators of the same, unless they grant express authorization from the Board of Directors.

The Company shall take out a third-party liability insurance policy for the Directors according to adapted market standards, as necessary, to the circumstances of the Company.

17. To modify article 15 of the Corporate Bylaws, which shall read as follows:

The Board of Directors shall elect a Chairman and one or two Vice Chairmen from among its members, and one or several Managing Directors. They shall also elect a Secretary and one or two Vice Secretaries, who need not comply with the condition of being Board Members.

The Chairman of the Board of Directors represents the Company, convenes, presides over and guides the Board of Directors, and exercises the other duties that are assigned to him or her by Law, the Articles, the Rules of the General Meeting and the Rules of the Board of Directors sessions.

The Vice Chairmen, according to the order established by their Nomination, replace the Chairman in case of absence, illness or express delegation by the same. In the absence of such, they will be replaced by the eldest Director.

The Secretary signs in the name of the Chairman the calls for the General Meeting and for the Board, composes the meeting minutes, takes care of the minutes books at the official address, extends the necessary certifications and exercise all other duties as assigned by Law, the Statutes, the Rules of the General Assembly and the Rules of the Board of Directors. In case of his or her absence, the Vice Secretary shall act, and in his or her absence, the youngest Director amongst those present.

The Board of Directors shall determine at all times which of the charges defined above shall entail executive responsibilities, as well as their interrelationship when they are more than one.

Notwithstanding the above, the Board of Directors shall appoint a General Manager who will perform, as subordinate to a higher position as determined on a case-by-case basis, as executive manager of the Company in the operational area assigned to each one of them.

All persons who perform the executive duties to which this article refers must provide their services to the Company exclusively, even if they share their dedication with other entities within their group and with the foundations linked to the same.

The Board of Directors, with the abstention of the Executive Directors, shall name a Supervisor from amongst the Independent Advisors, who is particularly empowered to request the Board of Directors to be convened or the inclusion of new points in the order of the day from a Board meeting already convened, coordinate and bring together the non-executive directors and direct, as required, the periodical evaluation of the Chairman of the Board of Directors.

18. To amend the first and second paragraph of article 16 of the Corporate Bylaws, which shall read as follows:

The nomination and removal of Directors can be carried out by the General Meeting at any time. The Board may provisionally request via co-optation to fill in anticipated empty positions, as they occur, according to legally established terms.

Board Members complete a four-year term and can be reelected until they reach the age of 70, at which point they must tender their corresponding resignation.

19. To modify article 17 of the Corporate Bylaws, which shall read as follows:

The post of Director is remunerated.

The remuneration of the Board Members, due to their position, shall receive a fixed amount for belonging to the Board of Directors and, as needed, the Steering Committee and Sub-Steering Committee, which may be higher for people with positions on the Board or that hold the position of Chairman of the Steering Committee or Sub-Steering Committee. This remuneration may be complemented with other non-monetary remuneration (life insurance or health, discounts on products sold by companies in the MAPFRE Group, etc.) who were established generally for the Company's staff.

The maximum value of the annual remuneration of the Directors for their holding said positions shall be fixed by the General Meeting and will be distributed by the Board of Directors in such a way that they decide, taking into account the criteria indicated in the above paragraph.

The Directors that hold executive duties within the Company or in its Group are excluded from the remunerative system established in the previous paragraphs and shall have the right to receive payment solely for providing said executive duties. Said payment shall be set by the Board of Directors and shall be broken down in the corresponding contract between the company and the executive directors, which must be approved by the Board of Directors.

Remuneration comprising the delivery of shares, share options or other share-indexed instruments, payments indexed to the company's performance, subject to requirements as established by law at all times, should be confined to Directors carrying out executive duties.

Regardless of the remuneration established in the previous paragraphs, the Board Members will be compensated for their travel expenses, travel time and other expenses they occur in order to attend the meetings of the Company or for the performance of their duties.

In all events, the remuneration for the Directors shall be adjusted to levels stipulated in the remuneration policy for the Directors, approved by the General Assembly, according to legally established conditions.

20. To amend the first and second paragraph of article 18 of the Corporate Bylaws, which shall read as follows:

The Board of Directors shall hold as many meetings as necessary to decide on issues under its scope; those that have been submitted by the Chairman, by other governing bodies of the Company or by any of the Board Members, and to obtain information and, when appropriate, authorize the main issues handled and the main resolutions adopted by the Steering and Sub-Steering Committees.

Meetings are convened by the Chairman, or by the person substituting him or her according to the provisions of these Articles, on his/her own initiative or at the request of the Supervisor or three Directors. The announcement of the meeting may be made by letter, email, fax or any other means that allows it to be received at least three days beforehand, unless, in the opinion of the Chairman, there are emergency reasons, in which case a meeting may be called with a minimum of twenty-four hours' notice. The Board of Directors shall be duly convened when half plus one of its members are present or represented. Meetings without prior notification will be valid when all, or at least two-thirds of all Committee members are present and have agreed to hold the meeting.

21. To amend the first and second paragraph of article 20 of the Corporate Bylaws, which shall read as follows:

The Committee is the delegate body of the Board of Directors in charge of senior management and permanent oversight of the strategic and operational aspects of the Company and its subsidiaries, and with making any decisions necessary to operate properly, all subject to the powers the Board delegates to it at all times.

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 Chairman and Secretary will automatically be the people who hold such posts on the Board, which will appoint the members, up to a maximum of ten, and may also appoint a Vice Secretary, who will not be entitled to vote.

22. To modify article 23 of the Corporate Bylaws, for the purpose of deleting the second paragraph, which shall read as follows:

In accordance with provisions in article 13 of these Articles, the Board of Directors may create its own Steering and Sub-Steering Committees, with the duties and rules that are considered necessary in each case.

23. To modify article 24 of the Corporate Bylaws, which shall read as follows:

The Audit Committee is made up of a minimum of three and a maximum of five Directors, all of which shall be non-executive, and two of which, at least, must be Independent Directors, and one of them shall be designated in view of his or her knowledge and experience in accounting matters, 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 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 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 its submission to the Annual General Meeting, the proposals for the selection, nomination, re-election and substitution of the External Auditor as well as the conditions of his/her hiring and regularly gather from him information regarding the auditing plan and its execution, in addition to preserving his or her independence in the performance of his or 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. Regardless, 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 information concerning the additional services of any type rendered and those professional fees received corresponding to these companies by the 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 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. This report must contain, regardless, the evaluation of the provision of additional services to which the above 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 auditing.*
- g) *Report, previously, 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 companies for special purposes or with their legal address in countries or regions that have their consideration in tax havens, and regarding operations with linked parties.*

24. To modify article 26 of the Corporate Bylaws, which shall read as follows:

The members of the governing bodies and the directors of the Company and its subsidiaries can only be shareholders of the businesses or companies in which the Company has direct or indirectly a significant economic participation, with express authorization from the Board of Directors or anyone that the same designates to that effect, and according to the limits and rules that are approved to that end by the Annual General Meeting. In the case of companies listed on the Stock Market, said authorization will not be necessary, but the following rules will be applied:

— *Every Director or Manager cannot be a direct or indirect holder of shares in a larger amount than one per thousand of the shares in circulation. However, when a company accesses the market quotation, the Directors or Managers that at that time were holders of shares in a number greater than that indicated above may keep them on an exceptional basis, although they may not acquire new shares until their shareholding proportion conforms to the limits established in this article.*

— *The Directors or Managers who hold shares must inform the body that the Board of Directors designates to that effect the operations of purchase and sale that are carried out within the seven days following the execution of the same.*

The conditions established in this article shall not be considered to have been breached in the case of Directors of a Company that have been designated specifically due to the fact that they are partners in the same.

25. To modify article 27 of the Corporate Bylaws, for the purpose of deleting the reference to article 34, which shall read as follows:

The Board of Directors shall take particular care that in no case the funds and assets that make up the estates of the Company and its subsidiaries are applied directly or indirectly to ideological or political ends, or to any other purpose other than its own ends or business objectives; with the only exception being the contributions of limited quantity that are directed to benefits, charities or social purposes with the business dimension of the Group.

26. To modify article 31 of the Corporate Bylaws, for the purpose of deleting the second paragraph, which shall read as follows:

The company's financial year starts on January 1 and ends on December 31 every year.

27. To modify the first paragraph of article 33 of the Corporate Bylaws, for the purpose of deleting the reference to article 34, which shall read as follows:

Net profits shall be assigned, firstly, to the creation of legal reserves, secondly to the shareholders as is their due and, if anything remains, to new accounts or to the creation of voluntary reserves.

28. To modify article 32 of the Corporate Bylaws, for the purpose of modifying the last paragraph, which shall read as follows:

The company shall wind up in the cases set by Law or when decided by the Annual General Meeting. The General Meeting itself shall decide on how to handle the liquidations, by appointing one or several Liquidators (always an odd number). This appointment shall end the powers of the Board of Directors. In the liquidation of the Company, the provisions of the legislation in force concerning limited liability companies and other applicable provisions shall be taken into account.

29. To delete Chapters 3 (Steering Committee) and 5 (Senior Executive Positions), and Chapters 22, 29, 30 and 34 of the Corporate Bylaws.

30. To renumber articles 20, 21, 23, 24, 25, 26, 27, 28, 31, 32, 33, 33 sub, 35 and 36 of the Corporate Bylaws, which will become articles 21, 25, 20, 22, 26, 27, 28, 29, 30, 31, 32, 33, 34 and 35, respectively, and Chapter 6 (Steering Sub-Committees) of Title III, which becomes Chapter 3 (Steering Committees and Sub-Steering Committees).

31. To introduce four new sections in the new Chapter 3 (Steering Committees and Sub-Steering Committees) of Title III of the Corporate Bylaws with titles "1st Section. Steering Committee", "2nd Section. Audit Committee", "3rd Section. Appointments and Remuneration Committee" and "4th Section. Commission for Risks and Compliance" that will make up the new articles 21, 22, 23 and 24 articles, respectively.

32. To introduce a new article, article 23, in the Corporate Bylaws, which shall read as follows:

The Appointments and Remuneration Committee will be made up of a minimum of three and a maximum of five Directors, all of whom shall not be executives and two of which, at least, must be Independent Directors. These Committee's Chairman shall be an Independent Director. The Secretary of the Commission 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 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.*
- b) *Establish an objective of representation for the less-represented sex in the Board of Directors and create orientations regarding how to reach said objective.*
- c) *To bring before the Board of Directors the proposals for naming the Independent Directors for designation or for co-optation or for the submission of its decision to the General Assembly, as well as the proposals for their re-election or separation for those reasons, and report on said cases regarding the proposals that affect the remaining directors.*
- d) *Report regarding the proposals for nomination and separation of top executives and the core conditions for their contracts.*
- e) *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) *Propose to the Board of Directors the remuneration policy for directors and for general managers or for those who carry out their duties of senior management under the direct dependence of the Board, of the Steering Committee or the Managing Directors, as well as individual remuneration and the other conditions of the contracts for the 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.

33. To introduce a new article, article 24, in the Corporate Bylaws, which shall read as follows:

The Risks and Compliance Committee shall be made up of a minimum of three and a maximum of five members, all of them non-executives. The Board of Directors shall designate the Chairman as well as a Secretary, and if needed, a Vice Secretary for the Commission, positions which need not comply with the condition of being Board Member.

This Committee shall have the following responsibilities:

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.

34. To approve new Regulations for the Annual General Meeting of the company, which shall be drafted in detail in the report formulated to those effects by the Board of Directors, and that substitutes in its entirety that which is currently valid, approved on March 6, 2004.

35. To approve, to the effects of provisions in article 217.3 of Legislation governing Capital Companies, the amount of 4 million Euros as a maximum value for annual remuneration for the entirety of directors for the performance of those duties. Said amount shall be applied to fiscal year 2015 and shall remain valid, in terms provided by law, in the case that the Annual General Meeting does not approve its modification.

36. To countersign the Annual Report regarding Remuneration of the Directors that is submitted, in an advisory capacity, to the General Meeting, with the favorable report of the Appointments and Remuneration Committee.

37. To appoint the firm KPMG Auditors, S.L. as the Company's accounts auditor, both for Individual Annual Accounts and for Consolidated Accounts, for an initial three-year period, i.e. for financial years 2015, 2016, and 2017, although this appointment may be revoked at the Annual General Meeting before the end of said period should there be grounds to do so.

38. 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.

39. To authorize the Board of Directors to clarify and interpret the preceding resolutions.

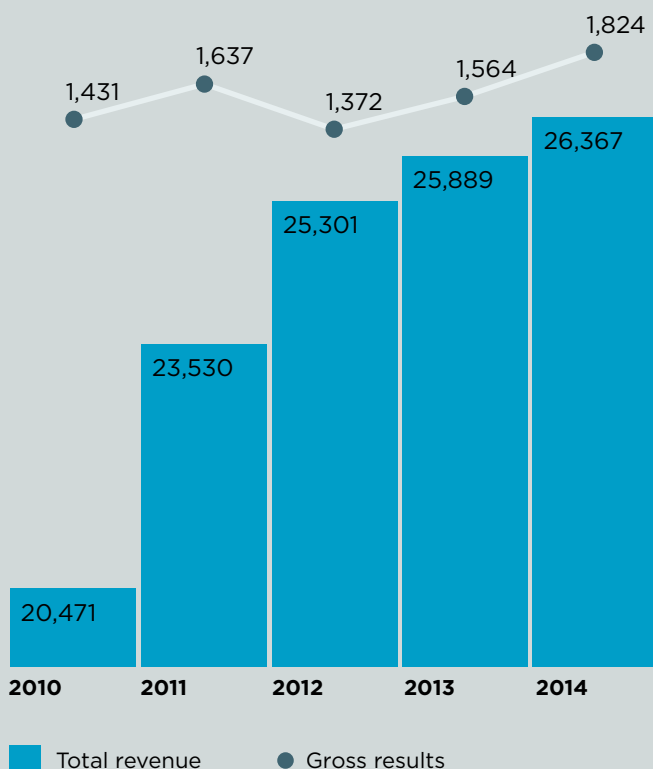
40. To thank those involved in overseeing the company for their loyalty and hard work during this financial year.

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Basic information on the MAPFRE Group

KEY FIGURES

REVENUES AND RESULTS FIGURES IN MILLIONS OF EUROS



Income statement	2010	2011	2012	2013	2014
Total revenue	20,471	23,530	25,301	25,889	26,367
Written and accepted premiums	16,973	19,600	21,580	21,836	22,401
Non-Life	12,768	14,473	15,479	16,278	16,409
Life	4,205	5,128	6,101	5,558	5,992
Non-Life business result	1,223	1,164	1,237	1,150	1,259
Life business result	368	541	415	499	718
Results from other activities	(160)	(68)	(280)	(85)	(153)
Results before tax	1,431	1,637	1,372	1,564	1,824
Net result	934	963	666	791	845
Third party funds managed in Life assurance	28,119	29,312	31,035	33,614	40,818

FIGURES IN MILLIONS OF EUROS

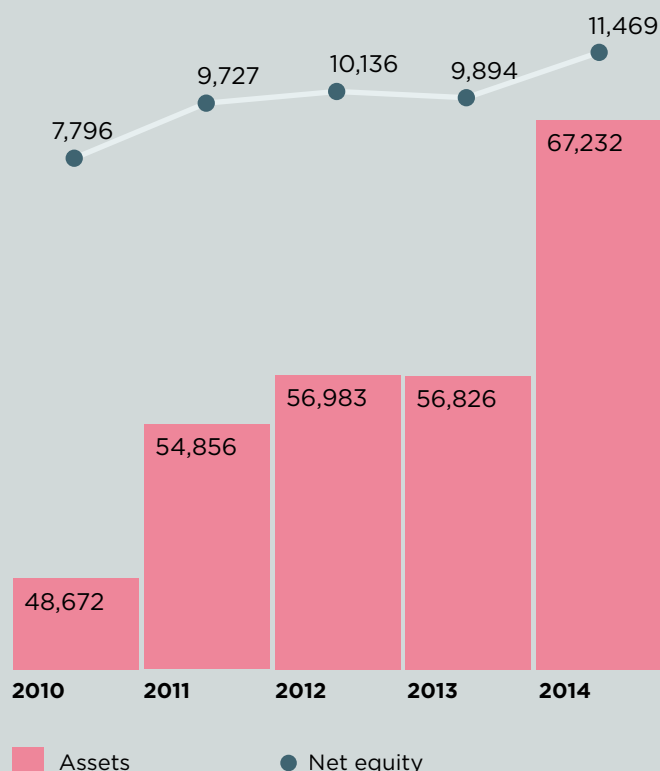
Management ratios	2010	2011	2012	2013	2014
Non-Life					
Claims ratio, net of reinsurance	70.6%	69.2%	67.4%	67.0%	68.0%
Cost ratio, net of reinsurance	25.2%	27.7%	28.0%	29.1%	27.7%
Combined ratio, net of reinsurance	95.8%	96.9%	95.4%	96.1%	95.7%
Life					
Net operating expenses / provisions (MAPFRE VIDA)	1.07%	1.03%	1.09%	1.09%	0.98%
Return on equity (ROE)	14.7%	14.2%	9.0%	10.1%	10.0%

22,401 MILLION EUROS
Written and accepted premiums

26,367 MILLION EUROS
Consolidated revenues

ASSETS AND NET EQUITY

FIGURES IN MILLIONS OF EUROS



Balance sheet	2010	2011	2012	2013	2014
PROPERTY, FINANCIAL INVESTMENTS AND CASH	35,205	37,951	39,764	40,375	48,673
Property (including for own use)	2,469	2,503	2,414	2,331	2,392
Stocks and investment funds	1,528	2,085	1,874	2,165	2,434
Fixed income	26,696	29,264	31,239	31,200	39,010
Other investments (includes unit-linked)	3,015	2,845	3,219	3,516	3,648
Treasury	1,497	1,254	1,018	1,163	1,189
TECHNICAL PROVISIONS	33,462	36,451	37,976	38,743	46,445
Provision for unearned premiums	5,886	7,065	7,265	7,021	7,604
Provision for life insurance	17,933	18,623	19,906	21,018	27,385
Provision for outstanding claims	7,348	8,286	8,119	7,800	8,579
Other provisions (includes unit-linked)	2,295	2,477	2,686	2,903	2,876
EQUITY	7,796	9,727	10,136	9,894	11,469
Capital and reserves	6,542	7,043	7,810	7,833	9,153
Minority interests	1,254	2,684	2,326	2,060	2,317
TOTAL ASSETS	48,672	54,856	56,983	56,826	67,232

FIGURES IN MILLIONS OF EUROS

Consolidated net equity	2013	2014
BALANCE AS AT JANUARY 1	10,136	9,894
Income and expenses recognized directly in net equity		
For investments available for sale	872	2,844
For conversion differences	(838)	158
For shadow accounting of Life provisions	(690)	(2,136)
Other income and expenses recognized in net equity	2	4
TOTAL	(653)	871
Annual earnings	1,190	1,323
Distribution of earnings from the previous year	(581)	(528)
Interim dividend for current year	(217)	(263)
Other changes in net equity	19	172
BALANCE AS AT DECEMBER 31	9,894	11,469

Business footprint and geographical distribution	2013	2014
Number of countries with presence	47	49
Average number of employees	34,146	34,973
IBERIA	9,289	9,243
LATAM	17,427	17,860
INTERNATIONAL	7,121	7,551
MAPFRE RE	309	319
Number of branches	14,322	15,008
IBERIA	6,458	7,010
LATAM	7,589	7,710
INTERNATIONAL	275	288
Regional distribution of the business by premiums		
IBERIA	32%	31%
LATAM	40%	40%
INTERNATIONAL	14%	15%
MAPFRE RE	14%	14%

Market shares	2013	2014
Spain (premiums)		
Automobile	20.5%	20.6%
Health	5.8%	5.9%
Other Non-Life	16.3%	16.1%
Life	9.6%	10.6%
Total	12.7%	13.1%
Spain Life (technical provisions)	11.3%	12.3%
Latin America (Non-Life premiums)	9.5%	N/A

Ratings	Agency	2013	2014
MAPFRE, S.A. - Issuer credit rating	STANDARD & POOR'S	BBB-	BBB+
Financial strength ratings			
MAPFRE RE	STANDARD & POOR'S	BBB+	A
MAPFRE RE	AM BEST	A	A
MAPFRE GLOBAL RISKS	STANDARD & POOR'S	BBB+	A
MAPFRE GLOBAL RISKS	AM BEST	A	A
MAPFRE GLOBAL RISKS	MOODY'S	Baa2	Baa1
MAPFRE ASISTENCIA	MOODY'S	Baa2	Baa1

STOCK INFORMATION

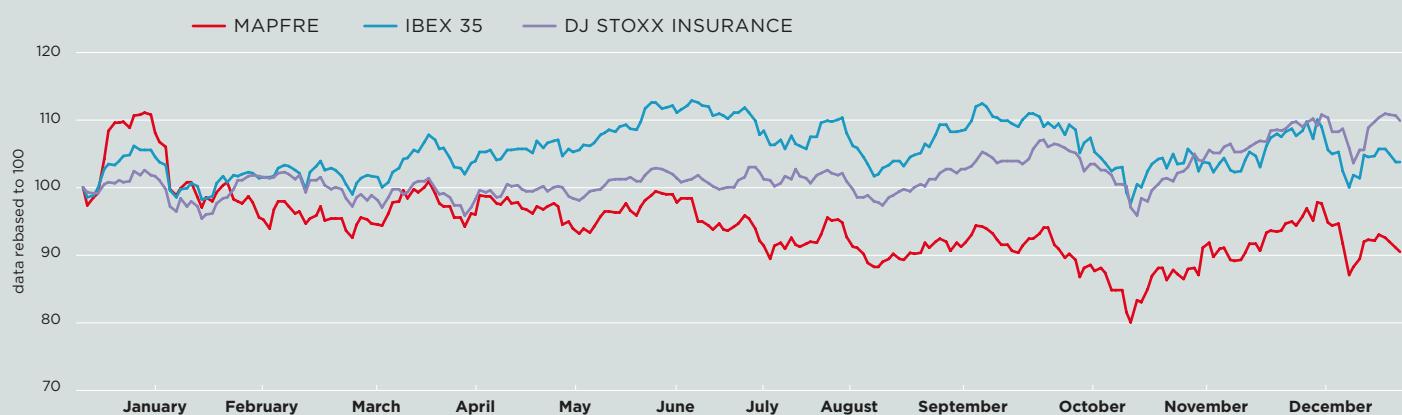
	2013		2014	
Shareholder structure	%	number	%	number
CARTERA MAPFRE	67.7	1	67,7	1
Other MAPFRE companies	0.04	2	0,08	2
Investors with stakes over 0.1 percent				
Spanish	3.8	5	1,1	7
Other countries	17.7	26	17,8	22
Investors with stakes of less than 0.1 percent				
Spanish	9.3	263,435	11,7	244,623
Other countries	1.5	3,515	1,6	3,320
TOTAL	100	266,984	100	247,975

Stock market performance	2010	2011	2012	2013	2014
Market cap. as at December 31 (millions of euros)	6,259.3	7,560.3	7,129.2	9,586.6	8,662.8
Number of shares outstanding *	3,012,154,351	3,079,553,273	3,079,553,273	3,079,553,273	3,079,553,273
P/E	6.7	7.9	10.7	12.1	10.3
Adjusted earnings per share (euros)*	0.31	0.32	0.22	0.26	0.27
Price / Book value	0.96	1.07	0.91	1.22	0.95
Dividend per share (euros)*	0.15	0.15	0.12	0.12	0.14
Dividend yield (%)	6.3	5.9	6.1	4.4	4.7
Average number of shares traded*	7,796,816	9,581,223	9,459,267	9,727,802	11,711,993
Average daily effective value (millions of euros)	18.67	24.48	18.51	26.26	34.56

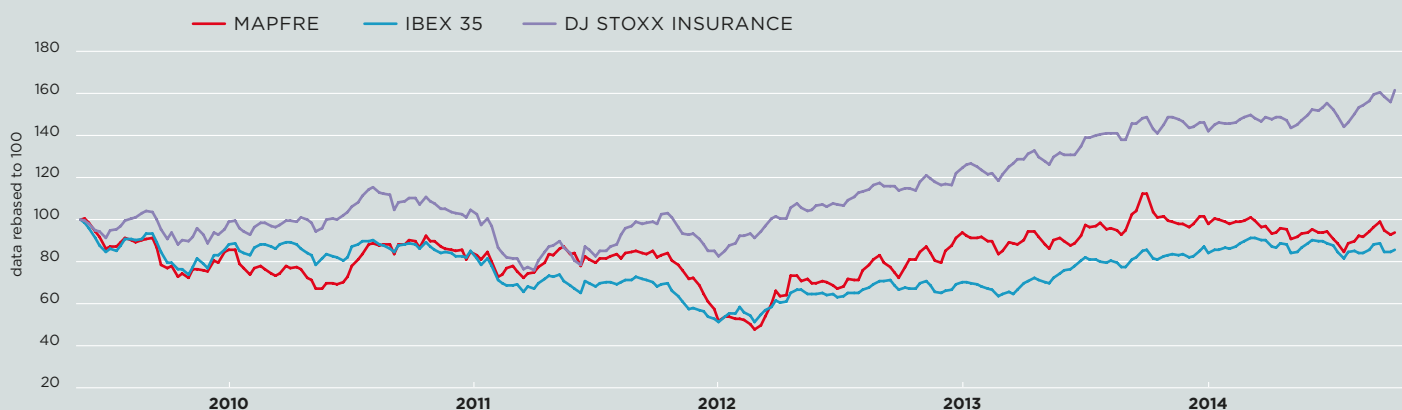
(*) Increases in the number of shares are due to capital increases in 2009, 2010 and 2011.

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 share price movement January 1 - December 31, 2014



MAPFRE / IBEX 35 / DJ STOXX INSURANCE movement 2010 - 2014



TERRITORIAL AND REGIONAL AREAS AND REINSURANCE: PREMIUMS, REVENUES AND RESULTS

	MILLIONS OF EUROS		% VARIATION
Premiums	2013	2014	14/13
IBERIA	7,346	7,456	1.5%
BRAZIL	5,195	5,553	6.9%
LATAM NORTH	1,091	1,211	11.0%
LATAM SOUTH	2,986	2,863	(4.1%)
NORTH AMERICA	2,014	2,105	4.5%
EMEA	1,231	1,285	4.4%
APAC	86	101	16.7%
MAPFRE RE	3,254	3,343	2.8%

	MILLIONS OF EUROS		% VARIATION
Total revenue	2013	2014	14/13
IBERIA	9,475	9,444	(0.3%)
BRAZIL	5,661	6,093	7.6%
LATAM NORTH	1,183	1,293	9.4%
LATAM SOUTH	3,346	3,202	(4.3%)
NORTH AMERICA	2,240	2,332	4.1%
EMEA	1,510	1,504	(0.4%)
APAC	98	120	23.1%
MAPFRE RE	3,726	3,903	4.7%

	MILLIONS OF EUROS		% VARIATION
Earnings A.T.M	2013	2014	14/13
IBERIA	350	432	23.4%
BRAZIL	155	143	(7.2%)
LATAM NORTH	44	59	35.6%
LATAM SOUTH	124	94	(24.3%)
NORTH AMERICA	108	70	(35.0%)
EMEA	41	56	36.5%
APAC	1	7	---
MAPFRE RE	109	142	30.1%

TERRITORIAL AND REGIONAL AREAS AND REINSURANCE: OTHER INFORMATION

	COMBINED RATIO NET OF REINSURANCE	
Management ratios	2013	2014
IBERIA	92.6%	95.1%
BRAZIL	95.8%	93.1%
LATAM NORTH	94.4%	95.0%
LATAM SOUTH	99.7%	98.8%
NORTH AMERICA	100.4%	102.0%
EMEA	99.7%	95.5%
APAC	103.0%	92.8%
MAPFRE RE	96.5%	93.1%

	2013	2014
Average number of employees		
IBERIA	9,289	9,243
BRAZIL	7,214	7,691
LATAM NORTH	3,436	3,414
LATAM SOUTH	6,753	6,745
NORTH AMERICA	4,030	3,933
EMEA	2,273	2,672
APAC	805	932
MAPFRE RE	309	319

MAPFRE GROUP: HISTORICAL DEVELOPMENT

Year	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	26,367	77,434	1,824	37,053

Figures in millions of euros, except employees



INFORME ANUAL 2014

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and Management
Report

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