

Madrid, March 22<sup>nd</sup>, 2017

**SPANISH SECURITIES AND EXCHANGE COMMISSION**

In accordance with the legal provisions in force, please find attached the press release for the interest of shareholders and the general public.

Ángel Luis Dávila Bermejo  
General Counsel

## **MAPFRE SUCCESSFULLY CLOSES A 600 MILLION EURO SUBORDINATED BOND ISSUANCE**

MAPFRE has successfully placed the notes of a 30-year subordinated bond, with the call option at 10 years, for a total of 600 million euros, with a fixed interest rate set at 4.375 percent for the first ten years.

The success of the transaction is seen in the high demand, which exceeded 3.5 billion euros, as well as broad diversification, which allowed for the bond to be placed among 236 institutional investors in several European countries, highlighting the UK and Ireland (22 percent of the total issuance), France (16 percent), Germany and Austria (14 percent) and Italy (13 percent). In Spain, 42 institutional investors participated, amounting to 11.6% of the total.

Mutual fund managers represent the vast majority of the investors that have participated in the placement (78 percent of the total), followed by insurers and pension fund managers (13 percent), financial institutions (6 percent), and central banks and other public organizations (3 percent).

The funds coming from this transaction, which will be disbursed on March 31<sup>st</sup>, will be used to further strengthen the Group's financial flexibility, in addition to diversifying its sources of financing.

This issuance is considered to be Solvency II compliant Tier 2 capital, thus reinforcing MAPFRE's solvency and financial strength levels. The notes will be quoted on the AIAF market, upon authorization from the Spanish Securities and Exchange Commission (CNMV).

**MAPFRE** is a global insurance company which operates in all five continents. It is a benchmark company in the Spanish insurance market, and is the leading multinational insurance group in Latin America, as well as one of the ten largest European groups by premium volume. MAPFRE has approximately 37,000 employees and 37 million clients all around the world. In 2016, its revenues exceeded 27 billion euros, and its net result stood at 775 million euros.

Madrid, March 22<sup>nd</sup> 2017.

MAPFRE Corporate Communication Division (Telephone 91 581 91 68; 91 581 87 14); email: ([juanfrances@mapfre.com](mailto:juanfrances@mapfre.com); [javier.fernandez@mapfre.com](mailto:javier.fernandez@mapfre.com))