



**MAPFRE'S EARNINGS RISE BY 16.4 PERCENT TO 524 MILLION EUROS
IN THE FIRST NINE MONTHS OF THE YEAR**

KEY ASPECTS FROM THE FIRST NINE MONTHS

- **Premiums grow by 7 percent to 16.63 billion euros.**
- **In Spain, premiums increase 7.6 percent, 3.5 points more than the sector.**
- **MAPFRE RE (reinsurance business and MAPFRE GLOBAL RISKS) contributes more than 95 million euros to earnings, compared to losses of 20 million for the same period of the previous year, which were mainly related to the pandemic and earthquakes in Puerto Rico.**
- **In those countries where vaccination programs are advancing, economic activity is returning to normal and COVID-related claims are reducing, but they are concentrated in LATAM. So far this year, 344 million euros have been paid out in claims (666 million since the start of the pandemic).**
- **The Solvency ratio stands at 194.5 percent.**
- **Interim dividend increases by one cent, returning to the pre-pandemic level of 6 cents, with the payment date being brought forward to November 30.**

MAPFRE's net earnings in the first nine months of this year totaled 524 million euros, a 16.4 percent increase compared to the same period last year. Group revenues reached almost 19.8 billion euros, a 3.8 percent increase, while premiums grew 7 percent in euros, (7.1 percent without the negative effect of currencies and the positive effect of a significant two-year policy in Mexico), to 16.6 billion euros. Together with the effect of the aforementioned two-year policy

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(totaling 473 million euros), this increase is driven by, among other factors, the favorable performance of the reinsurance business (which grew 14.5 percent) and the strong sales of unit-linked Life products in Spain.

This result is strongly affected by the high cost of Life insurance claims deriving from COVID-19, which totaled 344 million euros between January and September (with the majority, 280 million euros, concentrated in Latin America). In the third quarter, the 91 million euros incurred in Latin America due to claims of this nature were practically offset by the more than 90 million generated in realized capital gains. In total, since the start of the pandemic in 2020, MAPFRE has allocated more than 666 million euros to virus-related claims.

At the end of September, the Group's combined ratio had risen 1.3 points, standing at 96.5 percent, affected by an increase in claim activity, a logical consequence of the recovery in economic activity.

KEY FIGURES

ITEM	SEPTEMBER 2020	SEPTEMBER 2021	Δ %
Results			
Revenue	19,051.4	19,783.0	3.8 %
Total written and accepted premiums	15,549.9	16,632.0	7.0 %
- Non-Life	12,439.3	13,290.7	6.8 %
- Life	3,110.6	3,341.2	7.4 %
Attributable net result	450.4	524.4	16.4 %
Non-Life Loss Ratio	66.3 %	67.8 %	1.5 p.p.
Non-Life Expense Ratio	28.9 %	28.7 %	-0.2 p.p.
Non-Life Combined Ratio	95.2 %	96.5 %	1.3 p.p.
Earnings per share (euros / 9 months)	0.15	0.17	16.4 %

Figures in million euros

Group equity at the close of September 2021 stood at just under 8.5 billion euros and total assets rose to 70.8 billion euros.

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MAPFRE's investments at the close of the first nine months of this year amounted to 45.4 billion euros, broken down as follows:

ITEM	DECEMBER 2020	SEPTEMBER 2021	Δ %
Government fixed income	23,396.0	23,132.0	-1.1 %
Corporate fixed income	8,135.7	7,711.1	-5.2 %
Real Estate*	2,239.9	2,342.5	4.6 %
Equity	2,694.9	2,950.3	9.5 %
Mutual funds	1,414.6	1,703.5	20.4 %
Cash	2,418.9	2,423.1	0.2 %
Other investments	4,593.1	5,115.5	11.4 %
TOTAL	44,893.2	45,378.0	1.1 %

Figures in million euros

*"Real Estate" includes both investment property and real estate for own use (at net book value).

The Solvency II ratio stood at 194.5 percent in June of 2021, with 87.2 percent highest-quality capital (Level 1), reflecting the solidity and resilience of the balance sheet and active investment management. The solvency position remains within the tolerance threshold set by the company (a target solvency ratio of 200 percent with a tolerance of 25 percentage points).

1.- INSURANCE UNIT

Insurance Unit premiums from January to September of this year amounted to 13.7 billion euros, a 7.6 percent increase.

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AREA / BUSINESS UNIT	Premiums			Attributable result			Combined ratio	
	SEPTEMBER 2020	SEPTEMBER 2021	Δ %	SEPTEMBER 2020	SEPTEMBER 2021	Δ %	SEPTEMBER 2020	SEPTEMBER 2021
IBERIA	5,312.9	5,703.5	7.4 %	333.7	329.9	-1.2 %	92.5 %	96.2 %
BRAZIL	2,374.0	2,534.0	6.7 %	81.1	50.1	-38.3 %	86.8 %	87.3 %
LATAM NORTH	1,205.2	1,741.1	44.5 %	54.7	20.2	-63.0 %	90.3 %	97.1 %
LATAM SOUTH	1,088.1	1,161.6	6.8 %	43.1	43.5	0.9 %	93.0 %	93.2 %
NORTH AMERICA	1,643.7	1,542.5	-6.2 %	65.9	76.5	16.1 %	97.7 %	97.8 %
EURASIA	1,123.2	1,028.6	-8.4 %	31.4	14.9	-52.6 %	98.9 %	103.6 %
TOTAL INSURANCE	12,746.9	13,711.4	7.6 %	609.9	535.1	-12.3 %	93.0 %	95.7 %

Figures in million euros

Iberia

- In the Iberia Regional Area (Spain and Portugal), premiums rose 7.4 percent to 5.7 billion euros. The growth of the Life business stands out due to the improvement in sales of unit-linked products and group policies, among other reasons.

In Spain, premiums grew by 7.6 percent, compared to an increase of 4.1 percent for the sector. Spain continues to contribute the most to Group earnings, at 328 million euros.

In the Automobile business, MAPFRE's premiums rose to almost 1.7 billion euros, up by more than 1 percent, as against a fall in the sector of almost 1 percent. The number of insured vehicles rose by 3.6 percent to just under 6.2 million units.

In General P&C, premiums grew by 4.7 percent to 1.7 billion euros, highlighting the solid performance of Homeowners insurance (+2.2 percent), Communities (+6.4 percent) and Companies (+9.8 percent). Health and Accident premiums were up by 8.5 percent to 744 million, (683 million in Spain, up 9.8 percent).

Also noteworthy was the solid performance of the SANTANDER MAPFRE business, where premiums at the close of September this year exceeded 37 million euros.

The Life business increased by 19 percent to 1.4 billion euros, growing three times as much as the sector in general achieved in the Life segment (about 6 percent), driven largely by the improvement in the Life Savings business (+28.2 percent).

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Pension funds stood at 6.2 billion euros at the close of September, up 6.9 percent, while mutual funds grew by 14.9 percent to 4.5 billion euros.

Brazil:

- In Brazil, premiums amounted to 2.5 billion euros, rising 6.7 percent, equivalent to 16.3 percent in Brazilian reais. The General P&C business contributed over 1.3 billion euros (+17.6 percent), while Life delivered 863 million (-4.4 percent) and Automobiles 336 million (+0.3 percent). Brazil is one of the countries where the impact of claims related to COVID-19 is higher, with a cost in the first nine months of this year amounting to 148 million euros.

LATAM North:

- In the LATAM North Regional Area, premiums amounted to 1.7 billion euros, a 44.5 percent rise. This increase is strongly influenced by the renewal of the a large risks policy, worth 473 million euros, resulting in the business in Mexico growing by 86 percent to more than 1.1 billion euros. It is also noteworthy that nearly all the countries in the region reported growth during the first nine months of the year, despite the depreciation of the region's main currencies.

LATAM South:

- The LATAM South Regional Area registered a 6.8 percent increase in premiums to almost 1.2 billion euros. Significant contributions were made by Peru, with 375 million euros (-1.4 percent), Colombia, with a 23.1 percent increase in business volume to 284 million euros, and Chile with 219 million euros (+1.6 percent).

North America

- North America Regional Area premiums were in excess of 1.5 billion euros (-6.2 percent), greatly affected by the depreciation of the dollar (5 percent) and the strict technical control measures implemented in recent years with the objective of increasing profitability. Earnings in this region rose 16.1 percent between January and September, totaling 77 million euros. In the United States, premiums stood at just under 1.3 billion euros (-5.8 percent). In Puerto Rico, business volume was 272 million euros (-7.8 percent), a decrease that

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reduces to 2.9 percent in local currency terms. Earnings rose to 12 million euros, compared to losses of 8 million the previous year, when earthquakes had a significant impact on results in this territory.

EURASIA:

- EURASIA Regional Area premium volume stood at slightly more than 1 billion euros (-8.4 percent). This drop was mainly due to the depreciation of the Turkish lira (-22.1 percent). In fact, premiums in Turkey amounted to 228 million euros (-8.5 percent). Strong performance was recorded in Germany, where premiums grew by 3.1 percent to 297 million euros, with earnings up 75.8 percent to more than 7 million euros, and Malta, where business volume was up by 15.1 percent to 293 million, with earnings of 4 million (+7.4 percent).

2.- REINSURANCE AND GLOBAL RISKS UNITS

- The business of the reinsurance and large risks units, integrated within MAPFRE RE, saw growth of 11.7 percent in the first nine months of the year, to 4.7 billion euros. Despite the high impact of different catastrophic events, including Storm Bernd in Europe (92 million euros, net attributable), earnings from this business were 95 million euros, compared to losses of 20 million in the same period of the previous year. The combined ratio also improved by 4.4 percentage points to 98.5 percent.

ITEM	SEPTEMBER 2020	SEPTEMBER 2021	Δ %
Gross written and accepted premiums	4,218.8	4,710.9	11.7 %
Reinsurance Business	3,209.1	3,672.9	14.5 %
Global Risks Business	1,009.7	1,038.0	2.8 %
Attributable net result	(20.0)	95.4	577.2 %
Reinsurance Business	(25.7)	69.5	370.1 %
Global Risks Business	5.7	25.9	351.2 %
Combined ratio	102.8 %	98.5 %	-4.4p.p.
Reinsurance Business	103.2 %	99.5 %	-3.7p.p.
Global Risks Business	98.1 %	84.4 %	-13.7p.p.

Figures in million euros

3.- ASISTENCIA UNIT

Finally, revenues at the Assistance Unit stood at 459 million euros (-18.6 percent), impacted by the significant reduction in travel insurance sales volume, which also affected the result (-2 million euros), and by divestments made as part of the restructuring process of the Unit, which is being transformed and digitalized to restore profitability.

DIVIDEND

The Board of Directors has agreed to raise the interim dividend for the 2021 financial year by one cent to 6 euro cents per share (gross), which reflects a return to the path of sustainable dividends prior to the pandemic. Payment of this dividend will be brought forward by one month to November 30.

The decision on dividend distribution is based on a thorough, reflective analysis of the company's situation. It does not compromise either future solvency or the protection of the interests of insurance policyholders and insured persons, and it was made in the context of supervisors' recommendations on this matter.

OTHER AGREEMENTS:

The Board of Directors has approved the following appointments:

- **Francisco Marco Orenes** - current general manager of the Corporate Business Support Area – will relinquish all of his executive functions, effective December 31, 2021, after 30 years with the company in various countries and different roles. He will continue to serve as a member of the Board of Directors of MAPFRE S.A. and of MAPFRE INTERNACIONAL, in addition to serving as non-executive chairman of MAPFRE GLOBAL RISKS.
- **Appointment of José Antonio Arias Bermúdez** - current Group Chief Operations Officer - as general manager of the Corporate Operational Transformation Area, the new name for the Corporate Business Support Area, becoming Group Chief

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Operational Transformation Officer. He will also become a member of the MAPFRE Executive Committee, with effect from January 1, 2022.

- **Appointment of Carla Taboada Díez** as Group Chief Operations Officer.
- To designate **Pilar Perales Viscasillas** as a member of the Risk Committee of MAPFRE S.A., effective January 1, 2022.

The Alternative Performance Measures (APM) used in this report, which correspond to those financial measures that are used but not defined or explained in the applicable financial information framework, can be consulted at the following web page: <https://www.mapfre.com/corporativo-es/accionistas-inversores/informacion-financiera/medidas-alternativas-rendimiento/>

For more information: <https://noticias.mapfre.com/en/>

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