

## ANNEX III

### INSURANCE COMPANIES

1<sup>st</sup>

HALF-YEARLY FINANCIAL REPORT CORRESPONDING TO YEAR

2010

END OF REPORTING PERIOD

30/06/2010

### III. DECLARATION(S) OF PERSONS ASSUMING RESPONSIBILITY FOR THE INFORMATION

As far as we are aware, the summary financial annual accounts contained herein, which have been prepared in accordance with the applicable accounting standards, give a true and fair view of the equity, financial situation and results of the company, or those companies included in the consolidation taken as a whole, while the interim management report includes a true and fair analysis of the information required

#### Observations with respect to previously filed information

Possible commentaries with respect previous texts.

#### Person(s) who assume(s) responsibility for this information

In conformity with the powers delegated by the Board of Directors, the Secretary of the Board certifies that the half yearly financial information has been signed by the directors.

Name/Company name	Position
José Manuel Martínez Martínez	Chairman
Alberto Manzano Martos	1sr Vice Chairman
Francisco Ruiz Risueño	2nd Vice Chairman
Ignacio Baeza Gómez	Member
Rafael Beca Borrego	Member
Rafael Fontoira Suris	Member
Santiago Gayarre Bermejo	Member
Luis Hernando de Larramendi Martínez	Member
Sebastián Homet Duprá	Member
Antonio Huertas Mejías	Member
Luis Iturbe Sanz de Madrid	Member
Andrés Jiménez Herradón	Member
Manuel Lagares Calvo	Member
Rafael Márquez Osorio	Member
Francisca Martín Tabernero	Member
Antonio Miguel-Romero de Olano	Member
Filomeno Mira Candel	Member
José Antonio Moral Santín	Member
Rodrigo de Rato y Figaredo	Member
Alfonso Rebuelta Badías	Member
Matías Salva Bennasar	Member
Esteban Tejera Montalvo	Member
Francisco Vallejo Vallejo	Member
José Manuel González Porro	Member - Secretary

Date of signing of this half-yearly information by the corresponding administrative body: 23/07/2009

<b>IV. SELECTED FINANCIAL INFORMATION</b>
<b>1. INDIVIDUAL BALANCE SHEET (1/2)</b>
<i>(Prepared in accordance with current national accounting criteria)</i>

Thousands Euros

ASSETS		CURRENT PERIOD	PRIOR PERIOD
		30/06/2010	31/12/2009
1. Cash and other equivalent liquid assets	005	369,479	939
2. Financial assets held for negotiation	010		
3. Other financial assets at reasonable value, with changes in profit and loss account	015	21,265	
4. Financial assets available for sale	020		
5. Loans and amounts due	025	551,146	53,358
6. Investments held to maturity	030		
7. Hedging derivatives	035		
8. Participation of Reinsurance in technical provisions	041		
9. Tangible assets and investments:	045	892	930
a) Tangible assets	046	892	930
b) Investments in property, plant and equipment	047		
10. Intangible assets	050	2,166	2,010
a) Goodwill	051		
b) Acquisition costs of portfolios of policies	053		
c) Other intangible assets	052	2,166	2,010
11. Equity investments in group and associated companies	055	8,242,052	8,704,069
a) Associated companies	056	192,387	309,760
b) Multigroup companies	057		
c) Group companies	058	8,049,665	8,394,309
12. Tax assets	060	61,045	46,461
a) Current tax assets	061	15,597	1,013
b) Deferred tax assets	062	45,448	45,448
13. Other assets	075	142,853	115,581
14. Assets held for sale	080		
<b>TOTAL ASSETS</b>	<b>100</b>	<b>9,390,898</b>	<b>8,923,348</b>

**IV. SELECTED FINANCIAL INFORMATION**  
**1. INDIVIDUAL BALANCE SHEET (2/2)**  
*(Prepared in accordance with current national accounting criteria)*

Thousands Euros

LIABILITIES AND EQUITY	CURRENT PERIOD 30/06/2010	PRIOR PERIOD 31/12/2009
<b>TOTAL LIABILITIES</b>	<b>170</b>	2,249,795
1. Financial liabilities held for negotiation	110	
2. Other financial liabilities at reasonable value, with changes in profit and loss account	115	
3. Debits	120	2,136,639
a) Subordinated liabilities	121	627,706
b) Bonds and other negotiable securities	122	292,700
c) Debits with credit institutions	123	800,386
d) Other debits	124	415,847
4. Hedging derivatives	130	
5. Technical provisions	131	
a) for unearned premiums	132	
b) for risks in progress	133	
c) for life assurance	134	
d) for outstanding claims	135	
e) for profit sharing and returned premiums	136	
f) other technical provisions	137	
6. Non technical provisions	140	69,309
7. Tax liabilities	145	43,847
a) Current tax liabilities	146	43,847
b) Deferred tax liabilities	147	
8. Other liabilities	150	
9. Liabilities linked to assets held for sale	165	
<b>TOTAL NET EQUITY</b>	<b>195</b>	7,141,103
<b>SHARE EQUITY</b>	<b>180</b>	7,141,103
1. Share capital or mutual fund	171	301,215
a) Declared capital or mutual fund	161	301,215
b) less: capital not called-up	162	
2. Share premium reserve	172	3,338,720
3. Reserves	173	2,676,168
4. Less: treasury stock and participation in equity	174	(384)
5. Prior years results	178	562,126
6. Other contributions from partners and mutual members	179	
7. Profit / (loss) for the year	175	263,258
8 Less: interim dividend	176	(200,439)
9. Other equity instruments	177	
<b>VALUATION ADJUSTMENTS</b>	<b>188</b>	
1. Financial assets available for sale	181	
2. Hedging operations	182	
3. Translation differences	184	
4. Correction for shadow accounting	185	
5. Other adjustments	187	
<b>Subsidies, donations and legacies received</b>	<b>193</b>	
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>200</b>	9,390,898

**IV. SELECTED FINANCIAL INFORMATION**  
**2. INDIVIDUAL PROFIT AND LOSS ACCOUNT**  
*(Prepared in accordance with current national accounting criteria)*

Thousands Euros

		CURRENT PERIOD	PRIOR PERIOD	ACCUMULATED CURRENT YEAR	ACCUMULATED PRIOR YEAR
		2nd HALF	2nd HALF	30/06/2010	30/06/2009
(+) 1. Net written premiums	201				
(+) 2. Income from tangible assets and investments	202				
(+) 3. Other technical income	203				
(-) 4. Net claims incurred	204				
(+/-) 5. Net variation of other technical provisions	205				
(+/-) 6. Profit sharing and returned premiums	206				
(-) 7. Net operating expenses	207				
(+/-) 8. Other technical expenses	209				
(-) 9. Expenses from tangible assets and investments	210				
<b>A) TECHNICAL RESULT FROM NON-LIFE OPERATIONS (1+ 2 + 3 + 4 + 5 + 6 + 7 + 8 + 9)</b>	<b>220</b>				
(+) 10. Net written premiums	221				
(+) 11. Income from tangible assets and investments	222				
(+) 12. Income from investments on account of the life policyholders bearing the investment risk	223				
(+) 13. Other technical income	224				
(-) 14. Net claims incurred	225				
(+/-) 15. Net variation of other technical provisions	226				
(+/-) 16. Profit sharing and returned premiums	227				
(-) 17. Net operating expenses	228				
(+/-) 18. Other technical expenses	229				
(-) 19. Expenses from tangible assets and investments	230				
(-) 20. Expenses from investments on account of the life policyholders bearing the investment risk	231				
<b>B) TECHNICAL RESULT FROM LIFE OPERATIONS (10 + 11 + 12 + 13 + 14 + 15 + 16 + 17 + 18 + 19 + 20)</b>	<b>240</b>				
<b>C) TECHNICAL RESULT (A + B)</b>	<b>245</b>				
(+) 21. Income from tangible assets and investments	246			307,102	
(+) 22. Negative difference on business combinations	250				
(-) 23. Expenses from tangible assets and investments	247			(46,143)	
(+) 24. Other income	248			22,498	456,992
(-) 25. Other expenses	249			(34,790)	(77,140)
<b>E) RESULT BEFORE TAX (C + 21 + 22 + 23 + 24 + 25)</b>	<b>265</b>			<b>248,667</b>	<b>379,852</b>
(+/-) 26. Corporate Income Tax	270			14,591	(2,193)
<b>F) RESULT BEFORE TAX FROM ONGOING OPERATIONS (E + 26)</b>	<b>280</b>			<b>263,258</b>	<b>377,659</b>
(+/-) 27. Result after tax from discontinued operations	285				
<b>G) RESULT OF THE YEAR (F + 27)</b>	<b>300</b>			<b>263,258</b>	<b>377,659</b>
<b>EARNINGS PER SHARE</b>		<b>Amount (X,XX euros)</b>	<b>Amount (X,XX euros)</b>	<b>Amount (X,XX euros)</b>	<b>Amount (X,XX euros)</b>
Reported	290			0.09	0.13
Diluted	295			0.09	0.13

**IV. SELECTED FINANCIAL INFORMATION**  
**3. STATEMENT OF RECOGNISED INCOME AND EXPENSES**  
*(Prepared in accordance with current national accounting criteria)*

Thousands Euros

		CURRENT PERIOD 30/06/2010	PRIOR PERIOD 30/06/2009
<b>A) RESULT FOR THE PERIOD</b>	<b>305</b>	263,258	377,659
<b>B) OTHER RECOGNISED INCOME / (EXPENSES)</b>	<b>310</b>		1,259
<b>1. Financial assets available for sale:</b>	<b>315</b>		
a) Gains/(Losses) due to valuation	316		
b) Amounts recognised in results	317		
c) Other reclassifications	318		
<b>2. Cash flow hedging:</b>	<b>320</b>		
a) Gains/(Losses) due to valuation	321		
b) Amounts recognised in results	322		
c) Amounts recognised at historical value of paid up items	323		
d) Other reclassifications	324		
<b>3. Hedging of net investments in businesses abroad:</b>	<b>325</b>		
a) Gains/(Losses) due to valuation	326		
b) Amounts recognised in results	327		
c) Other reclassifications	328		
<b>4. Translation differences</b>	<b>330</b>		
a) Gains/(Losses) due to valuation	331		
b) Amounts recognised in results	332		
c) Other reclassifications	333		
<b>5. Correction of shadow accounting:</b>	<b>335</b>		
a) Gains/(Losses) due to valuation	336		
b) Amounts recognised in results	337		
c) Other reclassifications	338		
<b>6. Assets held for sale:</b>	<b>340</b>		
a) Gains/(Losses) due to valuation	341		
b) Amounts recognised in results	342		
c) Other reclassifications	343		
<b>7. Actuarial gains/(losses) due to personnel long term incentives</b>	<b>345</b>		1,259
<b>8. Other recognised income and expenses</b>	<b>355</b>		
<b>9. Corporate Income Tax</b>	<b>360</b>		
<b>TOTAL RECOGNISED INCOME/(EXPENSES) (A+B)</b>	<b>400</b>	263,258	378,918

**IV. SELECTED FINANCIAL INFORMATION**  
**4. CHANGES IN INDIVIDUAL EQUITY (1/2)**  
*Prepared in accordance with current national accounting criteria*

Thousands Euros

CURRENT PERIOD		Equity					Adjustments for changes in value	Subsidies, donations and inheritances received	Total Equity
		Capital or mutual fund	Share premium and other reserves(1)	Shares and participations in equity	Result for the period	Other equity instruments			
<b>Balance as at 01/01/2010</b>	<b>3010</b>	292,271	5,947,950		693,569			6,933,790	
Adjustments for changes in accounting criteria	3011								
Adjustments for errors	3012								
<b>Adjusted opening balance</b>	<b>3015</b>	292,271	5,947,950		693,569			6,933,790	
<b>I. Total recognised income / (expenses)</b>	<b>3020</b>				263,258			263,258	
<b>II. Operations with shareholders or owners</b>	<b>3025</b>	8,944	(64,889)					(55,945)	
1. Increases (Reductions) in capital	3026	8,944	169,313					178,257	
2. Conversion of financial liabilities to equity	3027								
3. Distribution of dividends	3028		(233,818)					(233,818)	
4. Operations involving treasury stock or participations in equity (net)	3029		(384)					(384)	
5. Increases / (Decreases) due to changes in business combinations	3030								
6. Other operations with shareholders or owners	3032								
<b>III. Other variations in equity</b>	<b>3035</b>		693,569		(693,569)			0	
1. Payments using equity instruments	3036								
2. Transfers between equity classes	3037		693,569		(693,569)			0	
3. Other variations	3038								
<b>Balance as at 30/06/2010</b>	<b>3040</b>	301,215	6,576,630		263,258			7,141,103	

**IV. SELECTED FINANCIAL INFORMATION**  
**4. CHANGES IN INDIVIDUAL EQUITY (2/2)**  
*Prepared in accordance with current national accounting criteria*

Thousands Euros

PRIOR PERIOD		Equity					Adjustments for changes in value	Subsidies, donations and inheritances received	Total Equity
		Capital or mutual fund	Share premium and other reserves(1)	Shares and participations in equity	Result for the period	Other equity instruments			
<b>Balance as at 01/01/2009</b>	<b>3050</b>	274,483	5,488,165		578,343			6,340,991	
Adjustments for changes in accounting criteria	3051								
Adjustments for errors	3012								
<b>Adjusted opening balance</b>	<b>3055</b>	274,483	5,488,165		578,343			6,340,991	
<b>I. Total recognised income / (expenses)</b>	<b>3060</b>		1,259		377,659			378,918	
<b>II. Operations with shareholders or owners</b>	<b>3065</b>	11,858	(65,515)					(53,657)	
1. Increases (Reductions) in capital	3066	11,858	154,070					165,928	
2. Conversion of financial liabilities to equity	3067								
3. Distribution of dividends	3068		(219,585)					(219,585)	
4. Operations involving treasury stock or participations in equity (net)	3069								
5. Increases / (Decreases) due to changes in business combinations	3070								
6. Other operations with shareholders or owners	3072								
<b>III. Other variations in equity</b>	<b>3075</b>		578,343		(578,343)			0	
1. Payments using equity instruments	3076								
2. Transfers between equity classes	3077		578,343		(578,343)			0	
3. Other variations	3078								
<b>Balance as at 30/06/2009</b>	<b>3080</b>	286,341	6,002,252		377,659			6,666,252	

**IV. SELECTED FINANCIAL INFORMATION**  
**5.A. INDIVIDUAL CASH FLOW STATEMENT (DIRECT METHOD)**  
*(Prepared in accordance with current national accounting criteria)*

Thousands Euros

		CURRENT PERIOD	PRIOR PERIOD
		30/06/2010	30/06/2009
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (1 + 2 + 3)</b>	<b>7435</b>	(46,959)	(45,381)
1. Insurance activities:	7405		
(+) Inflows from insurance activities	7406		
(-) Outflows from insurance activities	7407		
2. Other operating activities:	7410	(44,125)	(41,232)
(+) Other operating activities cash inflows	7415		
(-) Other operating activities cash outflows	7416	(44,125)	(41,232)
3. Inflows/(outflows) due to corporate income tax	7425	(2,834)	(4,149)
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (1 + 2)</b>	<b>7460</b>	293,045	342,406
1. Inflows from investment activities:	7450	337,978	450,195
(+) Tangible assets	7451		
(+) Investments in property, plant and equipment	7452		
(+) Intangible assets	7453		
(+) Financial instruments	7454	9,932	29,142
(+) Participations	7455	2,955	
(+) Other business units	7457		
(+) Receivable interests	7456	5,121	5,787
(+) Receivable dividends	7459	319,970	415,266
(+) Other income related to investment activities	7458		
2. Payments related to investment activities:	7440	(44,933)	(107,789)
(-) Tangible assets	7441		
(-) Investments in property, plant and equipment	7442		
(-) Intangible assets	7443		
(-) Financial instruments	7444	(44,911)	(107,789)
(-) Participations	7445	(22)	
(-) Other business units	7447		
(-) Other payments related to investment activities	7448		
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (1 + 2)</b>	<b>7490</b>	122,454	(204,901)
1. Inflows from financing activities:	7480	547,158	486,725
(+) Subordinated liabilities	7481		
(+) Inflows from the issue of equity instruments and capital increases	7482	179,605	167,195
(+) Capital contributions from owners or mutual members	7483		
(+) Sales of treasury stock	7485	1,599	
(+) Other income related to financing activities	7486	365,954	319,530
2. Payments related to financing activities:	7470	(424,704)	(691,626)
(-) Dividends to shareholders	7471	(232,191)	(219,586)
(-) Interest payments	7475	(7,722)	(21,770)
(-) Subordinated liabilities	7472		(49,159)
(-) Capital contributions returned to shareholders	7473		
(-) Capital contributions returned to owners or mutual members	7474		
(-) Acquisition of treasury stock	7477	(1,981)	
(-) Other payments related to financial activities	7478	(182,810)	(401,111)
<b>D) TRANSLATION DIFFERENCES IN CASH FLOW</b>	<b>7492</b>		
<b>E) NET INCREASE / (DECREASE) IN CASH FLOW (A + B + C + D)</b>	<b>7495</b>	368,540	92,124
<b>F) OPENING CASH BALANCE AND EQUIVALENTS</b>	<b>7499</b>	939	36,358
<b>G) CLOSING CASH BALANCES AND EQUIVALENTS (E + F)</b>	<b>7500</b>	369,479	128,482

**COMPONENTS OF CASH FLOW AND EQUIVALENTS AT PERIOD END**

		CURRENT PERIOD	PRIOR PERIOD
		30/06/2010	30/06/2009
(+) Cash and banks	7550	369,479	128,482
(+) Other financial assets	7552		
(-) Less: Bank overdrafts payable on demand	7553		
<b>TOTAL CLOSING CASH FLOW AND EQUIVALENTS</b>	<b>7600</b>	369,479	128,482

**IV. SELECTED FINANCIAL INFORMATION**  
**5.B. INDIVIDUAL CASH FLOW STATEMENT (INDIRECT METHOD)**  
*Prepared in accordance with current national accounting criteria*

Thousands Euros

		CURRENT PERIOD 30/06/2010	PRIOR PERIOD 30/06/2009
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (1 + 2 + 3)</b>	<b>435</b>		
1. Result before taxes	405		
2. Adjustments to results:	410		
(+/-) Variation in provisions	415		
(+/-) Other adjustments	419		
3. Net increase/(decrease) of operating assets and liabilities	420		
4. Other cash flows from operating activities:	431		
(+/-) Inflows /(outflows) due to corporate income tax	430		
(+/-) Other inflows/(outflows) from operating activities	432		
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (1 + 2)</b>	<b>460</b>		
1. Inflows from investment activities:	450		
(+) Tangible assets	451		
(+) Investments in property, plant and equipment	452		
(+) Intangible assets	453		
(+) Financial instruments	454		
(+) Participations	455		
(+) Other business units	457		
(+) Receivable interests	456		
(+) Receivable dividends	459		
(+) Other income related to investment activities	458		
2. Payments related to investment activities:	440		
(-) Tangible assets	441		
(-) Investments in property, plant and equipment	442		
(-) Intangible assets	443		
(-) Financial instruments	444		
(-) Participations	445		
(-) Other business units	447		
(-) Other payments related to investment activities	448		
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (1 + 2)</b>	<b>490</b>		
1. Inflows from financing activities:	480		
(+) Subordinated liabilities	481		
(+) Inflows from the issue of equity instruments and capital increases	482		
(+) Capital contributions from owners or mutual members	483		
(+) Sales of treasury stock	485		
(+) Other income related to financial activities	486		
2. Payments related to financial activities:	470		
(-) Dividends	471		
(-) Interests	475		
(-) Subordinated liabilities	472		
(-) Capital contributions returned to shareholders	473		
(-) Capital contributions returned to owners or mutual members	474		
(-) Acquisition of treasury stock	477		
(-) Other payments related to financing activities	478		
<b>D) TRANSLATION DIFFERENCES IN CASH FLOW</b>	<b>492</b>		
<b>E) NET INCREASE / (DECREASE) IN CASH FLOW (A + B + C + D)</b>	<b>495</b>		
<b>F) OPENING CASH BALANCE AND EQUIVALENTS</b>	<b>499</b>		
<b>G) CLOSING CASH BALANCES AND EQUIVALENTS (E + F)</b>	<b>500</b>		

		CURRENT PERIOD 30/06/2010	PRIOR PERIOD 30/06/2009
<b>COMPONENTS OF CASH FLOW AND EQUIVALENTS AT PERIOD END</b>			
(+) Cash and banks	550		
(+) Other financial assets	552		
(-) Less: Bank overdrafts payable on demand	553		

**IV. SELECTED FINANCIAL INFORMATION**  
**6. CONSOLIDATED BALANCE SHEET (1/2)**  
**IFRS**

Thousands Euros

		CURRENT PERIOD	PRIOR PERIOD
		30/06/2010	31/12/2009
<b>ASSETS</b>			
1. Cash and other equivalent liquid assets	1005	1,307,435	861,067
2. Financial assets held for negotiation	1010	1,279,986	1,216,239
3. Other financial assets at reasonable value, with changes in profit and loss account	1015	1,447,935	9,414
4. Financial assets available for sale	1020	25,131,746	25,118,152
5. Loans and amounts due	1025	4,965,037	3,788,117
6. Investments held to maturity	1030	1,125,204	924,274
7. Hedging derivatives	1035	1,722	0
8. Participation of Reinsurance in technical provisions	1041	3,614,003	2,484,112
9. Tangible assets and investments:	1045	2,350,428	2,394,623
a) Tangible assets	1046	1,479,326	1,536,194
b) investments in property, plant and equipment	1047	871,102	858,429
10. Intangible assets	1050	2,299,546	2,121,014
a) Goodwill	1051	1,790,571	1,643,833
b) Acquisition costs of portfolios of policies	1053	327,892	321,152
c) Other intangible assets	1052	181,083	156,029
11. Participation in companies valued using equity method	1055	421,689	429,228
12. Tax assets	1060	933,525	736,404
a) Current tax assets	1061	35,700	24,571
b) Deferred tax assets	1062	897,825	711,833
13. Other assets	1075	2,123,989	3,018,944
14. Assets held for sale	1080	3,033	4,149
<b>TOTAL ASSETS</b>	<b>1100</b>	<b>47,005,278</b>	<b>43,105,737</b>

**IV. SELECTED FINANCIAL INFORMATION**  
**6. CONSOLIDATED BALANCE SHEET (2/2)**  
**IFRS**

Thousands Euros

		<b>CURRENT PERIOD</b>	<b>PRIOR PERIOD</b>
		<b>30/06/2010</b>	<b>31/12/2009</b>
<b>LIABILITIES AND EQUITY</b>			
<b>TOTAL LIABILITIES</b>	<b>1170</b>	39,238,001	36,012,011
1. Financial liabilities held for negotiation	1110	139,253	230,479
2. Other financial liabilities at reasonable value, with changes in profit and loss account	1115		
3. Debits	1120	4,654,817	4,210,655
a) Subordinated liabilities	1121	660,423	620,693
b) Bonds and other negotiable securities	1122	455,755	428,011
c) Debits with credit institutions	1123	1,150,778	1,013,926
d) Other debits	1124	2,387,861	2,148,025
4. Hedging derivatives	1130	1,333	0
5. Technical provisions	1131	32,436,346	29,767,129
a) for unearned premiums	1132	6,395,947	5,615,807
b) for risks in progress	1133	10,241	9,957
c) for life assurance	1134	17,652,463	17,253,469
d) for outstanding claims	1135	7,678,080	6,382,724
e) for profit sharing and returned premiums	1136	48,876	40,162
f) other technical provisions	1137	650,739	465,010
6. Non technical provisions	1140	423,672	404,938
7. Tax liabilities	1145	1,181,309	1,028,627
a) Current tax liabilities	1146	260,756	158,383
b) Deferred tax liabilities	1147	920,553	870,244
8. Other liabilities	1150	399,743	368,274
9. Liabilities linked to assets held for sale	1165	1,528	1,909
<b>TOTAL NET EQUITY</b>	<b>1195</b>	7,767,277	7,093,726
<b>SHARE EQUITY</b>	<b>1180</b>	6,565,342	6,135,280
1. Share capital or mutual fund	1171	301,215	292,271
a) Declared capital or mutual fund	1161	301,215	292,271
b) less: capital not called-up	1162		
2. Share premium reserve	1172	1,506,729	1,506,729
3. Reserves	1173	3,242,754	2,855,576
4. Less: treasury stock and participation in equity	1174	(384)	0
5. Prior years results	1178	1,014,873	754,302
6. Other contributions from partners and mutual members	1179		
7. Profit and loss of the year attributable to the controlling company	1175	500,155	926,841
8 Less: interim dividend	1176	0	(200,439)
9. Other equity instruments	1177	0	0
<b>VALUATION ADJUSTMENTS</b>	<b>1188</b>	195,473	30,396
1. Financial assets available for sale	1181	28,588	421,936
2. Hedging operations	1182	0	0
3. Translation differences	1184	309,555	(129,654)
4. Correction of shadow accounting	1185	(106,392)	(235,731)
5. Companies valued using equity method	1186	(25,066)	(15,562)
6. Other adjustments	1187	(11,212)	(10,593)
<b>TOTAL LIABILITIES AND EQUITY ATTRIBUTABLE TO THE CONTROLLING COMPANY</b>	<b>1189</b>	6,760,815	6,165,676
<b>MINORITY INTERESTS</b>	<b>1193</b>	1,006,462	928,050
1. Adjustments for changes in value	1191	22,742	(18,898)
2. Other	1192	983,720	946,948
<b>TOTAL LIABILITIES AND NET EQUITY</b>	<b>1200</b>	47,005,278	43,105,737

**IV. SELECTED FINANCIAL INFORMATION**  
**7. CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**IFRS**

Thousands Euros

		CURRENT PERIOD	PRIOR PERIOD	ACCUMULATED CURRENT YEAR	ACCUMULATED PRIOR YEAR
		2nd HALF	2nd HALF	30/06/2010	30/06/2009
(+) 1. Net written premiums	1201			5,385,153	5,059,085
(+) 2. Income from tangible assets and investments	1202			740,068	629,938
(+) 3. Other technical income	1203			22,748	43,586
(-) 4. Net claims incurred	1204			(3,852,374)	(3,525,911)
(+/-) 5. Net variation of other technical provisions	1205			(30,887)	(20,441)
(+/-) 6. Profit sharing and returned premiums	1206			(4,120)	(2,043)
(-) 7. Net operating expenses	1207			(1,276,637)	(1,206,798)
(+/-) 8. Other technical expenses	1209			(29,718)	(63,332)
(-) 9. Expenses from tangible assets and investments	1210			(318,654)	(272,694)
<b>A) TECHNICAL RESULT FROM NON-LIFE OPERATIONS (1+ 2 + 3 + 4 + 5 + 6 + 7 + 8 + 9)</b>	<b>1220</b>			<b>635,579</b>	<b>641,390</b>
(+) 10. Net written premiums	1221			2,187,424	1,722,270
(+) 11. Income from tangible assets and investments	1222			701,737	659,269
(+) 12. Income from investments on account of the life policyholders bearing the investment risk	1223			34,099	30,213
(+) 13. Other technical income	1224			5,646	4,075
(-) 14. Net claims incurred	1225			(1,876,316)	(1,777,770)
(+/-) 15. Net variation of other technical provisions	1226			(257,301)	74,471
(+/-) 16. Profit sharing and returned premiums	1227			(20,250)	(14,266)
(-) 17. Net operating expenses	1228			(305,909)	(242,078)
(+/-) 18. Other technical expenses	1229			(5,834)	(6,426)
(-) 19. Expenses from tangible assets and investments	1230			(189,326)	(265,996)
(-) 20. Expense from investments on account of the life policyholders bearing the investment risk	1231			(54,292)	(21,552)
<b>B) TECHNICAL RESULT FROM LIFE OPERATIONS (10 + 11 + 12 + 13 + 14 + 15 + 16 + 17 + 18 + 19 + 20)</b>	<b>1240</b>			<b>219,678</b>	<b>162,210</b>
<b>C) TECHNICAL RESULT (A + B)</b>	<b>1245</b>			<b>855,257</b>	<b>803,600</b>
(+) 21. Income from tangible assets and investments	1246			19,370	73,409
(+) 22. Negative consolidation differences	1250				
(-) 23. Expenses from tangible assets and investments	1247			(86,415)	(73,641)
(+) 24. Other income	1248			329,196	286,183
(-) 25. Other expenses	1249			(328,940)	(276,537)
<b>E) RESULT BEFORE TAX (C + 21 + 22 + 23 + 24 + 25)</b>	<b>1265</b>			<b>788,468</b>	<b>813,014</b>
(+/-) 26. Corporate Income Tax	1270			(220,626)	(228,871)
<b>F) RESULT BEFORE TAX FROM ONGOING OPERATIONS (E + 26)</b>	<b>1280</b>			<b>567,842</b>	<b>584,143</b>
(+/-) 27. Result after tax from discontinued operations	1285			(4,179)	(880)
<b>G) RESULT FOR THE PERIOD (F + 27)</b>	<b>1288</b>			<b>563,663</b>	<b>583,263</b>
a) Result attributable to the controlling company	1300			500,155	530,583
b) Result attributable to minority interests	1289			(63,508)	52,680

EARNINGS PER SHARE		Amount (X,XX euros)	Amount (X,XX euros)	Amount (X,XX euros)	Amount (X,XX euros)
Reported	1290			0.17	0.19
Diluted	1295			0.17	0.19

**IV. SELECTED FINANCIAL INFORMATION**  
**8. STATEMENT OF RECOGNISED INCOME AND EXPENSES**  
**IFRS**

Thousands Euros

		CURRENT PERIOD 30/06/2010	PRIOR PERIOD 30/06/2009
<b>A) CONSOLIDATED PROFIT AND LOSS OF THE YEAR</b>	<b>1305</b>	563,663	583,263
<b>B) OTHER INCOME / (EXPENSES) RECOGNISED</b>	<b>1310</b>	200,376	98,601
<b>1. Financial assets available for sale:</b>	<b>1315</b>	(643,778)	(100,677)
a) Gains/(Losses) due to valuation	1316	(597,805)	(149,738)
b) Amounts recognised in results	1317	(45,973)	49,061
c) Other reclassifications	1318		
<b>2. Cash flow hedging:</b>	<b>1320</b>		
a) Gains/(Losses) due to valuation	1321		
b) Amounts recognised in results	1322		
c) Amounts recognised at historical value of paid up items	1323		
d) Other reclassifications	1324		
<b>3. Hedging of net investments in businesses abroad:</b>	<b>1325</b>		
a) Gains/(Losses) due to valuation	1326		
b) Amounts recognised in results	1327		
c) Other reclassifications	1328		
<b>4. Transaction differences:</b>	<b>1330</b>	504,197	20,441
a) Gains/(Losses) due to valuation	1331	502,316	20,023
b) Amounts recognised in results	1332	46	418
c) Other reclassifications	1333	1,835	
<b>5. Correction of shadow accounting:</b>	<b>1335</b>	245,333	226,861
a) Gains/(Losses) due to valuation	1336	237,353	235,394
b) Amounts recognised in results	1337	7,980	(8,533)
c) Other reclassifications	1338		
<b>6. Assets held for sale:</b>	<b>1340</b>		
a) Gains/(Losses) due to valuation	1341		
b) Amounts recognised in results	1342		
c) Other reclassifications	1343		
<b>7. Actuarial gains/(losses) due to personnel long term incentives</b>	<b>1345</b>		
<b>8. Other recognised income and expenses</b>	<b>1350</b>	(5,510)	(8,858)
a) Gains/(Losses) from valuation	1351	(5,510)	(9,111)
b) Amounts transferred to the profit and loss account	1352		3
c) Other reclassifications	1353		250
<b>9. Other income and expenses</b>	<b>1355</b>	(49)	(2,208)
<b>10. Corporate Income Tax</b>	<b>1360</b>	100,184	(36,958)
<b>TOTAL RECOGNISED INCOME/(EXPENSES) (A+B)</b>	<b>1400</b>	764,039	681,864
a) Attributable to the controlling company	1398	665,235	671,491
b) Attributable to minority interests	1399	98,804	10,373

**IV. SELECTED FINANCIAL INFORMATION**  
**9. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (1/2)**  
**IFRS**

Thousands Euros

CURRENT PERIOD		Equity of the controlling company					Adjustments for changes in value	Minority interests	Total equity
		Equity							
		Capital or mutual fund	Share premium and other reserves(1)	Shares and participations in equity	Result for the period	Other equity instruments			
<b>Balance as at 01/01/2010</b>	<b>3110</b>	292,271	4,916,168		926,841		30,393	928,050	7,093,723
Adjustments for changes in accounting criteria	3111								
Adjustments for errors	3112								
<b>Adjusted opening balance</b>	<b>3115</b>	292,271	4,916,168		926,841		30,393	928,050	7,093,723
<b>I. Total income / (expenses) recognised</b>	<b>3120</b>				500,155		165,079	98,804	764,038
<b>II. Operations with shareholders or owners</b>	<b>3125</b>	8,944	(79,594)					(30,802)	(101,452)
1. Increases (Reductions) in capital	3126	8,944	169,313						178,257
2. Conversion of financial liabilities to equity	3127								
3. Dividend distributions	3128		(233,818)					(30,802)	(264,620)
4. Operations with treasury stock or participations in equity (net)	3129								
5. Increases / (Decreases) due to changes in business combinations	3130								
6. Other operations with shareholders or owners	3132		(15,089)						(15,089)
<b>III. Other variations in equity</b>	<b>3135</b>		927,408		(926,850)			10,410	10,968
1. Payments based on equity instruments	3136								
2. Transfers between equity items	3137		926,850		(926,850)				0
3. Other variations	3138		558					10,410	10,968
<b>Final Balance as at 30/06/2010</b>	<b>3140</b>	301,215	5,763,982		500,146		195,472	1,006,462	7,767,277

(1) The column "Share premium and other reserves", for the purpose of this statement, includes the following items of the net equity: 2) Share premium reserve; 3) Reserves; 5) Prior year result; 6) Other contributions

**IV. SELECTED FINANCIAL INFORMATION**  
**9. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (2/2)**  
**IFRS**

Thousands Euros

PRIOR PERIOD	Equity of the controlling company							Minority interests	Total equity
	Equity					Adjustments for changes in value			
	Capital or mutual fund	Share premium and other reserves(1)	Shares and participations in equity	Result for the period	Other equity instruments				
<b>Balance as at 01/01/2009 (comparison period)</b>	<b>3150</b>	274,483	4,116,033		900,689		(389,033)	814,194	5,716,366
Adjustments for changes in accounting criteria	3151								
Adjustments for errors	3152								
<b>Adjusted opening balance</b>	<b>3155</b>	274,483	4,116,033		900,689		(389,033)	814,194	5,716,366
<b>I. Total income / (expenses) recognised</b>	<b>3160</b>				530,583		140,908	10,373	681,864
<b>II. Operations with shareholders or owners</b>	<b>3165</b>	11,858	(83,425)					(3,951)	(75,518)
1. Increases (Reductions) in capital	3166	11,858	153,665						165,523
2. Conversion of financial liabilities to equity	3167								
3. Dividend distributions	3168		(219,590)					(3,951)	(223,541)
4. Operations with treasury stock or participations in equity (net)	3169								
5. Increases / (Decreases) due to changes in business combinations	3170								
6. Other operations with shareholders or owners	3172		(17,500)						(17,500)
<b>III. Other variations in equity</b>	<b>3175</b>		905,303		(900,689)		1,562	(3,683)	2,493
1. Payments based on equity instruments	3176								
2. Transfers between equity items	3177		900,689		(900,689)				0
3. Other variations	3178		4,614				1,562	(3,683)	2,493
<b>Final Balance as at 30/06/2009 (comparison period)</b>	<b>3180</b>	286,341	4,937,911		530,583		(246,563)	816,933	6,325,205

**IV. SELECTED FINANCIAL INFORMATION**  
**10.A. CONSOLIDATED CASH FLOW STATEMENT (DIRECT METHOD)**  
**IFRS**

Thousands Euros

		CURRENT PERIOD 30/06/2010	PRIOR PERIOD 30/06/2009
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (1 + 2 + 3)</b>	<b>8435</b>	179,305	(720,123)
1. Insurance activities:	8405	306,908	870,287
(+) Inflows from insurance activities	8406	8,147,526	7,701,786
(-) Outflows from insurance activities	8407	(7,840,618)	(6,831,499)
2. Other operating activities:	8410	(970)	(1,447,238)
(+) Other operating activities cash inflows	8415	311,458	756,075
(-) Other operating activities cash outflows	8416	(312,428)	(2,203,313)
3. Inflows/(outflows) due to corporate income tax	8425	(126,633)	(143,172)
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (1 + 2)</b>	<b>8460</b>	260,601	1,231,622
1. Inflows from investment activities:	8450	16,723,918	6,755,939
(+) Tangible assets	8451	2,850	73,182
(+) Investments in property, plant and equipment	8452	131,176	263,194
(+) Intangible assets	8453		754
(+) Financial instruments	8454	15,704,561	5,279,765
(+) Participations	8455	46,899	312,540
(+) Dependent companies and other business units	8457	74,073	49,133
(+) Receivable interests	8456	573,758	548,606
(+) Receivable dividends	8459	73,241	15,558
(+) Other income related to investment activities	8458	117,359	213,207
2. Payments related to investment activities:	8440	(16,463,317)	(5,524,317)
(-) Tangible assets	8441	(79,128)	(145,173)
(-) Investments in property, plant and equipment	8442	(13,318)	(14,698)
(-) Intangible assets	8443	(39,251)	(13,386)
(-) Financial instruments	8444	(16,024,545)	(4,351,265)
(-) Participations	8445	(119,483)	(740,271)
(-) Dependent companies and other business units	8447	(102,202)	(39,414)
(-) Other payments related to investment activities	8448	(85,390)	(220,110)
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (1 + 2)</b>	<b>8490</b>	38,581	(417,517)
1. Inflows from financing activities:	8480	548,090	725,701
(+) Subordinated liabilities	8481		
(+) Inflows from the issue of equity instruments and capital increases	8482	183,213	165,505
(+) Capital contributions from owners or mutual members	8483	0	4,326
(+) Sale of treasury stock	8485	1,599	
(+) Other income related to financing activities	8486	363,278	555,870
2. Payments related to financing activities:	8470	(509,509)	(1,143,218)
(-) Dividends	8471	(277,921)	(244,719)
(-) Interests	8475	(26,637)	(32,751)
(-) Subordinated liabilities	8472		(49,159)
(-) Capital contributions returned to shareholders	8473		
(-) Capital contributions returned to owners or mutual members	8474		
(-) Acquisition of treasury stock	8477	(1,981)	
(-) Other payments related to financing activities	8478	(202,969)	(816,589)
<b>D) TRANSALTION DIFFERENCES IN CASH FLOW</b>	<b>8492</b>	(32,118)	4,911
<b>E) NET INCREASE / (DECREASE) IN CASH FLOW (A + B + C + D)</b>	<b>8495</b>	446,368	98,893
<b>F) OPENING CASH BALANCE AND EQUIVALENTS</b>	<b>8499</b>	861,067	1,415,075
<b>G) CLOSING CASH BALANCES AND EQUIVALENTS (E + F)</b>	<b>8500</b>	1,307,435	1,513,968

**COMPONENTS OF CASH FLOW AND EQUIVALENTS AT PERIOD END**

		CURRENT PERIOD 30/06/2010	PRIOR PERIOD 30/06/2009
(+) Cash and banks	8550	1,179,388	1,284,656
(+) Other financial assets	8552	128,047	221,497
(-) Less: Bank overdrafts payable on demand	8553	0	7,815
<b>TOTAL CLOSING CASH FLOW AND EQUIVALENTS</b>	<b>8600</b>	1,307,435	1,513,968

**IV. SELECTED FINANCIAL INFORMATION**  
**10.B. CONSOLIDATED CASH FLOW STATEMENT (INDIRECT METHOD)**  
**IFRS**

Thousands Euros

		CURRENT PERIOD 30/06/2010	PRIOR PERIOD 30/06/2009
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (1 + 2 + 3)</b>	435		
1. Result before taxes	405		
2. Result adjustments:	410		
(+/-) Variation in provisions	415		
(+/-) Other adjustments	419		
3. Net increase/(decrease) of operating assets and liabilities	420		
4. Other cash flows from operating activities:	431		
(+/-) Inflows/(outflows) due to corporate income tax	430		
(+/-) Other inflows/(outflows) from operating activities	432		
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (1 + 2)</b>	460		
1. Inflows from investment activities:	450		
(+) Tangible assets	451		
(+) Investments in property, plant and equipment	452		
(+) Intangible assets	453		
(+) Financial instruments	454		
(+) Participations	455		
(-) Dependent companies and other business units	457		
(+) Receivable interests	456		
(+) Receivable dividends	459		
(+) Other income related to investment activities	458		
2. Payments related to investment activities:	440		
(-) Tangible assets	441		
(-) Investments in property, plant and equipment	442		
(-) Intangible assets	443		
(-) Financial instruments	444		
(-) Participations	445		
(-) Dependent companies and other business units	447		
(-) Other payments related to investment activities	448		
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (1 + 2)</b>	490		
1. Inflows from financing activities:	480		
(+) Subordinated liabilities	481		
(+) Inflows from the issue of equity instruments and capital increases	482		
(+) Capital contributions from owners or mutual members	483		
(+) Sale of treasury stock	485		
(+) Other income related to financing activities	486		
2. Payments related to financing activities:	470		
(-) Dividends	471		
(-) Interests	475		
(-) Subordinated liabilities	472		
(-) Capital contributions returned to shareholders	473		
(-) Capital contributions returned to owners or mutual members	474		
(-) Acquisition of treasury stock	477		
(-) Other payments related to financing activities	478		
<b>D) TRANSLATION DIFFERENCES IN CASH FLOW</b>	492		
<b>E) NET INCREASE / (DECREASE) IN CASH FLOW (A + B + C + D)</b>	495		
<b>F) OPENING CASH BALANCE AND EQUIVALENTS</b>	499		
<b>G) CLOSING CASH BALANCES AND EQUIVALENTS (E + F)</b>	500		

COMPONENTS OF CASH FLOW AND EQUIVALENTS AT PERIOD END		CURRENT PERIOD 30/06/2010	PRIOR PERIOD 30/06/2009
(+) Cash and banks	550		
(+) Other financial assets	552		
(-) Less: Bank overdrafts payable on demand	553		
<b>TOTAL CLOSING CASH FLOW AND EQUIVALENTS</b>	<b>600</b>		

**IV. SELECTED FINANCIAL INFORMATION**  
**11. CHANGES IN THE GROUP'S COMPOSITION**

**Table 1:**

BUSINESS COMBINATIONS OR OTHER ACQUISITIONS OR INCREASE IN STAKES IN DEPENDENT COMPANIES, JOINT VENTURES AND/OR INVESTMENTS IN ASSOCIATED UNDERTAKINGS (CURRENT PERIOD)						
Name of the company (or segment of business) acquired or merged	Category	Effective date of the operation (dd-mm-yr)	Net cost of combination (a)+ (b) (Eur '000s))		% voting rights acquired	% total voting rights in the company post acquisition
			Net amount paid for acquisition + other costs directly related to combination (a)	Fair Value of net worth instruments issued for the acquisition (b)		
NUEVO TANATORIO, S.L.	Acquisition	01.01.2010	1.1	--	50	50
FINIBANCO VIDA	Acquisition	01.01.2010	15	--	50	50
MAPFRE PORTUGAL VIDA	Incorporation	01.01.2010	7.92	--	100	100
MIDDLESEA INSURANCE P.L.C.	Acquisition	31.03.2010	0.04	--	0.28	31.08
MAPFRE ATLAS COMPAÑÍA DE SEGUROS, S.A.	Acquisition	31.03.2010	0.36	--	1.8	60
MAPFRE RE C.R. DE BRASIL	Incorporation	31.03.2010	--	--	100	100

**Table 2:**

DECREASE OF STAKES IN DEPENDENT COMPANIES, JOINT VENTURES AND/OR INVESTMENTS IN ASSOCIATED UNDERTAKINGS OR OPERATIONS OF A SIMILAR NATURE (CURRENT PERIOD)					
Name of the company (or segment of business) sold, separated or discontinued	Category	Effective date of the operation (dd-mm-yr)	% voting rights sold or discontinued	% total voting rights in the company post sale	Gain/(Loss) generated (Eur 000's)
BALDRICH & ASSOCIATES INC	Merger	31.03.2010	100	0	--

**IV. SELECTED FINANCIAL INFORMATION**

**12. DIVIDENDS PAID**

		CURRENT PERIOD			PRIOR PERIOD		
		As % of nominal value	Euros per share (X,XX)	Amount (Eur 000's)	As % of nominal value	Euros per share (X,XX)	Amount (Eur 000's)
Ordinary shares	2158	80.00	0.08	233,817	80.00	0.08	219,587
Other shares (non-voting, redeemable, etc)	2159						
<b>Total dividendos paid</b>	<b>2160</b>			233,817	80.00	0.08	219,587
a) Dividends paid out against results	2155	80.00	0.08	233,817	80.00	0.08	219,587
b) Dividends paid out against reserves or share premium reserve	2156						
c) Dividends in kind	2157						

**IV. SELECTED FINANCIAL INFORMATION**

**13. ISSUE, REPURCHASE OR REIMBURSEMENT OF DEBT INSTRUMENTS**

Thousands Euros

ISSUES CARRIED OUT BY THE COMPANY (AND/OR GROUP)		CURRENT PERIOD				
		Balance brought forward	(+) Issued	(-) Repurchase or reimbursement	(+/-) Adjustments for translation effect and others	Balance carried forward
Debt issued within a Member State of the European Union, which has required the prior filing of a prospectus	2191					
Debt issued within a Member State of the European Union, which has not required the prior filing of a prospectus	2192					
Other debt issued outwith a Member State of the European Union	2193					
<b>TOTAL</b>	<b>2200</b>					

		PRIOR PERIOD				
		Balance brought forward	(+) Issued	(-) Repurchase or reimbursement	(+/-) Adjustments for translation effect and others	Balance carried forward
Debt issued within a Member State of the European Union, which has required the prior filing of a prospectus	4191	713,437		(98,550)	23,424	638,311
Debt issued within a Member State of the European Union, which has not required the prior filing of a prospectus	4192					
Other debt issued outwith a Member State of the European Union	4193					
<b>TOTAL</b>	<b>4200</b>	<b>713,437</b>		<b>(98,550)</b>	<b>23,424</b>	<b>638,311</b>

GUARANTEED ISSUANCES		CURRENT PERIOD				
		Balance brought forward	(+) Issued	(-) Cancelled	(+/-) Adjustments for translation effect and others	Balance carried forward
Debt issued which has been guaranteed by the Group (amount guaranteed)	2195					

		PRIOR PERIOD				
		Balance brought forward	(+) Issued	(-) Cancelled	(+/-) Adjustments for translation effect and others	Balance carried forward
Debt issued which has been guaranteed by the Group (amount guaranteed)	4195					

IV. SELECTED FINANCIAL INFORMATION

14. BREAKDOWN OF FINANCIAL INSTRUMENTS BY NATURE AND CATEGORY (1/2)

Thousands Euros

FINANCIAL ASSETS: NATURE/CATEGORY		CURRENT PERIOD				
		Trading portfolio	Other financial assets held at RV, with changes in P&L account	Available for sale	Loans and amounts due	Held to maturity
Derivatives	5062					
Equity instruments	5063					
Debt instruments	5064					
Hybrid instruments	5065					
Loans	5066				473,234	
Deposits established for accepted reinsurance and other deposits	5067					
Credits on direct insurance, reinsurance and coinsurance operations	5068					
Investments on account of the life policyholders bearing the investment risk	5069					
Other financial assets	5070		21,265		77,912	
<b>TOTAL (INDIVIDUAL)</b>	<b>5075</b>		<b>21,265</b>		<b>551,146</b>	
Derivatives	5162	19,801				
Equity instruments	5163	69,274		1,311,938		
Debt instruments	5164	1,174,376		23,524,492		1,061,022
Hybrid instruments	5165		6,332		24	
Loans	5166				104,350	0
Deposits established for accepted reinsurance and other deposits	5167				253,065	
Credits on direct insurance, reinsurance and coinsurance operations	5168				3,999,732	
Investments on account of the life policyholders bearing the investment risk	5169		1,419,950			
Other financial assets	5170	16,535	21,653	295,316	607,866	64,182
<b>TOTAL (CONSOLIDATED)</b>	<b>5175</b>	<b>1,279,986</b>	<b>1,447,935</b>	<b>25,131,746</b>	<b>4,965,037</b>	<b>1,125,204</b>

FINANCIAL LIABILITIES: NATURE/CATEGORY		CURRENT PERIOD		
		Trading portfolio	Other financial liabilities held at RV, with changes in P&L account	Other liabilities and amount owing
Derivatives	5076			
Subordinated liabilities	5077			627,706
Deposits received on ceded reinsurance	5079			
Debts from direct insurance, reinsurance and coinsurance operations	5080			
Bonds and other negotiable instruments	5081			292,700
Debts with credit institutions	5082			800,386
Debts from preliminary insurance contracts operations	5083			
Other financial liabilities	5084			415,847
<b>TOTAL (INDIVIDUAL)</b>	<b>5090</b>			<b>2,136,639</b>
Derivatives	5176	1,089		
Subordinated liabilities	5177			660,423
Deposits received on ceded reinsurance	5179			137,278
Debts from direct insurance, reinsurance and coinsurance operations	5180			1,318,944
Bonds and other negotiable instruments	5181			455,755
Debts with credit institutions	5182			1,150,778
Debts from preliminary insurance contracts operations	5183			3,860
Other financial liabilities	5184	138,164		927,779
<b>TOTAL (CONSOLIDATED)</b>	<b>5190</b>	<b>139,253</b>		<b>4,654,817</b>

(RV: reasonable value; P&L account: profit and loss account)

**IV. SELECTED FINANCIAL INFORMATION**  
**14. BREAKDOWN OF FINANCIAL INSTRUMENTS BY NATURE AND CATEGORY (2/2)**

Thousands Euros

FINANCIAL ASSETS: NATURE/CATEGORY		PRIOR PERIOD				
		Trading portfolio	Other financial assets held at RV, with changes in P&L account	Available for sale	Loans and amounts due	Held to maturity
Derivatives	5062					
Equity instruments	5063					
Debt instruments	5064					
Hybrid instruments	5065					
Loans	5066					
Deposits established for accepted reinsurance and other deposits	5067					
Credits on direct insurance, reinsurance and coinsurance operations	5068					
Investments on account of the life policyholders bearing the investment risk	5069					
Other financial assets	5070				53,358	
<b>TOTAL (INDIVIDUAL)</b>	<b>5075</b>				<b>53,358</b>	
Derivatives	5162	498,222				
Equity instruments	5163	36,877		955,995		
Debt instruments	5164	24,827		22,896,534		231,572
Hybrid instruments	5165	4,361	9,414	22,422	12,029	
Loans	5166			38,978	105,724	11,275
Deposits established for accepted reinsurance and other deposits	5167				202,629	
Credits on direct insurance, reinsurance and coinsurance operations	5168				1,916,424	
Investments on account of the life policyholders bearing the investment risk	5169				798,675	
Other financial assets	5170	651,952		1,204,223	752,636	681,427
<b>TOTAL (CONSOLIDATED)</b>	<b>5175</b>	<b>1,216,239</b>	<b>9,414</b>	<b>25,118,152</b>	<b>3,788,117</b>	<b>924,274</b>

FINANCIAL LIABILITIES: NATURE/CATEGORY		PRIOR PERIOD		
		Trading portfolio	Other financial liabilities held at RV, with changes in P&L account	Other liabilities and amount owing
Derivatives	5076			
Subordinated liabilities	5077			610,692
Deposits received on ceded reinsurance	5079			
Debts from direct insurance, reinsurance and coinsurance operations	5080			
Bonds and other negotiable instruments	5081			285,272
Debts with credit institutions	5082			617,052
Debts from preliminary insurance contracts operations	5083			
Other financial liabilities	5084			361,616
<b>TOTAL (INDIVIDUAL)</b>	<b>5090</b>			<b>1,874,632</b>
Derivatives	5176			
Subordinated liabilities	5177			620,693
Deposits received on ceded reinsurance	5179			126,221
Debts from direct insurance, reinsurance and coinsurance operations	5180			1,084,983
Bonds and other negotiable instruments	5181			428,011
Debts with credit institutions	5182			1,013,926
Debts from preliminary insurance contracts operations	5183			24,676
Other financial liabilities	5184	230,479		912,145
<b>TOTAL (CONSOLIDATED)</b>	<b>5190</b>	<b>230,479</b>		<b>4,210,655</b>

(RV: reasonable value; P&L account: profit and loss account)

**IV. SELECTED FINANCIAL INFORMATION**  
**15. INFORMATION BY SEGMENTS**

Thousands Euros

**Table 1:**

GEOGRAPHICAL AREA		Distribution of net premiums attributed to current period, by geographical area			
		INDIVIDUAL		CONSOLIDATED	
		CURRENT PERIOD	PRIOR PERIOD	CURRENT PERIOD	PRIOR PERIOD
Domestic market	2210			4,028,608	3,787,575
International:	2215			3,543,969	2,993,780
a) European Union	2216			392,814	328,229
b) O.E.C.D. countries	2217			1,825,995	1,780,741
c) Other countries	2218			1,325,160	884,810
<b>TOTAL</b>	<b>2220</b>			<b>7,572,577</b>	<b>6,781,355</b>

**Table 2:**

SEGMENTS		Ordinary income					
		CONSOLIDATED					
		Ordinary income from external customers		Ordinary income between segments		Total ordinary income	
CURRENT PERIOD	PRIOR PERIOD	CURRENT PERIOD	PRIOR PERIOD	CURRENT PERIOD	PRIOR PERIOD		
LIFE	2221	2,182,700	1,773,599		22,361	2,182,700	1,795,960
MOTOR	2222	2,631,309	2,646,330			2,631,309	2,646,330
OTHER NON-LIFE	2223	3,362,422	3,118,079	140,833	28,131	3,503,255	3,146,210
REINSURANCE	2224	938,020	775,133	475,285	388,545	1,413,305	1,163,678
OTHER ACTIVITIES	2225	300,373	259,968	218,904	114,702	519,277	374,670
	2226						
	2227						
	2228						
	2229						
	2230						
(-) Ordinary income adjustments and eliminations between segments	2231			(835,022)	(553,739)	(835,022)	(553,739)
<b>TOTAL</b>	<b>2235</b>	<b>9,414,824</b>	<b>8,573,109</b>	<b>0</b>	<b>0</b>	<b>9,414,824</b>	<b>8,573,109</b>

**Tabla 3:**

SEGMENTS		Results	
		CURRENT PERIOD	PRIOR PERIOD
LIFE	2250	149,319	110,334
MOTOR	2251	220,618	218,002
OTHER NON-LIFE	2252	198,760	206,925
REINSURANCE	2253	75,793	70,234
OTHER ACTIVITIES	2254	276,428	379,645
	2255		
	2256		
	2257		
	2258		
	2259		
<b>Total results of reported segments</b>	<b>2260</b>	<b>920,918</b>	<b>985,140</b>
(+/-) Results not assigned	2261		
(+/-) Elimination of internal results (between segments)	2262	(353,075)	(400,997)
(+/-) Other results	2263		
(+/-) Corporate income tax and/or discontinued operations result	2264	220,625	228,871
<b>RESULT BEFORE TAX</b>	<b>2270</b>	<b>788,468</b>	<b>813,014</b>

**IV. SELECTED FINANCIAL INFORMATION**

**16. AVERAGE WORK FORCE**

		INDIVIDUAL		CONSOLIDATED	
		CURRENT PERIOD	PRIOR PERIOD	CURRENT PERIOD	PRIOR PERIOD
<b>AVERAGE WORK FORCE</b>	<b>2295</b>	<b>314</b>	<b>299</b>	<b>35,024</b>	<b>34,601</b>
Men	2296	151	144	14,914	14,594
Women	2297	163	155	20,110	20,007

**IV. SELECTED FINANCIAL INFORMATION**

**17. REMUNERATION RECEIVED BY BOARD MEMBERS AND MANAGERS**

**BOARD MEMBERS:**

Payment concept:		Amount (Euros 000's)	
		CURRENT PERIOD	PRIOR PERIOD
Fixed salary	2310	1,610	1,690
Variable salary	2311	2,760	2,910
Allowances	2312	400	390
Statutory obligations	2313	1,080	1,040
Operations involving shares and/or financial instruments	2314	-530	170
Other	2315	40	180
<b>TOTAL</b>	<b>2320</b>	<b>5,360</b>	<b>6,380</b>

**Other benefits:**

Advances	2326	0	0
Loans received	2327	0	0
Pension plans: contributions	2328	1,700	930
Pension plans: obligations entered into	2329	0	40,400
Life assurance premiums	2330	0	0
Guarantees constituted in favour of Board Members	2331		0

**MANAGERS:**

		Amount (Euros 000's)	
		CURRENT PERIOD	PRIOR PERIOD
Total remuneration received by managers	2325	0	0

**IV. SELECTED FINANCIAL INFORMATION**  
**18. TRANSACTIONS WITH INTERESTED PARTIES (1/2)**

Thousands Euros

ASSOCIATED OPERATIONS		CURRENT PERIOD				
		Significant shareholders	Board Members and Managers	Persons, companies or entities connected to the Group	Other interested parties	Total
EXPENSES AND INCOME						
1) Financial expenses	2340				65,070	65,070
2) Management or contribution contracts	2341				9,167	9,167
3) Transfers of R+D and licencing agreements	2342					
4) Leases	2343				20	20
5) Use of services	2344					
6) Purchase of goods (partially or totally completed)	2345					
7) Variation in value due to debts written off or of doubtful recovery	2346					
8) Loss from sale or write-off of assets	2347					
9) Other expenses	2348				52	52
<b>EXPENSES (1 + 2 + 3 + 4 + 5 + 6 + 7 + 8 + 9)</b>	<b>2350</b>				<b>74,309</b>	<b>74,309</b>
10) Financial income	2351				56,917	56,917
11) Management or contribution contracts	2352				2,531	2,531
12) Transfers of R+D and licencing agreements	2353					
13) Dividends received	2354					
14) Leases	2355				812	812
15) Service contract	2356					
16) Sale of goods (partially or totally completed)	2357					
17) Profit from sale of assets or writeoff	2358					
18) Other income	2359					
<b>INCOME (10 + 11 + 12 + 13 + 14 + 15 + 16 + 17 + 18)</b>	<b>2360</b>				<b>60,260</b>	<b>60,260</b>

OTHER TRANSACTIONS		CURRENT PERIOD				
		Significant shareholders	Board Members and Managers	Persons, companies or entities connected to the Group	Other interested parties	Total
Purchase of tangible, intangible and other assets	2371				37,322	37,322
Financial agreements: loans and capital contributions (lender)	2372					
Financial lease contracts (lessor)	2373					
Amortisation or cancellation of loans and lease contracts (lessor)	2377					
Sale of tangible, intangible and other assets	2374				13,623	13,623
Financial agreements: loans and capital contributions (borrower)	2375				67,091	67,091
Financial lease contracts (lessee)	2376					
Amortisation or cancellation of loans and lease contracts (lessee)	2378				1,732	1,732
Guarantees given	2381					
Guarantees received	2382				344	344
Commitments entered into	2383					
Commitments/guarantees cancelled	2384				63	63
Dividends and other distribution of results	2386	189,471			15,090	204,561
Other operations	2385					

**IV. SELECTED FINANCIAL INFORMATION**  
**18. TRANSACTIONS WITH INTERESTED PARTIES (2/2)**

Thousands Euros

ASSOCIATED OPERATIONS		PRIOR PERIOD				
		Significant shareholders	Board Members and Managers	Persons, companies or entities connected to the Group	Other interested parties	Total
<b>EXPENSES AND INCOME</b>						
1) Financial expenses	6340				83,112	83,112
2) Management or contribution contracts	6341				9,083	9,083
3) Transfers of R+D and licencing agreements	6342					
4) Leases	6343					
5) Use of services	6344					
6) Purchase of goods (partially or totally completed)	6345					
7) Variation in value due to debts written off or of doubtful recovery	6346					
8) Loss from sale or write-off of assets	6347					
9) Other expenses	6348					
<b>EXPENSES (1 + 2 + 3 + 4 + 5 + 6 + 7 + 8 + 9)</b>	<b>6350</b>				92,195	92,195
10) Financial income	6351				67,272	67,272
11) Management or contribution contracts	6352				3,426	3,426
12) Transfers of R+D and licencing agreements	6353					
13) Dividends received	6354					
14) Leases	6355				991	991
15) Service contract	6356					
16) Sale of goods (partially or totally completed)	6357					
17) Profit from sale of assets or writeoff	6358				35,429	35,429
18) Other income	6359					
<b>INCOME (10 + 11 + 12 + 13 + 14 + 15 + 16 + 17 + 18)</b>	<b>6360</b>				107,118	107,118

OTHER TRANSACTIONS		PRIOR PERIOD				
		Significant shareholders	Board Members and Managers	Persons, companies or entities connected to the Group	Other interested parties	Total
Purchase of tangible, intangible and other assets	6371				127,909	127,909
Financial agreements: loans and capital contributions (lender)	6372					
Financial lease contracts (lessor)	6373					
Amortisation or cancellation of loans and lease contracts (lessor)	6377					
Sale of tangible, intangible and other assets	6374				59,900	59,900
Financial agreements: loans and capital contributions (borrower)	6375				151,713	151,713
Financial lease contracts (lessee)	6376					
Amortisation or cancellation of loans and lease contracts (lessee)	6378				1,216	1,216
Guarantees given	6381					
Guarantees received	6382				116	116
Commitments entered into	6383					
Commitments/guarantees cancelled	6384				9,826	9,826
Dividends and other distribution of results	6386	176,716			17,500	194,216
Other operations	6385				13,924	13,924

**REPORT ON THE LIMITED REVIEW**

**MAPFRE, S.A. AND SUBSIDIARIES**

**Summary interim consolidated financial statements and interim  
consolidated management report  
corresponding to the six month period ended  
June 30, 2010**

Translation of the limited review report and interim condensed consolidated financial statements originally issued in Spanish.  
In the event of discrepancy, the Spanish-language version prevails (See Note 10)

REPORT ON THE LIMITED REVIEW OF INTERIM CONDENSED  
CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of  
MAPFRE, S.A.  
requested by the Board of Directors

We have carried out a limited review of the accompanying interim condensed consolidated financial statements (hereinafter the interim financial statements) of MAPFRE, S.A. (hereinafter the Parent Company) and its subsidiaries (hereinafter the Group), which comprise the consolidated balance sheet at June 30, 2010, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, and the consolidated cash flow statement, as well as the explanatory notes for the six-month period then ended. It is the responsibility of the Parent Company Directors to prepare said interim financial statements in accordance with the requirements established by International Accounting Standard (IAS) 34, "Interim Financial Reporting," adopted by the European Union for the preparation of interim condensed consolidated financial reporting as per article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our limited review.

Our review was performed in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Reporting Performed by the Independent Auditor of the Entity." A limited review of the interim financial statements consists of making inquiries, primarily of personnel responsible for financial and accounting matters, and applying certain analytical and other review procedures. A limited review is substantially less in scope than that of an audit conducted in accordance with International Standards on audit and therefore, it is not possible to provide assurance that all the significant matters that could be identified in an audit have come to our attention. Therefore, we do not express an audit opinion on the accompanying interim financial statements.

As explained in the accompanying Note 2.1, the accompanying interim financial statements do not include all the information that would be required for complete financial consolidated statements prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, and therefore the accompanying interim financial statements should be read in conjunction with the Group's consolidated annual accounts for the year ended December 31, 2009.

During the course of our limited review, which under no circumstances can be considered an audit conducted in accordance with International Standards, no matter came to our attention which would cause us to believe that the accompanying summary interim consolidated financial statements for the six-month period ended June 30, 2010 have not been prepared, in all significant respects, in accordance with the requirements established by International Accounting Standard (IAS) 34, "Interim Financial Reporting," as adopted by the European Union in conformity with article 12 of Royal Decree 1362/2007 for the preparation of summary interim financial statements.

The accompanying interim consolidated management report for the six-month period ended June 30, 2010 contains such explanations as the Parent's Company directors consider necessary regarding the events which occurred during said period and their effect on these interim financial statements, of which it is not an integral part, as well as on the information required in conformity with article 15 of Royal Decree 1362/2007. We have checked that the accounting information included in the aforementioned consolidated management report agrees with the interim financial statements for the six-month period ended on June 30, 2010. Our work is limited to verifying the 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 the consolidated companies.

This report has been prepared at the request of the Board of Directors with regard to the publication of the semi-annual financial report required by article 35 of Securities Market Law 24/1988, of July 28, further developed by Royal Decree 1362/2007, of October 19.

ERNST & YOUNG, S.L.

(signed in the original issued in spanish language)

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Alfredo Martínez Cabra

July 22, 2010

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**INTERIM CONSOLIDATED MANAGEMENT REPORT**

**STATEMENT OF RESPONSIBILITY**

**30th JUNE 2010**

**MAPFRE, S.A.**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL  
STATEMENTS**

**30th JUNE 2010**

**MAPFRE, S.A.**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL  
STATEMENTS**

**30th JUNE 2010**

- A) Consolidated balance sheet
- B) Consolidated statement of comprehensive income
- C) Consolidated statement of changes in equity
- D) Consolidated cash flow statement
- E) Notes explaining the condensed interim financial statements

**MAPFRE, S.A.**

**MAPFRE, S.A. AND CONTROLLED COMPANIES****A) CONSOLIDATED BALANCE SHEET AS AT 30th JUNE 2010 AND 31st DECEMBER 2009**

ASSETS	Notes	30th June 2010	31st Dec 2009
<b>A) INTANGIBLE ASSETS</b>		<b>2,299.55</b>	<b>2,121.04</b>
I. Goodwill		1,790.57	1,643.85
II. Other intangible assets		508.98	477.19
<b>B) PROPERTY, PLANT AND EQUIPMENT</b>		<b>1,479.33</b>	<b>1,536.19</b>
I. Property for own use		1,049.40	1055.55
II. Other property, plant and equipment		429.93	480.64
<b>C) INVESTMENTS</b>		<b>29,278.44</b>	<b>28,989.94</b>
I. Investments in property		871.10	858.43
II. Financial Investments			
1. Portfolio held to maturity	5.1	1,125.20	924.28
2. Portfolio available for sale	5.1	25,131.75	25,118.15
3. Trading portfolio	5.1	1,307.97	1,225.65
III. Investments recorded using the equity method		421.69	429.24
IV. Deposits established for accepted reinsurance	5.1	253.07	202.63
V. Other investments	5.1	167.66	231.56
<b>D) INVESTMENTS ON ACCOUNT OF LIFE POLICYHOLDERS BEARING THE INVESTMENT RISK</b>	5.1	<b>1,419.95</b>	<b>798.68</b>
<b>E) INVENTORIES</b>		<b>652.81</b>	<b>654.92</b>
<b>F) PARTICIPATION OF REINSURANCE IN TECHNICAL PROVISIONS</b>		<b>3,614.00</b>	<b>2,484.12</b>
<b>G) DEFERRED TAX ASSETS</b>		<b>897.82</b>	<b>711.83</b>
<b>H) CREDITS &amp; RECEIVABLES</b>		<b>4,581.73</b>	<b>3,610.10</b>
I. Credits on direct insurance and coinsurance operations	5.1	3,348.43	2,453.01
II. Credits on reinsurance operations	5.1	651.3	493.67
III. Tax credits			
1. Tax on profits to be collected		35.7	24.58
2. Other tax credits	5.1	113.5	54.89
IV. Corporate and other credits	5.1	432.8	583.95
V. Shareholders, called capital		--	--
<b>I) CASH AND BANK</b>		<b>1,307.44</b>	<b>861.07</b>
<b>J) ACCRUAL ADJUSTMENTS</b>		<b>1,415.11</b>	<b>1,223.97</b>
<b>K) OTHER ASSETS</b>		<b>56.07</b>	<b>109.84</b>
<b>L) NON-CURRENT ASSETS CLASSED AS AVAILABLE FOR SALE AND DISCOUNTED OPERATIONS</b>		<b>3.03</b>	<b>4.15</b>
<b>TOTAL ASSETS</b>		<b>47,005.28</b>	<b>43,105.85</b>

*Figures in million euros*

**MAPFRE, S.A. AND CONTROLLED COMPANIES**

**A) CONSOLIDATED BALANCE SHEET AS AT 30th JUNE 2010 AND 31st DECEMBER 2009**

LIABILITIES AND EQUITY	Notes	30th June 2010	31st Dec 2009
<b>A) EQUITY</b>		<b>7,767.28</b>	<b>7,093.75</b>
I. Share capital	6	301.21	292.26
II. Share premium and reserves		5,763.97	4,916.18
III. Treasury stock		--	--
IV. Result for period attributable to the controlling Company		500.16	926.85
V. Other equity instruments		--	--
VI. Adjustments for change in valuation		(114.08)	160.05
VII. Translation differences		309.56	(129.65)
<b>Equity attributable to the controlling Company's shareholders</b>		<b>6,760.82</b>	<b>6,165.69</b>
<b>Minority interests</b>		<b>1,006.46</b>	<b>928.06</b>
<b>B) SUBORDINATED LIABILITIES</b>	<b>5.2</b>	<b>660.42</b>	<b>620.69</b>
<b>C) TECHNICAL PROVISIONS</b>		<b>31,016.40</b>	<b>28,968.46</b>
I. Provisions for unearned premiums and for risks in progress		6,406.19	5,625.77
II. Provisions for life assurance		16,232.51	16,454.79
III. Provisions for outstanding claims		7,678.08	6,382.72
IV. Other technical provisions		699.62	505.18
<b>D) TECHNICAL PROVISIONS FOR LIFE ASSURANCE WHERE POLICYHOLDERS BEAR THE INVESTMENT RISK</b>		<b>1,419.95</b>	<b>798.68</b>
<b>E) PROVISIONS FOR RISKS AND EXPENSES</b>		<b>423.67</b>	<b>404.95</b>
<b>F) DEPOSITS RECEIVED ON CEDED AND RETROCEDED REINSURANCE</b>		<b>137.28</b>	<b>126.22</b>
<b>G) DEFERRED TAX LIABILITIES</b>		<b>920.55</b>	<b>870.25</b>
<b>H) DEBT</b>		<b>4,352.15</b>	<b>3,932.02</b>
I. Issuance of debenture bonds and other negotiable securities	5.2	455.76	428.01
II. Due to credit institutions	7	1,150.78	1,013.93
III. Other financial liabilities	5.3	234.27	309.87
IV. Due on direct insurance and coinsurance operations		657.43	690.70
V. Due on reinsurance operations		661.51	394.29
VI. Tax payable			
1. Tax on profits to be paid		260.76	158.39
2. Other tax debts		220.25	199.83
VII. Other debts		711.39	737.00
<b>I) ACCRUAL ADJUSTMENTS</b>		<b>306.05</b>	<b>288.92</b>
<b>J) LIABILITIES LINKED TO NON-CURRENT ASSETS CLASSED AS AVAILABLE FOR SALE AND DISCONTINUED OPERATIONS</b>		<b>1.53</b>	<b>1.91</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>47,005.28</b>	<b>43,105.85</b>

*Figures in million euros*

**MAPFRE, S.A. AND CONTROLLED COMPANIES**

**B) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR HALF YEARS ENDED 30th JUNE 2010 AND 30th JUNE 2009**

**B.1) CONSOLIDATED PROFIT AND LOSS ACCOUNT**

ITEM	Notes	2010	2009
<b>I. REVENUES FROM INSURANCE BUSINESS</b>			
1. Insurance premiums, net	8.1		
a) Written premiums, direct insurance		8,043.98	7,399.01
b) Premiums from accepted reinsurance		1,070.47	914.13
c) Premiums from ceded reinsurance		(912.63)	(834.23)
d) Variation in provisions for premiums and risks in progress, net			
Direct insurance		(636.26)	(674.24)
Accepted reinsurance		(126.49)	(50.00)
Ceded reinsurance		133.50	26.69
2. Share in profits from companies recorded using the equity method		4.96	0.23
3. Income from investments			
a) From operations		1,124.61	1,068.09
b) From equity		101.18	105.30
4. Unrealised gains in investments on account of life policyholders bearing the investment risk		34.10	30.21
5. Other technical revenues		28.40	47.66
6. Other non technical revenues		27.37	26.22
7. Positive translation differences		206.74	110.89
8. Reversal of the asset impairment provision		4.32	4.69
<b>TOTAL REVENUES FROM INSURANCE BUSINESS</b>		<b>9,104.25</b>	<b>8,174.65</b>
<b>II. EXPENSES FROM INSURANCE BUSINESS</b>			
1. Claims, net			
a) Claims paid and variation in provision for claims, net			
Direct insurance		(5,883.63)	(4,902.71)
Accepted reinsurance		(1,069.85)	(549.43)
Ceded reinsurance		1,523.22	450.38
b) Claims related expenses		(298.43)	(301.92)
2. Variation in other technical provisions, net		(288.19)	54.03
3. Profit sharing and returned premiums		(24.37)	(16.31)
4. Net operating expenses			
a) Acquisition expenses		(1,393.77)	(1,221.57)
b) Administration expenses		(282.68)	(334.53)
c) Commissions and participation in reinsurance		93.91	107.22
5. Share of losses from companies recorded using the equity method		(13.13)	(6.38)
6. Expenses from investments			
a) From operations		(244.12)	(359.23)
b) From equity and financial accounts		(33.99)	(42.88)
7. Unrealised losses in investments on account of life policyholders bearing the investment risk		(54.29)	(21.55)
8. Other technical expenses		(35.56)	(69.75)
9. Other non technical expenses		(33.05)	(19.41)
10. Negative translation differences		(202.25)	(111.07)
11. Allowance to the asset impairment provision		(4.99)	(19.13)
<b>TOTAL EXPENSES FROM INSURANCE BUSINESS</b>		<b>(8,245.17)</b>	<b>(7,364.24)</b>
<b>RESULT OF THE INSURANCE BUSINESS</b>		<b>859.08</b>	<b>810.41</b>
<b>III. OTHER ACTIVITIES</b>			
1. Operating revenues		300.37	259.97
2. Operating expenses		(295.89)	(258.82)
3. Net financial revenues			
a) Financial revenues		19.33	73.21
b) Financial expenses		(64.57)	(61.71)
4. Results from minority interests			
a) Profits from companies recorded using the equity method		0.04	0.20
b) Losses from companies recorded using the equity method		(21.84)	(11.93)
5. Reversal of asset impairment provision		1.45	2.99
6. Allowance to the asset impairment provision		--	(1.30)
7. Result from the disposal of non current assets classified as available for sale, not included in discontinued operations		--	--
<b>RESULT FROM OTHER ACTIVITIES</b>		<b>(61.11)</b>	<b>2.61</b>
<b>IV. RESULT ON RESTATEMENT OF FINANCIAL ACCOUNTS</b>		<b>(9.50)</b>	<b>--</b>
<b>V. RESULT BEFORE TAX FROM ONGOING OPERATIONS</b>	8.2	<b>788.47</b>	<b>813.02</b>
<b>VI. TAX ON PROFIT FROM ONGOING OPERATIONS</b>		<b>(220.63)</b>	<b>(228.87)</b>
<b>VII. RESULT AFTER TAX FROM ONGOING OPERATIONS</b>		<b>567.84</b>	<b>584.15</b>
<b>VIII. RESULT AFTER TAX FROM DISCONTINUED OPERATIONS</b>	8.2	<b>(4.18)</b>	<b>(0.88)</b>
<b>IX. RESULT FOR THE YEAR</b>		<b>563.66</b>	<b>583.27</b>
1. Attributable to minority shareholders		(63.50)	(52.68)
2. Attributable to the controlling Company	8.2	500.16	530.59

Figures in million euros

Basic and diluted gains per share (euros)		0.17	0.19
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**MAPFRE, S.A. AND CONTROLLED COMPANIES**

**B.2) STATEMENT OF OTHER COMPREHENSIVE INCOME**

ITEM	GROSS AMOUNT		TAXES ON PROFITS		ATTRIBUTIBLE TO MINORITY INTERESTS		ATTRIBUTIBLE TO THE CONTROLLING COMPANY	
	2010	2009	2010	2009	2010	2009	2010	2009
<b>A) CONSOLIDATED RESULT FOR THE PERIOD</b>	<b>784.29</b>	<b>812.14</b>	<b>(220.63)</b>	<b>(228.87)</b>	<b>(63.50)</b>	<b>(52.68)</b>	<b>500.16</b>	<b>530.59</b>
<b>B) OTHER RECOGNISED INCOME / (EXPENSES)</b>	<b>100.20</b>	<b>135.56</b>	<b>100.18</b>	<b>(36.96)</b>	<b>(35.30)</b>	<b>42.31</b>	<b>165.08</b>	<b>140.91</b>
<b>1. Financial assets available for sale</b>	<b>(643.78)</b>	<b>(100.67)</b>	<b>174.37</b>	<b>34.85</b>	<b>71.38</b>	<b>15.48</b>	<b>(398.03)</b>	<b>(50.34)</b>
a) Valuation gains / (losses)	(597.80)	(149.73)	166.92	50.17				
b) Amounts transferred to the profit and loss account	(45.98)	49.06	7.45	(15.32)				
<b>2. Exchange rate differences</b>	<b>504.20</b>	<b>20.44</b>	<b>(0.90)</b>	<b>(4.18)</b>	<b>(64.09)</b>	<b>49.27</b>	<b>439.21</b>	<b>65.53</b>
a) Valuation gains / (losses)	502.32	20.02	(0.90)	(4.18)				
b) Amounts transferred to the profit and loss account	0.05	0.42	--	--				
c) Other reclassifications	1.83	--	--	--				
<b>3. Shadow accounting</b>	<b>245.33</b>	<b>226.86</b>	<b>(73.60)</b>	<b>(68.09)</b>	<b>(42.67)</b>	<b>(22.57)</b>	<b>129.06</b>	<b>136.2</b>
a) Valuation gains / (losses)	237.35	235.39	(71.21)	(70.65)				
b) Amounts transferred to the profit and loss account	7.98	(8.53)	(2.39)	2.56				
<b>4. Companies valued using the equity method</b>	<b>(5.51)</b>	<b>(8.86)</b>	<b>0.31</b>	<b>--</b>	<b>0.08</b>	<b>(0.03)</b>	<b>(5.12)</b>	<b>(8.89)</b>
a) Valuation gains / (losses)	(5.51)	(9.11)	0.31	--				
b) Amounts transferred to the profit and loss account	--	--	--	--				
c) Other reclassifications	--	0.25	--	--				
<b>5. Other recognised income / (expenses)</b>	<b>(0.04)</b>	<b>(2.21)</b>	<b>--</b>	<b>0.46</b>	<b>--</b>	<b>0.16</b>	<b>(0.04)</b>	<b>(1.59)</b>
<b>TOTAL</b>	<b>884.49</b>	<b>947.70</b>	<b>(120.45)</b>	<b>(265.83)</b>	<b>(98.90)</b>	<b>(10.37)</b>	<b>665.24</b>	<b>671.50</b>

*Figures in million euros*

**MAPFRE, S.A. AND CONTROLLED COMPANIES**

**C) CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30th JUNE 2010 AND 30th JUNE 2009**

ITEM	EQUITY ATTRIBUTABLE TO THE CONTROLLING COMPANY				MINORITY INTERESTS	TOTAL NET EQUITY
	EQUITY			Valuation adjustment reserves		
	Share capital	Share Premium and other Reserves	Result Attributable to the controlling company			
<b>BALANCE AS AT 1st JANUARY 2009</b>	274.48	4,116.04	900.69	(389.03)	814.19	5,716.37
I. Changes in accounting policies	--	--	--	--	--	--
II. Correction of errors	--	--	--	--	--	--
<b>ADJUSTED OPENING BALANCE</b>	274.48	4,116.04	900.69	(389.03)	814.19	5,716.37
<b>I. TOTAL RECOGNISED INCOME / (EXPENSES)</b>	--	--	530.59	140.91	10.37	681.87
<b>II. OPERATIONS WITH SHAREHOLDERS OF THE CONTROLLING COMPANY</b>	11.86	(83.43)	--	--	(3.95)	(75.52)
1. Increases / (decreases) in Capital	11.86	153.66	--	--	--	165.52
2 Distribution de dividends (Note 4)	--	(219.59)	--	--	(3.95)	(223.54)
3 Increases / (decreases) from combinations of businesses	--	--	--	--	--	--
4. Other operations with shareholders of the Controlling Company	--	(17.50)	--	--	--	(17.50)
<b>III. OTHER VARIATIONS IN EQUITY</b>	--	905.30	(900.69)	1.56	(3.68)	2.49
1. Transfers between equity items	--	900.69	(900.69)	--	--	--
2. Other variations	--	4.61	--	1.56	(3.68)	2.49
<b>BALANCE AS AT 30th JUNE 2009</b>	286.34	4,937.91	530.59	(246.56)	816.93	6,325.21

<b>BALANCE AS AT 1st JANUARY 2010</b>	292.26	4,916.18	926.85	30.40	928.06	7,093.75
I. Changes in accounting policies	--	--	--	--	--	--
II. Correction of errors	--	--	--	--	--	--
<b>ADJUSTED OPENING BALANCE</b>	292.26	4,916.18	926.85	30.40	928.06	7,093.75
<b>I. TOTAL RECOGNISED INCOME / (EXPENSES)</b>	--	--	500.16	165.08	98.80	764.04
<b>II. OPERATIONS WITH SHAREHOLDERS OF THE CONTROLLING COMPANY</b>	8.95	(79.60)	--	--	(30.80)	(101.45)
1. Increases / (decreases) in Capital	8.95	169.31	--	--	--	178.26
2 Distribution de dividends (Note 4)	--	(233.82)	--	--	(30.80)	(264.62)
3 Increases / (decreases) from combinations of businesses	--	--	--	--	--	--
4. Other operations with shareholders of the Controlling Company	--	(15.09)	--	--	--	(15.09)
<b>III. OTHER VARIATIONS IN EQUITY</b>	--	927.39	(926.85)	--	10.40	10.94
1. Transfers between equity items	--	926.85	(926.85)	--	--	--
2. Other variations	--	0.54	--	--	10.40	10.94
<b>BALANCE AS AT 30th JUNE 2010</b>	301.21	5,763.97	500.16	195.48	1,006.46	7,767.28

Figures in million euros

**MAPFRE, S.A. AND CONTROLLED COMPANIES**

**D) CONSOLIDATED CASH FLOW STATEMENT FOR HALF YEAR ENDED 30th JUNE 2010 AND 30th JUNE 2009**

ITEMS	2010	2009
<b>1. Insurance activities:</b>	<b>306.91</b>	<b>(560.99)</b>
Cash received from insurance activities	8,147.53	8,105.41
Cash payments from insurance activities	(7,840.62)	(8,666.40)
<b>2. Other operating activities</b>	<b>(0.97)</b>	<b>(15.96)</b>
Cash received from operating activities	311.46	352.45
Cash payments from operating activities	(312.43)	(368.41)
<b>3. Receipt /(payment) of corporation tax</b>	<b>(126.63)</b>	<b>(143.17)</b>
<b>NET CAS FLOWS FROM OPERATING ACTIVITIES</b>	<b>179.31</b>	<b>(720.12)</b>
<b>1. Proceeds from investment activities:</b>	<b>16,723.92</b>	<b>6,755.94</b>
Plant and equipment	2.85	73.18
Investments in property	131.18	263.19
Intangible fixed assets	--	0.75
Financial instruments	15,704.56	5,279.77
Shareholdings	46.90	312.54
Dependent companies and other business units	74.07	49.13
Interest collected	573.76	548.61
Dividends collected	73.24	15.56
Other receipts related to investment activities	117.36	213.21
<b>2. Payment form investment activities:</b>	<b>(16,463.32)</b>	<b>(5,524.31)</b>
Plant and equipment	(79.13)	(145.17)
Investments in property	(13.32)	(14.70)
Intangible fixed assets	(39.25)	(13.39)
Financial instruments	(16,024.55)	(4,351.26)
Shareholdings	(119.48)	(740.27)
Dependent companies and other business units	(102.20)	(39.41)
Other receipts related to investment activities	(85.39)	(220.11)
<b>NET CASH FLOWS FROM INVESTMENT ACTIVITIES</b>	<b>260.60</b>	<b>1,231.63</b>
<b>1. Proceeds from financing activities</b>	<b>548.09</b>	<b>725.70</b>
Debenture bonds	--	--
Proceeds from issuance of equity instruments and capital increases	183.21	165.50
Proceeds from sale of treasury stock	1.60	--
Other proceeds from financing activities	363.28	560.20
<b>2. Payments from financing activities</b>	<b>(509.51)</b>	<b>(1,143.22)</b>
Dividends paid to shareholders and donations	(277.92)	(244.72)
Interests paid	(26.64)	(32.75)
Debenture bonds	--	(49.16)
Payments on return of shareholders' contributions	--	--
Purchase of treasury stock	(1.98)	--
Other proceeds related to investment activities	(202.97)	(816.59)
<b>NET CASH FLOW EFFECT OF FINANCING ACTIVITIES</b>	<b>38.58</b>	<b>(417.52)</b>
<b>Translation differences in cash flow and cash balances</b>	<b>(32.12)</b>	<b>4.91</b>
<b>NET INCREASE (DECREASE) IN CASH FLOW</b>	<b>446.37</b>	<b>98.90</b>
<b>OPENING CASH BALANCE</b>	<b>861.07</b>	<b>1,415.07</b>
<b>CLOSING CASH BALANCE</b>	<b>1,307.44</b>	<b>1,513.97</b>

Figures in million Euros

## **MAPFRE, S.A. AND CONTROLLED COMPANIES**

### **E) NOTES EXPLAINING THE CONDENSED INTERIM FINANCIAL STATEMENTS**

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#### **1. GENERAL INFORMATION ON THE COMPANY AND ITS ACTIVITY**

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MAPFRE, S.A. (hereinafter “the controlling company” or “MAPFRE”) is a limited company [sociedad anónima] whose shares are traded on the Stock Exchange, and it is the controlling company of a group of subsidiary companies involved in the various sectors that make up the insurance business, both Life and Non-Life, finance, real-estate and property investment, and services.

CARTERA MAPFRE, S.L., Sociedad Unipersonal (hereinafter CARTERA MAPFRE) 100% controlled by FUNDACIÓN MAPFRE, owns 64.40% of the capital of MAPFRE, S.A.

The scope of the activities of the controlling company and its subsidiaries (hereinafter “the Group” or “GRUPO MAPFRE”) comprises the Spanish territory, member countries of the European Economic Area, and other countries.

The controlling company was incorporated in Spain and its registered address is located at Paseo de Recoletos 25, Madrid.

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#### **2. BASES OF PRESENTATION AND ACCOUNTING POLICIES**

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##### **2.1. BASES OF PRESENTATION**

The condensed interim consolidated financial statements for the six-month period ended 30th June 2009 (hereinafter, “interim financial statements”) have been drafted in accordance with the provisions of International Accounting Standard (IAS) no. 34 with regard to interim financial information. The said interim financial statements do not include all information that would be required of complete consolidated annual accounts drafted in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union, and so the attached interim financial statements should be read in conjunction with the Group’s consolidated annual accounts corresponding to the financial year ended 31st December 2009.

The application of the new Standards and Interpretations applicable as from 1st January 2010, specifically IAS 27 “Financial Statements - Consolidated and Separate (modified)” and IFRS 3 “Business combinations (revised)” have had no effects on the accounting policies, the financial position or the results of the Group. No Standards and Interpretations have been applied in advance which, had they been approved by the European Commission, would not have become applicable.

In order to harmonise the Group financial information with respect the interim consolidated financial statements to 30th June 2009, certain items of the equity and the cash flow statement the have been grouped together.

The interim financial statements have been approved by the Board of Directors at its meeting held on 22nd July 2010.

## 2.2. ACCOUNTING POLICIES

The policies and accounting methods used in the drafting of the consolidated interim financial statements for the interim period coincide with those applied in the drafting of the latest approved consolidated annual accounts, corresponding to financial year 2009.

## 2.3. CHANGES TO THE SCOPE OF CONSOLIDATION

The breakdown of the changes in the scope of consolidation during the six-month period ended 30th June 2010 is as follows:

### 1. Acquisitions or increases in participations

Name of the Company	Category	Effective date of the operation	Cost of combination		% Share	
			Amount paid	Fair value of net worth instruments issued for the acquisition	Acquisition	Total
NUEVO TANATORIO, S.L.	Acquisition	01.01.2010	1.10	--	50.00	50.00
FINIBANCO VIDA	Acquisition	01.01.2010	15.00	--	50.00	50.00
MAPFRE PORTUGAL VIDA	Incorporation	01.01.2010	7.92	--	100.00	100.00
MIDDLESEA INSURANCE P.L.C.	Acquisition	31.03.2010	0.04	--	0.28	31.08
MAPFRE ATLAS COMPAÑÍA DE SEGUROS, S.A.	Acquisition	31.03.2010	0.36	--	1.80	60.00
MAPFRE RE C.R. DE BRASIL	Incorporation	31.03.2010	--	--	100.00	100.00
CARIBE ASISTENCIA	Acquisition	30.06.2010	0.12	--	12.76	72.71
FUNESPAÑA	Acquisition	30.06.2010	6.79	--	9.40	9.40

Figures in million Euros

### 2. Sales of participations and other corporate transactions

Company name	Category	Effective date of the transaction	% Share		Result
			Reduction	As at 30.06.09	
BALDRICH & ASSOCIATES INC	Merger	31.03.2010	100.00	0.00	--

Figures in million Euros

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### 3. SEASONAL VARIATIONS IN OPERATIONS

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In the insurance market, the seasonal-variation component is provided for in the time allocation of the premium, given that this is carried out in accordance with the pattern of how claims are distributed over time throughout the period of cover of the contract.

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### 4. DIVIDENDS PAID

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The breakdown of dividends paid by the controlling company in the six-monthly periods ended 30th June 2010 and 30th June 2009 is as follows:

Item	Total dividend (in million Euros)		Dividend per share (in Euros)	
	2010	2009	2010	2009
Final dividend of prior fiscal year	233.82	219.59	0.08	0.08
Interim dividend of current fiscal year	--	--	--	--
<b>Total</b>	<b>233.82</b>	<b>219.59</b>	<b>0.08</b>	<b>0.08</b>

This distribution of dividends was approved by the Shareholders General Meeting and complies with the requirements and limits laid down in the legal provisions and in the by-laws.

## 5. FINANCIAL INSTRUMENTS

### 5.1. FINANCIAL ASSETS

The breakdown of the financial assets by type and by category as at 30th June 2010 and 31st December 2009 is as follows:

Item	Portfolio held to maturity		Portfolio available for sale		Trading portfolio		Loans and items receivables	
	2010	2009	2010	2009	2010	2009	2010	2009
Derivatives	--	--	--	--	19.80	14.47	--	--
Equity instruments and mutual funds	--	--	1,311.94	1,082.76	69.27	26.64	--	--
Debt securities	1,061.02	890.33	23,524.49	23,773.45	1,174.38	1,108.51	--	--
Hybrid instruments	--	--	--	--	6.33	--	0.02	12.03
Loans	--	--	--	--	--	--	104.35	105.73
Deposits established for accepted reinsurance	--	--	--	--	--	--	253.07	202.63
Credits on direct insurance, coinsurance, and reinsurance operations	--	--	--	--	--	--	3,999.73	2,946.68
Other financial assets	64.18	33.95	295.32	261.94	38.19	76.03	609.59	752.64
<b>Total</b>	<b>1,125.20</b>	<b>924.28</b>	<b>25,131.75</b>	<b>25,118.15</b>	<b>1,307.97</b>	<b>1,225.65</b>	<b>4,966.76</b>	<b>4,019.71</b>

Figures in million Euros

### 5.2. ISSUANCE, REPURCHASE OR REIMBURSEMENT OF SUBORDINATED DEBT INSTRUMENTS

During the semester, no operations have been undertaken involving subordinated debt instruments.

### 5.3. FINANCIAL LIABILITIES

The balance of the other financial liabilities account as at 30th June 2010 and 31st December 2009 contains, *inter alia*, liabilities held for trading in the sum of €139.25 million and €230.48 million, respectively; no amount is included for liabilities for fair value with changes to the profit and loss account.

## 6. SHARE CAPITAL

The share capital of the controlling company as at 30th June 2010 is represented by 3,012,154,351 shares with a par value of €0.10 each, fully subscribed and paid up. All shares confer the same voting and economic rights.

CARTERA MAPFRE owned 64.40% and 64.10% of the capital as at 30th June 2010 and 30th June 2009, respectively.

All shares representing the share capital of the controlling company are authorised to trade on the Madrid and Barcelona Stock Exchanges.

- **Capital increase carried out in the six-monthly period ended 30 June 2010**

As part of the option granted to shareholders to reinvest their dividends in MAPFRE shares, on 23rd June 2010 a public deed recorded the capital increase undertaken via the issue of 89,444,572 million new shares, each with a nominal value of €0.10, which were fully subscribed for and paid-up. Said shares were issued at a 2,008% premium, that is €2.008 each, with €0.10 nominal value and the remaining €1.908 earmarked to the legal reserve, until reaching 20% of the issued capital, with the rest destined to voluntary reserves.

## 7. DEBTS WITH CREDIT INSTITUTIONS

The breakdown of credit lines as at 30th June 2010 and 31st December 2009 is as follows:

Agent Bank	Maturity	Interest Rate	Limit		Drawn down	
			2010	2009	2010	2009
Société Générale	18.06.2014	Euribor + 0.14	500.00	500.00	500.00	500.00
Caja Madrid	21.05.2013	Euribor + 0.95	500.00	--	300.00	--
Caja Madrid	03.04.2012	Euribor + 1.50	64.00	150.00	--	16.86
BBVA	15.06.2010	Euribor + 0.60	--	100.00	--	100.00
<b>Total</b>			<b>1,064.00</b>	<b>750.00</b>	<b>800.00</b>	<b>616.86</b>

Figures in million Euros

Société Générale and Caja Madrid are the agent Banks for the two credit lines indicated above, which are syndicated loans with other entities.

## 8. FINANCIAL INFORMATION BY SEGMENTS

### 8.1. DISTRIBUTION OF PREMIUMS BY GEOGRAPHICAL AREA

The breakdown by geographical areas of the allocated premiums, net of reinsurance, for the six-monthly periods closed on 30th June 2010 and 30th June 2009 is as follows:

Geographical segment	2010	2009
Spain	4,028.61	3,787.58
Other European Union countries	392.81	328.23
America	2,868.50	2,455.25
Rest of the World	282.65	210.30
<b>Total premiums</b>	<b>7,572.57</b>	<b>6,781.36</b>

Figures in million Euros

### 8.2. ORDINARY REVENUES AND EARNINGS BY BUSINESS SEGMENTS

The breakdown of ordinary revenues and earnings by business segments for the six-monthly periods closed on 30th June 2010 and 30th June 2009 is as follows:

Business segment	Ordinary revenues		Results			
			Pre-tax		Attributable to the controlling company	
	2010	2009	2010	2009	2010	2009
Direct insurance:						
• Life	2,182.70	1,795.96	209.97	162.18	151.18	94.11
• Motor	2,631.31	2,646.33	291.94	282.38	220.78	205.33
• Other non-life	3,503.25	3,146.21	267.73	285.83	198.76	203.03
Reinsurance	1,413.31	1,163.68	105.77	96.16	75.79	65.06
Other activities	519.28	374.67	268.49	389.81	280.61	380.37
Total continued operations	10,249.85	9,126.85	1,143.90	1,216.36	927.12	947.90
Discontinued operations	--	--	--	--	(4.18)	(0.88)
Consolidation adjustments	(835.02)	(553.74)	(355.43)	(403.34)	(422.78)	(416.43)
<b>Total</b>	<b>9,414.82</b>	<b>8,573.11</b>	<b>788.47</b>	<b>813.02</b>	<b>500.16</b>	<b>530.59</b>

Figures in million Euros

The ordinary revenues include the direct-insurance premiums written and the accepted-reinsurance premiums from the insurance business, as well as the operating revenues from other activities.

The transactions between segments are due mainly to reinsurance operations and inter Group company dividends eliminated upon consolidation, with the impact included in "Consolidation adjustments".

## 9. TRANSACTIONS WITH INTERESTED PARTIES

### 9.1. COSTS AND REVENUES

The breakdown of the costs and revenues with interested parties for the six-monthly periods closed on 30th June 2010 and 30th June 2009 is as follows:

Item	Significant shareholders		Other linked parties		Total	
	2010	2009	2010	2009	2010	2009
Financial expenses	--	--	65.07	83.11	65.07	83.11
Management or co-operation agreements	--	--	9.17	9.08	9.17	9.08
Leases	--	--	0.02	--	0.02	--
Receipt of services	--	--	--	--	--	--
Valuation corrections for bad or doubtful debts	--	--	--	--	--	--
Earnings from assets cancelled or disposed of	--	--	--	--	--	--
Other expenses	--	--	0.05	--	0.05	--
<b>Total</b>	--	--	<b>74.31</b>	<b>92.19</b>	<b>74.31</b>	<b>92.19</b>
Financial income	--	--	56.92	67.27	56.92	67.27
Management or co-operation agreements	--	--	2.53	3.43	2.53	3.43
Dividends received	--	--	--	--	--	--
Leases	--	--	0.81	0.99	0.81	0.99
Provision of services	--	--	--	--	--	--
Earnings from assets cancelled or disposed of	--	--	--	35.43	--	35.43
Other income	--	--	--	--	--	--
<b>Total</b>	--	--	<b>60.26</b>	<b>107.12</b>	<b>60.26</b>	<b>107.12</b>

Figures in million Euros

## 9.2. OTHER TRANSACTIONS

The breakdown of other transactions with interested parties for the six-monthly periods closed on 30th June 2010 and 30th June 2009 is as follows:

Item	Significant shareholders		Other linked parties		Total	
	2010	2009	2010	2009	2010	2009
Acquisition of tangible, intangible, or other assets	--	--	38.32	127.91	38.32	127.91
Finance agreements: credits and capital contributions conferred	--	--	--	--	--	--
Financial leases (lessor)	--	--	--	--	--	--
Amortization or cancellation of loans and lease agreements (lessor)	--	--	--	--	--	--
Sale of tangible, intangible or other assets.	--	--	13.62	59.90	13.62	59.90
Finance agreements, loans and capital contributions received	--	--	67.09	151.71	67.09	151.71
Financial leases (lessee)	--	--	--	--	--	--
Amortization or cancellation of loans and lease agreements (lessee)	--	--	1.73	1.22	1.73	1.22
Guaranties and bank guaranties given	--	--	--	--	--	--
Guaranties and bank guaranties received	--	--	0.34	0.12	0.34	0.12
Undertakings acquired	--	--	--	--	--	--
Undertakings/Guaranties cancelled	--	--	0.06	9.83	0.06	9.83
Dividends and other attributed profits	189.47	176.71	15.09	17.50	204.56	194.21
Other transactions	--	--	--	13.92	--	13.92

Figures in million Euros

## 9.3. REMUNERATION OF KEY MANAGEMENT PERSONNEL

The breakdown of the remuneration of key management personnel in the six-monthly periods closed 30th June 2010 and 30th June 2009 is as follows:

Item	2010	2009
• Fixed remuneration	1.61	1.69
• Variable remuneration	2.76	2.91
• Expenses	0.40	0.39
• Fixed assignments	1.08	1.04
• Allocation of expenses for payments based on shares	(0.53)	0.17
• Post-employment remuneration	1.70	0.93
• Other	0.04	0.18
<b>Total</b>	<b>7.06</b>	<b>7.31</b>

Figures in million Euros

#### 9.4. AVERAGE WORKFORCE

There follows below a breakdown of the average number of Group employees during the six-monthly periods closed on 30th June 2010 and 30th June 2009.

Average workforce	2010	2009
Men	14,914	14,594
Women	20,110	20,007
<b>Total</b>	<b>35,024</b>	<b>34,601</b>

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#### 10. ADDITIONAL NOTE FOR ENGLISH TRANSLATION

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These summary interim consolidated financial statements are prepared in accordance with the requirements established by IAS 34, "Interim Financial Reporting", adopted by the European Union. 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 summary interim consolidated financial statements originally issued in Spanish. In the event of discrepancy, the Spanish language version prevails.

## VI. INTERIM CONSOLIDATED MANAGEMENT REPORT

### OPERATING REVENUES AND FUNDS UNDER MANAGEMENT

Direct insurance and accepted reinsurance premiums written by the subsidiaries of the Group amounted to €9,719.7 million in the first half of 2010, an 11.1% increase. Consolidated premiums totalled €9,114.5 million, a 9.6% rise. Total operating revenues reached €11,110.4 million, including €143.1 million of new gross contributions to pension funds. The breakdown of these revenues by business line is shown in the following table<sup>1</sup>:

	<b>6M 2010</b>	6M 2009	% 10/09
<b>Companies operating mainly in Spain</b>	<b>5,549.9</b>	<b>5,328.6</b>	<b>4.2%</b>
- Gross written and accepted premiums	4,354.5	4,177.1	4.2%
- Income from investments	882.7	877.3	0.6%
- Non-insurance companies' revenues and other	312.7	274.1	14.1%
<b>Companies operating mainly abroad</b>	<b>6,087.0</b>	<b>5,117.6</b>	<b>18.9%</b>
- Gross written and accepted premiums	5,365.2	4,570.8	17.4%
- Income from investments	612.1	443.4	38.0%
- Non-insurance companies' revenues and other	109.7	103.4	6.1%
<b>Parent company</b>	<b>329.6</b>	<b>458.3</b>	<b>-28.1%</b>
<b>TOTAL REVENUES</b>	<b>11,966.5</b>	<b>10,904.4</b>	<b>9.7%</b>
Consolidation adjustments and other companies	-999.2	-861.6	16.0%
<b>TOTAL CONSOLIDATED REVENUES</b>	<b>10,967.3</b>	<b>10,042.8</b>	<b>9.2%</b>
Gross contributions to pension funds	143.1	175.8	-18.6%
<b>TOTAL REVENUES FROM OPERATIONS</b>	<b>11,110.4</b>	<b>10,218.6</b>	<b>8.7%</b>

*Figures in million euros*

<sup>1</sup> Figures for MAPFRE GLOBAL RISKS, which for operational purposes belongs to the INTERNATIONAL DIRECT INSURANCE DIVISION as from January 2010, are presented as part of those companies operating mainly abroad.

In the first half of 2010, the total consolidated revenues exceeded the figures for the previous year by 9.2%, on the back of the sustained development of the international and reinsurance businesses, complemented by an increase in business volumes in Spain, thanks to the strong pick-up in Life Assurance and the recovery in Motor insurance, as well as to the increase in financial revenues.

The following table shows the evolution of funds under management in Life Assurance and Savings products:

	<b>6M 2010</b>	6M 2009	% 10/09
Life assurance technical reserves	18,409.1	17,150.7	7.3%
Pension funds	3,627.9	3,460.0	4.9%
Mutual funds and managed portfolios	2,589.1	2,351.0	10.1%
<b>TOTAL</b>	<b>24,626.1</b>	<b>22,961.7</b>	<b>7.2%</b>

*Figures in million euros*

The variation in funds under management is mainly due to: the winning of Life-Savings business in Spain, specifically in the bancassurance channel; the development of Life Assurance abroad, as well as reinsurance; and the consolidation of FINIBANCO VIDA.

Excluding the impact of the adjustments arising from the change in the market value of the assets backing Life Assurance technical reserves, funds under management would have increased 6.4%.

## Spain

Direct insurance and accepted reinsurance premiums written by the Group companies that operate primarily in Spain reached €4,354.5 million, to which €143.1 million of new gross contributions to pension funds must be added, with the following breakdown by company:

	6M 2010	6M 2009	% 10/09
MAPFRE FAMILIAR	2,347.0	2,435.4	-3.6%
MAPFRE EMPRESAS	396.9	417.9	-5.0%
<b>NON-LIFE INSURANCE IN SPAIN</b>	<b>2,743.9</b>	<b>2,853.3</b>	<b>-3.8%</b>
LIFE SAVINGS	1,383.2	1,111.9	24.4%
Agents channel	464.8	647.2	-28.2%
Bank channel - CAJA MADRID	645.2	250.5	157.6%
Bank channel - Other <sup>(2)</sup>	273.2	214.2	27.5%
LIFE PROTECTION	227.4	211.9	7.3%
Agents channel	103.6	104.8	-1.1%
Bank channel - CAJA MADRID	76.2	69.1	10.3%
Bank channel - Other <sup>(2)</sup>	47.6	38.0	25.3%
<b>LIFE ASSURANCE IN SPAIN<sup>(1)</sup></b>	<b>1,610.6</b>	<b>1,323.8</b>	<b>21.7%</b>
<b>TOTAL PREMIUMS</b>	<b>4,354.5</b>	<b>4,177.1</b>	<b>4.2%</b>
<b>Gross contributions to pension funds</b>	<b>143.1</b>	<b>175.8</b>	<b>-18.6%</b>

*Figures in million euros*

- (1) As of 2010, MAPFRE GLOBAL RISKS is presented as part of the business activities abroad.
- (2) Includes BANKINTER VIDA, CCM VIDA Y PENSIONES and UNIÓN DUERO VIDA. MAPFRE VIDA's branch in Portugal, whose business was transferred to MAPFRE INTERNACIONAL in January 2010, is included in the latter for both years.

The 3.6% decrease in premiums at MAPFRE FAMILIAR reflects the deliberate cancellation of recurrently loss-making group health policies with some civil servants' mutual purchasing associations. Excluding this, growth stood at 1.7%, reflecting:

- a 0.8% increase in Motor insurance, thanks to the loyalty campaigns implemented and to the recovery in sales of vehicles. At the end of the period, MAPFRE insured 5,848,575 vehicles in Spain (5,799,641 as at 31.12.2009), equivalent to a net increase of 48,934 units in the first half of the year;
- the good performance of Home insurance (+5.1%);
- a 4.1% rise in Health, Accident and Burial, thanks to the 6.7% growth in the Health line.

The contraction in the premiums volume at MAPFRE EMPRESAS reflects a lower demand due to the economic slowdown, although a positive effect has been achieved in the second quarter thanks to the sales initiatives implemented.

The notable increase in issuance at MAPFRE VIDA is a result of the successful campaigns of Savings and Protection products carried out through the bancassurance channel, in which the contribution of CAJA MADRID must be noted.

The following table shows the breakdown by company of premiums written through the agents and bank channels:

	AGENTS AND OTHER			BANK CHANNEL			TOTAL		
	6M 2010	6M 2009	Var. %	6M 2010	6M 2009	Var. %	6M 2010	6M 2009	Var. %
LIFE <sup>(1)</sup>	568.6	701.5	-18.9%	1,042.0	571.9	82.2%	1,610.6	1,273.4	26.5%
MAPFRE FAMILIAR	2,236.3	2,326.4	-3.9%	110.7	109.0	1.6%	2,347.0	2,435.4	-3.6%
MAPFRE EMPRESAS <sup>(2)</sup>	391.0	411.5	-5.0%	5.9	6.4	-7.8%	396.9	417.9	-5.0%
NON-LIFE	2,627.3	2,737.9	-4.0%	116.6	115.4	1.0%	2,743.9	2,853.3	-3.8%
LIFE <sup>(1)</sup>									
MAPFRE VIDA - Large corporate operations							0.0	50.4	---
<b>TOTAL<sup>(1)</sup></b>	<b>3,195.9</b>	<b>3,439.5</b>	<b>-7.1%</b>	<b>1,158.6</b>	<b>687.3</b>	<b>68.6%</b>	<b>4,354.5</b>	<b>4,177.1</b>	<b>4.2%</b>

Figures in million euros

(1) Includes BANKINTER VIDA, CCM VIDA Y PENSIONES and UNIÓN DUERO VIDA.

(2) As of 2010, MAPFRE GLOBAL RISKS, previously part of MAPFRE EMPRESAS, is included in the international business. For comparison purposes, figures have been adjusted for both years.

Other revenues from companies that operate primarily in Spain amounted to €312.7 million, an increase of 10.2% over the previous year. Their breakdown by company is shown in the following table:

	6M 2010	6M 2009	% 10/09
MAPFRE INVERSIÓN and subsidiaries	45.6	42.0	8.6%
MAPFRE INMUEBLES	8.4	13.8	-39.1%
MAPFRE QUAVITAE	74.7	67.6	10.5%
Other entities	184.0	160.4	14.7%
<b>TOTAL</b>	<b>312.7</b>	<b>283.8</b>	<b>10.2%</b>

Figures in million euros

The subsidiaries that operate in stockbroking, as well as mutual and pension fund management, which are grouped under MAPFRE INVERSIÓN, obtained revenues of €45.6 million, an 8.6% rise versus 2009. The volume of assets in mutual funds and managed portfolios stood at €2,589.1 million, equivalent to a 10.1% increase. At the end of the first half, assets managed in pension funds amounted to €1,566.4 million, an increase of 4.8%.

The “Other entities” item includes revenues from MAPFRE FAMILIAR’s non-insurance activities, which amounted to €152.4 million, an increase of 20.7%.

## International

Premiums written and accepted by the companies whose activity is primarily international evolved as follows:

	<b>6M 2010</b>	6M 2009	% 10/09
Life	570.5	469.7	21.5%
LATIN AMERICA	537.7	453.3	18.6%
OTHER COUNTRIES <sup>(1)</sup>	32.8	16.4	100.0%
Non-life	2,839.1	2,440.3	16.3%
LATIN AMERICA	1,911.8	1,575.0	21.4%
OTHER COUNTRIES <sup>(1)</sup>	927.3	865.3	7.2%
<b>DIRECT INSURANCE</b>	<b>3,409.6</b>	<b>2,910.0</b>	<b>17.2%</b>
GLOBAL RISKS	488.5	452.9	7.9%
ACCEPTED REINSURANCE	1,253.9	1,018.5	23.1%
ASSISTANCE	213.2	189.4	12.6%
<b>TOTAL CUMULATIVE PREMIUMS</b>	<b>5,365.2</b>	<b>4,570.8</b>	<b>17.4%</b>

*Figures in million euros*

(1) Includes MAPFRE USA CORP (previously THE COMMERCE GROUP), MAPFRE INSULAR (the Philippines), MAPFRE GENEL SIGORTA (Turkey) and the business in Portugal.

Premiums growth at MAPFRE AMÉRICA reflects:

- the good business development in the whole region, specifically in the General, Accident and Life Assurance lines;
- the consolidation of the insurance operations of GRUPO MUNDIAL, which in the first half contributed €78.2 million.

The following table shows the breakdown of the growth rates of Direct Insurance premiums achieved in the various countries:

COUNTRY	PREMIUMS (LIFE AND NON-LIFE)			Local Currency
	6M 2010	6M 2009	% 10/09	% 10/09
BRAZIL <sup>(1)</sup>	961.9	747.0	28.8%	4.4%
VENEZUELA	280.2	371.3	-24.5%	47.9%
MEXICO	271.9	215.1	26.4%	13.2%
ARGENTINA	216.1	194.1	11.3%	16.5%
COLOMBIA	180.8	123.7	46.2%	19.0%
PUERTO RICO	155.0	143.9	7.7%	5.3%
CHILE	102.5	60.8	68.6%	51.6%
CENTRAL AMERICA	96.9	20.2	---	---
PERU	90.4	66.5	35.9%	23.0%
OTHER COUNTRIES <sup>(2)</sup>	93.8	85.7	9.5%	---
<b>MAPFRE AMÉRICA</b>	<b>2,449.5</b>	<b>2,028.3</b>	<b>20.8%</b>	

*Figures in million euros*

(1) Figures for Brazil for 6M 2010 include premiums from MAPFRE NOSSA CAIXA of €85.1 million (€117.9 million in 6M 2009).

(2) Includes Ecuador, Paraguay, the Dominican Republic and Uruguay.

MAPFRE INTERNACIONAL obtained total premiums of €960.1 million, with an increase of 8.9% due to:

- the improvement in volumes and price environment in the USA;
- the good development of issuance in Turkey, thanks to the improvement in the economic scenario and the rate rises;
- the appreciation of the US Dollar and the Turkish Lira;
- the consolidation of FINIBANCO VIDA, which contributes €11.7 million.

The breakdown of the growth rates of Direct Insurance premiums achieved in the various countries is shown in the following table.

COUNTRY	PREMIUMS (LIFE AND NON-LIFE)			Local currency
	6M 2010	6M 2009	% 10/09	% 10/09
USA	<b>722.9</b>	674.4	7.2%	5.3%
TURKEY	<b>139.0</b>	111.5	24.7%	16.3%
PORTUGAL	<b>82.4</b>	81.9	0.6%	0.6%
PHILIPPINES	<b>15.8</b>	13.9	13.7%	7.4%
<b>MAPFRE INTERNACIONAL</b>	<b>960.1</b>	881.7	8.9%	

*Figures in million euros*

MAPFRE GLOBAL RISKS has obtained a premiums volume of €488.5 million, an increase of 7.9%. This development reflects the strong growth of the Property, Third Party Liability and Aviation lines, thanks to the favourable development abroad, which offsets the decrease in the Credit and Surety lines.

In the accepted reinsurance business, MAPFRE RE and its subsidiaries recorded consolidated premiums of €1,253.9 million (€1,018.5 million in the first half of 2009). The 23.1% growth reflects: the Euro's weakness versus other currencies (at constant exchange rates, growth would have amounted to 13.3%); the good performance of the renewal campaign carried out in the first half of the year due to the winning of new business and quota increases in existing contracts; and larger cessions from the Group's international subsidiaries and the growth of the Life Assurance business. Net written premiums amounted to €854.9 million, representing a retention rate of 68.2% (67.5% in the previous year).

The total revenues (premiums and income from the sale of services) at MAPFRE ASISTENCIA and its subsidiaries reached €284.6 million, an 11.3% increase over the same period of the previous year. Of these, €213.2 million corresponded to written and accepted premiums, with a 12.6% increase, and €71.5 million to revenues from services, a 7.7% rise.

## MANAGEMENT RATIOS

In Non-life lines, the consolidated combined ratio was 96.0%. Its increase mainly reflects the impact of Chile's earthquake and severe weather-related losses in Spain, the USA and Portugal. Excluding this, the combined ratio would have been 92.5%. The development of the main management ratios is shown in the following table:

COMPANY	RATIOS					
	EXPENSE RATIO <sup>(1)</sup>		LOSS RATIO <sup>(2)</sup>		COMBINED RATIO <sup>(3)</sup>	
	6M 2010	6M 2009	6M 2010	6M 2009	6M 2010	6M 2009
<b>MAPFRE S.A. consolidated</b>	<b>23.9%</b>	<b>24.3%</b>	<b>72.1%</b>	<b>70.1%</b>	<b>96.0%</b>	<b>94.4%</b>
<b>Companies operating primarily in Spain</b>						
MAPFRE FAMILIAR	17.4%	17.5%	74.8%	72.2%	92.2%	89.7%
MAPFRE EMPRESAS	26.3%	26.7%	58.8%	60.4%	85.1%	87.1%
<b>TOTAL NON-LIFE SPAIN</b>	<b>18.5%</b>	<b>18.6%</b>	<b>72.8%</b>	<b>70.8%</b>	<b>91.3%</b>	<b>89.4%</b>
LIFE ASSURANCE OP. UNIT <sup>(4)</sup>	1.06%	1.05%				
<b>Companies operating primarily abroad</b>						
MAPFRE AMÉRICA	31.3%	32.6%	69.0%	70.0%	100.3%	102.6%
MAPFRE GLOBAL RISKS	24.0%	18.0%	98.0%	81.0%	122.0%	99.0%
MAPFRE INTERNACIONAL	25.9%	26.3%	75.5%	72.3%	101.4%	98.6%
<b>INT'L. DIRECT INSURANCE DIVISION</b>	<b>29.3%</b>	<b>30.0%</b>	<b>72.3%</b>	<b>71.2%</b>	<b>101.6%</b>	<b>101.2%</b>
MAPFRE RE	25.5%	28.1%	69.1%	63.9%	94.6%	92.0%
MAPFRE ASISTENCIA	25.3%	26.4%	67.8%	65.8%	93.1%	92.2%

(1) (Operating expenses, net of reinsurance + profit sharing and returns – other technical income + other technical expenses) / Net premiums earned. Figures for the Non-life business.

(2) (Net claims incurred + variation of other technical reserves) / Net premiums earned. Figures for the Non-life business.

(3) Combined ratio = Expense ratio + Loss ratio. Figures for the Non-life business.

(4) Net operating expenses / average third party funds under management. Annualised figures for MAPFRE VIDA.

## **RESULTS**

The net result attributable to the parent company (after minority interests) amounted to €500.2 million, a 5.7% decrease.

The following table shows the sources and breakdown of results:

	6M 2010	6M 2009	% Var.
<b>NON-LIFE INSURANCE AND REINSURANCE</b>			
Gross written and accepted premiums	6,767.7	6,449.1	4.9%
Premiums earned, net of ceded and retroceded reinsurance	5,385.2	5,059.1	6.4%
Net claims incurred and variation in other technical provisions	-3,883.3	-3,546.4	9.5%
Operating expenses, net of reinsurance	-1,281.9	-1,208.8	6.0%
Other technical income and expenses	-7.0	-19.8	-64.6%
<b>Technical Result</b>	<b>213.0</b>	<b>284.1</b>	<b>-25.0%</b>
Net fin'l. income and other non-technical income and expenses	441.1	361.6	22.0%
<b>Result of Non-life business</b>	<b>654.1</b>	<b>645.7</b>	<b>1.3%</b>
<b>LIFE ASSURANCE AND REINSURANCE</b>			
Gross written and accepted premiums	2,346.8	1,864.1	25.9%
Premiums earned, net of ceded and retroceded reinsurance	2,187.4	1,722.3	27.0%
Net claims incurred and variation in other technical reserves	-2,133.6	-1,703.3	25.3%
Operating expenses, net of reinsurance	-325.0	-256.3	26.8%
Other technical income and expenses	-0.2	-2.4	-91.7%
<b>Technical Result</b>	<b>-271.4</b>	<b>-239.7</b>	<b>13.2%</b>
Net fin'l income and other non-technical income and expenses	496.6	395.6	25.5%
Unrealised gains and losses in Unit-Linked products	-20.2	8.8	---
<b>Result of Life business</b>	<b>205.0</b>	<b>164.7</b>	<b>24.5%</b>
<b>OTHER BUSINESS ACTIVITIES</b>			
Operating revenues	300.4	260.0	15.5%
Operating expenses	-295.9	-258.8	14.3%
Other revenues and expenses	-65.6	1.4	---
<b>Results from other business activities</b>	<b>-61.1</b>	<b>2.6</b>	<b>---</b>
<b>Result on restatement of financial accounts</b>	<b>-9.5</b>	<b>0.0</b>	<b>---</b>
<b>Result before tax and minority interests</b>	<b>788.5</b>	<b>813.0</b>	<b>-3.0%</b>
Taxes	-220.6	-228.9	-3.6%
<b>Result after tax</b>	<b>567.8</b>	<b>584.1</b>	<b>-2.8%</b>
Result after tax from discontinued operations	-4.2	-0.8	---
<b>Result for the year</b>	<b>563.7</b>	<b>583.3</b>	<b>-3.4%</b>
Result attributable to minority shareholders	-63.5	-52.7	20.5%
<b>Result attributable to the controlling Company</b>	<b>500.2</b>	<b>530.6</b>	<b>-5.7%</b>

*Figures in million euros*

The result attributable to the parent company includes for both years a series of large items of extraordinary nature. Excluding these, the underlying result would grow 6.3%.

The contribution of the main Units and Companies to consolidated results is shown in the following table:

	Net Result	Minority interests	Contribution to consolidated result 6M 2010	Contribution to consolidated result 6M 2009
<b>INSURANCE ACTIVITIES</b>				
LIFE ASSURANCE OP. UNIT <sup>(1)</sup>	75.3		<b>75.3</b>	67.7
MAPFRE FAMILIAR	241.6		<b>241.6</b>	250.3
MAPFRE EMPRESAS	56.8		<b>56.8</b>	42.8
<b>OTHER ACTIVITIES</b>				
MAPFRE INMUEBLES	-6.9		<b>-6.9</b>	-7.0
MAPFRE QUAVITAE	0.1	-0.1	<b>0.0</b>	-0.2
BANCO DE S.F. CAJA MADRID - MAPFRE			<b>-21.8</b>	-11.9
<b>COMPANIES OPERATING MAINLY IN SPAIN</b>			<b>344.9</b>	341.7
MAPFRE AMERICA	83.2	-9.3	<b>73.9</b>	57.2
MAPFRE GLOBAL RISKS	5.3		<b>5.3</b>	8.5
MAPFRE RE	64.2	-5.5	<b>58.7</b>	55.9
MAPFRE ASISTENCIA	8.4		<b>8.4</b>	7.1
MAPFRE INTERNACIONAL <sup>(2)</sup>	52.6	-6.5	<b>46.1</b>	47.8
			<b>192.4</b>	176.5
<b>COMPANIES OPERATING MAINLY ABROAD</b>				
Other companies and consolidation adjustments			<b>-37.1</b>	12.4
<b>MAPFRE S.A.</b>			<b>500.2</b>	530.6

*Figures in million euros*

- 1) Includes BANKINTER VIDA, CCM VIDA Y PENSIONES, UNION DUERO VIDA and DUERO PENSIONES.
- 2) Includes MAPFRE USA CORP. (USA), MAPFRE INSULAR (the Philippines), MAPFRE GENEL SIGORTA (Turkey) and the business in Portugal.

## **BALANCE SHEET**

The following table shows the consolidated balance sheet:

	<b>30.6.10</b>	<b>31.12.09</b>	<b>30.6.09</b>	<b>Interannual variation</b>
<b>ASSETS</b>				
Goodwill	1,790.6	1,643.9	1,627.7	10.0%
Fixed assets	429.9	480.6	453.9	-5.3%
Cash & equivalents	1,307.4	861.1	1,514.0	-13.6%
Investments & real estate	31,747.8	30,844.1	29,388.2	8.0%
Participation of reinsurance in technical reserves	3,614.0	2,484.1	2,490.0	45.1%
Other assets	8,115.6	6,792.0	7,116.4	14.0%
<b>TOTAL ASSETS</b>	<b>47,005.3</b>	<b>43,105.8</b>	<b>42,590.2</b>	<b>10.4%</b>
<b>LIABILITIES</b>				
Shareholders' Equity	6,760.8	6,165.7	5,508.3	22.7%
Minority interests	1,006.5	928.1	816.9	23.2%
Financial & subordinated debt	2,267.0	2,062.6	2,652.0	-14.5%
Technical reserves	32,436.4	29,767.1	29,560.7	9.7%
- Life assurance reserves <sup>(1)</sup>	17,652.5	17,253.5	16,774.0	5.2%
- Other technical reserves	14,783.9	12,513.6	12,786.7	15.6%
Reserves for risks and expenses	423.7	405.0	391.7	8.2%
Other liabilities	4,110.9	3,777.3	3,660.6	12.3%
<b>TOTAL LIABILITIES</b>	<b>47,005.3</b>	<b>43,105.8</b>	<b>42,590.2</b>	<b>10.4%</b>

*Figures in million euros*

1) Includes unit-linked reserves

Total assets under management, including mutual and pension funds, amounted to €53,222.3 million (€48,401.2 million at the end of the previous year), a 10.0% increase.

## **CONSOLIDATED EQUITY AND RETURNS**

The net consolidated equity stood at €7,767.3 million, compared to €6,325.2 million as at 30.6.2009. Of said amount, €1,006.5 million corresponded to minority interests in subsidiaries. Consolidated equity per share amounted to €2.24 at the end of the first half of 2010 (€1.92 as at 30.6.2009).

The variation in net equity during the year is shown in the following table:

	<b>6M 2010</b>	<b>6M 2009</b>
<b>BALANCE AS AT PRIOR YEAR END</b>	<b>7,093.8</b>	<b>5,716.4</b>
Additions and deductions accounted for directly in equity		
Investments available for sale	-469.4	-65.8
Translation adjustments	503.3	16.3
Shadow accounting	171.7	158.8
TOTAL	205.6	109.3
Result for the period	563.7	583.3
Distribution of previous year's result	-279.7	-241.0
Interim dividend for the year	---	---
Other items	183.9	157.2
<b>BALANCE AS AT PERIOD END</b>	<b>7,767.3</b>	<b>6,325.2</b>

*Figures in million euros*

Equity shows an increase of €673.5 million during the year, which reflects:

- the result for the first half;
- the negative effect of the market volatility on the value of investments;
- significant positive translation differences, mainly as a result of the appreciation of the US Dollar and most of the Latin American currencies;
- the payment of a gross final dividend of €0.08 per share approved at the Annual Shareholders' Meeting on 6th March, offset to a large extent by the success of the scrip dividend plan, which contributed €179.6 million (before taxes, duties and expenses) to shareholders' equity.

## **HUMAN RESOURCES**

The number of employees at the end of the first half of the year and its breakdown by line of business is shown in the following table:

	<b>6M 2010</b>	<b>6M 2009</b>	<b>Var.</b>
Insurance companies	25,704	24,619	4.4%
Other businesses	10,424	10,201	2.2%
<b>TOTAL</b>	<b>36,128</b>	<b>34,820</b>	<b>3.8%</b>

At the end of the first half of 2010, there were 16,842 employees in Spain and 19,286 abroad (16,940 and 17,880, respectively, as at 30.6.2009).

## **ENVIRONMENTAL ISSUES**

The Group companies do not have any environmental related item that might be significant or specifically included in the present management report.

## **MAIN RISKS AND UNCERTAINTIES FOR THE SECOND HALF OF THE YEAR**

The business activities of MAPFRE are exposed to uncertainty and risk factors that may affect in general terms the results and equity of the companies that operate in the market in the same business segments (basically, insurance and reinsurance).

Nevertheless, the Group is reasonably protected against said risks through a consistent strategic approach based on:

- A rigorous technical approach to the underwriting of risks and the handling of claims, together with a level of expenses below market average.

- A conservative investment management policy.
- A reasonable level of indebtedness that does not entail liquidity nor refinancing issues with adverse conditions.

Within this framework, the main uncertainties for the second half of the year are derived from the negative economic environment in the main countries in which the Group carries out its business activities. More specifically:

- A contraction in the level of economic activity, leading to a fall in the demand for insurance products and in the results from the subsidiaries of BANCO DE SERVICIOS FINANCIEROS CAJA MADRID – MAPFRE.
- Negative inflation.
- Possible fluctuations in the market value of financial investments.
- A fall in the market value of real estate investments.
- A fall in the sales of real estate developed by MAPFRE INMUEBLES, whose revenues in 2009 contributed 0.3% of the Group's total revenues.

The Board of Directors deems that MAPFRE is well prepared to face these situations and is adopting the appropriate measures to reduce their consequences as much as possible. The accounts for the first half reflect appropriately the impact of these risks.